

## Research Notice: Real Estate Knowledge and the Development of a Real Estate Curricula for African Universities

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### Abstract

Real estate education across the globe has, at its core, certain universal and value-neutral skills and knowledge. This knowledge has developed over decades to reflect the functions of specific market structures which characterise real estate markets. Moreover, it is reflective of the maturity of real estate markets, and as such, the tools developed reflect specific market structures. Real estate analysts are becoming increasingly interested in real estate markets in emerging economies. The challenge facing these analysts is that the dominant real estate theory is based on mature markets within an industrialised context and therefore do not accurately reflect real estate markets in emerging economies. The generic context of real estate markets in emerging economies tends to be characterised by a dual economy, a lack of transparency in the markets, high levels of uncertainty and the existence of communal/customary and informal rights in the ownership of real estate. Hence, this study examines the real estate academic syllabus taught by universities in Sub-Saharan Africa. In doing so this ongoing research aims to assess and understand the differences that exist between the real estate programmes and examine the direction that these programmes could take in an emerging country context.

**Keywords:** Real Estate Education; Real Estate Curricula; Emerging Economies; Sub-Saharan Africa

### 1. Introduction

Over the years, there have been calls to standardise the real estate curricula, but due to the dynamic nature of real estate, this has not been achieved (Kampamba, Tembo, & Nkwae, 2017). As a result, it has become increasingly difficult to define a singular body of knowledge for real estate education (Black & Rabianski, 2003). There are differences not only reflected in the international divergence of real estate education, but also in real estate

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practice and the contextual organisation of the profession (Boyd, Amidu, & Smith, 2014). This can be evidenced by the differences in programme names, the structure of programmes and curricula content at various universities. As a result, where one chooses to pursue real estate studies will, to a very large degree, determine the type of education they receive. For example, if one pursues a real estate degree in the United States, one will most likely get a comprehensive exposure to the multiple disciplines of business (Black & Rabianski, 2003; Roulac, 2005, Schulte et al., 2005; Kampamba et al., 2017). Contrastingly, if one purses real estate studies in the United Kingdom (UK), greater emphasis is placed on a classic surveying curriculum, involving an orientation to land disciplines (Roulac, 2002; Jayantha & Chiang, 2012).

In Africa, real estate education, and the profession at large, is developing (Cloete, 2002; Adewunmi & Olaleye, 2011; Oloyede & Adegoke, 2014; Kampamba et al., 2017). In general, the real estate curricula in Africa is diverse and multi-disciplinary in nature. Viruly and Hopkins, (2014: p.11) note that *“while there are a number of institutions offering real estate programmes across the continent, there seems to be little consistency in an academically taught body of knowledge and hence there are no standards being achieved”*. Perhaps this can be explained by the context of real estate markets in emerging markets, which tends to be characterised by dual economies, a lack of market transparency, high levels of uncertainty and the existence of communal/customary and informal rights of ownership. This research notice, therefore, outlines an ongoing research project that aims to examine the academic syllabus taught by universities across Sub-Saharan Africa (SSA). It also provides insight into the multi-disciplinary knowledge base required to enable graduates to succeed in contextually diverse real estate markets.

The objectives of this study are to; explore the existing literature on real estate education and the real estate body of knowledge; assess and understand the differences that exist between the real estate programmes in SSA; and understand the direction that real estate programmes could take in an emerging country context.

## **2. Literature Review**

Defining the body of knowledge in real estate is extremely difficult, since there appears to be no clear consensus on the boundary lines of the discipline (Black & Rabianski, 2003; Jayantha & Chiang, 2012). Several scholars have attempted to define the body of knowledge in real estate with different claims of being comprehensive. Often the analysis arises from specific philosophical perspectives. For instance, the American approach places a strong emphasis on finance, with the vast majority of real estate academics being housed or affiliated with business colleges (Roulac, 2002). On the other hand, the UK approach mainly focusses on the classic surveying curriculum with strong emphasis on land related disciplines. Typical courses include valuation, law, economics, building construction, planning, management and information technology (Dasso & Woodward, 1980; Schulte & Schulte-Daxböck, 2000; Galuppo & Worzala, 2004). In Brazil, India and China, real estate courses have been organised in a diffused and heterogeneous manner with varying emphasis (Schulte & Schulte-Daxböck, 2000). Some of the major themes

include real estate investments, financial systems, economic evaluation, project management, appraisal, land economics, information technology. Thus, real estate courses in these countries can be regarded as adopting a multi-disciplinary approach. The American approach can be justified because real estate development and investment can largely be defined as a business (apart from the residential buildings). The American approach underlines that if one is to understand business (real estate), then scholars ought to be exposed to multiple disciplines of business (Roulac, 2002). However, the UK approach is better at exposing students to the hands-on involvement required for land and buildings. The UK model, therefore, places less emphasis on viewing real estate purely as an investment class.

