

A CASE STUDY OF DIVERSITY AND EQUITY INTERVENTIONS IN A SOUTH AFRICAN ORGANIZATION

By

Mmontshi Lebohang Oliver Sumani
[Student number: 70505667]

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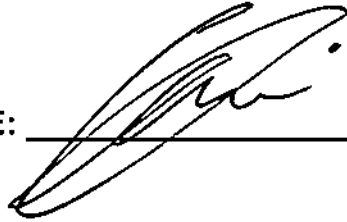
Study Leader: Professor Stella Nkomo

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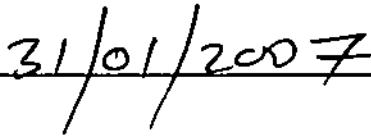
DECLARATION

I, the undersigned, hereby declare that the work contained in this dissertation is my own original work, unless specifically indicated to the contrary in the text, and that I have not previously in its entirety or in part submitted it at any university for a degree.

SIGNATURE: _____

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DATE: _____

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ABSTRACT

Widespread reform has taken place in the labour sector since 1994. The government has introduced new legislation affecting labour relations, basic conditions of employment and employment equity, providing the basis for far-reaching changes in South African employment practices. The Commission for Conciliation Mediation and Arbitration and the Labour Court, as well as other structures set up to monitor labour standards, provide the means for unfair labour practices to be challenged and rectified. It is now compulsory for companies to demonstrate progress in diversifying the workplace in such a way that previously excluded groups are now fully represented, and promoted.

It is a known fact that most organizations in South Africa are experiencing a change in the demographic representation of their employees. This has led to activities that are being undertaken by these organizations to manage this diversity. Thus far there is no known documentation of the best practices that successful organizations have implemented on the subject in a South African context.

The present research is part of a larger effort to investigate diversity and equity interventions in South African organizations and contribute to a broader research project that will have a total sample of 15 case studies. Funding for the research is provided by SANPAD (South African-Netherlands Partnership for Alternatives in Development). The research is a collaborative effort carried out by three South African universities namely, the University of South Africa, the University of Cape Town and the University of KwaZulu-Natal.

This implies that the conclusions and recommendations that are made in this report will only form part of the bigger project.

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GLOSSARY

Diversity training - is used in organizational settings. It attempts to increase the participants' awareness of dissimilarities among racial, ethnic, religious, and cultural groups, and lead them to value these differences (Stephan and Stephan, 2001).

Meta-analysis - is a methodology that allows the researcher to combine data from a variety of quantitative studies to evaluate the overall outcomes of the various research studies (Stephan and Stephan, 2001).

Definition of diversity (Annexure CC) - Accepting that there are various definitions of diversity (Jack and Lorbiecki, 2000; Nyambegera, 2002), the working definition in this report will be as follows; diversity encompasses acceptance and respect. It means understanding that each individual is unique, and recognizing our individual differences. These can be along the dimensions of race, ethnicity, gender, sexual orientation, socio-economic status, age, physical abilities, religious beliefs, political beliefs, or other ideologies. It is the exploration of these differences in a safe, positive, and nurturing environment. It is about understanding each other and moving beyond simple tolerance to embracing and celebrating the rich dimensions of diversity contained within each individual (Gardenswartz, Rowe, Digh and Bennet, 2003).

Valuing Diversity – is what institutions do to acknowledge the benefits of their differences and similarities. They intentionally work to build sustainable relationships among people and institutions with diverse membership. An institution that values diversity ensures that it provides equal treatment and access to resources and decisions for all members regardless of race, ethnicity and other diversity dimensions (Chavis, Lee, Gibson and Sabban, 2002).

Managing diversity – the approach is best defined as the capability of an organization and individuals within it to effectively manage or be managed, using and maximizing the total workforce potential by having the knowledge, attitude, and skills to identify and use alternative cultural styles and behaviours to achieve the business

objective with respect to the national culture/s and the multiple locations in which they operate (Gardenswartz et al., 2003).

The Act - the Employment Equity Act, 1998 (Act No. 55 of 1998).

Black people - all those officially classified as African, Coloured and Indian.

Designated group - black people, all women and people with disabilities (in no specific hierarchy or order).

Employees - all individuals employed within an organisation, excluding independent contractors.

People with disabilities - people who have a long-term or recurring physical or mental impairment, which substantially limits their prospects of entry into, or advancement in, employment.

Reasonable accommodation - any modification or adjustment to a job or to the working environment that will enable a person from a designated group to have access to or participate or advance in employment, facilities and services.

Suitably qualified person –

- (i) one who has formal qualifications
- (ii) one who has prior learning
- (iii) one who has relevant experience
- (iv) one who has the capacity to acquire, within reasonable time, the ability to do the job.

Affirmative Action – the time-determined corrective action process to redress:

- i) *demographic imbalances and representation, and*
- (ii) *behavioural, environmental, policies and practices that pose a barrier to Employment Equity.*

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LIST OF SYMBOLS

N	No
Y	Yes
UND	Undecided
POS	Positive
NEG	Negative
MNGT	Management
MD	Managing director
NN	None
ELCT	Electronic
NSLT	Newsletter
NTBD	Notice board
FCFC	Face-to-face
BSRY	Bursary
NML	Normal
AWR	Aware
NAWR	Not aware

OC	Once
TC	Twice
TRC	Thrice
FTMS	Four times
AFR	African
COL	Coloured
IND	Indian
W	White
F	Female
M	Male
DG	Designated group

CHAPTER 1: BACKGROUND OF THE STUDY

1.1.Introduction

The employment equity (EE) Act No. 55 of 1998 aims to ensure that the legacies of apartheid in the South African workplace are redressed (Thomas, 2002). The achievement of the EE numbers should result in a situation whereby companies shift their focus towards managing the diversity of the workforce they have at their disposal.

1.2.Problem statement

Employment Equity and diversity management are two of the burning issues in South African organizations since 1994. Given this, the main question is: What is the nature/rigour of the equity/diversity interventions taking place in South African organizations, and is there a need to set standards/guidelines for this work in South African organizations?

This research examines the diversity interventions in a single company, Sekupu Holdings. It encompasses EE numerical targets' setting and monitoring, activities of the EE committee and senior management on creating an environment whereby all stakeholders feel "at home".

1.3.Research objectives

It is a known fact that most organizations in South Africa are experiencing a change in the demographic representation of their employees. This has led to activities that are being undertaken by these organizations to manage this diversity. Thus far, there is no known systematic documentation of the best practices that successful organizations have implemented on the subject in a South African context.

The present research is part of a larger effort to investigate diversity and equity interventions in South African organizations and contribute to a broader research project that will have a total sample of 15 case studies. Funding for the research is

provided by SANPAD. The research is a collaborative effort carried out by three South African universities namely, the University of South Africa, the University of Cape Town and the University of KwaZulu-Natal.

This research will contribute a single case study to the larger project developed through a qualitative triangular research design.

1.3.1. Main research objectives

The objective of this study is to establish the nature and perceived efficacy of diversity and equity interventions taking place in South African organizations, as well as the orientation and approach of these interventions. Ultimately it is hoped that the study will contribute by providing guidelines for best practice strategies in a South African context.

1.3.2. Secondary research objectives

The secondary objectives are:

- To investigate the relation of the institutions/organizations to the service providers in respect of the priority given to the intervention.
- To assess whether the intervention has been ad hoc or is part of a planned and integrated process for the entire organization.
- To assess the extent to which there are formal monitoring and evaluation processes internal to the chosen organization or externally provided by the service provider.
- To assess to what degree organizational aims and goals are aligned with employment equity objectives.
- To assess to what extent the diversity intervention has assisted the chosen organization to meet employment equity objectives.
- To assess the extent to which the diversity intervention has assisted the chosen organization to move beyond the formal employment equity requirements.
- To assess the change in organizational culture, the extent to which the chosen organization is experienced as more democratic and equitable.

- To assess the extent to which the chosen organization has been enabled by the intervention to address experiences of marginalization, alienation and discrimination.
- To assess the formal procedures and structures to manage diversity which have been put in place by the chosen organization as a result of the intervention.
- To assess the short-term/long-term impact of the intervention.
- To attempt, on the basis of the above, to establish strengths and shortcomings in the current state of diversity interventions.

The above objectives are clear and achievable due to the well established relationship that the researcher has with the company in question.

1.4. Benefit of the study

To establish the nature and perceived efficacy of the diversity/equity interventions taking place in South African organizations, as well as the orientation and approach of these interventions, and to theorize guidelines for best practice strategies on the basis of the findings.

1.5. Assumptions

The assumptions are:

- The intervention/s selected will provide sufficient information about the diversity and equity efforts being undertaken by the identified organization.
- The research is not biased.
- Employees will provide honest answers to interview questions.
- Key stakeholders involved in the intervention/s are still in the company and are able to provide information about the intervention/s.

Since the researcher has some interest in this company, these assumptions should hold true due to the trust that the people have in him. The researcher also plays a major part in the transformation processes in this company, including equity and diversity interventions in particular.

1.6. Delimitations of the study

- The findings of the study will be based primarily on the perceptions of the interview participants.
- The selection of the organization, as well as the participants is on voluntary bases.
- Participants' support, interests and concern for the diversity and equity process could exaggerate real interest and concerns for the organizations.
- The quality of the interview data depends on the interviewer and the participants' level of commitment and honesty.
- The researcher might not have all the information due to the fact that some information can be regarded as highly confidential.
- Some information might be point-based information and not representative of the lifecycle of the organization.
- Due to different geographic demographics, other races might not have full representation e.g. coloureds in Free State organizations which may imply that their comments might not represent the feeling/s of the coloured employees at large.
- It is also important to note that this study will form part of the larger DEISA (Diversity and Equity Interventions in South Africa Organizations Research Project) project and therefore, it is not conclusive.

The report covers the employees in Free State although this company also has a division in Mpumalanga. It is also noteworthy that due to time allocated to perform this research, only a small sample of employees will be interviewed and minimum attempt will be made to achieve an ideal representative distribution by job levels and categories, race and gender. This may result in missing some important information that could enrich the researcher's findings.

1.7. Time frame

An attempt will be made to stick to the program as proposed by the supervisor as shown below;

Completion of proposal	: 31 May 2006
Data collection	: 15 June - 15 August 06
Write up results	: 15 August - 31 August 06
Work on draft research	: 31 August - 30 September 06
Submit draft research report	: 30 September 06
Submit final research report	: 30 November 06

CHAPTER 2: LITERATURE REVIEW

2.1. Introduction

Widespread reform has taken place in the labour sector since 1994. The government has introduced new legislation affecting labour relations, basic conditions of employment and employment equity, providing the basis for far-reaching changes in South African employment practices. The Commission for Conciliation Mediation and Arbitration and the Labour Court, as well as other structures set up to monitor labour standards, provide the means for unfair labour practices to be challenged and rectified. It is now compulsory for companies to demonstrate progress in diversifying the workplace in such a way that previously excluded groups are now fully represented, and promoted.

Although the majority of organisations have been compelled to employ people from previously disadvantaged groups to facilitate the integration of the workplace and change the remarkably white profile of senior positions, progress remains very slow. Most¹ organisations still do not recognise the necessity of skilful training and management of personnel to ensure functional organisations. Although organisations are employing consultants or setting up internal departments to deal with management and organisational issues that have arisen with the challenges of new legislation, there are considerable differences between the ways in which they deal with changes in staff profiles and cope with the challenges of a diverse workforce. Relatively few tackle the deeper issues such as the culture of whiteness still prevailing in most organisations, and how marginalisation continues to exclude and alienate 'others' to the mainstream (Essed, 2002). In the absence of any quality assurance for this work, the diversity/equity/transformation training being provided in South African organisations varies considerably in quality and approach. There is little research being conducted to show how successful these programmes and interventions are, or how different approaches work for different organisations and

¹ On 25 April, 2003 the Minister of Labour made a statement to the effect that progress towards equity and transformation of companies in South Africa had been minimal in the preceding year. The latest national Census also indicated that though white males constitute less than 5% of the population, they still overwhelmingly occupy the middle to higher management positions.

different problem areas.² As diversity work has become fairly lucrative, the people employed to undertake diversity training do not always have real knowledge of the deep-seated issues at stake, and their work can be superficial and ill-advised. In the absence of locating interventions centred on analyses of inter alia whiteness, transformation, empowerment and multiculturalism, many diversity approaches are little more than polished versions of appreciating cultural difference. This is not to say that all diversity training is conducted in order to make large sums of money, but is just to acknowledge the motivation for some. More importantly, these interventions have to deal with complex and emotional issues, and if badly handled can have long-term effects on an organisation. Such interventions can slow down the achievement of equity in organisations if anti-discrimination is not put squarely on the table. The longer that this type of work continues unregulated and uninvestigated, the longer dangerous practices may continue, and the less we will know about successful and positive interventions. Much of the comment provided so far on these programmes nationally is based on anecdotal and impressionistic evidence.

The National Skills Development Strategy sets out a vision for skills development that has "the promotion of equity" prioritised as one of six central goals. Skills development is one way in which equity can be achieved, and through the Skills Development Act and the Skills Development Levies Act, the government is compelling organisations to widen opportunities, build equity and encourage collaboration to make this happen. The Skills and Development manager at UNISA affirms that there are no formal Diversity courses registered at SAQA, and they do not yet register short courses and informal courses (Nkomo, 2006). There are also no unit standards registered at SAQA for Diversity training/management. Diversity and equity training interventions are critically placed within the multi-layered approaches needed to build equity and social justice in South African society. South African organisations need to develop skills and attitudes within their domain that are functional for a multicultural, yet still deeply inequitable society.

There are many types of interventions that would classify as dealing with diversity, e.g. race, gender, human rights, employment equity, disability, affirmative action,

² A Nexus database search confirmed that most of the studies undertaken on issues of diversity have focused on organisations that are undergoing transformation. Some isolated studies have been undertaken, mostly as graduate theses, which have focused on the success of interventions at specific institutions, or organisations. The findings of these studies need to be analysed and assessed, and where applicable incorporated within the broader study being proposed. Nexus database search: starlog488.temp.1.html

organisational change, organisational transformation, leadership etc. 'Diversity' embraces various types of interventions that aim to change or transform existing social relations in organisations and institutions. Therefore there is a need to list the whole range of interventions and then develop a typology. This information will be sought through the questionnaire to be completed for the database. This could give us a distinction between difference management which poses as diversity and encourage window-dressing, and that which aims at profound transformation. We see this as the difference between changing the masks, or changing the deep structure and values (Essed, 2002).

Based on the first-hand experience of INCUDISA (Institute for Intercultural and Diversity Studies of Southern Africa) staff and associates, and the other participating researchers, the following are some preliminary observations related to the 'state of the art' in the South African diversity 'industry' that have informed our research design:

1. Although there are numerous service providers in the field, South Africa lacks information on what individuals, consultancies or institutions specialise in or offer as part of their services in equity and diversity interventions.
2. There is a lack of information on prior training, qualifications or experience by those who offer this work.
3. There is no recorded monitoring or evaluation of existing interventions.
4. There are no nationally agreed indicators or benchmarks of good practice in the delivery of diversity and equity interventions, or of the outcomes of such interventions. This becomes pressing in the light of a number of government initiatives, such as the Investors in People best practice standard, franchised by the Department of Labour and piloted throughout the country from January 2002 as well as initiatives by the Department of Education to achieve a national standard in the implementation and practice of co-operative governance.

The education and training context provides an opportunity for this work, with the setting up of Sector Education and Training Authorities (SETA), as well as the strong links that can be established with initiatives around values and education.

This research project seeks to address some of the gaps apparent in the theorisation and delivery of diversity and equity work in South Africa, with the possibility of developing quality assurance mechanisms. This will take place in line with developments in the labour sector, including the recommendations of the King Commission reports.

2.2. Survey of related literature and reports

Many organizations have recognized the value of a diverse workforce and the need for managing diversity (Kidder, Stead and Chrobot-Mason, 2004). Recognizing the difficulties that minorities often face in the corporate world and the stereotypes and prejudices that still exist, organizations are implementing formally sanctioned diversity programs to help ensure more opportunity for non-traditional employees (Kidder et al., 2004). Despite progress, the issue of diversity in the world, including South African organizational settings continues to be sensitive and controversial (Synder, Cleveland & Thornton, 2006). There is evidence of resistance against employment equity policies and other diversity initiatives as can be seen throughout the press reports especially by the whites-dominated Unions such as Solidarity in South Africa. It is also obvious that not all whites (males) react negatively to diversity programs in all situations, nor do they all oppose the underlying principles behind valuing diversity in the work place.

2.2.1. Issues surrounding Employment Equity

Employment Equity (EE) as one of the diversity interventions is meant to increase employment opportunities for qualified women and minorities when they are underrepresented in the workplace. The underlying rationale for EE intervention is to remedy the historical discrimination of the disadvantaged groups. According to Mc Harg and Nicolson (2006), there are three different types of EE interventions viz.

- Soft or weak EE, which involves either outreach programmes designed to encourage members of underrepresented groups to apply for positions, or training programmes, intended to enable them to compete on equal terms with more privileged candidates. They might also be said to include accommodation strategies, which take account of physical or cultural

characteristics which might otherwise reduce particular group's ability to take advantage of opportunities.

- Hard or strong EE, which assists members of the previously excluded or underrepresented at the point of allocation either through 'decision-making preferences' in their favour or quotas which reserve a certain percentage of positions or business contracts for them.
- Situated somewhere on the continuum between weak and strong EE is the setting of goals and timetables for increasing the representation of those from underrepresented.

Some of the perceptions surrounding the EE interventions are listed by Gildert, Stead and Ivancevich (1999) as follows;

- EE has created a spoils system in which people who actually have never experienced discrimination are reaping benefits at the expense of white males.
- Lower hiring and performance standards have been applied to minorities.
- Compensatory awards administered under EE stigmatize beneficiaries through lowering of merit based admissions/hiring criterion.
- Minorities have achieved their professional goals and no longer need EE.

The burning questions surrounding the EE interventions are (Mc Harg and Nicolson, 2006):

- Which group requires more assistance (especially in SA)?
- How long should EE interventions subsist?
- How to treat individuals who face multiple disadvantages?
- Who benefit from countervailing advantages, such as wealthy background?
- Whether EE should apply to promotion and to redundancy, as well as initial selection decisions?
- Whether to base targets and quotas on the proportion of the members of the targeted group in society as a whole or some lower or higher figure reached independently of these proportions?
- Given the centrality of the merit principle to the debate, perhaps the most practical issues relate to whether quotas and targets can apply to those who only minimally qualified or whether some higher qualifications are required?

- Whether decision-making preferences are justified even if target's qualifications and perceived abilities approximate to but do not equal those of their competitors?

