Preparing for the exchange

Preparatory work for the exchange at USB did take some effort. Especially the collection of documents for the study permit turned out to be quite time-consuming. The documents required for the study permit included, amongst others: a comprehensive application for temporary residence permit with a passport-size photo, the official letter of acceptance from Stellenbosch University, a police clearance certificate, two medical certificates (available from YTHS), proof of a health insurance which is valid in the Republic of South Africa and proof of sufficient funds to cover for the expenses during the study period. On top, the South African embassy in Helsinki required a repatriation guarantee from applicants – at the time I was applying for the Visa (May 2014) it was EUR 1,400.

The South African Embassy in Pohjoinen Makasiinanikatu states that it usually takes about 15 days to process the application, given that all the necessary documents are handed in with the application form. However, for international students studying at Aalto Biz it is certainly advisable to check also the requirements of the South African embassy in their respective home countries. I personally started gathering the documents according to the requirements by the South African embassy in Finland but then decided to apply through the embassy in Berlin because I was going on a home vacation the last month before departing to South Africa. The South African embassy in Berlin, however, states that it takes up to 8 weeks to process the application. So processing time can be a pressing issue and one should be aware of it. Sadly enough, several exchange students arrived late in South Africa and either missed a couple of lectures during the first weeks or even entire courses. Two German students arrived 3 weeks late and missed several classes and the whole introduction week because their visa application got rejected for various reasons. One Chinese student even arrived 6 Weeks after the official start of the semester and was only able to take courses from the second period of the semester. So in conclusion, the visa application process can be a bit troublesome and should be handled with care. Nevertheless, it seems that the South African embassy in Helsinki is perhaps the best way to apply for the visa given the short processing time and the fact that one usually is close to their premises in Pohjoinen Makassinikatu.
Besides the application for the study permit, the exchange university also required exchange students to officially apply through the USB’s own application system for the exchange semester. Documents needed for this application included a CV, photocopies of your passport, a recommendation letter (I got mine from an Aalto Business Ethics lecturer), the transcripts with grades from your undergraduate and graduate studies and possibly a TOEFL score report. I believe the TOEFL score report was not obligatory but they asked for it as I indicated the score in my application through USB. Altogether, the application is pretty straightforward and should not keep one busy for more than one day. It should be noted, though that USB requires its applicants to have at least 18 months of work experience.

**Exchange Studies**

The University of Stellenbosch Business School – unlike the University of Stellenbosch’s main campus - is located in Bellville, about 20 km away from Cape Town’s city center. The introduction week lasting from July 15 – July 24, 2014 marked the actual start of the exchange semester. Most activities of the introduction week started off from the Business School campus in Bellville. This week was fully organized by the USB administration but still allowed for time to arrange for individual plans and get to know other exchange students as well as the local South African students. Activities during the introduction week included a trip to the main campus in Stellenbosch (a truly beautiful campus), several introductory sessions with all other exchange students studying at main campus, a Cape Town city tour, a wine tasting at one of the vineyards in the Stellenbosch region and a meeting with the president of the University of Stellenbosch for lunch.

During the introduction week, exchange students also had to register officially for the semester and bring along their passport (with visa) and a proof of medical insurance. Upon registration at USB students were also required to pay a registration fee of R 5,460 which at the time being (exchange rate of 1EUR ≈ 14Rand) equaled roughly EUR 380. In
addition to this obligatory registration fee, the USB staff also encouraged exchange students to purchase the text books accompanying each course taken at USB. Personally, I recommend that one do not purchase these text books. For those courses that were not part of the Elective block (see below), the text books were required from time to time. However, the costs of the text books – the two books for Operations & Information Management alone were $195 combined at the time writing this report – were far too high in comparison to the amount of time one would need them. Whenever one needed a text book, it was also possible to just get it from the library or borrow one of the many copies that the local full-time MBA students had purchased. In fact, each local full-time MBA student obtained a copy of each text book as they were covered by the paid tuition fees.

