A CRITICAL ASSESSMENT OF POSTGRADUATE REAL ESTATE EDUCATION IN THE REPUBLIC OF SOUTH AFRICA

by

Samuel Herald Peter Chikafalimani

research submitted in compliance with the requirements for the degree of

DOCTOR OF PHILOSOPHY IN REAL ESTATE

FACULTY OF ENGINEERING, BUILT ENVIRONMENT AND INFORMATION TECHNOLOGY

UNIVERSITY OF PRETORIA

STUDY LEADER: PROFESSOR C.E. CLOETE

March 2010
TABLE OF CONTENTS

Abstract i
Acknowledgements iii
Table of contents iv
List of tables viii
List of figures x

CHAPTER 1: THE PROBLEM AND ITS SETTING
1.1 Introduction 1
1.2 The statement of the problem 2
1.3 The sub-problems 4
1.4 The hypotheses 5
1.5 The assumptions 7
1.6 The delimitations 7
1.7 Definitions of terms 8
1.8 Abbreviations 12
1.9 The importance of study 14

CHAPTER 2: LITERATURE REVIEW
2.1 Introduction 18
2.2 Real estate discipline 18
2.2.1 Definition and characteristics of real estate 18
2.2.2 Changing real estate discipline 19
2.3 Critical issues of real estate education 24
2.3.1 Education 25
2.3.2 Real estate education approaches 27
2.3.3 Real estate curriculum 30
2.3.4 Guides for real estate education 40
2.3.5 Real estate body of knowledge 43
2.4 Influential elements of real estate curriculum development 45
2.4.1 Accreditation bodies 46
2.4.2 Buildings, climate and environmental concerns 48
2.4.3 Client needs 49
2.4.4 Demographic factors 50
2.4.5 Economic development 51
2.4.6 Employers 52
2.4.7 Entrepreneurship 53
2.4.8 Finance 53
2.4.9 Globalisation 55
2.4.10 Government and political factors 57
2.4.11 Information technology advances 59
2.4.12 Land 61
2.4.13 Local communities and professionals 62
2.4.14 Publications, research and textbooks 62
2.4.15 Real estate educators 65
2.4.16 Real estate constituents 66
2.4.17 Real estate consumer behaviour, social and cultural factors 68
2.4.18 Real estate cycle 69
2.4.19 Students 70
CHAPTER 3: RESEARCH METHODOLOGY

3.1 Research method
3.2 Postgraduate real estate curriculum survey
3.2.1 Internet research on postgraduate real estate curricula
3.2.2 Relevant real estate publications
3.3 Property industry survey
3.3.1 Questionnaire
3.3.2 Pilot survey
3.3.3 Sample populations
3.3.4 Main survey
3.3.5 Questionnaire coding
3.3.6 Data capturing and cleaning

CHAPTER 4: CURRICULUM SURVEY

4.1 Introduction
4.2 Selected postgraduate real estate curricula
4.2.1 Postgraduate real estate curricula in South Africa
4.2.1.1 MSc (Real Estate) degree programme offered by University of Pretoria
4.2.1.2 MSc (Property Studies) degree programme offered by University of Cape Town
4.2.1.3 MSc (Property Development and Management) degree programme offered by University of Witwatersrand
4.2.1.4 Masters in Property Science degree programme offered by University of Free State
4.2.1.5 MSc (Built Environment) degree programme offered by University of Nelson Mandela Metropolitan
4.2.2 Postgraduate real estate curricula in other African countries
4.2.2.1 MSc (Estate Management) degree programme offered by Obafemi Awolowo University in Nigeria
4.2.2.2 Master of Arts in Valuation and Property Management degree programme offered by University of Nairobi in Kenya
4.2.2.3 MSc (Real Estate) degree programme offered by University College of Lands and Architectural Studies in Tanzania
4.2.3 Postgraduate real estate curricula in North America
4.2.4 Postgraduate real estate curricula in Europe
4.2.5 Postgraduate real estate curricula in Asia
4.2.6 Postgraduate real estate curricula in the Pacific-Rim
4.3 Results and analysis
4.3.1 Comparison of Masters Real Estate curricula in South Africa
4.3.1.1 Curriculum differences
4.3.1.2 Curriculum similarities
4.3.2 Comparison of Masters Real Estate curricula in South Africa and other African countries
CHAPTER 5: PROPERTY INDUSTRY SURVEY