2.2.2. Issues surrounding diversity and it's management

In contrast with EE, which is essentially a "remedial program for implementing equal opportunity" (Yakura, 1996), diversity management focuses on business needs and the view that there is value in diversity (Gilbert et al., 1999). It thus, follows that, Whites may react more negatively to EE programs because they, individually or as a group, stand to "lose"; whereas reactions to diversity management may be less negative or even positive because the company as a whole stands to "gain" (Kidder et al., 2004). It is also important to notice that although partly motivated by a desire to avoid discrimination, a diversity approach goes beyond simply ensuring equal treatment, in terms of assimilating excluded groups to the dominant culture (Mc Harg and Nicolson, 2006). The proponents of diversity further maintain that different opinions provided by culturally diverse groups make for better-quality decisions (McLeod et al., 1996). Minority views stimulate consideration of non-obvious alternatives in work settings and appear useful for making valuable judgements in novel situations. Heterogeneity in decision-making and problem-solving styles produces better decisions through the operation of a wider range of perspectives and a more thorough critical analysis of issues (Richard, 2000). To further emphasize the value of diversity in the workforce, some laboratory studies on racial diversity have been carriedout by several researchers.

The discussions emanating from these researches recognize that the concept of human capital is that people have skills, experience and knowledge that provide economic value to firms. Cultural diversity serves as a source of sustained competitive advantage because it creates value that is both difficult to imitate and rare. The insights and cultural sensitivity that women and racioethnic employees bring to a marketing effort potentially improve an organization's ability to reach different market segments (Richard, 2000). Human resources, particularly diverse resources are protected by knowledge barriers and appear socially complex because they involve a mix of talents that are elusive and hard to understand. In order to realize the benefit of diversity, organizations must interpret diversity as a human

resource asset to be fostered instead of a human resource cost to be managed (Richard, 2000). Research has shown that although diversity in human resources may contribute to the quality of ideas, it also creates additional costs stemming from increases coordination and control, hence the suggestion that diversity programmes should be undertaken by the organizations that are pursuing a growth strategy. These organizations need employees who are flexible in their thinking, who are not likely to be concerned about departing from the status quo. The study conducted by Richard et al., 2004 indicated that there is a certain level of racial and gender diversity in management where innovativeness is high as shown in Figures 2.1 and 2.2 below.

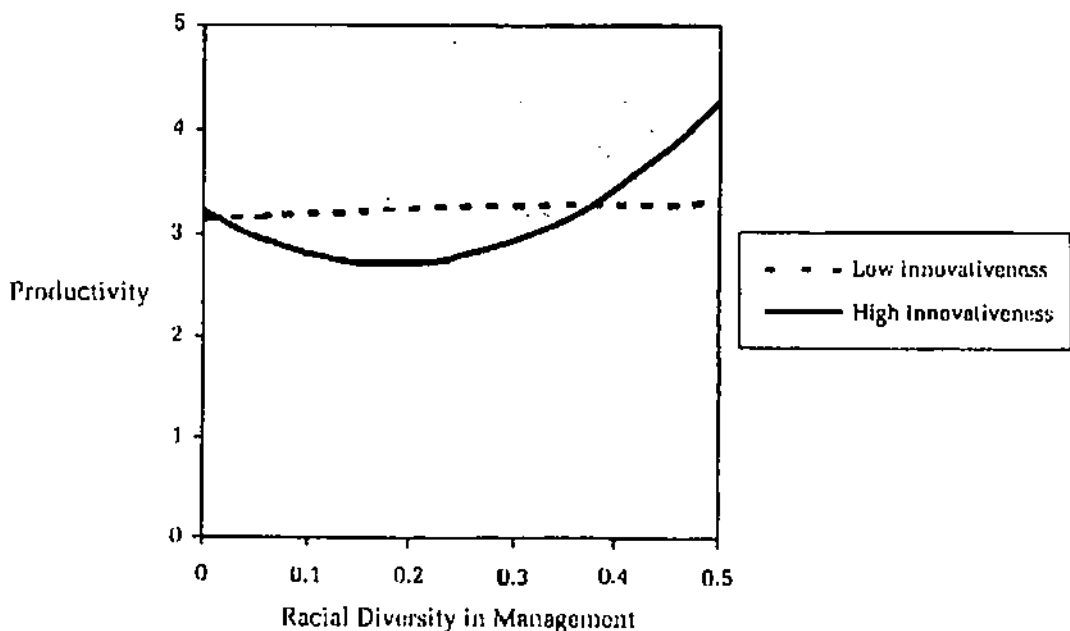


Figure 2.1 Interaction effects of racial diversity in management and innovativeness

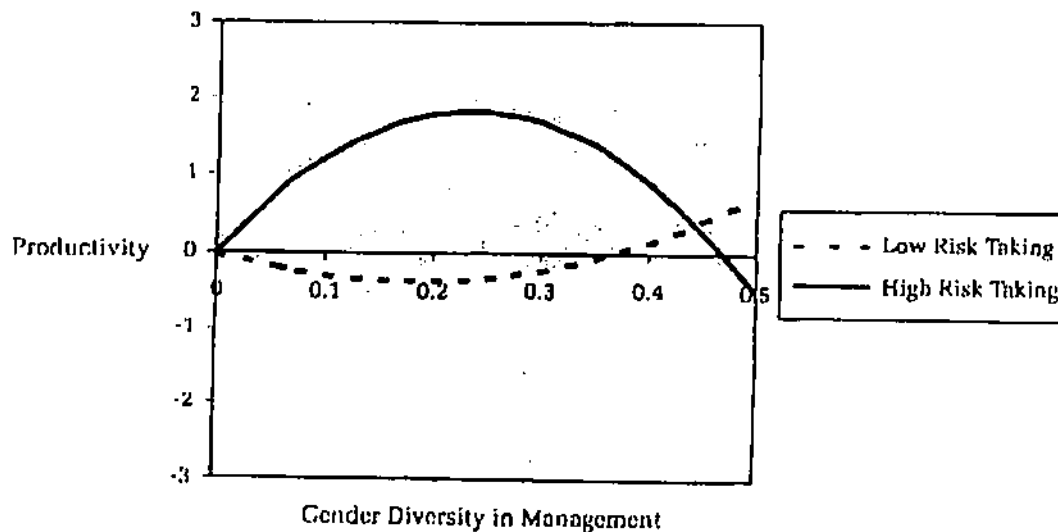


Figure 2.2 Interaction effects of gender diversity in management and risk taking

In short, the Figures above on diversity suggest that although the value-in-diversity perspective is not necessarily incorrect, its ability to explain the diversity-performance relationship might depend upon the overall level of diversity within the workforce under consideration and the context within which the group is operating (Richard, 2000) e.g. in Figure 2.2 it is clear that there is the level of diversity where risk taking drops due to cognitive biasing and communication problems which leads to reduced cooperation and increased conflict (Ferrier, 2001).

According to Nkomo and Steward (2006), diversity refers to identities based on membership in social and demographic groups and how differences in identities affect social relations in organizations. The authors define diversity as a mixture of people with different group identities within the same social system. There are several theories and research in this regard viz. social identity, embedded intergroup theory, the organization demography and the research on racioethnicity, gender, postmodern and critical theory views.

2.2.2.1.1 Social Identity Theory (SIT)

SIT is a cognitive theory which holds that individuals tend to classify themselves and others into social categories and that these classifications have a significant effect on human interactions (Nkomo and Steward, 2006). Within culturally homogeneous groups, members will tend to communicate with one another more often and in a greater variety of ways, perhaps because they share worldviews and a unified culture

resulting from in-group attachments and shared perceptions (Earley and Mosakowski, 2000). According to this theory, cultural homogeneity in management groups may increase satisfaction and cooperation and decrease emotional conflict (William and O'Reilley, 1998). This formulation suggests that deleterious social identity and self-categorization will not inhibit an organization with a culturally homogeneous management group (Richard, Barnett, Dwyer and Chadwick, 2004).

SIT theorists have conceptualized identity to (Nkomo and Steward, 2006);

- Specific contextual influences on identification process.
- The influence of two-way or reciprocal identification process between organizational/workgroup members.
- Addressing more fully the notion that members of any given social group or category vary in the extent to which identity group membership is a central and salient aspect of their overall self concept.

According to Larkey's (1996) prediction, categorization or specification processes are a function of the organizational culture within which workgroups are embedded. It is also noteworthy that the SIT has been utilized in the development of several dynamic models for example, Garcia-Prieto et al. (2003) in their dynamic model of diversity, conflict and emotion in teams. These researchers emphasize the subjectivity and flexibility of team members multiple social identities when in workgroups. It is reported (Nkomo and Steward, 2006) that this model addresses motivational and contextual conditions that enhance social identity salience. The claim is the Garcia-Prieto et al.'s (2003) model contributes in the clear explication of the link between the diversity of people's group membership and their cognitive appraisals of an issue, which indicates whether diversity may be beneficial or detrimental to team outcomes. Research on levels of diversity suggests (Richard et al., 2004) that heterogeneity in management group reaches moderate levels whereby, the psychological processes associated with SIT may be likely to occur.

These processes generate individual behaviours such as solidarity with others in a race- or gender-based group, conformity to the norms of one's group and discrimination against out-groups. In their study, Earley and Mosakowski (2000) found that the moderately heterogeneous groups exhibited relationship conflict, communication problems and low identification of members with an overall work

group. High levels of heterogeneity could actually weaken these barriers since group members will be more evenly diffused over the categories of cultural diversity and in-group/out-group identities will be reduced (Richard et al., 2004). In-groups with high levels of cultural heterogeneity, casual social contacts and communication are more likely to involve members of different racial/gender groups. Further, the in-group pressures that inhibit social interaction with out-group members should be weakened (Richard et al., 2004). In sum, an organization with high levels of cultural heterogeneity in the workforce may not be inhibited by social identity processes because organization members have many out-group contacts and may, instead, greatly benefit from a diverse pool of resources (Figure 2.1).

The ideal application of this theory is to reduce personal or 'non-work' related identities and the replacement of these identities with collective identities deemed more organizationally relevant or functional. According to Nkomo and Steward (2006), this suppression of personal identities may result in dysfunctional outcomes such as loss of diversity and also minority members may experience a lack of perceived value and thus decreased organizational or workgroup attachment because important aspects of self concept are perceived as not welcome or accepted. While social identity offers ways to gain a broad understanding of diversity, it does not thoroughly address the question of the specific content of socially marked identity categories (Nkomo and Steward, 2006). The authors also further suggest that SIT does not address the organizational structures and systems, and it also cannot fully account for the saturated significance of race, gender, class and sexual orientation i.e. SIT assumes that groups categorized by socially marked differences will experience similar effects as nominally constituted groups.

2.2.2.1.2. *Embedded Intergroup Relations Theory (EIRT)*

The EIRT suggests that individuals and organizations are constantly attempting to manage potential conflict arising from the interface between identity groups and organizational group membership (Nkomo and Steward, 2006). In this instance, identity groups refer to groups whose members share some common biological characteristics, equivalent historical experiences, and are subjected to similar social forces whereas the organization groups are those whose members share common organizational positions and participate in equivalent work experiences, resulting in

relatively consonant world views, respectively. Although identity group membership precedes organization group membership, identity and organization group memberships are frequently highly related (Nkomo and Steward, 2006).

The significance of embedded intergroup theory for understanding identity is its attention to the effects of diverse identities within a larger organizational context (Nkomo and Steward, 2006). The authors also report that this theory recognizes that individuals don't leave their racial, gender or ethnic identities at the door when they enter an organization and it further suggest that identity group categorization will always be relevant in an organization context.

2.2.2.1.3. *Demography*

Demography research refers to the study of the causes and consequences of the composition of specific demographic attributes of employees in an organization (Nkomo and Steward, 2006). It examines processes and outcomes as a function of composition along various dimensions of diversity, including demographics and non-visible characteristics such as personality (annexure CC).

The limitation of the demography research is it's predominant measurement of social identity as a nominal rather than continuous variable (Nkomo and Steward, 2006). According to these authors, it appears that organizational majority members exhibit aversive reactions to increasing group diversity, while minority members may not exhibit these negative reactions. The authors further bring to the attention the fact that minority members still suffer from negative group norms such as exclusion from processes and discriminatory behaviour on the part of majority members. The are research findings that established that over time, visible level of diversity become less influential with regard to some workgroup processes, while deeper or attitudinal/personality-related forms of diversity can become more influential (Chatman and Flynn in Nkomo and Steward, 2006).

2.2.2.1.4. *Racioethnicity and Gender*

As highlighted by Nkomo and Steward (2006), this section deals with research on race and gender. There are two strands of research in this area. Firstly, the one that focuses on uncovering objective, quantifiable evidence of race and gender discrimination in organizational practices. It is reported (Nkomo and Steward, 2006) that the overall results suggest that racial minorities and women face both access and treatment discrimination in organizations. A second strand focuses on racial and gender differences in a host of traditional organizational behaviour topics including job satisfaction, job attitude and performance (Nkomo and Steward, 2006). The authors report that the results of these studies are not conclusive to make statements towards a theoretical model. Nkomo and Steward (2006) concluded that the body of literature on racioethnicity and gender are important forms of social differentiation shaping the way individuals experience organizations.

2.2.2.1.5. *Postmodern and Critical Diversity Perspectives*

Both postmodern and critical theory approaches are oriented, albeit in different ways, questioning dominating practices, discourses and ideologies (Nkomo and Steward, 2006). The authors mention scepticism as one of the postmodern and critical theory perspectives on whether diversity will produce real change in organizations.

Postmodern perspective of diversity begins with questioning the origins and basic assumptions of diversity (Nkomo and Steward, 2006). The authors suggest that this focus is essentially a generalized re-writing project to maintain the status quo and not as an effort to truly value diversity. According to Cavanaugh (1997), diversity discourse proposes a happy solution to resolving the messy problem of 'otherness' and heterogeneity in the labour force. It also reported that these perspectives also question the tendency on essentialized gender, race and other categories of identity (Nkomo and Steward, 2006). These Scholars, posit that the postmodern perspective of diversity takes a different view of identity i.e. it is conceptualized as a complex, multi-facet and transient construct. This implies that identity cannot be measured nominally as an objective property of an individual. It focuses on the processes and experiences rather than viewing identity as a static and absolute position (Nkomo and Steward, 2006).

As can be realized from the discussions above, there is still no definite theory and/or research that explains what diversity should address in organizations. The next section deals with diversity paradigms.

2.2.2.2.1. Paradigms for Managing Diversity

Thomas and Robin (1996) documented three paradigms for managing diversity viz. The Discrimination-and-Fairness, The Access-and-Legitimacy and Learning-and-Effectiveness paradigms. The paradigms are discussed separately below in the next paragraphs.

2.2.2.2.1.1. The Discrimination-and Fairness Paradigm

This paradigm's underlying logic can be expressed as follows (Thomas and Robin, 1996);

Prejudice has kept members of certain demographic groups out of organizations such as the one studied. As a matter of fairness and to comply with federal mandates, we need to work toward restructuring the makeup of our organization to let it more closely reflect that of society. We need managerial processes that ensure that all our employees are treated equally and with respect and that some are not given unfair advantage over others. The authors suggest that companies that operate with this philosophical orientation often institute mentoring and career-development programmes specifically for the women and people of colour in their ranks and train other employees to respect cultural differences. The progress of diversity is measured by how well the company achieves its recruitment and retention goals rather than by the degree to which conditions in the company allow employees to draw on their personal assets and perspectives to do their work more effectively (Thomas and Robin, 1996). The authors posit that the companies that employ this paradigm are often bureaucratic in structures with codes of conducts which are clear and unambiguous.

According to Thomas and Robin (1996), the benefits of this paradigm are;

- it tends to increase demographic diversity in an organization and
- it often succeeds in promoting fair treatment.

whereas its limitations are;

- it is not desirable for diversification of the workforce to influence the organization's work or culture and that
- it puts pressure on employees to make sure that important differences among them do not count .

2.2.2.2.1.2. *The Access-and-Legitimacy Paradigm*

The underlying motivation for this paradigm can be expressed as follows (Thomas and Robin, 1996):

We are living in an increasingly multicultural country, and new ethnic are quickly gaining consumer power. The company needs a demographically more diverse workforce to help us gain access to these differentiated segments. We need employees with multilingual skills in order to understand and serve our customers better and to gain legitimacy with them. Diversity isn't just fair; it makes business sense. The strengths of this paradigm are;

- it has a market based motivation and
- it offers the potential for competitive advantage.

whereas it's limitation are;

- it tends to emphasize the role of cultural differences in a company without really analysing those differences to see how they actually affect work that is done.
- the motivation for diversity emerges from immediate and often crisis-oriented needs for access and legitimacy.
- leaders often do not consider how the organization can incorporate and learn from those skills, beliefs, or practices in order to capitalize on diversity in the long run and
- some employees can feel exploited e.g. they may not like the fact that they only get assignments to China because they are Chinese speaking.

2.2.2.2.1.3. *Learning-and-Effectiveness Paradigm*

Organizations that employ this paradigm recognize that employees frequently make decisions at work that draw upon their cultural background i.e. choices made because of their identity-group affiliation (Nkomo and Steward, 2006). They develop

an outlook on diversity that enables them to incorporate employee's perspective into the main work of the organization and to enhance work by rethinking primary tasks and redefining markets, products, strategies, missions, business practices, and even cultures (Thomas and Robin, 1996).

This paradigm like Discrimination-and-Fairness, promotes equal opportunity for all individuals and on the other hand acknowledges cultural differences among people and recognizes the value in those differences just like the Access-and-Legitimacy paradigm. In a nutshell, the Learning-and-Effectiveness paradigm lets the organization internalize differences among employees so that it learns and grows because of them (Thomas and Robin, 1996). In their research, these authors identified eight preconditions that help to position organizations to use identity-groups differences in the service organizational learning, growth and renewal, viz.

- The leadership must understand that diverse workforce will embody different perspectives and approaches to work, and must truly value variety of opinion and insight.
- The leadership must recognize both the learning opportunities and the challenges that the expression of different perspectives presents for an organization.
- The organizational culture must create an expectation of high standards of performance from everyone.
- The organizational culture must stimulate personal development.
- The organizational culture must encourage openness.
- The culture must make workers feel valued.
- The organization must have a well-articulated and widely understood mission.
- The organization must have a relatively egalitarian, non-bureaucratic structure.

2.2.2.3.1 Further discussions on diversity literature

In order to realize the benefits of Diversity interventions, Gilbert et al. (1999) listed some ethical considerations based on previous research as follows;

- The Golden Rule is one of the most popular as it is rooted in both history and several world religions. If you want to be treated fairly, treat others fairly. The

inclusiveness implicit in diversity management cannot succeed without fair treatment of all employees.