Courses

In general, the course choice at USB for exchange students was very limited with regard to the courses that were not part of the Electives (see below). The fall semester was divided into two periods. In the first period, term 3, Operations and Information Management and Business in Society were offered. In the second period, term 4, only International Management was offered. Eventually, during the one-week-long elective week from November 8 until November 15, 2014, there was a great variety of more than 20 courses students could register for. The three courses mentioned above are all taken together with the group of full-time MBA students enrolled at USB. Only the courses taken during the elective week were joined by also part-time or modular MBA students of Stellenbosch University’s Business School. Unfortunately, there was very little time for often quite complex content and many students thought it would have been better to stretch the content of the Electives over a longer period of time. The following courses represent my choice for the fall semester. As you can derive from the course starting and ending dates, my exchange term basically lasted from July 14 until November 15. As I did not take the course in International Management because of possible overlaps in content with previously taken courses such as Driving Global Businesses and Managing in a Global Context from Aalto, I did not have any classes between October 2, and November 8. There was indeed a lot of free time in this period for traveling and other purposes. However, some of the courses such as Portfolio Management required also pre-assignments which needed to be done during this time. All courses referred to in further
detail below, were taught in English. The University does, however, offer courses in Afrikaans to its modular MBA students.

**Operations and Information Management, 10ECTS (25SAQA credits)**

As indicated above, this course was taken with the full-time local MBA students. There was a total of 24 lectures of roughly two hours each. These 24 lectures were jointly delivered by two lecturers. One lecturer specialized in operations management whilst the other was more focused on the information management site. With regard to evaluation, this course was probably the most comprehensive one. Categories used for evaluation were further divided into individual and group assignments such that the overall evaluation looked as follows:

<table>
<thead>
<tr>
<th>Individual Assessments</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Learning Hub tests (<em>all chapters, both textbooks</em>)</td>
<td>10%</td>
</tr>
<tr>
<td>Class Tests (sessions 9, 16)</td>
<td>15%</td>
</tr>
<tr>
<td>Homework (sessions 8, 15, 24)</td>
<td>5%</td>
</tr>
<tr>
<td>Final assessment (session 25)</td>
<td>25%</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>55%</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Group Assessments</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>New media assignment (session 14)</td>
<td>10%</td>
</tr>
<tr>
<td>Case studies (sessions 4, 7, 11, 13, 15, 18, 20, 22)</td>
<td>5%</td>
</tr>
<tr>
<td>Group Assignment – Report (session 21)</td>
<td>20%</td>
</tr>
<tr>
<td>Group Assignment – Presentation (session 23)</td>
<td>10%</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>45%</strong></td>
</tr>
</tbody>
</table>

| **Total** | **100%** |

Learning Hub tests for instance were online-administered multiple-choice questions that related to the two textbooks mentioned earlier. The new media assignment required students to either write a Wikipedia article in a group or record a Youtube video on a topic of students’ choice. On the one hand, the course was to a large extent concerned with topics and problems in the area of supply chain management. On the other hand, information management lectures discussed systems such as enterprise resource management software and business intelligent software in thorough detail.
**Business in Society, 6ECTS (15 SAQA credits)**

Like *Operations and Information Management* this course was also taken with the local full-time MBA students. In general, the course dealt with the increasingly emerging topics such as corporate social responsibility (CSR), sustainability, business ethics and corporate governance. Interestingly, also global climate change in relation to economic activity was covered in detail. Altogether, the course consisted of 15 lectures of approximately two hours each. These lectures were delivered by three main lecturers each specialized on a specific topic. The three lecturers were complemented by two guest speakers giving their presentations on climate change and responsible leadership. Similar to *Operations and Information Management*, the course evaluation was divided into two major parts. As the following list illustrates, less attention was given to group assignments, which only accounted for 3% of the total grade:

**Class-based assessments**

- Three essay-type written class tests: 45%
- Three multiple-choice-type class assessments: 12%
- Small group work: climate change simulation: 3%

**Application-based assessment**

- Social engagement project (essay type): 40%

Apart from the small group work and the six different class tests, a large part of the grade consisted of an individual essay. This essay had to be written on a social engagement project. These social engagement projects were already launched by the local full-time MBA students and could be joined by international exchange students according to their personal interest. Social engagement projects included, for instance, a literacy project at a primary school, an animal rescue center or a swim school for small children. The idea of the social engagement project was to engage practically on-site in a social context and reflect afterwards the project work in a written essay. I personally decided to engage in the
literacy project at a primary school. Together with another exchange student, we were asked to coach 12-13 year old boys and girls in football. In addition, we had to write a football practice concept that could be integrated into the children's school life. In my opinion, the project work was the most insightful assignment of all. Through the social engagement project I got a handful of experiences that I would not have gotten in class projects.