5.1 Introduction

5.2 Survey approach

5.3 General survey procedure

5.3.1 Response data

5.3.2 Treatment of the data

5.3.3 Description of statistics of survey respondents

5.3.4 Testing the hypotheses

5.4 Results and analysis

5.4.1 Testing hypothesis 1: Topics included in the existing Masters Real Estate curricula in South Africa and other parts of the world are important for the real estate industry in South Africa

5.4.1.1 Overall response on importance of Masters Real Estate topics by all respondents

5.4.1.2 Ranking of Masters Real Estate topics by all respondents

5.4.1.3 Rating of the importance of Masters Real Estate topics based on years of experience

5.4.1.4 Rating of the importance of Masters Real Estate topics based on geographical location

5.4.1.5 Overall response on approximate percentages of time to be spent on Masters Real Estate topics by all respondents

5.4.1.6 Ranking of approximate percentages of time allocated to Masters Real Estate topics by all respondents

5.4.1.7 Rating of the approximate time to be spent on Masters Real Estate topics based on years of experience

5.4.1.8 Rating of the approximate time to be spent on Masters Real Estate topics based on geographical location

5.4.1.9 Conclusion regarding hypothesis 1

5.4.2 Testing hypothesis 2: New challenges and needs had emerged in the real estate industry in South Africa that are inadequately being addressed by topics included in the existing Masters Real Estate curricula in South Africa and other parts of the world

5.4.2.1 Overall response on any other topics to be included in a Masters Real Estate curriculum by all real estate professionals

5.4.2.2 Overall response on any other comments to be considered in a Masters Real Estate curriculum by all real estate professionals