- The Disclosure Rule provides some strong indication of how actions may be viewed. If you are comfortable with decisions after asking yourself if you would mind if others were aware of them, the decision is probably ethical. The openness necessary in administering diversity management provides unique window for assuring success.
- The Rights Approach assumes that people's dignity is based on their ability to freely choose what they will do with their lives, and they have a fundamental moral right to have these choices respected. Diversity Management allows all people to reach their fullest potential by choosing career paths according to their interests and abilities.

The authors claim that, if these ethical principles are removed, diversity management initiatives will collapse. The proposed model of effective diversity management is presented in Figure 2.3.

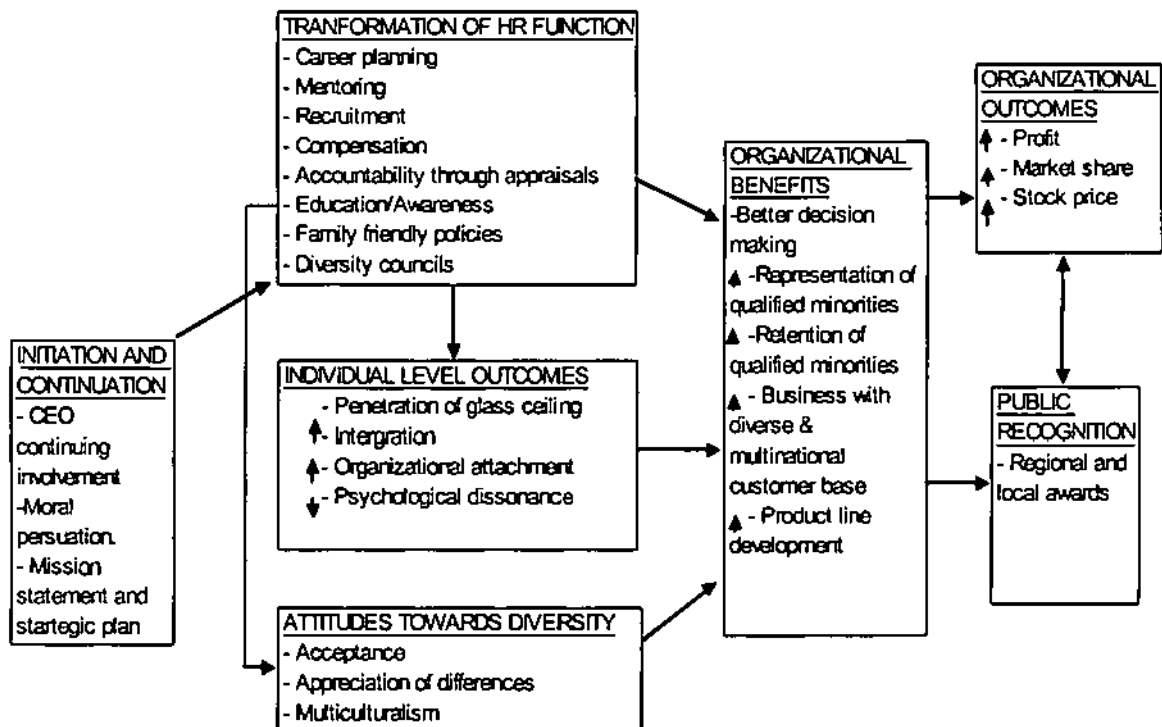


Figure 2.3: A model of effective diversity management (Gilbert et al., 1999).

The model is summarized as follows; CEO initiation and continuation leads to transformation of human resource function, positive individual level outcomes for minority and majority individuals, and positive attitudes towards diversity. Benefits of

effectively managed diversity in turn ultimately effect important organizational outcomes.

Stephan and Stephan (2001) examined the range of contact interventions and focused on those, usually called diversity initiatives or diversity training, that are used commonly in educational and corporate settings. Diversity initiatives generally, are aimed at highlighting the differences in experience and ways of life between various ethnic groups (Mc Cool, Du Toit, Petty and McCauley, 2006). Mc Cool et al. (2006) posit that the diversity initiatives, particularly those that are focused on valuing diversity as opposed to managing diversity, are commonly quite short, only lasting hours or days. The authors emphasize the fact that the evaluation of the impact of these has lagged behind their practice i.e. the product evaluation of diversity initiatives have been rare. In their literature review, Stephan and Stephan (2001) were able to locate only seven evaluations namely;

- The programme that involved 20 hours of instruction in race relations and was designed to train supervisors from all racial and ethnic groups and both sexes. It employed case studies, role-playing as well as some lectures.
- The study that employed modelling of appropriate relations between supervisors and employees. It used random assignments to condition and measure both employees and supervisors before and after the programme.
- The study involved the examination of the effects of a 3-day workshop to reduce the incidence of sexist attitudes and behaviours in a large corporation. The workshop consisted of small-group discussions, readings, seminars and videos. The participants responded to questionnaires about their attitudes and were also rated by their supervisors and their performances on a simulated role playing exercise were evaluated.
- A 3 day race relations competence workshop was created for managers. It consisted of lectures, role-playing and experimental group activities.
- In a study of a short-term diversity training programme, a questionnaire was given to participants after a one day seminar that involved viewing videos and discussing them. The videos dramatized incidents involving culturally insensitive behaviour between whites and blacks.
- The training involved case scenarios, simulations, videos and discussions. The 3-day workshop had 13 components.

- The diversity workshop included videos, role-playing, examination of diversity practices and action planning.
- A qualitative study that examined a video-tape widely used in diversity training program was conducted. This video used vignettes to communicate diversity problems and their solutions.

Of the 7 evaluations these authors reviewed, 3 of these programs reported considerable success in changing attitudes, 3 others obtained a mixture of positive and negative effects, and 1 was unsuccessful in improving intergroup relations. The authors' further review of the literature on meta-analysis of quantitative findings with regard to diversity training led them to the following conclusions;

- When the effects were measured immediately after the program, small but significant positive changes were found on both attitude and behaviour measures. The magnitude of the effect suggested that the programs were not as successful as they might be.
- Delayed measures of the effects of these programs on attitude and behaviour showed somewhat larger positive effects. These data indicated that attitude and behaviour changes can be sustained over time.
- The authors were unable to determine what specific program components (e.g. discussion, experiential exercises) were most closely associated with the success of the programs. It may be the case that successful attitude and behaviour change are not dependent on specific interventions in inter-group relations programs but on the manner in which the program contents are conveyed.

The results obtained by Mc Cool et al. (2006) on evaluation of diversity training programs indicated that, short term programs, without sufficient prospect for future interaction or follow-up, are not likely to have much effect on beliefs, attitudes, or behavioural predispositions of the participants. According to Mc Cool et al. (2006), the limited impact of program instruction about the nature of stereotypes indicates that even the understanding of stereotyping – let alone the application of stereotypes – can be surprisingly resistant to change.

2.2.2.3.2. *Enablers and Barriers to diversity management*

The barriers to equality in our society are plentiful. The barriers stem from prejudice and ignorance. They are rooted deeply in our history and in our arrogance that somehow, some way we are superior as described by the diversity theories and research in the previous sections. The barriers leech into our souls, into our very ways of forming the questions about the environment in which we live. The barriers stretch from the uninformed attitudes towards those that act in other ways to the sheer violence against those that differ. The barriers may be artificial but they are real. They are real for those that experience their blockages. They are also real for those that fail to benefit from the creative possibilities that stretch before them. The removal of barriers to participation will at the end of the day be about asserting the primacy of vision. Vision about what our society means, about what it is for, can inform the creative process of economic activity. It can give a sense of value and direction to the design and development of socio-economic structures. The following are some of the enablers and barriers to diversity management (Internet, No author, No Date).

2.2.2.3.2.1. *Enablers to diversity management*

- Commitment by the board and top management: direct personal involvement of board members and top managers is essential at every phase of diversity work and the ability to articulate why diversity is beneficial to the organization is a litmus test for leadership. The commitment of top leaders energizes an organization, provides momentum during slow periods and increases the likelihood of lasting change.
- Prior experience: promoting diversity on an organization-wide basis is a complex undertaking. Organizations that have previously launched organization-wide efforts are most aware of the commitment of time and personnel that is required. Organizations should realize that achieving diversity is a long-term process and should set realistic goals and expectations.
- Needs assessment and planning: an effective written plan for achieving greater diversity grows out of a careful assessment of an organization's current staffing, board representation and policies as they relate to diversity. For even the most committed organizations, it is important to lay the groundwork for a successful

process by examining areas of need and developing a definition of diversity that the organization can embrace as an achievable goal.

- Assigned staff members: continuity and leadership are critical components of successful diversity initiatives. A specific staff person must fulfil the role of diversity coordinator and oversee all stages of an organization's diversity-related activities. Whether or not the coordinator is a manager, he or she must have the full support of the board and management. The role of the diversity coordinator becomes part of this person's job description and must be considered in concert with the person's other responsibilities.
- Diversity committee: the most effective diversity committees take a task-oriented approach to planning and implementing diversity activities. Each member of the committee can play a catalytic role by advocating for diversity within their individual departments, advising the diversity coordinator, sharing the workload and assuming a position of power and authority to make recommendations to management and the board.
- Broad involvement: the opportunity to become a member of the diversity committee should be offered to everyone within the organization. To create a sense of ownership and commitment to the diversity process and its outcome, the committee should include a broad cross-section of employees and at least one board member. Periodic thought and discussion about length of service and infusion of new members will help avoid burnout and keep the committee intact even if there is turnover in personnel and also for new ideas from new members.
- Consultants: consultants work most effectively when they function in partnership with an organization to plan and implement diversity work. In addition, consultants can bring objectivity and efficiency to the diversity efforts by undertaking associated tasks, such as conducting an organization-wide diversity assessment.
- Resources: the board must be willing to allocate the funding needed to make diversity efforts successful. Realistic planning also should accommodate staff time for diversity committee meetings, organization-wide activities and the diversity coordinator's responsibilities.
- Training: diversity training for staff and board should be tailored to address specific needs and issues that are identified through a diversity assessment. By exploring differences among individuals, successful training can lead to greater understanding of racial, ethnic and cultural diversity, which in turn can improve interactions among staff and prompt changes in attitudes and behaviour.

- Focus on cultural competence: a focus on culturally competent behaviour i.e. how various cultures express anger, authority, greet others and communicate helps people in the workplace gain understanding and skills needed to establish and sustain a diverse workforce.
- Changes in attitude: whether prompted by training or other factors, changes in attitude are a precursor to changes in behaviour.
- Effective communication: memos and newsletters are specifically helpful vehicles to make sure timely and ongoing communication regarding diversity efforts reaches all levels of an organization. They also create opportunities for the diversity committee to receive feedback. Efforts to recruit and retain a diverse workforce, volunteers, and vendors: an organization's commitment to diversity is underscored by active and systematic efforts to recruit, hire and retain individuals from a variety of racial ethnic and cultural backgrounds. Seeking delivery of goods and services from minority and women-owned business adds an additional level of commitment within operations.
- Changes in policy: changes in policies regarding such issues as recruitment and hiring will lead to more diversity within an organization. Acknowledgement of discriminatory or less than inclusive practices is the first step in the process of change.
- Change in the community: changes in the social and demographic characteristics of the communities it serves can provide strong motivation for an organization to change as well. Through a diversity initiative, an organization has the opportunity to become genuinely reflective of the populations it serves and may therefore increase overall effectiveness in the delivery of its programming.

2.2.2.3.2.2. *Barriers to diversity management*

- Organizational culture and inertia: an organization with a history of accomplishment and excellence may find it difficult to acknowledge lack of diversity as a shortcoming and to take steps needed to achieve diversity. Often the smokescreen raised in these situations is "compromised quality".
- Lack of board and management involvement and support: involvement of top leadership is essential for successful diversity efforts. Without this involvement, diversity efforts are on a weak footing within the organization and progress is difficult to achieve and is often transitory.

- Staffing: similarly, it is almost impossible to implement diversity efforts without sufficient and consistent staffing.
- Definition of diversity: without a careful and inclusive definition of diversity some employees or volunteers may perceive that they are excluded and may resist or oppose the diversity efforts.
- Unsuitable consultants: a poor fit between the style of the consultant and the culture of the organizations weaken the consultancy. Individuals with inappropriate skills, or who lack enough experience, will not be effective. A consultant whose experience base is with large for-profit corporations may not be appropriate for a community-based-non-profit organization.
- Over dependence on consultants: too much reliance on consultants can diminish an organization's ownership of, involvement in and commitment to the diversity process.
- Organizational complexity: reaching and involving employees can be difficult for organizations with a large number of workers in a variety of different roles and settings.
- Difficulty getting staff involved: heavy work load and many competing demands on time make it difficult to secure staff involvement in diversity work.
- Resistance: resistance to diversity often arises when individuals feel that their power or privileges are threatened. It is critical to identify areas of resistance and address the fears and issues from which it arises. If not resolved, resistance can institutionalize that change into policy and practice.
- Turnover: turnover creates the challenge of familiarizing new staff and board members with diversity efforts and securing their commitment.
- Funding: budget cut-backs, loss of staff due to layoffs and conflict over diminishing resources creates friction and loss of morale. Moreover, participants may question the importance of diversity work when an organization faces serious financial problems.
- Poorly planned training; poorly planned training can create more problems than solutions. Large group sessions can be particularly counterproductive if difficult issues are raised without allowing sufficient opportunities for follow-up, feedback and resolution of those issues. The consultant's expertise in diversity work and skill in managing group dynamics are critical.

- Oppression model: when diversity training is based solely on identifying and addressing one group's oppression of another the outcome may lead to divisiveness and confusion that will very likely block progress.
- Language and cultural differences: differences in language and culture can make communication difficult and lead to discomfort and misunderstanding. Without systematic efforts to ensure good communication, problems can often arise.
- Burnout: diversity work requires substantial effort and rewards are not always immediately obvious. Without board involvement of staff and significant leadership and support from top management and the board, the potential for burnout is very high.
- Success itself in change can be threatening for individuals and for organizations as a whole. Organizations that participate in any change process without regular assessments and communication may be set-up for failure.

2.3. Progress of EE as diversity intervention in South Africa

According to the census reported by Statistics South Africa (2001 and estimates, Republic of South Africa, Central Statistics Service, 2006) the population grew from 40.5 to 44 million people and it is currently 47 million. The population distribution is summarized in Table 2.1.

Table 2.1: Population growth and distribution by race

Year	African	Whites	Coloureds	Indians	population (million)
1996	77	12	9	3	40.5
2004	79	9.58	8.91	2.49	44
2006	78	9.3	8.9	2.5	47.4

It is clear from table 2.1 that the population grew significantly. It is also noteworthy that there was a slight decrease in other groups relative to the growth in Africans. These reports also indicated that women were a majority at 52% for both reported years with males at 48%. With these figures one would expect women to be the majority group in any workplace setting in South Africa which is not the case.

Although blacks and women are clearly in majority, the Department of Labour (Jain, Sloane and Horwitz, 2003) stated that whites had a 104% wage premium over Africans, and men earned approximately 43% higher wages than similarly qualified

women in similar industrial sectors and occupations. The reason for this wage discrepancy can be explained by looking at the distribution of employees according to levels in South African organizations. The progress made since 2001 to 2005 at professional, senior and top management is shown in Tables 2.2 to 2.4 as reported by the Commission for Employment Equity from the department of Labour.

Table 2.2: Changes at senior management level from 2001 to 2005

Senior management 2001	Senior Management 2002	Senior management 2005	Total % change
Race • Blacks accounted for 19.1% • Whites accounted for 80.9% • Africans accounted for 9.8% • Coloureds accounted for 4.6% • Indians accounted for 4.7%	Race • Blacks accounted for 27.3% • Whites accounted for 72.7% • Africans accounted for 14.2% • Coloureds accounted for 6.3% • Indians accounted for 6.8%	Race • Blacks accounted for 27.5% • Whites accounted for 72.4% • Africans accounted for 14.5% • Coloureds accounted for 6.0% • Indians accounted for 7.0%	Race • 8.4% • -8.5% • 4.7% • 1.4% • 2.3%
Gender • Females accounted for 17.7% • Males accounted for 82.3% • African females accounted for 2.1% • Coloured females accounted for 1.1% • Indian females accounted for 0.9% • White females accounted for 13.6% • African males accounted for 7.7% • Coloured males accounted for 3.5% • Indian males accounted for 3.8% • White males accounted for 65.7%	Gender • Females accounted for 22.3% • Males accounted for 77.7% • African females accounted for 4.0% • Coloured females accounted for 2.0% • Indian females accounted for 1.4% • White females accounted for 14.9% • African males accounted for 10.2% • Coloured males accounted for 4.3% • Indian males accounted for 5.4% • White males accounted for 57.8%	Gender • Females accounted for 23.6% • Males accounted for 76.3% • African females accounted for 4.2% • Coloured females accounted for 1.7% • Indian females accounted for 1.6% • White females accounted for 16.1% • African males accounted for 10.3% • Coloured males accounted for 4.3% • Indian males accounted for 5.4% • White males accounted for 56.3%	Gender • 5.9% • -6.0% • 2.1% • 0.6% • 0.7% • 2.5% • 2.6% • 0.8% • 1.6% • -9.4%

In terms of race, it is clear from Table 2.2 that the percentage of Blacks representation in all senior management positions increased by 8.4% from 19.1% in 2001 to 27.5% in 2005. African representation increased from 9.8% in 2001 to 14.5% in 2005. Coloured representation increased from 4.6% in 2001 to 6.0% in 2005 whereas Indian representation increased from 4.7% in 2001 to 7.0% in 2005.

In terms of gender, Table 2.2 shows that female representation in all management senior positions increased by 5.9 % from 17.7% in 2001 to 23.3% in 2005. African female representation increased from 2.1% in 2001 to 4.2% in 2005. Coloured

female representation increased from 1.1% in 2001 to 1.7% in 2005. Indian female representation increased from 0.9% in 2001 to 1.6% in 2005. White female representation increased from 13.6% in 2001 to 16.1% in 2005.