In response, some scholars have supported the need for a multi-disciplinary approach for real estate programmes that would bring out the advantages of both the American and UK approach and hence develop better graduates (Newell et al., 2004, Musil, 2005; Mooya, 2007). Further, there is also an argument that real estate curricula should bring in line the diverse needs of the student population and the changing work environment instead of rigidly sticking to the traditional (American or UK) approaches (Butler, Guntermann, & Wolverton, 1998; Schulte & Schulte-Daxböck, 2000; Roulac, 2002; Galuppo & Worzala, 2004; Musil, 2005; Schulte et al., 2005). The argument is made that real estate education curricula should include topics ranging from information technology to entrepreneurship, corporate strategy, mortgage securitization, urban form, technological innovation, environmental concerns, globalization, strategic resource and public-private concerns. However, these topics may only be of benefit to the more mature economies located in the Global North and that they have less relevance for emerging markets of the Global South, particularly those located in Africa. In these contexts, factors such as institutional market arrangements, market maturity as well as the political and economic environment, contribute to the increasing inapplicability of many traditional real estate disciplines. Thus, the problems that affect Africa in the real estate industry are different from those in the Global North. The way universities prepare students for real estate profession in Africa must reflect the way graduates will work and solve real estate problems on the African continent.

### **3. Methodology**

Previous scholars who have considered this issue have largely carried out their studies using surveys and internet searches. These projects relied on surveys distributed to professionals and academics (Donald, 1996; Black & Rabiński, 2003; Schulte et al., 2005). This was often complimented with secondary data from educational institutions that teach real estate studies. They also included the verification of data from university websites.

This research explores the existing literature on real estate education to derive an understanding of the body of knowledge in the real estate sector. To achieve the second objective of assessing the differences that exist between programmes, university websites were checked for information concerning their relevant programmes. Real estate academics in different universities in Africa were contacted to provide the researchers with the necessary programme backgrounds. Eight academics from eight universities engaged

with the researchers and were involved in the survey. The eight universities are: the University of Cape Town and the University of Witwatersrand in South Africa; Copper Belt University in Zambia; the University of Nairobi in Kenya; Ardhi University in Tanzania; Makerere University in Uganda; the Federal University of Technology in Minna, Nigeria; and Kwame Nkrumah University in Ghana. An analysis of the eight universities was conducted and the university courses in real estate were categorised into eight sub-components based on the literature (Black & Rabianski, 2003; Schulte et al., 2005; Harrison & Manning, 2009; Jayantha & Chiang, 2012; Boyd et al., 2014). The eight categories include: Business in Real Estate; Law and Taxation; Construction and Technology; Business and Management; Finance and Valuation; Economics; Land Surveying and Environment; and Others. The different courses under each of the eight categories are shown in Table 1 below.

**Table 1: Categorisation of Real Estate Programmes in Sub-Saharan Africa**

Business in RE	Finance & Valuation	Law & Taxation	Economics	Construction & Technology	Land & Surveying	Business Management	Others
- Facilities Management	- Mathematics for RE	- Elements of the Law & Government	- Micro-economics	- Architectural Drawing & Design	- Physical Environment	- Communication Skills	- Statistics
- Property Maintenance	- Valuation	- Law of Contract & Tort	- Macro-economics	- Building Technology	- Environmental Science	- Introduction to Computing	- Mathematics
- Housing	- Accounting	- Law of Real Property	- Agriculture & Economics	- Science & Technology in Development	- Environmental Building Services	- Information Computerised technology	- Quantitative Methods
- RE Principles	- Financial Management	- Law of Real Property	- Management Land Economics	- Building Material & Finishes	- Introduction to Land Surveying	- Principles of Management	- English Language
- RE Market Analysis	- Investment Appraisal & Analysis	- Business Law	- Natural Resource Economics	- Project Management	- Elements of Urban & Regional Planning	- Entrepreneurial Studies	- Research Methods
- RE Development	- Land Taxation	- Property Dispute Resolution	- Housing Economics & Administration	- Measurement	- Land Administration & Information Systems	- Contracts & Procurement in RE Services	- Science & Technology in Development
- Brokerage Business Management	- Value & Risk Management	- Commercial Law	- Econometrics for Property Studies	- Architectural Studies & Construction	- Environmental Impact Assessment & Audits	- Professional Ethics	- Principles of Agriculture & Forestry
- Development Perspective	- RE Finance	- Real Estate Law	- Urban Economics	- Construction Building Materials	- Land Management & Policy Studies	- Management & Leadership	- Field Attachment
- Property Development	- Business Finance	- Labour Law	- Property Studies	- Infrastructure & Building Services	- Planning for Property Developers	- Evidence Based Management	- Globalisation & the Built environment
- Estate Management	- Management Accounting	- Property & Contract Law		- Management & Structural Condition Surveys	- Urban Land Use & Development	- Marketing	- Industrial Training
- Corporate RE Management	- Risk & Insurance Practice	- Land Law		- Built Environment	- Geographical Information Systems	- Strategic management	- Philosophy
- RE Marketing & Agency	- Corporate Finance	- Planning & Public Policy Analysis		- Free Hand Sketching	- Land Information Systems	- Human Resource Management	- HIV/AIDS
- RE Information Systems		- Landlord Tenant Law				- Value Management	