**Portfolio Management, 4ECTS (10 SAQA credits)**

This course took place during the elective week from November 8 until November 15. It consisted of a total of eight sessions which lasted for two hours each. The course instructor was Prof Daniel Krige from University of Stellenbosch’s main campus. The lecturer was very entertaining and seemed to have a vast knowledge in the investment finance industry. In addition to Prof Krige, there was one guest lecturer, a South African hedge fund manager. On the whole, the course was very insightful. Yet, it turned out to be difficult at times to follow the lecturer given the numerous examples he provided with regard to South African corporate finance. Often, it was hard to familiarize oneself with the rather unknown company and brand names. On the other hand, this was a good opportunity to learn about the corporate world beyond what one usually hears in the European or US context. The course evaluation was structured as follows:

CFA-based problems

- Pre-assignment 30%
- Group work 20%

Non-CFA-based essay

- Essay on topic of choice 50%

As stated earlier, the pre-assignment was due on the first day of lectures, i.e. November 8. Thus, some work needed to be done between the last exam on October 1 and the first lecture of the electives. As the pre-assignment, the group work consisted of problems contained in the textbook used for the course. These problems were all so-called Chartered Financial Analyst (CFA) problems. The term CFA refers to a type of certificate mostly issued to financial analysts by the US-based CFA institute. Thus, most of the
course dealt with problems that are required by many financial professionals in real life. The individual essay accounting for 50% of the total grade, though, could be written on a topic of one's own choice. I personally decided to write on “The difference in the distribution of returns between developed and emerging markets”. However, other topics such as “Hedge funds” or “The psychology of investments” were also suggested by Prof Krige. In comparison to assignments that had to be written for other elective courses, Prof Krige demanded a rather comprehensive essay of 15-20 pages excluding references, appendices and the cover page etc. Taken together, the course was very insightful and practical with regard to the specific area of investment finance. The high degree of specialization in investment theory was also reflected in the audience. Most of the students (also modular and part-time MBA students) were either employed in the banking or corporate finance industry.

**Doing Business in Africa, 4 ECTS (10 SAQA credits)**

This course also took place during the elective week in November. The course was delivered during eight sessions of two hours each. The main course instructor was Prof W.H. Thomas, a very experienced researcher in terms of doing business on the African continent. There was one guest speaker on a dedicated topic. In sum, the course dealt, to a large extent, with doing business in African countries other than South Africa. In this way, students got a glimpse of the whole African continent. The course evaluation was structured in the following way:

**Short essay assessment**

- One short essay of 300 words 15%
- One short essay of 500 words 15%

**Written essay assessment**

- One essay of 2,500 – 4,000 words 70%

For the two short essays, each student had to either prepare a country overview of another African country besides South Africa or a company overview of a major African corporation. In addition, students had to write one essay on a research question regarding the African economic context. For the longer essay assignment, students could choose
between three different options. Option one and two proposed to write about South Africa’s business engagement in a particular African country or business sector. Option three asked students to write about obstacles that businesses encounter when expanding on the African continent. In sum, the course turned out to be insightful as one usually overlooks other African countries besides a few major players such as South Africa, Nigeria, Angola and perhaps a few others. However, as the course in portfolio management, the time restriction to one week in November forced us to rush through the contents very quickly allowing for almost no extra time to be spent on individual topics.