Table 2.3: Changes at professional level from 2001 to 2005

Professionally qualified 2001	Professionally qualified 2003	Professionally qualified 2005	Total % change
Race - Blacks accounted for 50.2% - Whites accounted for 49.9% - Africans accounted for 39.7% - Coloureds accounted for 6.1% - Indians accounted for 4.4%	Race - Blacks accounted for 50.0% - Whites accounted for 49.2% - Africans accounted for 39.0% - Coloureds accounted for 6.1% - Indians accounted for 5.5%	Race - Blacks accounted for 38.7 % - Whites accounted for 61.3% - Africans accounted for 21.5% - Coloureds accounted for 9.3% - Indians accounted for 7.9%	Race -11.5% 11.4% -18.2% 3.1% 3.5%
Gender - Females accounted for 38.2% - Males accounted for 61.9% - African females accounted for 19.1% - Coloured females accounted for 3.1% - Indian females accounted for 1.2% - White females accounted for 14.8% - African males accounted for 20.6% - Coloured males accounted for 3.0% - Indian males accounted for 3.2% - White males accounted for 35.1%	Gender - Females accounted for 36.4% - Males accounted for 63.4% - African females accounted for 17.7% - Coloured females accounted for 2.2% - Indian females accounted for 3.9% - White females accounted for 14.9% - African males accounted for 21.3% - Coloured males accounted for 3.9% - Indian males accounted for 3.9% - White males accounted for 34.3%	Gender - Females accounted for 38.4% - Males accounted for 61.3% - African females accounted for 18.0% - Coloured females accounted for 2.3% - Indian females accounted for 1.9% - White females accounted for 16.2% - African males accounted for 20.8% - Coloured males accounted for 4.2% - Indian males accounted for 4.0% - White males accounted for 61.3%	Gender 0.2 % -0.6% -1.1% -0.8% 0.7% 1.4% 0.2% 1.2% 0.8% 26.2%

In terms of race, it is clear from Table 2.3 that the percentage of Blacks representation in all professionally qualified positions decreased by 11.5% from 50.2% in 2001 to 38.7% in 2005. African representation decreased from 39.7% in 2001 to 21.5% in 2005. Coloured representation increased from 6.1% in 2001 to 9.3% in 2005 and Indian representation increased from 4.4% in 2001 to 7.9% in 2005.

In terms of gender, Table 2.3 shows that female representation in professionally qualified positions increased by 0.2% from 38.2% in 2001 to 38.4% in 2005. African female representation decreased from 19.1% in 2001 to 18.0% in 2005. Coloured female representation decreased from 3.1% in 2001 to 2.3% in 2005. Indian female

representation increased from 1.2% in 2001 to 1.9% in 2005. White female representation increased from 14.8% in 2001 to 16.2% in 2005.

Table 2.4: Changes at top management level from 2001 to 2005

Top management 2001	Top Management 2003	Top management 2005	Total % change
Race • Blacks accounted for 25.1% • Whites accounted for 74.9% • Africans accounted for 8.0% • Coloureds accounted for 13.2% • Indians accounted for 3.9%	Race • Blacks accounted for 23.8% • Whites accounted for 76.3% • Africans accounted for 14.9% • Coloureds accounted for 4.0% • Indians accounted for 4.9%	Race • Blacks accounted for 27.2% • Whites accounted for 72.6% • Africans accounted for 17.9% • Coloureds accounted for 3.7% • Indians accounted for 5.6%	Race • 2.1% • -2.3% • 9.9% • -4.3% • 1.7%
Gender • Females accounted for 11.9% • Males accounted for 88.1% • African females accounted for 1.6% • Coloured females accounted for 0.6% • Indian females accounted for 0.5% • White females accounted for 9.2% • African males accounted for 6.4% • Coloured males accounted for 12.6% • Indian males accounted for 3.4% • White males accounted for 65.7%	Gender • Females accounted for 14.1% • Males accounted for 86.0% • African females accounted for 3.7% • Coloured females accounted for 0.9% • Indian females accounted for 0.7% • White females accounted for 8.8% • African males accounted for 11.2% • Coloured males accounted for 3.1% • Indian males accounted for 4.2% • White males accounted for 67.5%	Gender • Females accounted for 16.5% • Males accounted for 83.3% • African females accounted for 4.7% • Coloured females accounted for 1.0% • Indian females accounted for 0.9% • White females accounted for 9.9% • African males accounted for 13.2% • Coloured males accounted for 2.7% • Indian males accounted for 4.7% • White males accounted for 62.7%	Gender • 4.6% • -4.8% • 3.1% • 0.4% • 0.4% • 0.7% • 6.8% • -9.9% • 1.3% • -2.6%

In terms of race, it is clear from Table 2.4 that the percentage of Blacks representation in all top management positions increased by only 2.1% from 25.1% in 2001 to 27.2% in 2005. African representation increased from 8.0% in 2001 to 17.9% in 2005. Coloured representation decreased from 13.2% in 2001 to 3.7% in 2005 whereas Indian representation increased from 3.9% in 2001 to 5.6% in 2005.

In terms of gender, Table 2.4 shows that female representation in all top management positions increased by 4.6% from 11.9% in 2001 to 16.5% in 2005. African female representation increased from 1.6% in 2001 to 3.1% in 2005. Coloured female representation increased from 0.6% in 2001 to 1.0% in 2005. Indian female representation increased from 0.5% in 2001 to 0.9% in 2005. White female representation increased from 9.2% in 2001 to 9.9% in 2005.

The decline at professional level is quite a big concern. Given the fact that there is no sufficient information on the progress of South African companies on diversity and equity related issues. The researcher will perform a research programme in order to see if the trend in the chosen company is following that which the CEE reports have reported for the national EE statistics in organizations.

2.4. Summary

It is evident that there are several reasons for organizations to embark on diversity and equity interventions. Research on diversity does show that success and/or failure depends on the approach and commitment from all stakeholders. Research also shows the importance of top leadership commitment and type of diversity approach taken (Ely and Thomas, 2000). In this research, an investigation will be undertaken to explore the types of diversity and equity interventions, particularly EE based on numerical and non-numerical interventions and EECF and management activities.

CHAPTER 3: RESEARCH METHODOLOGY

3.1. Overview of the research design

The research project was conducted in two phases as listed below.

1. The first phase included a comprehensive literature review, drawing on local, regional and international material.
2. Data-collection firstly listed and categorized what was currently practised in terms of diversity/change/transformation intervention. The researcher constructed a self-completing questionnaire to determine the type of diversity interventions being offered, as well as the orientation and approach of these interventions. This was followed by arranging interview meetings, searching the internet and intranet of the company for policies, procedures, minutes, agendas and other any document that had something to do with diversity and equity interventions in this company (archival information and documents reviewed). The interventions were qualitatively investigated on the basis of:
 - success rating by service provider
 - type of intervention
 - geographic location of organization where intervention was implemented
 - accessibility to organization where intervention was implemented
 - date/s of intervention.

3.1.1. Qualitative study

Qualitative (or naturalistic) evaluation approaches involve the predominantly qualitative research methods to describe and evaluate the performance in their natural settings, focusing on the process of implementation rather than on (quantifiable) outcomes (Mouton, 2001). Key research questions are descriptive and evaluative. Conceptualization or the mode of reasoning is normally inductive and a-theoretical, which links with assumptions about consultation and participation (naturalistic enquiry). Case selection mostly is of “theoretical sampling” in a naturalistic evaluation designs. The strength of qualitative methods lies on establishing rapport and trust with research subjects i.e. high constructs validity and insider perspective. The collaborative and participatory nature of this design

minimises suspicion and distrust of research with concomitant increase in trust and credibility. The limitations are that the emphasis on naturalistic forms of enquiry makes it difficult to evaluate programme outcomes systematically and rigorously. The result is that strong causal inferences regarding programme benefits and impact are difficult, if not impossible to make. The main sources of error are typically associated with naturalistic studies, e.g. observer's and interviewer bias as well as lack of rigorous control (no control group randomization of subject).

3.1.2. Case study

These types of studies are usually qualitative in nature and aim to provide an in-depth description of a small number (less than 50) of cases. Key questions are exploratory and descriptive. The conceptualization or mode of reasoning is inductive, a-theoretical and no hypothesis is formulated. In some cases certain "general ideas" or "expectations" act to guide the empirical research. The selection of a sample is theoretical and judgemental. The mode of observation or sources of data are participant observation, semi-structured interviewing (individual and focus groups) and the use of documentary resources and other existing data. The analysis is inductive and the grounded theory approach (Mouton, 2001).

Yin (2003) distinguishes among three major types of case study research: exploratory case studies aimed at defining the questions and hypotheses of a subsequent study; explanatory case studies focused on understanding cause-effect relationships and explaining how events happened; and descriptive case studies which present a complete description of a phenomenon within its context. The present research employed the latter.

The strengths of case study are in its high construct validity, in-depth insight and an establishment of rapport with research subjects. Its limitations lie in lack of generalisability of results, non-standardisation of measurement and that data collection can be time-consuming. The main sources of error are potential bias of researcher and lack of rigour in analysis.

Construct validity is especially problematic in case study research. It has been a source of criticism because of potential investigator subjectivity (Yin, 2003).

Reliability is achieved in many ways in a case study. One of the most important methods is the development of the case study protocol (Yin, 2003).

3.2. Population, Sampling and Context

Sekupu Holdings is an integrated oil and gas company with substantial chemical interests. Based in South Africa and with international operations, Sekupu Holdings is listed on the New York Stock Exchange and JSE stock exchange in Johannesburg. Sekupu Holdings is the leading provider of liquid fuels in South Africa and a major international producer of chemicals.

Sekupu Holdings have more than 25000 employees all over the world but this study was conducted in one of the functional units (based in Free State) comprising of mostly Scientists and Engineers with the number of employees just above 500 (note that the words will be interchanged between functional unit and company). The research encompasses EE numerical targets' setting and monitoring and, activities of the EE committee and senior management on creating an environment whereby all stakeholders feel "at home". These initiatives were initiated by the MD (managing director) of this particular functional unit. The setting of the numerical targets was done in collaboration with the EE committee which is responsible for the monitoring of progress made each financial year. The non-numerical activities were decided upon after communicating with all employees via EECF (Employment Equity Consultative Forum) in order to establish areas of concern. These were then assigned responsible persons in order to ensure accountability by individuals.

3.2.1. Employee sampling

Having time as a main limitation, the researcher could only manage to set interviews with only 25 individuals which makes only 5 % of the workforce. The employees were according to race, gender and job levels. This means that employees were represented from senior management to lower levels. The spread of focus group employees according to race is shown in figure 3.1 below.

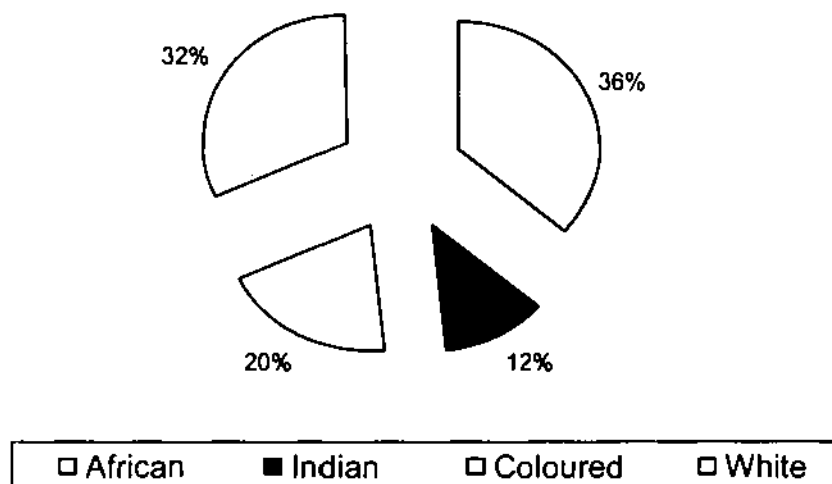


Figure 3.1: Distribution of focus group employees by race.

The researcher found that the people were not honest in expressing their feelings around other races which led to the conclusion that in order to get the real truth, the interviews be handled with individuals which worked well i.e. only one focus group was interviewed and the information was quite useless to the researcher. The spread of the employees is shown in full in Table 3.1.

Table 3.1: Employees sample distribution.

	Male				Female				
Level	African	Coloured	Indian	White	African	Coloured	Indian	White	Total
3	4%	0%	0%	0%	0%	0%	0%	0%	4%
4	4%	4%	0%	8%	0%	0%	0%	8%	24%
5	4%	0%	0%	0%	12%	8%	4%	8%	36%
6	4%	8%	8%	8%	4%	0%	0%	0%	32%
7	0%	0%	0%	0%	4%	0%	0%	0%	4%
Total	16%	12%	8%	16%	20%	8%	4%	16%	100%

From Table 3.1, the gender distribution is 48% and 52%, female and male, respectively. This is not far off from the distribution based on South African censor information. In terms of race, the population in the Free State follows the order African > Whites > Coloured > Indians and based on this trend the researcher was completely satisfied with the sample.

3.3. Data collection methods

Data collection was performed through a process of interviews, focus group discussion, observation and document analysis. The four data collection methods that were utilized are described below.

3.3.1. Interviews

The state-of-the-art survey interviewing methodology advocates the use of standardized question list (Q-list) instruments (Belli, Shay and Stafford, 2001). The authors report that in these instruments, the interviewers are instructed to read questions exactly as written, and respondents are usually constrained to provide short answers, either through closed-ended response options or by being asked a fact-based question in which a single numeric response would suffice.

It is also reported by these authors that, the Q-list interviewing is designed to address among other concerns, avoiding response errors that arise from changes to question wording or context, which are particularly pronounced when asking for attitudinal judgements.

3.3.2. Focus Groups

Focus groups involve facilitated discussions (Stephan and Stephan, 2001). The interviewer is likely to have a list of topics to be addressed, but the sequence in which they are covered and the particular questions that are asked are left to the discretion of the interviewer. This allows the interviewer freedom to explore the answers and probe for details.

Group discussions capitalize on the synergy of groups and often bring out issues that no individual would have thought of on their own. Focus groups are most likely to be productive when the interviewer has a clear set of protocols to guide the discussion. It is the interviewer who must create a climate in which participants feel free to express themselves without fear of disapproval and who provides warm support and encouragement.

3.2.3. Observation

Observation studies are usually qualitative in nature and aim to provide an in-depth description of a group of people or community. Such descriptions are embedded in the life-worlds of the actors being studied and produce insider perspectives of the actors and their practices. The key questions are exploratory and descriptive. The design types are participant observation studies, field studies and naturalistic research (Mouton, 2001). The conceptual or mode of reasoning is inductive and a-theoretical. Cases usually have no hypothesis i.e. guiding ideas or expectations. Sampling is theoretical and judgemental. The mode of observation or data collection is participant observation and semi-structured interviewing (individual and focus groups) and use of documentary sources. The analysis is inductive and also grounded theory approach (Mouton, 2001).

The case study approach's strength lies in high validity, in-depth insights and the establishment of rapport with research subjects. Its limitations are lack of generalisability of results, non-standardization of measurements and also data collection and analysis can be very time consuming. The main sources of error are potential bias of researcher and lack of rigour in analysis.

In order to conduct the observation exercise, the researcher in this instance just walked around the premises for three days to observe the employees during working and free hours (lunch and tea breaks).

3.3.4. Document analysis

Document analysis involves the evaluation of historical or contemporary confidential or public records, reports, government documents and opinions. The documents that were collected for analysis are listed in annexure B.

3.4. Data analysis

The analysis involves "breaking up" the data into manageable themes, patterns, trends and relationships (Mouton, 2001). The aim of analysis is to understand the various constitutive elements of one's data through an inspection of the relationship

between concepts, constructs or variables, and to see whether there are any patterns or trends that can be identified or isolated, or to establish themes in data.

Interpretation involves the synthesis of one's data into larger coherent wholes. One interprets and explains observations or data by formulating hypotheses or theories that account for observed patterns and trends in the data. Interpretation means relating findings to existing theoretical frameworks or models, and showing whether these are supported or falsified by the new interpretation. Interpretation also means taking into account rival explanations or interpretations of one's data and showing levels of support the data provide for the preferred interpretation. In order to simplify the qualitative analysis of the collected data it is easier to employ the use of a coding system (Cooper and Schindler, 2003). Coding involves assigning numbers or other symbols to answers so the responses can be grouped into a limited number of classes or categories.

3.5. List of measurements

The measures listed below were used:

- Turnover/retention rates
- EE targets
- Training measures
- Diversity climate measures
- Recruitment
- Promotions
- Representation of blacks and women across levels.

3.6. Summary

This chapter provided a brief overview of the activities that the researcher undertook and the theory behind the approaches. The next chapter focuses on the results of this effort. It chapter also includes the analysis of the company's numerical information.

CHAPER 4: RESEARCH RESULTS

4.1. Introduction

The findings of the study were analysed in chronological for the employees' profile from the beginning of 2000 which is the reference year. The analysis was carried out by investigating the changes that took place in terms of the company profile in terms of staff establishments, staff attrition, recruitment and promotions. Following the quantitative data, the report deals with the qualitative information as received from participants and observations. According to the Hay Evaluation the levels from 6 to 4 are the professionally qualified, experienced specialists and middle management whereas level 3 refers to senior management. Due to the fact that this company uses such a broadband of levels it was important that the researcher uses the company's way of monitoring planning and monitoring of progress. Level 7 and lower are the employees in the C band according to Paterson (see Annexure DD).

4.2. Numerical analysis of the company

The profile of the functional department for the end of 2000 is shown in annexure F. According to the data in this annexure, designated groups occupied the lowest levels with no representation at levels 3 and higher. It is also noteworthy that the designated groups at higher levels (higher than 6) comprised of white females as majority.

4.2.1. Staff establishment

It is clear by comparing annexures D and F that the targets that were set in 1999 for 2000 were not achieved at all levels for the percentage of black people as shown in Table 4.1.

Table 4.1: Staff establishment in October 2000

Level	Target percent black_2000	Actual percent black_2000	Percent deviation
3	0%	0%	0%
4	6%	5%	-1%
5	15%	10%	-5%
6	24%	21%	-3%
7	49%	44%	-5%

Table 4.2 shows the staff profile in terms of the percentage of blacks per level from the base year (2000) to 2004.

Table 4.2: Distribution of blacks according to levels from 2000 to 2004

Level	2000	2001	2002	2003	2004
3	0%	0%	0%	0%	12%
4	5%	5%	5%	9%	1%
5	10%	8%	14%	12%	11%
6	21%	28%	30%	32%	40%
7	44%	53%	57%	55%	41%

Despite the introduction of a black person in level 3 in 2004, the overall results indicate a very poor performance with respect to targets in this particular year.