5.4.2.3 Conclusion regarding hypothesis 2

5.5 Conclusions of the property industry survey

CHAPTER 6: MODEL CURRICULUM

6.1 Introduction

6.2 Critical factors considered in the development of the model curriculum

6.3 Constituents of the real estate industry in South Africa

6.4 Conventional real estate knowledge and skills

6.5 Curriculum

6.5.1 Education institution requirements
<table>
<thead>
<tr>
<th>Table</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Table 4.1</td>
<td>Masters Real Estate programmes offered in South Africa</td>
<td>92</td>
</tr>
<tr>
<td>Table 4.2</td>
<td>Masters Real Estate programmes offered in other countries of Africa</td>
<td>98</td>
</tr>
<tr>
<td>Table 4.3</td>
<td>Masters Real Estate programmes offered in other North America, Europe, Asia and the Pacific-Rim</td>
<td>102</td>
</tr>
<tr>
<td>Table 4.4</td>
<td>Details of Masters Real Estate programmes in South Africa</td>
<td>104</td>
</tr>
<tr>
<td>Table 4.5</td>
<td>Percentages of course subjects offered in Masters Real Estate curricula in South Africa</td>
<td>106</td>
</tr>
<tr>
<td>Table 4.6</td>
<td>Topics offered in Masters Real Estate curricula in South Africa by university</td>
<td>110</td>
</tr>
<tr>
<td>Table 4.7</td>
<td>Ranking of topics offered in Masters Real Estate curricula in South Africa by university frequency</td>
<td>111</td>
</tr>
<tr>
<td>Table 4.8</td>
<td>Details of Masters Real Estate programmes offered in other countries of Africa</td>
<td>114</td>
</tr>
<tr>
<td>Table 4.9</td>
<td>Percentages of course subjects offered in Masters Real Estate curricula in other countries of Africa</td>
<td>117</td>
</tr>
<tr>
<td>Table 4.10</td>
<td>Topics offered in Masters Real Estate curricula in other countries of Africa by university</td>
<td>117</td>
</tr>
<tr>
<td>Table 4.11</td>
<td>Ranking of topics offered in Masters Real Estate curricula in other countries of Africa by university frequency</td>
<td>120</td>
</tr>
<tr>
<td>Table 4.12</td>
<td>Comparison of Masters Real Estate topics in South Africa and other African countries</td>
<td>121</td>
</tr>
<tr>
<td>Table 4.13</td>
<td>Details of Masters Real Estate programmes offered in North America, Europe, Asia and the Pacific-Rim</td>
<td>121</td>
</tr>
<tr>
<td>Table 4.14</td>
<td>Topics offered in Masters Real Estate curricula in the USA by university</td>
<td>127</td>
</tr>
<tr>
<td>Table 4.15</td>
<td>Ranking of topics offered in Masters Real Estate curricula in the USA by university frequency</td>
<td>130</td>
</tr>
<tr>
<td>Table 4.16</td>
<td>Comparison of Masters Real Estate topics offered in South Africa and USA</td>
<td>131</td>
</tr>
<tr>
<td>Table 4.17</td>
<td>Topics offered in Masters Real Estate curricula in the UK by university</td>
<td>132</td>
</tr>
<tr>
<td>Table 4.18</td>
<td>Ranking of topics offered in Masters Real Estate curricula in the UK by university frequency</td>
<td>133</td>
</tr>
<tr>
<td>Table 4.19</td>
<td>Comparison of Masters Real Estate topics offered in South Africa and UK</td>
<td>134</td>
</tr>
<tr>
<td>Table 4.20</td>
<td>Topics offered in Masters Real Estate curricula in the Belgium and Netherlands by university</td>
<td>135</td>
</tr>
<tr>
<td>Table 4.21</td>
<td>Ranking of topics offered in Masters Real Estate curricula in Belgium and Netherlands by university frequency</td>
<td>135</td>
</tr>
<tr>
<td>Table 4.22</td>
<td>Comparison of Masters Real Estate topics offered in South Africa, Belgium, and Netherlands</td>
<td>135</td>
</tr>
<tr>
<td>Table 4.23</td>
<td>Topics offered in Masters Real Estate curricula in Singapore and</td>
<td>135</td>
</tr>
</tbody>
</table>
Table 4.24 Ranking of topics offered in Masters Real Estate curricula in Singapore and Hong Kong by university frequency
Table 4.25 Comparison of Masters Real Estate topics offered in South Africa, Singapore, and Hong Kong
Table 4.26 Topics offered in Masters Real Estate curricula in the Pacific-Rim by university
Table 4.27 Ranking of topics offered in Masters Real Estate curricula in the Pacific-Rim by university frequency
Table 4.28 Comparison of Masters Real Estate topics offered in South Africa and and the Pacific-Rim
Table 5.1 Description of statistics of survey respondents by qualification
Table 5.2 Description of statistics of survey respondents by current employer/s
Table 5.3 Description of statistics of survey respondents by current property involvement/s
Table 5.4 Description of statistics of survey respondents by category of years of experience
Table 5.5 Description of statistics of survey respondents by geographical location
Table 5.6 Ranking of Masters Real Estate topics by real estate professionals based on importance
Table 5.7 Rating of importance of Masters Real Estate topics by category of years of experience
Table 5.8 Rating of importance of Masters Real Estate topics by geographical location
Table 5.9 Ranking of approximate percentages of time allocated to Masters Real Estate topics by real estate professionals
Table 5.10 Rating of approximate percentages of time allocated to Masters Real Estate topics by category of years of experience
Table 5.11 Rating of approximate percentages of time allocated to Masters Real Estate topics by geographical location
Table 6.1 Masters Real Estate topic requirements of the industry in South Africa
Table 6.2 Structure of block weeks for Masters Real Estate Education in South Africa
Table 6.3 Modules for model curriculum
Table 6.4 Sequence of course modules in the curriculum
Table 6.5 Summary of the proposed model curriculum
LIST OF FIGURES

Page

Figure 4.1   Comparison of percentages of some common course subjects offered in Masters Real Estate curricula in South Africa   108
Figure 4.2   Comparison of total credits allocated to Masters Real Estate curricula offered in South Africa   108
Figure 4.3   Comparison of percentages of some common course subjects offered in Masters Real Estate curricula in other African countries   118
Figure 4.4   Comparison of total credits allocated to Masters Real Estate curricula offered in other African countries   118