**Table 2: Percentages of Subject Categorisation per University**

		Categories of Real Estate Courses in SSA																	
University	Programme	1 Business in RE		2 Finance & Valuation		3 Law & Taxation		4 Economics		5 Construction & Technology		6 Land Surveying & Environment		7 Business & Management		8 Others		Total Number of Courses	
		No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
1	University of Nairobi Bachelor of Real Estate	4	7%	10	18%	5	9%	9	16%	6	11%	8	14%	6	11%	8	14%	56	100%
2	University of Witwatersrand BSc in Property Studies	7	23%	7	23%	2	7%	4	13%	3	10%	2	7%	3	10%	2	7%	30	100%
3	University of Cape Town BSc in Property Studies	1	2%	6	14%	9	21%	9	21%	4	10%	0	0%	6	14%	7	17%	42	100%
4	Makarere University Bachelor of Real Estate Business Management	6	19%	6	19%	2	6%	2	6%	1	3%	3	10%	6	19%	5	16%	31	100%
5	Ardhi University BSc in Real Estate Finance and Investment	6	10%	14	22%	5	8%	4	6%	5	8%	7	11%	7	11%	15	24%	63	100%
		12	19%	7	11%	6	10%	3	5%	7	11%	6	10%	10	16%	12	19%	63	100%
6	Copper Belt University BSc in Real Estate Studies	3	10%	7	23%	3	10%	4	13%	4	13%	2	6%	2	6%	6	19%	31	100%
7	Federal University of Technology in Minna B.Tech in Estate Management	6	8%	13	17%	9	12%	9	12%	14	18%	9	12%	6	8%	11	14%	77	100%
8	Kwame Nkrumah University BSc in Estate Management	7	14%	10	20%	9	18%	2	4%	6	12%	3	6%	5	10%	8	16%	50	100%

Results from the desktop research (Table 2) reveal that universities in SSA have either taken on the UK approach or the American approach. For instance, the University of Nairobi has the majority of their courses in Land Surveying. Whilst the Federal University of Technology in Minna tends to be focused on construction and technology. Other universities in SSA have adopted the American approach placing a strong emphasis on finance and investment.

The subsequent research objective concerns understanding the direction that real estate programmes could take in an emerging country context. This will be achieved via a survey because this method of data collection is relatively inexpensive, convenient and often easier to find statistically significant results than other data gathering methods. Survey questionnaires were distributed to the attendees of the 2018 African Real Estate Society (AfRES) Conference in Abeokuta; Nigeria. Furthermore, a similar questionnaire has also been applied by the Latin American Real Estate Society. The intention being to provide a comparison between programmes in SSA and in Latin America; regions characterised by emerging real estate markets.

The survey comprised open and closed ended questions. Of the questionnaires administered at the conference, 100 responses were retrieved from AfRES. The questionnaire comprised questions that would help show the direction that real estate programmes can take in an emerging country context. Attendees were asked to rank different topics according to perceived importance in educational programmes. This includes risk and return analysis, discounted cash flow analysis, real estate market modelling-demand and supply analysis, yield calculation and forecasting, real estate market cycles and forecasting, government policy impact on real estate, appraisal methodology and techniques, analysis of site characteristics, financial market cycles and forecasting, urban development and growth analysis, macro-economic cycles and forecasting, commercial location theory, lease analysis, commercial real estate location requirements, and land use regulations. The data collected from the survey conducted in Nigeria is yet to be analysed, and the survey from Latin America has not yet been completed.

Moving forward the survey results will be correlated against the preliminary desktop research (shown in Table Two). Following this, the results from Latin America Real Estate Society's survey will be compared with that of the questionnaires collected at the recent AfRES Conference in Nigeria. Results will be analysed and compared to help define the direction of real estate programmes in the emerging country context.

#### **4. Conclusion**

Previous research suggests that apart from core competencies, real estate programmes should incorporate a set of general educational outcomes required for real estate professionals. The important issue is that curricula should attempt to reflect the market context in which they are delivered. While countries that are characterised by mature real estate markets tend to place a strong emphasis on investment and finance, this is not the case for countries characterised by more opaque, emerging markets. This research suggests that there is evidence that real estate programmes in SSA tend to

find an appropriate balance between subjects of a social and financial nature. However, the research also suggests that it is difficult to identify strong similarities between real estate programmes offered in SSA. The outcome of the combined African and Latin American research aims to show whether commonalities exist between programmes across these two continents and whether conclusions can be drawn for programmes delivered in an emerging country context.

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