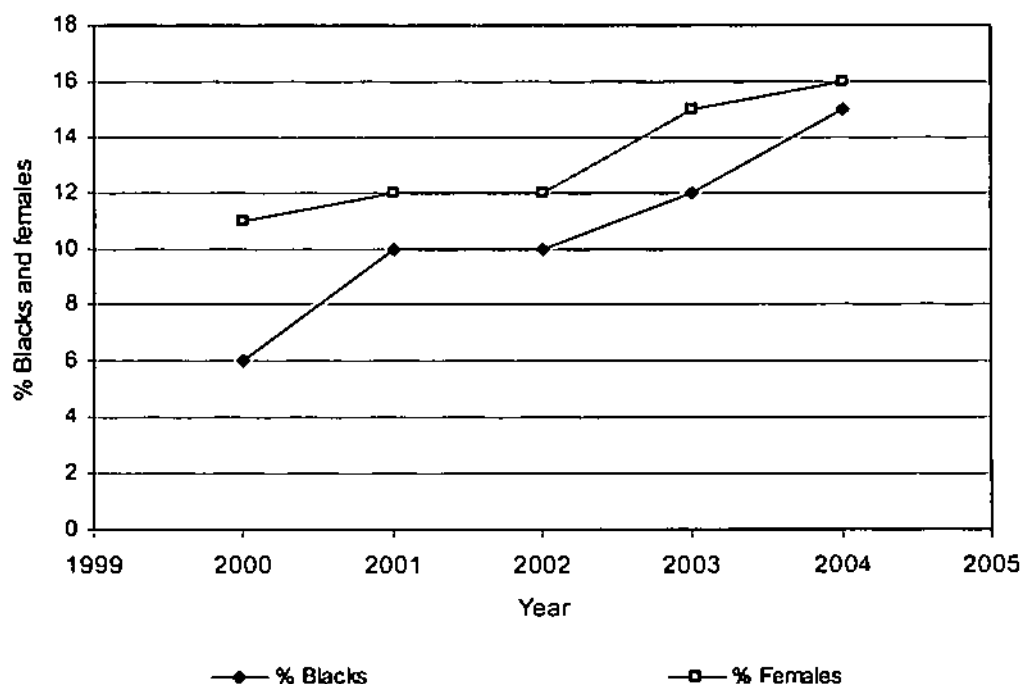
The representation of females at higher levels is also very poor as can be seen in Table 4.3. The positive change during this reporting period is at level 5. It is clear that a large number of these females are made up of white females (Table 4.4).

Table 4.3: Distribution of females according to levels from 2000 to 2004

Level	2000	2001	2002	2003	2004
3	0%	0%	0%	0%	0%
4	8%	9%	11%	9%	11%
5	15%	17%	21%	23%	29%
6	38%	39%	36%	36%	33%
7	40%	38%	34%	30%	34%

Table 4.4: Distribution of black females according to levels from 2000 to 2004

Level	2000	2001	2002	2003	2004
3	0%	0%	0%	0%	0%
4	0%	0%	0%	0%	0%
5	0%	0%	0%	1%	6%
6	7%	10%	11%	11%	14%
7	17%	20%	20%	19%	14%

**Figure 4.1:** Change in black and female staff composition of the company in professional and middle management.

This increase in professional and middle management composition of the company is quite encouraging (Figure 4.1). It also seems that this increase is a result of promotions (Figure 4.2).

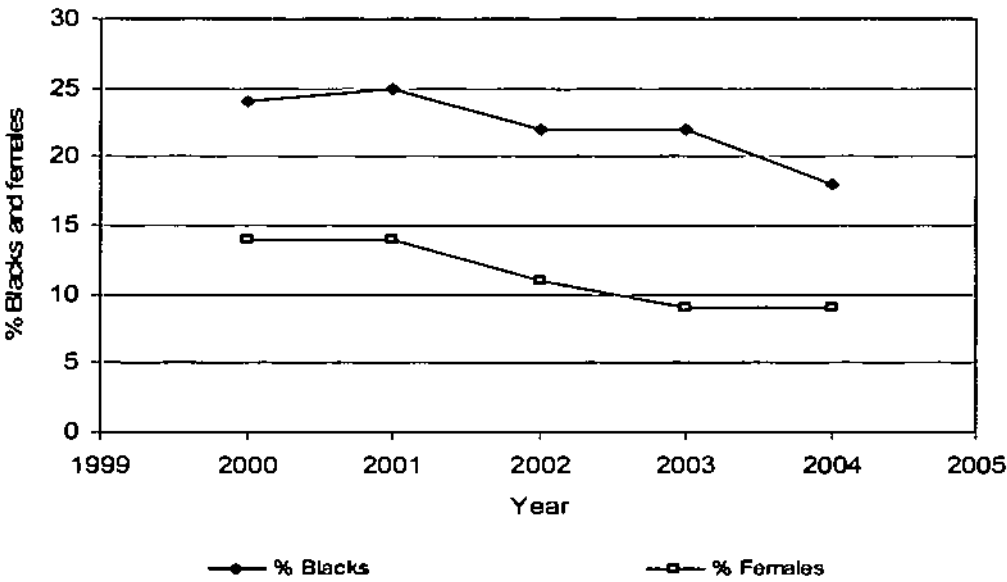


Figure 4.2: Change in black and female staff composition of the company in lower levels.

4.2.2. Staff attrition

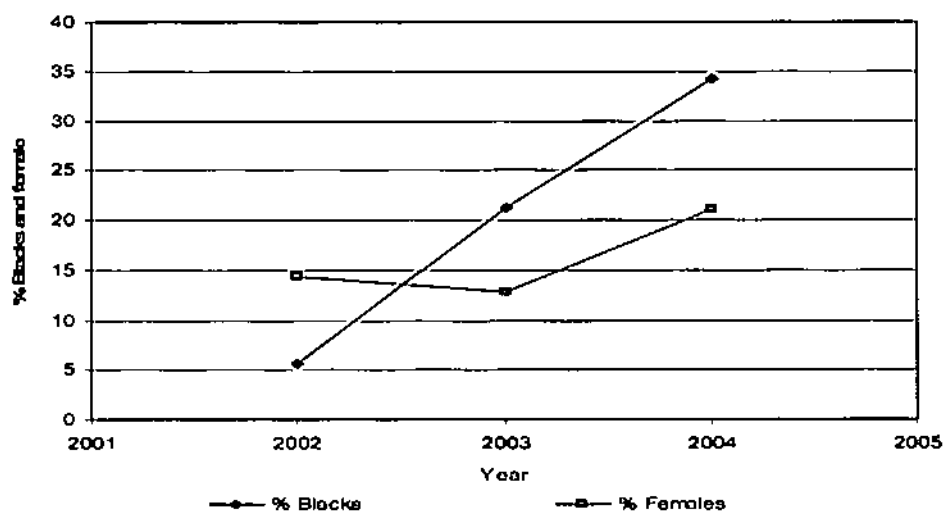
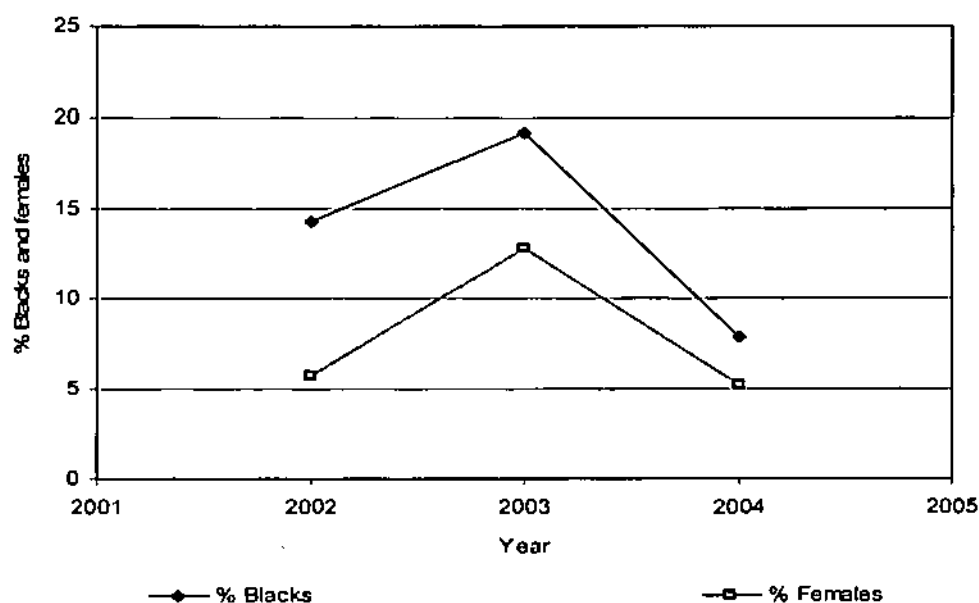
Table 4.5: Attrition of blacks per level from 2001 to 2004.

Level	2001 -2002	2002 - 2003	2003 - 2004
3	0%	0%	0%
4	0%	0%	29%
5	14%	43%	33%
6	8%	58%	50%
7	60%	40%	67%

From Table 4.5 it seems black people in general leave the company at lower levels maybe because that is where they are mostly represented. A significant number of black women resigned in the period 2003 – 2004 (Table 4.6).

Table 4.6: Attrition of black females per level from 2001 to 2004.

Level	2001 -2002	2002 - 2003	2003 - 2004
3	0%	0%	0%
4	0%	0%	0%
5	0%	14%	11%
6	0%	17%	31%
7	20%	0%	67%

**Figure 4.3:** Staff attrition of blacks and females in professional and middle management of the company.**Figure 4.4:** Staff attrition of blacks and females in lower levels of the company

The increase in staff turnover at the professional and middle management could be the reason why there are low numbers of these employees (Figure 4.3). At lower levels there was mixed results.

4.2.3. Recruitment

Table 4.7: Appointment of black females per level from 2001 to 2004

Level	2001	2002	2003	2004
3	0%	0%	0%	0%
4	0%	0%	0%	0%
5	0%	67%	0%	0%
6	25%	19%	50%	40%
7	63%	71%	33%	38%

Table 4.8: Appointment of black people per level from 2001 to 2004

Level	2001	2002	2003	2004
3	0%	0%	0%	0%
4	0%	0%	0%	0%
5	0%	0%	0%	0%
6	0%	5%	25%	0%
7	26%	24%	13%	13%

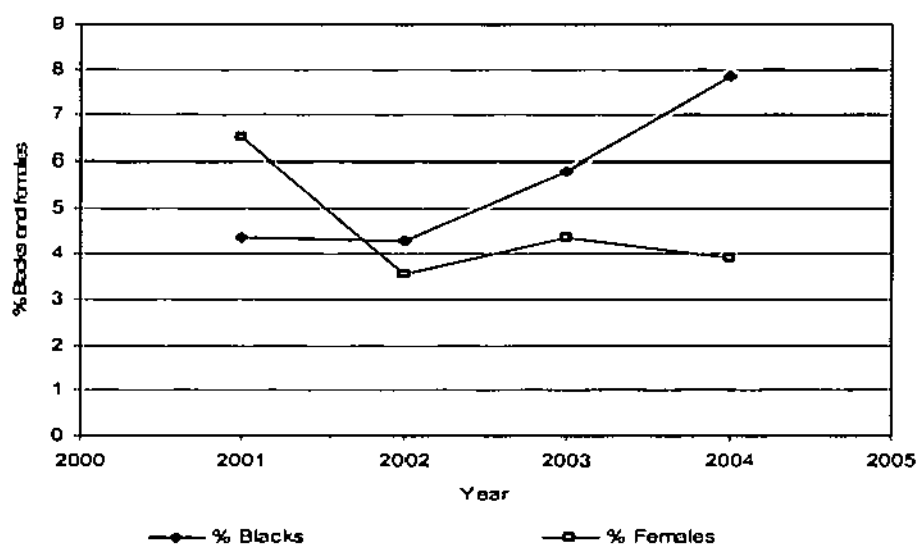


Figure 4.5: Appointments of blacks and females in the company's professional and middle management.

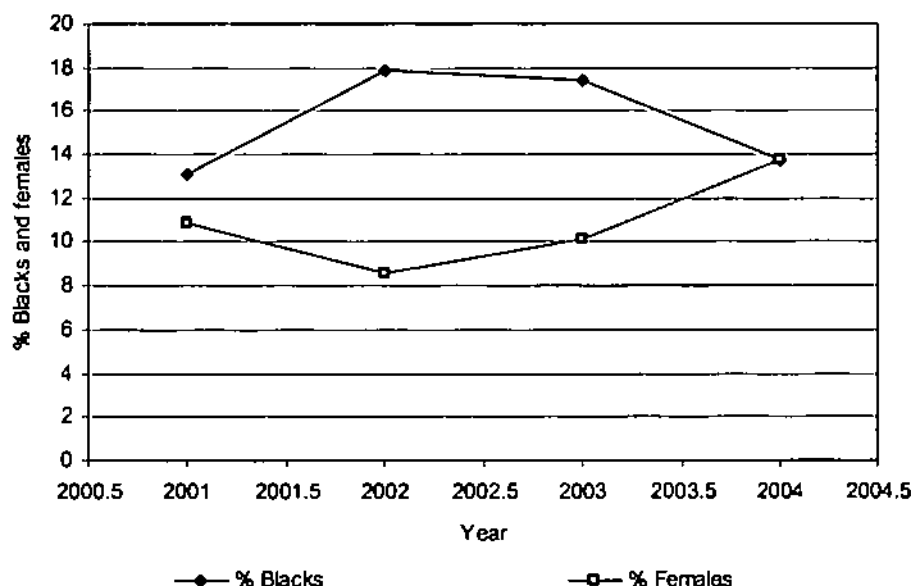


Figure 4.6: Appointments of blacks and females in the company's lower levels.

This observed increase in the recruitment at professional and middle levels is also encouraging. It is a bit disappointing that it seems for women there was no increase except at lower levels.

4.2.4. Promotions

4.9: Black people promoted to next level from 2001 to 2004.

Level	2001	2002	2003	2004
3	0%	0%	0%	50%
4	17%	11%	9%	33%
5	4%	9%	22%	23%
6	35%	48%	24%	50%
7	52%	48%	57%	31%

4.10: Black females promoted to next level from 2001 to 2004.

Level	2001	2002	2003	2004
3	0%	0%	0%	0%
4	0%	0%	0%	0%
5	0%	0%	13%	6%
6	9%	14%	6%	18%
7	15%	8%	10%	0%

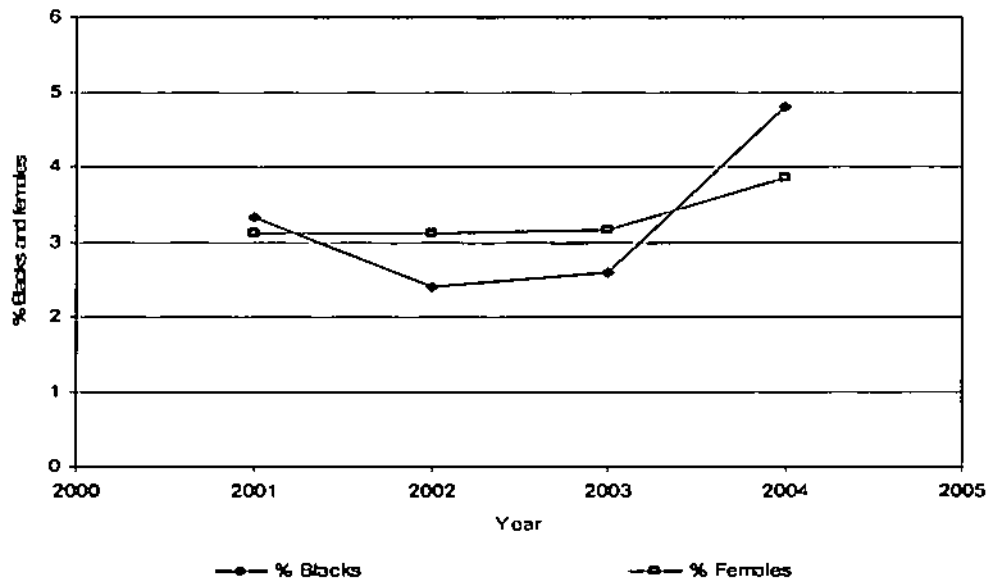


Figure 4.7: Promotion of blacks and females into professional and middle management.

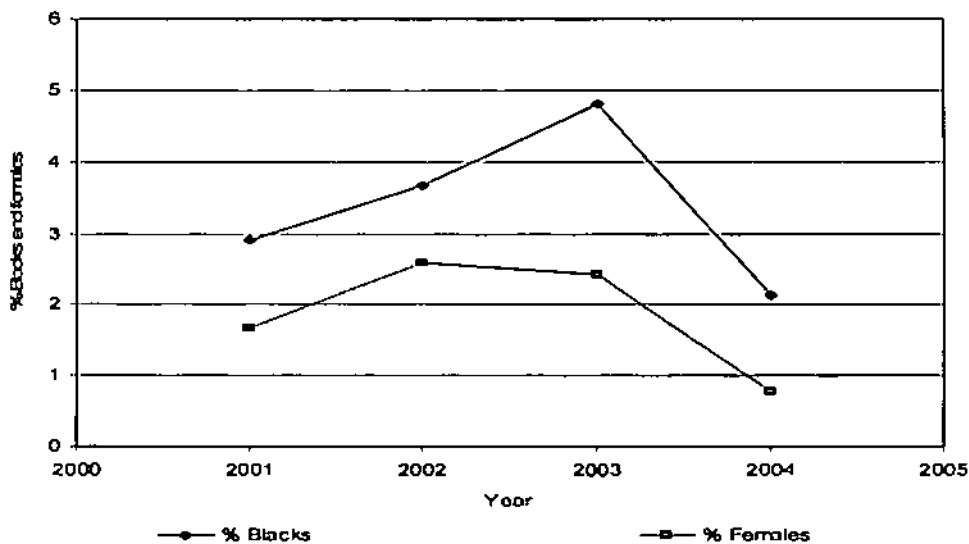


Figure 4.8: Promotion of blacks and females into next lower level positions

The trend is as predicted in section 4.2.1, that the increase in number of black people and females at professional and middle management levels is mostly due to promotions but recruitment also plays a role (section 4.2.3).