**Free time and other information**

**Cost of living**

Given the Euro’s rather strong performance against the South African Rand (ZAR) throughout the year 2014, cost of living was somewhat lower than in Finland. During my stay between July 14 and December 5, the exchange rate was fluctuating in a range from 13,55 – 14,56 Rand/Euro. Below is a rough break down of the major expenses I incurred during my stay:

<table>
<thead>
<tr>
<th>Expense</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Car Rental</td>
<td>ZAR 2,500</td>
</tr>
<tr>
<td>Fuel for car</td>
<td>ZAR 800</td>
</tr>
<tr>
<td>Accommodation</td>
<td>ZAR 3,700</td>
</tr>
<tr>
<td>Food and groceries</td>
<td>ZAR 4,000</td>
</tr>
<tr>
<td>Mobile phone incl. unlimited data bundle</td>
<td>ZAR 210</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>ZAR 11,210</strong></td>
</tr>
</tbody>
</table>

Taking a mean exchange rate of ZAR14/1EURO, this would amount to roughly EUR 800 for cost of living in Cape Town. Unfortunately, Cape Town still does not have a reliable public transportation network. Thus, getting around in Cape Town can become rather expensive compared to the well-functioning and affordable Finnish public transportation network. It is possible to take minibuses and the city’s recently established public bus. However, it can get tricky especially during the night. Accommodation in the above break down is rather low as I was sharing a room with another exchange student in an otherwise
rather expensive neighborhood in Cape Town (Sea Point) – an option certainly not convenient for everyone. Food and groceries in the calculation account for a rather large proportion but it already includes several restaurant visits per week and also reflect my appreciation for Cape Town’s diverse and often remarkably good cuisine. In summary, one can say that it is possible to live a rather luxurious life in Cape Town whilst living on the same kind of budget as in Finland.

**People and Culture**

South Africa with regard to both its people and its culture is a very diverse country. Currently, eleven languages are officially spoken in the country. Despite political efforts after the apartheid era to empower the previously disadvantaged population, many South Africans still live in extreme poverty. The Gini coefficient, one of the most common indicators of inequality, frequently lists South Africa as one of the most unequal countries in the world in terms of the country’s resident’s income distribution. However, across cultures and income classes you will generally find that South Africans are sociable and willingly accept small talk. Especially the local full-time students were very keen to learn about exchange students’ backgrounds and often invited us to participate in their leisure activities. On top, the local students turned out to be extremely helpful with regard to sharing additional course material and their approaches towards given assignments. Altogether, South Africans in general and USB’s MBA students in particular never let anyone alone.

**Weather**

For exchange students arriving in July, the beginning of the term can be a bit frustrating considering the possibly high expectations regarding weather and climate. Cape Town’s wettest and coolest months are between June and August. Usually, in September the climate becomes drier and the temperatures begin to rise slightly. Towards the end of
the term in November and December, there is much less precipitation and average daily high temperatures are about 25° C. Unlike Cape Town, northern parts of the country like Johannesburg have mild and dry winters but hot summers with much higher amounts of precipitation.

**Traveling**

South Africa is the ideal starting point for a journey throughout southern Africa. Many of the exchange students I travelled with not only discovered South Africa but also some of the neighboring countries such as Namibia, Botswana, Zimbabwe, Mozambique or Swaziland. The ability to travel to other southern African countries is another good reason to go through the visa application process rigorously and receive a *multiple entry visa* for South Africa. However, you need not necessarily go to other African countries. South Africa alone offers a myriad of travel opportunities. You can take a trip along the beautiful garden route, to the picturesque Drakensberg Mountains or to one of the many game parks throughout the country including the most famous one, Kruger National Park.

**Final Comments**

Taken together, exchange studies in South Africa are truly different and can be immensely enriching. Before going to South Africa, though, one needs to go through a rather comprehensive visa application process. The course choice at USB is rather limited but the courses offered do provide for valuable insights. The workload tends to be higher towards the beginning of the term. Towards the end of the semester there will be enough free time for traveling South Africa and its neighboring countries though. Provided that the Rand/Euro exchange rate remains favorable, your exchange studies in South Africa will not exceed a normal student’s budget in Finland. South Africa and its genuinely open-minded people really should provide a superb option for an exchange. The weather is usually pleasant and never really an obstacle for any outdoor or sports activity.

If you would like to receive further information about South Africa and studying at University of Stellenbosch Business School, please do not hesitate to contact me via [tobias.blanck@aalto.fi](mailto:tobias.blanck@aalto.fi). I would be delighted to share my experience with you.