4.2.5. Merit appraisals

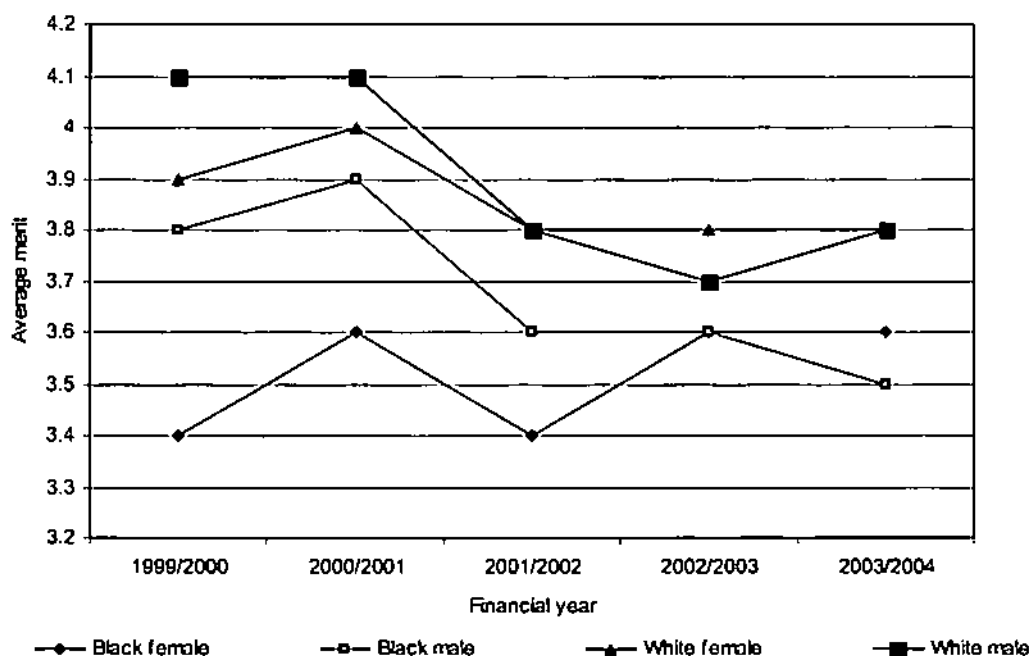


Figure 4.9: Merit distribution according to race and gender

It is clear from this plot that whites always get higher merits on average than blacks.

4.2.6. Bursary allocations

The targets were exceeded for the allocation of black employees to further their studies with 61% in 2002 and 62% in (Annexure BB).

4.3. Interventions by Management and EECF (major intervention)

This analysis is concerned with the investigation of the activities by the Employment Equity Consultative Forum (EECF), Management and documents that support diversity and equity initiatives. In the earlier years (1998 to 2000) the EECF was just a monitoring committee and later (from 2001) it was converted to a consultative forum with proper EE representation hence the beginning of formal written reporting from 2002 onwards. It must also be mentioned that after this decision, the EECF and management embarked on learning the legislation, writing of the terms of reference, the EE plans both numeric and non-numeric and the strategy going forward.

4.3.1. Activities by the EECF

The EECF holds meetings once a month where EE/diversity issues are discussed. The group consists of ten members representing management (two) and two for each race and gender across all levels. Issues that are always standing in their agenda are listed below with slight differences when there are burning issues that have arisen.

- Management feedback on agreed EE/diversity activities.
- EE statistics
- Employees' issues
- Governance issues.
- Resignations and appointments
- General

The minutes are written and distributed across the company for review by all stakeholders. The form of communication that the EECF uses to communicate with employees is mostly the electronic medium via newsletters, short e-mail messages, face to face via meetings, notice boards and an information sharing site is also created to store all activities regarding the EECF involvement. Minutes of meetings, agenda, next steps, comments from employees are all found on this site. Speakers are organized from time-to-time to discuss and share their knowledge and experiences on various issues relating to diversity in a workplace, for example the role played by women in the corporate sector as well as the barriers they face.

4.3.2. Management interventions

Ongoing management activities to ensure employment equity include:

- Identifying people from designated groups for specialised training.
- Including two senior people from the designated group on the Senior Management Group for a year to expose them to all the management activities.
- The EECF and the management team meet once per quarter to have an open discussion on diversity issues.
- The management group attended a one day diversity workshop titled "Leadership advantage through diversity" to sensitise the leaders at the company to managing diversity. The training focused on communication, building and leading a diverse

work team, managing diversity in a changing business environment and managing performance of a diverse workforce. The intention is to roll-out the training to other employees.

- Transparency is encouraged, where possible for example, on merit and remuneration trends to ensure that everyone at the company is treated fairly.
- Encouraging all people from the designated groups at the company to have mentors and to use them to help them with career advice.
- Inclusion of Employment Equity on the incentive bonus scheme.
- The EECF Chairperson is also invited to discuss issues with the management Group at Management group meetings.

4.4. Individual, focus group interviews and observations

As discussed before, individual interviews dominated most of the research followed by the observations. People were not very comfortable speaking openly in front of others.

4.4.1. Individuals interviews response analysis

The questions are listed in annexure A and were taken from the similar study conducted by Adele Thomas (2003).

4.4.1.1. Progress to date and perceived problems

Table 4.11: Summary of responses on progress and perceived problems

Frequency (n=25)				Comment type	
Section one	N	Y	UND	POS	NEG
1	4	19	2	1	10
2	8	13	4		2
3	7	16	2	4	1
Section one	N	Y	UND	POS	NEG
1	16%	76%	8%	9	91
2	32%	52%	16%	0	100
3	28%	64%	8%	80	20

It is interesting to see that 76% of employees interviewed perceive problems with regard to EE in this company with only 16% experiencing no problems. 8% of these employees were undecided. In terms of difficulties among employees due to the compliance with EE legislation, the majority (52%) say there are difficulties and 32% saying that they are non-existent while 16% are undecided. In both questions, the answers were 91 and 100% accompanied by negative comments, respectively. Most employees (64%) do believe that EE has brought some opportunities for the company and 28% being a bit negative with only a small number (8%) of employees being undecided.

4.4.1.2. Management Responsibility

Table 4.12: Summary of responses on management responsibility (symbols are explained in the list of symbols section)

Frequency (n=25)							
Section two	N	Y	MNGT	MD	ALL	UND	EECF
1			5	7	8	4	1
2		24				1	
3	19	4				2	
Section two	N	Y	MNGT	MD	ALL	UND	EECF
1			20%	28%	32%	16%	4%
2		96%				4%	
3	76%	16%				8%	

It is clear from Table 4.12 that most employees believe that the driving of the EE process is the responsibility of everyone (32%) followed by those who believe the managing director should be responsible. The remaining number of these employees believed management (20%) should be responsible, 16% undecided and 4% throwing the rope to the Employment Equity Consultative Forum. As expected, almost all employees knew that they had EECF as their employees' representative committee on diversity and equity related issues (96%). 76% of the interviewed employees believed line managers are not held accountable for EE in their sections and 16 % believe so with the balance undecided.

4.4.1.3. Consultation and communication

Table 4.13: Summary of responses on Consultation and communication

Frequency (n=25)									
Section three	NN	MNGT	MD	EECF	UND	ELCT	NSLT	NTBD	FCFC
1	12			3	10				
2		8	11	21	1				
3	1					20	8	9	14
Adjusted frequency due to multiple answers per question (n _{ad} = 25)									
Section three	NN	MNGT	MD	EECF	UND	ELCT	NSLT	NTBD	FCFC
1	48%			12%	40%				
2		5	7	13	1				
3	0.5					10	4	4	7
Section three	NN	MNGT	MD	EECF	UND	ELCT	NSLT	NTBD	FCFC
1	48%			12%	40%				
2		20%	27%	51%	2%				
3	2%					38%	15%	17%	27%

48% do recognize that in this division trade unions are not involved and these results correlate with those in Table 4.12 where only 4% of the employees believed EECF is responsible for driving EE. 40% were undecided. In terms of communication 51% say that they get their communication from the EECF, 27% from the managing director, 20% from management and 2% were undecided. The results on the modes of communication do show that we are living in the computer age with 38% of employees getting their communication via the electronic medium. There is also an indication that people still prefer face-to-face communication (27%) followed by notice boards (17%), newsletters (15%) and 2% saying they receive no communication.

4.4.1.4. Employment practices

Table 4.14: Summary of responses on employment practices

Frequency (n = 25)								Appraisals			
Section four	Y	N	UND	BSRY	NML	AWR	NAWR	OC	TC	TRC	FTMS
1			9	8	8						
2	10	6	9								
3						22	3				
4	24		1					12	4	1	3
5	25										
Section four	Y	N	UND	BSRY	NML	AWR	NAWR	OC	TC	TRC	FTMS
1			36%	32%	32%						
2	40%	24%	36%								
3						88%	12%				
4	96%		4%					48%	16%	4%	12%
5	100%										

36% of the respondents did know how recruitment is carried out in the company whereas 32% believed it is performed via the normal human resource process and bursary scheme. It is interesting that 40% of the respondents think the selection does take provision for identifying potential in designated employees and 24% did not believe so. 88% of these respondents were aware that there is the training and development philosophy but they believe it does not get implemented properly and 12% were not aware of such a programme. The most disturbing to the mind is that 48% of employees only get their performance feedback once a year with others split over the remaining balance i.e. 16% twice, 4% thrice and 12% four times. 100% of respondents agree that there is mentoring taking place in the company although some do mention that they either do not have mentors or the mentoring programme does not work for them.

4.4.1.5. People with disabilities

Table 4.15: Summary of responses on People with disabilities

		Frequency (n = 25)		Comment type	
Section Five	Y	N	UND	POS	NEG
1	17	8			4
2	5	11	9	1	2
Section Five	Y	N	UND	POS	NEG
1	68%	32%	0%	0%	100%
2	20%	44%	36%	33%	67%

The employees (68%) believe that the structure of this company is not suitable for people with disabilities and 32% do recognize that some parts of this company do have facilities made suitable for people with disabilities (all with negative comments). The concerning issue in terms of special measures being introduced by the company is that 44% of the employees did not recognize them but also on a positive note, 20% do see those facilities and unfortunately 36% were undecided. Although none of these employees were considered disabled, most of them (67%) gave negative comments with their answers and 33% were saying maybe the type of work they do was not suitable for persons with disabilities.

4.3.1.6. Organizational culture

Table 4.16: Summary of responses on Organizational culture

		Frequency (n = 25)		Comment type	
Section Six	Y	N	UND	POS	NEG
1	18	6	1		1
2	3	18	4		
3	14	9	2		4
4	16	6	3		1
5	7	17	1		
6	20	4	1		2
Section Six	Y	N	UND	POS	NEG
1	72%	24%	4%		100%
2	12%	72%	16%		
3	56%	36%	8%		100%
4	64%	24%	12%		100%
5	28%	68%	4%		
6	80%	16%	4%		100%

72% of respondents have experienced the poaching of designated employees or colleagues and 24% say they have not. It is encouraging that 72% believe that there is no sabotage of the EE process in this company with the balance believing otherwise. The majority of respondents (56%) have a perception that managers are not trained in understanding, valuing and utilizing similarities and differences that exists among diverse employees while those who believe so (36%) say that there is no continuity (once off). It is quite encouraging that 64% of respondents do know that this company has a strategy on management of diversity. 24% do not know about such a strategy. 68% of respondents have a feeling that it is quite difficult for designated employees to fit in the culture of this company which is a White male dominated culture also saying the language makes matters worse. The isolation and alienation of certain categories of employees has scored quite high (80%) which is disturbing.

4.4.2. Observations

During lunch break, it was observed that people group themselves according to their race. Among a certain race, gender seems not to be a problem and this may be attributed to group identity. It is also to be noted that during this survey there was restructuring taking place which was indicated by the level of unhappiness in general. In terms of their organizational culture, these people live in silos with everyone minding their own business. The one plus for this company is that their secretaries are not allocated to managers according to race and there was no visible tension between the black male manager and his white female secretary for example.

As I went into one of the senior black male's office for an appointment I was told to my surprise that he resigned that day. Although no one could give me an exact reason why resignation the resignation was sudden, the bottom-line was that he was unhappy with his "white male" management decisions. Apparently he felt that he was overlooked for a number of positions that he qualified and applied for and instead only white males were appointed without good explanations.

The EE/diversity notice boards were contaminated with all other irrelevant information and this was a bit disturbing. On the notice boards there were documents such as the summary of the act, EE statistics and other EE articles. On the main entrance one sees the Basic Conditions of Employment Act which is commendable but the summary of the EE act is placed in a very invisible place.

4.5. Analysis of documents

Annexure B provides a list of documents that were collected to properly analyse the diversity and equity interventions undertaken by this company. The company explicitly states in its mission statement that it intends to create an environment in which teams of people characterized by their diversity of needs, skills and background can grow to their full potential. They also say that they will also actively implement affirmative action until diversity and equal opportunities are a reality in this company. In this mission statement there is also a promise by the company that they will involve all employees in all issues that involve them.

The company has an EE policy from corporate level that guides all business units and functions towards the achievement of diversity in the work place across all levels and job categories. In this policy there is recognition that a diverse workforce is a competitive advantage in multi-cultural and diverse market place. In the policy the company also draws attention to one of its values of winning with all its employees. The company also commits itself to applying the affirmative action strategy until its work profile reflects equitable representation of the designated groups. It is stated that the employment equity policy is guided by the company's values, EE Act No. 55 of 1998 and the code of good practice, its corporate AA strategy, grievance procedures, corporate diversity management programme, Labour Relations Act No.66 of 1995, Promotion of Equality and Prevention of Unfair Discrimination Act No.4 of 2000, Basic Conditions of Employment No. 75 of 1997. Promotion of access to information Act No.2 of 2000, Skills Development Act No. 97 of 1998, Broad-based strategy on Black Economic Empowerment and the company's corporate Employment Equity Role Clarification Guidelines. In summary, the EE policy guides and stipulates exactly how the company will achieve its diversity and equity targets.

In the recruitment document it is stipulated that the intention is to also ensure a diverse workforce. The document states that there will be no discrimination in selection except in the event of employment equity targets and affirmative action. It is also stated that EE representatives should be present in interviews in order to ensure compliance and the implementation of the company's EE policy. The recruitment policy also prohibits the testing of employees to determine their HIV status unless it has been justified to the Labour court in terms of section 50 (4) of the EE Act No. 55 of 1998.

As one of its values in winning with people, the company gives the following desired behaviours among others.

- Leverage and manage diversity.
- Creation of a work environment with a commitment to a fair and equitable employment practices including EE.
- Treatment of people with dignity and respect not tolerating any discriminatory practices.

The charter and definition of victory also includes the implementation of EE. In its EE strategy, the company monitors success indicators such as the drop in turnover of designated employees, number of grievances etc.

The grievance procedure encourages representation of the complainer for a fair and just process. The company also has a language policy which stipulates that all meeting should be conducted in English to ensure inclusiveness of all employees.

The researcher could not find any noticeable or obvious discriminatory implications in other Human Resource policies such as the Remuneration, Leave, Performance Management, Internal Bursaries and Maternity and Adoption policies. In these policies, employees are given fair and similar treatment.

4.6. Summary

This section provided the results of the case study in terms of the company profile (qualitative), the interviews' conducted, observations as the researcher spent time in the division and the analysis of supporting documents. The next section will be dedicated to the discussions of these outcomes.

CHAPTER 5: DISCUSSION, CONCLUSIONS AND RECOMMENDATIONS

5.1. Discussions

Sekupu Holdings does not have a clear definition of diversity. Most of the activities are based on managing EE numbers and creating the environment that is “friendly” to all employees with the aim of retaining mostly the designated employees.

Throughout the researcher’s conversation with the MD there was an indication that diversity is just managed based on race and gender profile of the workforce. The encouraging factor is that there is quite an effort in defining the management of diversity in the company by making use of EE-Siyaka diversity providers and the workshop is planned to take place in March 2007. According to the researcher, the company is lagging behind since it (the company) started the EE effort in 1999 but it is better late than never.

5.1.1. Progress to date and perceived problems

According to data in Table 4.2, it is clear that at senior management level (level 3 to 2b according to the company) there was only one black employee (12 %) in 2004 while there was no representation from 2000 to 2003. Table 2.2 indicates the national black representation of 19.1% by 2001 and 27.5 in 2005 at senior management level. This clearly indicates the slow pace of transformation in this function at this above-mentioned level. The function has one white male at top management level (level 2 to 1 according to the function) and therefore the data in Table 2.4 is not useful for comparison purposes. Table 2.4 with levels adjusted according to the Hay evaluation i.e. levels 6 to 4 in the table add up to professionally qualified employees as shown in Table 2.3, indicates an increase from 17% in 2000 to 20.9 in 2004 compared to the national drop of this employee level from 50.2% to 38.7 in 2005. Although there is a national drop at this level in terms of the representation of Blacks, this functional unit is still lagging behind.

Table 4.3 indicates that the functional unit does not have any representation of both Black and White female at senior and top management levels while nationally there is an increase from 19.1% in 2001 to 27.5 in 2005 and 25.1 in 2001 and 27.2 in 2005, respectively. These results are quite disappointing given that women are majority in this country (both nationally but especially in this function).

At professionally qualified level (adjusted as described above) there was an increase of representation (Table 4.3 and Figure 4.1) from 7% in 2000 to 11 in 2004 in compared to an increase from 38.2% in 2001 to 38.4 in 2005. The results similar to the above-mentioned are not encouraging. The function is not doing well at all, in all EE categorizations i.e. according to race, gender and levels compared to the national results (2085 companies reported in financial year 2005/6). Something is definitely wrong with their approach to EE numerical targets.

It is clear that the company has achieved this slight increment by using promotions from lower levels (Figure 4.7). The recruitment process is failing to attract and recruit blacks at higher levels (Figure 4.5) and with this problem is the resignation of this scarce group (Figure 4.3). The other stated problem is that there are no skilled blacks and females candidates in the job market. In contrast to this statement, black and females believe that management could do more in recruiting the right mix of people. The other employees believe that since this company is white male dominated, the "old boys" club could play a role during the merit (Figure 4.9) and promotion sessions which could be the case when taking the diversity theories such as group identity effects (Nkomo and Steward, 2006). The trend is that white males and white females always get higher merits than black males and females. It is also alleged that white males give each other high flying projects which is the reason why they are more visible.

The word "they" was used a lot during the interviews which makes one realize that there is not enough shared thought on problems that are facing this Functional Unit. Remuneration is also seen as a motivator for people to leave this company. It is also said during the observation sessions that other designated employees decline job offers at the last minute due to better rewards and benefits elsewhere. There was a commendable progress when it comes to the allocation of bursaries to employees to further their studies.

The other stated problem is that the company replaces black people with white males. This is perceived as a sign of lack of commitment to the EE and the diversity process. There is also a clear agreement that this company is not complying since it does not meet its own set targets. Some respondents believe that the only opportunity that the company has realized by embarking on diversity and equity interventions is the relations with the government. There is quite a lack of trust between leadership and the subordinates based on some responses. It was also interesting that some employees perceive EE/diversity as more dividing than integrating. Some say it labels 'People' and isolates them. During my observations what I observed was that people group themselves during lunch and tea breaks. There was also a concern on fast tracking blacks before preparing them for those levels which was felt to be a set-up for failure. There is also a feeling that this company has not defined its business case for equity and diversity management.

5.1.2. Management Responsibility

Most of the employees believe that the driving of EE must be everybody's responsibility. The initiatives by management do show that there is a shared effort between the EECF and the management group. In the interviews it appeared that most of the problem lies with the lack of accountability by line Managers. There is no mechanism in place to force them to make efforts towards achieving EE plans. The suggestion by one of the respondents is that each department should have plans. She believes this would make a difference since no one will hide their lack of participation inside a bigger plan. There is also a request that EE must form part of the performance management of these line Managers.

There were mixed answers given by those in line management, some saying they are held accountable and others saying they were not. One comforting discovery is that every respondent knew that they had the EECF to represent employees on diversity and equity issues, but believed they were not effective. Most were questioning their powers in efficiently running or assisting in driving this process. There is a concern that they are just monitoring which does not help the process. There is a wish that the EECF be given certain powers in order to be able to deal with managers who were perceived resistant to change.

It also believed that black people are the most participating group since they are mostly affected by the perceived injustices. There are also those who believe the MD is only participating because he has to (compliance and not as a right thing to do). The MD is allegedly not walking the talk. If he was practicing what he preaches, the effort would filter down – one senior white female lamented.

5.1.3. Consultation and communication

According to the response, consultation is mainly performed by the EECF. There are maybe two sides to this story;

- The MD delegates consultation and communication to EECF or
- As perceived by some respondents, the MD is not committed to the process.

Most of the communication be it, electronic or face to face is received from or facilitated by the EECF. On the brighter side though, it is a fact that EE and diversity interventions are communicated in many forms and the researcher also observed this during his three day visit to the company.

It was a bit disturbing that white males did not show much interest in EECF and what they stand for. The meetings that are arranged by their representatives do not get attended.

5.1.4. Employment practices

Most employees did not understand the recruitment process. The recruitment seems to be done through the bursary scheme and that which is based on perceived excellence. There is also a lack of commitment on line managers in hiring people based on their potential. There seems to be no real development philosophy according to respondents. The researcher may attribute this to lack of commitment by line managers in developing or communicating development to subordinates. The respondents have a common understanding that in this section of the company, the development is mainly technical. It does not touch much on the soft skills.

There is belief that the line-managers are too task-orientated and make no time for softer issues (let alone Diversity Issues). This is also supported by the stated

intervention by management who reached their targets in sending employees to universities to further technical qualifications. The majority of respondents get appraisals once a year. This lack of consistency could be the reason why many employees of colour think the process is unfair. There is a feeling that there is an informal mentoring and coaching that take place between the in-group white males which explains their higher merits.

Mentoring does exist in this company but it seems not to be effective. The mainly stated problem that, black people bring up front is the lack of role models. They allege that white males who are mainly senior in terms of levels do not understand or even “care” about the problems they experience. This result is non-consultation with consequences of career suicide. Some employees do not even participate at all in the mentoring initiative.

5.1.5. People with disabilities

The interviewees agree that the structure of this company is not suitable for people with disabilities. The reasons that were given for example are that the work that is performed in this department is not suitable for people with disabilities. The observation by the researcher was that there are some parts of this place where people for example, who are on wheelchairs, can access a lift only up to the 5th floor. Other respondents also recognised this fact.

The observer also realized that there was no person with any visible disability and it is also not reported on the numerical targets. There is also no mention of this in the EE policy of the company to achieve a reasonable representation of this group of people.

5.1.6. Organisational Culture

There is a serious poaching of designated groups within departments. It seems those who are doing the poaching do not realize that overall, the company at large does not change its EE status numerically. EE has become an inter-departmental numbers game. Quite a large number of respondents do not believe there is sabotage to the EE process by the line managers. The only visible sabotage is the

replacement of blacks and females by white males which defeats the purpose in terms of numerical targets. The lack of appointments by “potential” of designated employees by line-managers also leaves a question mark in the mind of the researcher.

Although there is slight diversity training that took place in this department, there seems to be no continuity. Diversity training is also reserved for line-managers who do not practice what they have learned. Subordinates do not see the effect of these diversity workshops in their lives hence the belief by the majority that the training does not take place.

On the fitting of the designated groups to the organisational culture, there are mixed answers. Other respondents blame it on designated groups' lack of emotional intelligence to people being disillusioned. Whites mostly think blacks want paternalism and blacks see whites as having cliques. Blacks also say that it is quite difficult to be part of anything that takes place informally since the language (Afrikaans) is also the main barrier. It is also easier for young white males to fit into the culture because some of the senior white males know them from universities as their co-supervisors. It is further alleged that even during meetings the major decisions are made by the majority white males. The minority white females and black males in the management group feel dominated and somehow excluded.

The researcher requested the respondents to add what they would like to see addressed or just comment. The responses were as follows.

- The one issue I have a problem with is that when it comes to the outside world, there is a tendency not to send blacks as representatives of the company; maybe it is fear that the guys could be poached, or may embarrass the company. Is it a lack of trust! There is that unwillingness to send blacks to outside forums even in areas where it could make sense.
- The problem with me is the lack in terms of the number of quality disadvantaged groups. They do not fit very well. With female the problem is the pool.
- I believe that every individual has a responsibility to make this difficult transformation process succeed because it has to happen. It is the crux.

Positiveness is important, people should not ignore facts. Build one another through respecting one another. Not only cultural differences but also personal differences for example, men and women. We have to learn how to treat each other with respect to the extent that we can disagree without feeling personally violated and still work towards company goals.

- I think management should not undermine the capabilities of black people. I do not believe there is no pool out there. Give black people opportunities to prove themselves.
- Start talking a lot about strategy and recruitment. Replace blacks by blacks, which is not happening. Mentoring needs some work. Blacks are intelligent but we need help. Knowledge transfer is not being done. Appoint a black HR manager.
- I would like the greater awareness of EE and the governance.
- The company trains people but they do not support them when they come back. There need to be monitoring of the difference between when they left and when they come back. Inform people about recruitment. Re-look at salaries and merits split into race and gender.
- They are promoting us to higher levels but there is no support structure. Networks are a problem. No meaningful work. There is a certain ceiling.
- I would like us to do away with labels no matter how much we want to think of ourselves as open-minded.
- The management is not living or walking the talk. They promote people and do not support them.
- I would like to understand recruitment process and strategy. For years we have been told that the company does not take people from outside because of lack of skill for example.
- The implementation is worrying. Management must take EE seriously.
- In the different constituencies only a small number of people are serious about EE.
- They need to create opportunities. Biggest challenge is to appoint blacks (introduce a buddy system). Appoint into a pool.
- Retention is a problem and it seems they do not care. They do not make efforts to keep employees. Reports come too late. The report is generic it must be function specific.

- The major obstacle is trust, both sides. Everybody needs to be trained not to see it as a black/white issue.
- I personally feel non-numerical targets are more important than numbers i.e. we need to concentrate on people we have.

5.2. Concluding remarks

Judging purely from the responses that were given by the respondents that were interviewed, it seems there are factors that need some serious consideration for diversity and equity to be realized in this company. The first of these factors relates to a general sense of compulsion rather than commitment to the business case (Human, 2005). There are still serious stereotypes that blacks are not skilled enough as articulated by most of white respondents. This response by White employees could be attributed to social identity theory which results in these forms of in-group/out group social cliques (Steward and Nkomo, 2006). It appears that in terms of the implementation of the company EE and recruitment policies, there is lack of commitment from top management as perceived by most respondents and supported by the lack of achievement of the numerical targets as set from 1999.

The feeling among employees is that the company is playing a numbers game which is also not winning simply because it cannot keep the people it hires. One senior white male manager said it is difficult to keep blacks since other companies pay higher salaries. According to Human (2005), it was found that problems with retention were not so much the result of "job-hopping" by black professionals and poaching by organizations but rather issues around career development opportunities and the creation of an inclusive and supportive diversity climate. The respondents from the designated groups also felt that the environment in their company was not friendly for those who are not part of the old boys club and they feel alienated. The comments support the study that was reported by Richard (2004), Early and Mosakowski (2000) and, Nkomo and Steward (2006) that there are levels of diversity that result in feelings of alienation by minority members in the company's workgroups. Although this particular study did not investigate the level of diversity in this company, there is a clear realization that whites are a majority especially males. These respondents go further to say they are in that company because there are not enough jobs out there. This company needs to do some serious introspection. One of the respondents that

the researcher spoke to during lunch said there was a cultural awareness that was rolled-out some time in 2003. According to Human (2005), an attempt to 'understand black people' can introduce stereotypes by extolling the difference between 'black' or 'African' culture and that of the "West". This was also mentioned by one of the interviewees when she asked why difference between employees should be emphasised with the aim of integration.

What the company is failing to realise is that diversity awareness first needs to break through the negative expectations created by history and reinforced by apartheid (Human, 2005). The author further posits that there are possible unintentional consequences of such "cultural" awareness programmes were the reinforcement of difference and negativity, as well as the sharpening of distinctions in people's minds between "us" and "them". This company has a serious problem when it comes to the division among employees as witnessed during the interviews. There was a lot of "they" by all interviewed. Stephan and Stephan (2001) also mentioned that these diversity interventions need to be selected carefully and made relevant to the context of the organization. Human (2005) proposes that the moment individuals and groups interact; there is a need to be "situationally adaptable" and respond in a situationally appropriate manner. The researcher completely agrees with this author since he always encountered very offensive comments about his race in the name of understanding of the others culture and unacceptable jokes.

The other problem in this company is that managers are selected on technical skills. These managers do not have a sense of what people need and expect despite some high merit. One manager said that his children are at home and when he is at work he expects delivery. What he is failing to realize is that for maximum output he needs to give opportunities, support and provide training were necessary. These type of managers are the cause of unhappiness in employees especially those which are in minority. Human (2005) proposes that there must be a link between diversity, assertiveness, conflict management and performance feedback. She reasoned that if the link is not established, the result is that performance management is employed in an autocratic or passive manner. The respondents from the designated groups consistently receive lower merits than their white male counterparts and this could be the very results of the lack this link. This consistent "relative poor performance" leads to frustration, feeling of exclusion, antagonism and demotivation; all of these do not

make business sense. The black employees were the most who gave signs of the above. Effective communication skills on the side of line managers increase the possibility of people getting the job done by reducing stress and increasing motivation, productivity and commitment.

Most employees from the designated groups perceive managers attitude towards diversity as simply implementing diversity and equity plans because their bonuses depend on it, rather than because their “hearts are in the right place”. On a positive note, although this company has not shown significant results, there is a realisation that managing diversity is not only about headcount but also a need to create an inclusive and supportive culture which motivates and retains a diversity of employees in all their complexity. Based on the discussions above it becomes clear that this functional unit employs the Discrimination-and-Fairness paradigm as described earlier in this report, although it is not formally written in their EE strategy.

5.3. Limitations of the study

The main limitation in this study is the sample size. At the time in which the interviews were held, this division of Sekupu Holdings had more than 500 employees and the researcher, due to time constraints could speak to only 25 of them. This could distort the results since most of the employees did not get a chance to express their views. The other limitation is that the some of the employees provided very short answers almost refusing to explain what they meant. Some would go to an extent of say “no comment” despite the promise by the researcher that their responses will not be disclosed. The results from this study cannot be generalized to other functional, business units and the company at large. The current findings need to be validated in other settings to rule out the sample size and kind of activity in other parts of the company as contributing factors.

5.4. Contribution of this study

It is clear that although this functional unit has embarked on implementing diversity and equity measures to address the legacy of apartheid. There are still no clear guidelines that could assist the company in beginning to realize positive results.

5.5. Recommendations

- Propose that EE should contribute 20% of Managers key performance matrix.
- Managing diversity effectively should not involve once –off diversity interventions.
- Thorough policy procedures analysis should be performed in order to eradicate both direct and indirect unfair discriminations.
- The learning-and-effectiveness paradigm must be the approach to achieving diversity as described elsewhere in this document. This approach has eight proposed preconditions for diversity and it could be a good idea to explore them for context relevant application.
- Emphasise leadership development on aspects relevant to the “weaknesses” of the traditional workplace.
- There must be a consistent monitoring of the performance management in order to provide an open, honest and constructive feedback, relevant coaching and performance assessments.
- An explicit and focused emphasis on the aspects in which individual managers are weakest (delivery value than understanding).
- An explicit identification of the strengths and weaknesses of all those with managerial potential.
- There should be a clear balance between introspection in terms of diversity and the action to support business.
- Need a code of conduct around diversity behaviour and rules that are applied fairly and consistently.

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ANNEXURES

Annexure A: Interview/Focus group questionnaire (Jongens, 2006)

Themes to be covered:

- Progress to date and perceived problems
- Management responsibility
- Consultation and communication
- Employment practices
- Organizational Culture

Section one: Progress to date and perceived problems

1. Please could you discuss any problems that you have experienced with regard to employment equity at this company? (*Probe for issues that go beyond setting numerical targets*)
2. Has complying with the legislation created any special difficulties among employees at this company? (*Probe for preference given to one specific category of designated group; for concerns about job security/promotion of white males*).
3. Can you identify any opportunities that the introduction of practices to achieve EE has afforded this company?

Section two: Management Responsibility

1. Who do you believe is responsible for the actual driving of the EE process at this company? (*Probe for whether this function rests with the CEO, senior management, line managers etc.*).
2. Does this company have a group that monitor the implementation of practices to achieve EE (*Probe for employee involvement, management commitment etc.*).
3. Do you believe line managers are held accountable for EE in their sections? (*Probe for achievement of EE targets, rewards for reaching targets*).

Section three: Consultation and Communication

1. What involvement do the trade unions (s) and other employee groupings have in driving the EE process? (*Probe for involvement beyond policy formulation, e.g. mentoring, communicating, raising EE issues with management*).
2. Who communicates the EE process to staff? (*Probe for top management and line management involvement in communication, the involvement of employee representatives, the use of the internet*).
3. What modes of communication are used in the company to inform employees about EE? (*Probe for the use of memos, newsletter, face to face communication, suggestion boxes, forums etc.*).

Section four: Employment practices

1. Could you discuss the recruitment practices that this company uses in selecting its new employees?
2. Do the selection practices make provision for identifying potential in designated employees? (*Probe for what is looked for*).
3. What is the training and development philosophy at this company?
4. Are performance appraisals regularly undertaken? (*Probe for how often*).
5. Does this company have a mentoring programme?

Section Five: People with Disabilities

1. Is the physical structure of this company accessible to people with disabilities? (*Probe for ramps, Braille in lifts etc*).
2. Have any special measures been introduced for people with disabilities? (*e.g. in the area of recruiting*).

Section Six: Organizational Culture

1. Have you experienced the poaching of your employees/colleagues from designated groups? (*Probe for issues in addition to those of remuneration*).
2. Has there been any noticeable sabotage of the EE process at this company? (*Probe for overt or covert, e.g. exclusion from information. 'Club' cultures, etc.*)

3. Are managers at this company trained specifically in understanding, valuing and utilizing similarities and differences that exist among diverse employees?
4. Has this company embarked upon any strategy to address the management of employee diversity? (*Probe for cultural awareness and sensitivity training, training on issues relating to gender and disability*).
5. What are your views on designated employees fitting into the organizational culture? (*Probe for assimilation being required which is unrelated to the job output, examples*).
6. Do you think that certain categories of employees are isolated and alienated within the organizational culture of this company? (*Examples*).

Any further issues that you may want to discuss?

Annexure B: Types of related documents collect

- Company's vision and mission.
- The company's Corporate Employment Equity Plan.
- Recruitment policy and procedures document.
- Leave Policy
- Remuneration Policy
- Performance Management Policy
- Maternity and Adoption Policy
- Internal Bursary Policy
- Charters and definition of victory.
- The company's business Unit Strategy.
- Employment Equity Annual reports 2001 to 2004.
- EECF Terms of Reference.
- Company's retention policy.
- Non-numeric targets for 2004.
- EECF Agendas 2001 to 2004.
- EECF minutes from 2001 to 2004.
- Guideline to policy analysis.
- Grievance procedure
- Company's annual reports
- Company's monthly newsletters

Annexure C: Document analysis

1. What diversity dimensions is focused on and promoted?
2. What diversity objectives and targets are stated?
3. What level of progress with regards to workforce is indicated or reflected
4. Do documents describe community relations or programmes that exemplify the company's commitment to diversity?
5. Do documents mention commitment to diversity?

Annexure E: EE Targets from 1998 to 2003

Post Level	1998	1999	2000	2001	2002	2003
3	0%	0%	0%	0%	14%	14%
4	0%	4%	6%	10%	12%	16%
5	4%	10%	15%	19%	25%	29%
6	11%	20%	24%	30%	39%	53%
7	25%	25%	49%	52%	52%	51%
Bursaries	50%	50%	50%	50%	50%	50%

(Attention is focussed on the fact that the above targets exclude white women)

Annexure E: EE Targets for 2004

LEVEL	% DG ¹	% BLK	2004									
			AFR		COL		IND		WHITE			
			F	M	F	M	F	M	F	M		
2	0	0								2		
3	0	0								5		
4	21	6		2				1	8	41		
5	44	23	4	9	1	1	2	6	21	55		
6	61	39	17	17	2	1	8	10	31	54		
7	67	51	7	24	1	2	5	2	13	27		
2 - 7 TOTAL			28	52	4	4	15	19	73	184		
2 - 7 %			7	14	1.1	1	4	5	19	49		
0	48	38	8	47		2	1		15	78		
SUB-TOTAL					36	99	4	6	16	19	88	262
TOTAL					530							
%RACE TO GENDER					7	19	0.8	1	3	4	17	49
% RACE					25		2		7		66	

Annexure F: EE Figures as on 31 August 2000

Post Level	Gender	White	Black	Total	Total in Level	% Black	% DG ²
3	Male	7	0	7	7	0	0
	Female	0	0	0			
4	Male	35	2	37	40	5	13
	Female	3	0	3			
5	Male	45	6	51	60	10	25
	Female	9	0	9			
6	Male	43	13	56	91	21	53
	Female	29	6	35			
7	Male	33	26	59	98	44	66
	Female	22	17	39			
7+	Male	62	55	117	140	44	56
	Female	17	6	23			

2 DG refers to designated group

Annexure G: EE Figures as on 31 October 2001

Post Level	Gender	White	Black	Total	Total in Level	% Black	% DG
2	Male	1			1	0	0
	Female						
3	Male	5	0	5	5	0	0
	Female	0	0	0			
4	Male	38	2	40	44	5	14
	Female	4	0	4			
5	Male	47	5	52	63	8	25
	Female	11	0	11			
6	Male	49	21	70	115	28	57
	Female	34	11	45			
7	Male	29	34	63	102	53	72
	Female	19	20	39			
7+	Male	66	57	123	151	44	56
	Female	19	9	28			

Annexure H: EE Figures as on 31 October 2002

Post Level	Gender	White	Black	Total	Total in Level	% Black	% DG
2	Male	0	0	0	0	0	0
	Female	0	0	0			
2b	Male	1	0	0	1	0	0
	Female	0	0	0			
3	Male	6	0	6	6	0	0
	Female	0	0	0			
4	Male	46	3	49	55	5	16
	Female	6	0	6			
5	Male	46	10	56	71	14	35
	Female	15	0	15			
6	Male	67	28	95	149	30	55
	Female	38	16	54			
7	Male	31	40	71	108	57	71
	Female	15	22	37			
7+	Male	79	54	133	154	40	49
	Female	14	7	21			

Annexure I: EE Figures as on 31 October 2003

Post Level	Gender	White	Black	Total	Total in Level	% Black	% DG
2	Male	0	0	0	0	0	0
	Female	0	0	0			
2b	Male	1	0	0	1	0	0
	Female	0	0	0			
3	Male	7	0	7	7	0	0
	Female	0	0	0			
4	Male	46	5	51	56	9	18
	Female	5	0	5			
5	Male	48	8	56	73	12	34
	Female	16	1	17			
6	Male	68	33	101	159	32	57
	Female	40	18	58			
7	Male	30	33	63	90	55	66
	Female	10	17	27			
7+	Male	73	57	130	153	43	52
	Female	14	9	23			

Annexure J: EE Figures as on 31 October 2004

Post Level	Gender	White	Black	Total	Total in Level	% Black	% DG
2	Male	1	0	1	1	0	0
	Female	0	0	0			
2b	Male	1	0	1	1	0	0
	Female	0	0	0			
3	Male	7	1	8	8	12	12
	Female	0	0	0			
4	Male	47	4	51	57	1	17
	Female	6	0	6			
5	Male	52	10	62	87	11	40
	Female	20	5	25			
6	Male	62	40	102	153	40	59
	Female	30	21	51			
7	Male	28	21	49	74	41	62
	Female	15	10	25			
7+	Male	64	53	117	140	44	54
	Female	14	9	23			

Annexure K: Staff attrition from 1 November 2001 to 31 October 2002

Post Level	Gender	White			African			Asian			Colour			Total	Total in level	Black %	DG %
		Resignation	Transfer Out	Retirements	Resignation	Transfer Out	Retirements	Resignations	Transfer Out	Retirements	Resignations	Transfer Out	Retirements				
2	Male													0	0	0	0
	Female													0			
3	Male													0	0	0	0
	Female													0			
4	Male	1	3											4	4	0	0
	Female													0			
5	Male	3	3						1					7	7	14	14
	Female													0			
6	Male	4	2						1					7	12	8	50
	Female	1	4											5			
7	Male		1			2						1		4	5	60	80
	Female					1								1			
7+	Male			1	1									2	7	29	86
	Female	2	2			1								5			

Annexure L: Staff attrition from 1 November 2002 to 31 October 2003

Post Level	Gender	White			African			Asian			Colour			Total	Total in level	Black %	DG %
		Resignation	Transfer Out	Retirements	Resignation	Transfer Out	Retirements	Resignations	Transfer Out	Retirements	Resignations	Transfer Out	Retirements				
2	Male													0	0	0	0
	Female													0			
3	Male													0	0	0	0
	Female													0			
4	Male	1	4	1										6	7	0	14
	Female		1											1			
5	Male	1	2		1				1					5	7	43	57
	Female		1						1					2			
6	Male	1	3			1		1	2			1		9	12	58	67
	Female		1		1				1					3			
7	Male	2	1		2	1			1					7	10	40	70
	Female	1	2											3			
7+	Male	3	2		3									8	11	45	55
	Female	1			1				1					3			

Annexure M: Staff attrition from 1 November 2003 to 31 October 2004

Post Level	Gender	White			African			Asian			Colour			Total	Total in level	Black %	DG %
		Resignati	Transfer	Retireme	Resignati	Transfer	Retireme	Resignati	Transfer	Retireme	Resignati	Transfer	Retireme				
2	Male													0	0	0	0
	Female													0			
3	Male			1										1	1	0	0
	Female													0			
4	Male		1	3	1			1						6	7	29	43
	Female		1											1			
5	Male	4	2		1			1						8	9	33	33
	Female				1									1			
6	Male	4	1	2	3									10	16	50	56
	Female	1			1			1	1		1	1		6			
7	Male		1											1	3	67	67
	Female					2								2			
7+	Male	1			1									2	2	50	50
	Female													0			

Annexure N: New appointments for 2000

Designated				Non-Designated	
Blacks				White	White
African	Indian	Coloured	(Women)	Women	Males
17	6	8	11	14	15
Total = 31 (incl. African women)				Total = 14	Total = 15

Annexure O: New appointments for 2001

Post	Gender	White	African	Asian	Colour-ed	Total	Total in level	Black %	DG %
2	Male						0	0	0
	Female								
3	Male						0	0	0
	Female								
4	Male	1				1	2	0	50
	Female	1				1			
5	Male	3				3	4	0	25
	Female	1				1			
6	Male	8	1	3		12	16	25	50
	Female	4				4			
7	Male	3	4	3		10	19	63	84
	Female	4	1	4		9			
7+	Male	3	1			4	5	20	40
	Female	1				1			
Total		18	6	6		30	46	37	61
		11	1	4		16			

Annexure P: New appointments for 2002

Post	Gender	White	African	Asian	Colour-ed	Total	Total in level	Black %	DG %
2	Male						0	0	0
	Female								
3	Male	1				1	1	0	0
	Female								
4	Male						0	0	0
	Female								
5	Male	1	2			3	3	67	67
	Female								
6	Male	13		3		16	21	19	38
	Female	4	1			5			
7	Male	2	9		1	12	21	71	91
	Female	4	2	3		9			
7+	Male	13	8			21	24	42	46
	Female	1	1	1		3			
Total	Male	30	19	3	1	53	70	44	57
	Female	9	4	4		17			

Annexure Q: New appointments for 2003

Post	Gender	White	African	Asian	Colour-ed	Total	Total in level	Black %	AA %
2	Male						0	0	0
	Female								
3	Male						0	0	0
	Female								
4	Male						0	0	0
	Female								
5	Male						1	0	100
	Female	1				1			
6	Male	4	2			6	8	50	50
	Female		1	1		2			
7	Male	7	2	1		10	15	33	53
	Female	3	1	1		5			
7+	Male	3	4		1	8	10	70	70
	Female	0	2			2			
Total	Male	14	7	1	1	23	35	45	60
	Female	5	5	2		12			

Annexure R: New appointments for 2004

Post	Gender	White	African	Asian	Colour-ed	Total	Total in level	Black %	AA %
2	Male					0	0	0	0
	Female					0			
3	Male					0	0	0	0
	Female					0			
4	Male					0	0	0	0
	Female					0			
5	Male	1				1	1	0	0
	Female					0			
6	Male	4	1	2	1	8	10	40	60
	Female	2				2			
7	Male	2		2		4	8	38	75
	Female	3		1		4			
7+	Male	1	3			4	7	57	86
	Female	2	1			3			
Total	Male						25		
	Female								

Annexure S: Promotions during 2001

	White males	White Females	Black Males	Black Females
Level 2				
Number	1	0	0	0
%	100	0	0	0
Available pool	7	0	0	0
%	14.3	0	0	0
Level 3				
Number	1	0	0	0
%	100	0	0	0
Available pool	35	3	2	0
%	2.9	0	0	0
Level 4				
Number	14	1	3	0
%	77.8	5.6	16.7	0
Available pool	45	9	6	0
%	31.1	11.1	50.0	0
Level 5				
Number	18	4	1	0
%	78.3	17.4	4.3	0
Available pool	43	29	13	6
%	41.9	13.8	7.7	0
Level 6				
Number	15	7	9	3
%	44.1	20.6	26.5	8.8
Available pool	33	22	26	17
%	45.5	31.8	34.6	17.6
Level 7				
Number	9	4	10	4
%	33.3	14.8	37.0	14.8
Available pool	62	17	55	6
%	14.5	23.5	18.2	66.7
Level 7+				
Number	1	0	0	0
%	100.0	0.0	0.0	0.0

Number : Amount of people promoted to the specific level

% : Percentage of each group compared to the total group of promotions

Available Pool : People on the next lower level out of which the promotions could have come

% : Percentage of the available pool promoted

Annexure T: Promotions during 2002

	White Males	White Females	African Males	African Females	Asian Males	Asian Females	Coloured Males	Coloured Females
Level 2								
Number	0	0	0	0	0	0	0	0
%	0	0	0	0	0	0	0	0
Available pool	5	0	0	0	0	0	0	0
%	0.0	0	0	0	0	0	0	0
Level 3								
Number	0	0	0	0	0	0	0	0
%	0	0	0	0	0	0	0	0
Available pool	38	4	1	0	1	0	0	0
%	0	0	0	0	0	0	0	0
Level 4								
Number	7	1	1	0	0	0	0	0
%	77.8	11.1	11.1	0	0	0	0	0
Available pool	47	11	3	0	1	0	1	0
%	14.9	9.1	33.3	0	0	0	0	0
Level 5								
Number	15	6	2	0	0	0	0	0
%	65.2	26.1	8.7	0	0	0	0	0
Available pool	49	34	12	6	9	3	0	2
%	30.6	17.6	16.7	0.0	0.0	0.0	0.0	0.0
Level 6								
Number	4	7	5	0	1	3	1	0
%	26.1	30.4	21.7	0.0	4.3	13.0	4.3	0
Available pool	29	19	26	12	4	7	4	1
%	13.8	36.8	19.2	0.0	25.0	42.9	25.0	0
Level 7								
Number	9	4	7	2	1	0	2	0
%	36	16	28	8	4	0	8	0
Available pool	66	19	55	9	1	0	2	0
%	13.6	21.1	12.7	22.2	100.0	0.0	100.0	0
Level 7+								
Number	8	4	6	1	0	0	1	0
%	40	20	30	5	0	0	5	0

Number : Amount of people promoted to the specific level

% : Percentage of each group compared to the total group of promotions

Available Pool : People on the next lower level out of which the promotions could have come

% : Percentage of the available pool promoted

Annexure U: Promotions during 2003

	White Males	White Females	African Males	African Females
Level 2				
Number	0	0	0	0
%	0	0	0	0
Available pool	7	0	0	0
%	0.0	0	0	0
Level 3				
Number	0	0	0	0
%	0	0	0	0
Available pool	46	5	5	0
%	0	0	0	0
Level 4				
Number	9	1	1	0
%	81.8	11.1	11.1	0
Available pool	48	16	8	1
%	18.8	6.3	12.5	0
Level 5				
Number	14	4	2	3
%	60.8	17.4	8.7	13.0
Available pool	68	40	2	1
%	20.6	10.0	100.0	300.0
Level 6				
Number	19	7	6	2
%	55.88	20.59	17.65	5.88
Available pool	30	10	33	17
%	63.3	70.0	18.2	11.8
Level 7				
Number	7	2	10	2
%	33.33	9.52	47.62	9.52
Available pool	73	14	33	57
%	9.6	14.3	30.3	3.5
Level 7+				
Number	17	7	12	2
%	44.74	18.42	31.58	5.26

Number : Amount of people promoted to the specific level
 % : Percentage of each group compared to the total group of promotions
 Available Pool : People on the next lower level out of which the promotions could have come
 % : Percentage of the available pool promoted

Annexure V: Promotions during 2004

	White Males	White Females	Black Males	Black Females
Level 2				
Number	0	0	0	0
Available pool	7	0	1	0
Level 3	1	0	1	0
Number	0	0	0	0
Available pool	47	6	4	0
Level 4				
Number	3	1	2	0
Available pool	52	20	10	5
Level 5A				
Number	10	4	1	0
Available pool	52	20	10	5
Level 5B				
Number	9	4	5	2
Available pool	62	30	40	21
Level 6				
Number	10	4	9	5
Available pool	28	15	21	10
Level 7				
Number	8	1	4	0
Available pool	64	14	53	9
Level 7+				
Number	12	2	6	1

Annexure W: Merit appraisal rating for 1999/2000

Merit rating	Black Females	Black Males	White Females	White Males	Total
2	0	1	0	2	3
3	20	38	24	43	125
4	9	46	31	119	205
5	2	17	17	64	100
6	0	0	0	2	2
Total Avg	3.4	3.8	3.9	4.1	

Annexure X: Merit appraisal rating for 2000/2001

Merit ratings	African Male	African female	Asian Male	Asian female	Colour Male	Colour Female	White Male	White female	Total
2		1					1	1	3
3	23	10	8	5	1	1	43	19	110
4	45	9	4	4	5	1	108	41	217
5	16	1	3	1	1	1	66	21	110
6							2	1	3
Total Avg	3,9	3,4	3,7	3,6	4,0	4,0	4,1	4,0	

Annexure Y: Merit appraisal rating for 2001/2002

Merit ratings	African Male	African female	Asian Male	Asian female	Colour Male	Colour Female	White Male	White female	Total
2	4						6	3	13
3	44	15	5	8	3	3	90	26	194
4	40	8	7	3	3	1	98	37	197
5	9		4	1			49	17	90
6				1			3		4
Total Avg	3.6	3.3	3.9	3.6	3.5	3.3	3.8	3.8	

Annexure Z: Merit appraisal rating for 2002/2003

Merit ratings	African Male	African female	Asian Male	Asian female	Colour Male	Colour Female	White Male	White female	Total
2	2	0	0	0	0	2	11	3	18
3	56	14	6	4	5	2	105	26	218
4	49	9	4	6	0	3	101	39	211
5	6	0	5	5	1	0	53	14	84
6	0	0	0	0	0	0	0	2	2
Total Avg	3.5	3.4	3.9	4.1	3.3	3.1	3.7	3.8	

Annexure AA: Merit appraisal rating for 2003/2004

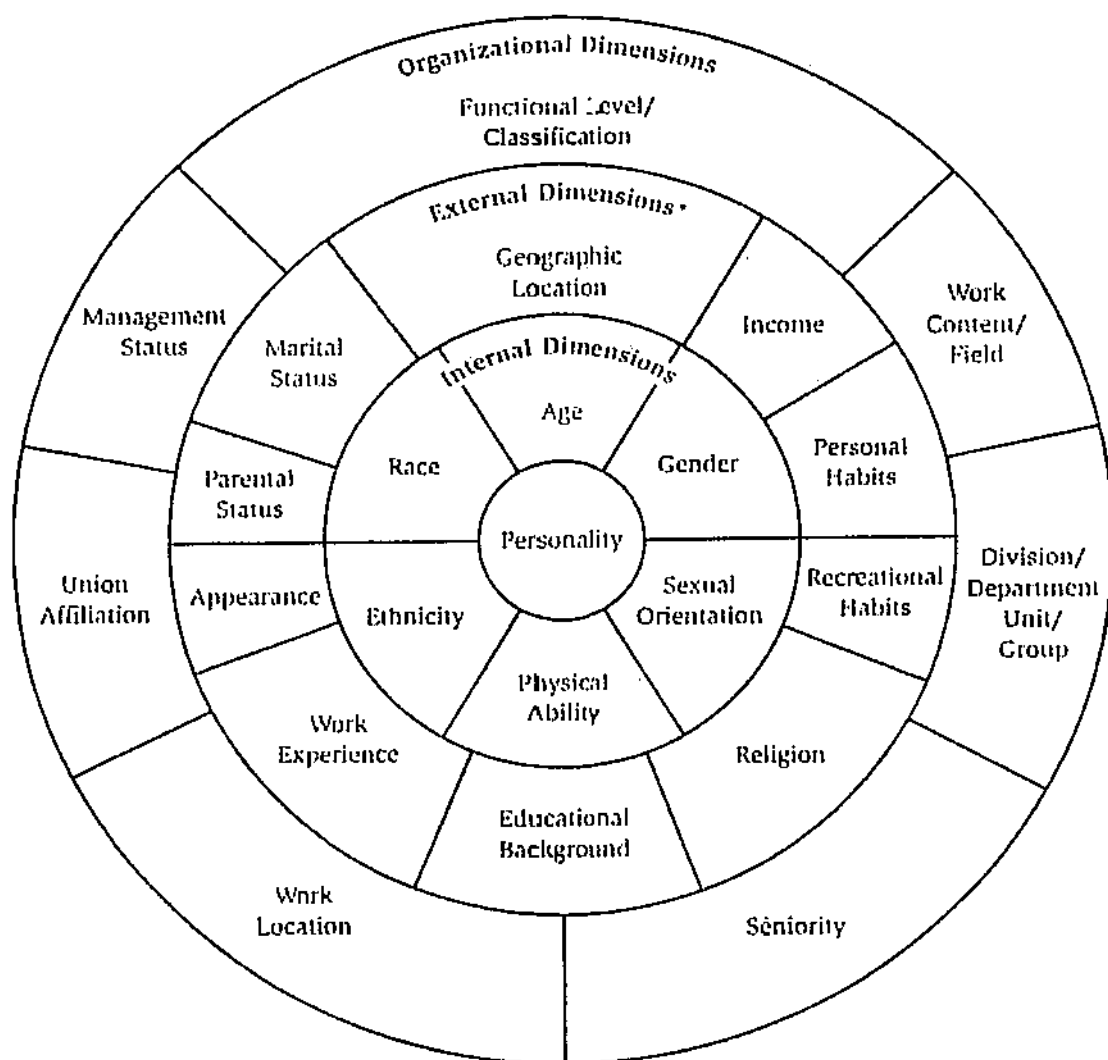
Merit ratings	African Male	African female	Asian Male	Asian female	Colour Male	Colour Female	White Male	White female	Total
0	17	10	5	2	1	1	40	15	91
1	0	0	0	0	0	0	0	1	1
2	2	0	0	0	0	0	4	1	7
3	50	8	4	5	5	2	71	22	167
4	32	8	4	4	1	2	93	34	178
5	10	0	3	3	0	0	44	14	74
6									
Total	111	26	16	14	7	5	252	87	518

Annexure BB: Bursary allocation for 2002 and 2003

Year	Target (%)	Actual (%)
2002	50	61
2003	50	62

(Excluding the percentage bursaries allocated to white females)

Annexure CC: Four Layers of diversity



Annexure DD: Equivalent Occupational Levels

Equivalent occupational levels

Semantic Scale		Paterson	Peromnes	Hay	Castellion
Top management	F	F	1++ 1+		14
Senior management	E	E UPPER E LOWER	1 2 3	1 2	13
Professionally qualified, experienced specialists and mid-management	D	D UPPER D LOWER	4 5 6	3 4	12 11 10
Skilled technical and academically qualified workers, junior management, supervisors, foremen, superintendents	C	C UPPER C LOWER	7 8 9 10 11 12	5 6 6A 7 8	9 8
Semi-skilled and discretionary decision making	B	B UPPER B LOWER	13 14 15 16	9 10 11	7 6 5 4
Unskilled and defined decision making	A	A	17 18 19	12 13	3 2 1