

**UNIVERSITY OF KWAZULU-NATAL**

**PERCEPTIONS OF MANAGERS OF AFFIRMATIVE ACTION IN ABSA BANK,  
KWAZULU-NATAL (KZN)**

**by**

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## **DECLARATION**

I hereby declare that this research report is my own unaided work. It is being submitted for the degree of Master of Commerce (Industrial Relations/Employment Relations) at the University of KwaZulu-Natal, Westville, (Durban). It has not been submitted before for any degree or examination at any other university.

## **DEDICATION**

This dissertation is written and dedicated to the memory of my late father, surviving mother (MaDuma), my brothers (Bongani and Eric), who have played a supportive role in my life; my wife, Hlobisile and my beloved sons, Khethelo and Lwandile, who have always served as an inspiration to me.

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- Firstly, God, who is the source of my hope and pride, no matter what the future holds for me;
- Mr. DV Dlamini, my supervisor, for his encouragement, understanding and patience displayed during the difficult times that I experienced during the course of the study;
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- The various respondents and participants, for completing the questionnaire without complaining or objecting to my research questions.

## **ABSTRACT**

The effects of affirmative action (AA) in the workplace have sparked serious debate in South Africa and have attracted criticism from various population groups. This study investigated the perceptions of managerial employees on the implementation of AA at Absa Bank in KwaZulu-Natal. The objectives of the study were to elicit managerial perceptions of the implementation of affirmative action in ABSA; to investigate the manner in which affirmative action is being sustained at ABSA; to understand managerial perceptions regarding the performance of affirmative action candidates in the ABSA; to establish management willingness to mentor affirmative action candidates; and to establish the bank's reasons for complying with Employment Equity policy. The research approach adopted in this study is the mixed-methods approach, which is a combination of qualitative and quantitative methods.

The study is both exploratory and descriptive, which is used to share participants' perceptions regarding the implementation of affirmative action in their workplace. The questionnaire and an interview schedule were the primary tools used to collect data from managerial employees at ABSA. The quantitative data collected from the respondents was analysed with SPSS version 23.0; and the qualitative data was analysed through NVIVO software. The quantitative results were presented through the descriptive statistics in the form of graphs, and cross tabulations; while the inferential techniques included the use of correlations and chi-square test values, which were interpreted using the p-values. Both thematic and content analyses were used for the qualitative study.

The findings in this study suggest that about 84% of the respondents feel that the implementation of AA at ABSA Bank is effective. The findings further indicate that 80% of the respondents perceive the practice of AA at ABSA Bank as consistent with those of the banking industry. About 63% feel that the management of ABSA Bank considers the opinions of employees when AA policies are implemented.

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## Chapter One

### Introduction to the Study

#### 1.1 Introduction

Since the inception of the Affirmative Action (AA) policy in the post-apartheid South Africa, there have been numerous discussions, some negative and some positive, about the manner in which the policy is being implemented by both private and public organisations. The most prevalent accusation directed at AA initiatives is that they constitute ‘reverse discrimination’ and are negative. Such accusations may be associated with those people who are currently excluded by the policy. Perceptions of reverse discrimination might lead white employees to feel discriminated against, since they may be overlooked for promotions in favor of their less experienced counterparts. Feeling discriminated against might lead to tense relationships between employees from designated and non-designated groups. This may further create negative work conditions for all parties, especially those who feel that labor laws in this country are now made to disfavor them.

The effects of affirmative action (AA) in the workplace may cause white people to feel somewhat disadvantaged, as past inequalities are addressed (Duvenhage and van der Westhuizen, 2013). According to the authors, Whites may be suffering from the anxiety produced by this concept. After all, in the past, White people were the primary beneficiaries of job opportunities, upward mobility, and higher income levels compared with their racial or ethnic counterparts. There seems to exist a continuing inequality in the labor market, in which ‘non-Whites’ find themselves having to be subordinate to White managers (Edigheji, 2007). Consequently, the ongoing ramifications are that of the former practice of exclusion, ‘non-White’ people cannot participate equally in the workplace with their White counterparts.

Nowadays, people from the designated groups have high hopes about affirmative action; probably contrary to the feelings of the non-designated groups, who are excluded from the ambit of AA. Designated groups are “Blacks, Indians, Colored’s, women, and people with disabilities”. These are beneficiaries of AA measures. Going by this assertion, one can assume the non-designated groups to be White males of Afrikaner and English extraction. However, this



excludes women, since women of all groups were also subjected to discrimination in the world of work.

Implementation of an AA policy is the primary measure for correcting former inequality in the workplace. It is an attempt by the South African government to redress existing inequalities, rendering the personnel more representative of the populace of the country. During the apartheid era, White employees received approximately 55 per cent of the country's individual income, while Black South Africans earned just 29 per cent (Global, Rights 2005). In addition, Whites held a disproportionate number of managerial positions. This indicates the serious exploitation that Black people were once subjected to in the workplace. Owing to the divisions that exist in the world of work today, the extent to which AA has been implemented has attracted varying perceptions from the general South African public. Therefore, this study aims at establishing the perceptions held by managerial employees of Absa Bank in KwaZulu-Natal, of the effects of AA measures.

## **1.2 Background of the Study**

Affirmative action emerged in the 1960s, resulting from the efforts by the civil rights movements to persuade the United States of America (US) to honor its original tenet that all people are created equal (Hall and Woermann, 2014). During those times, efforts by civil rights leaders in the US led to the federal government's mandate for affirmative action programs to redress racial inequality and injustice. According to Global Rights (2005), affirmative action in South Africa was enacted to remedy the various types of discrepancies that had been created by the apartheid government. Among those discrepancies was the division of races in South Africa, which resulted in inequalities in the labor market.

According to Burger and Jafta (2010), in the South African context, AA took effect in 1998, being documented in Chapter III of the Employment Equity Act 55 of 1998 (EEA). The ultimate purpose of AA is to transform the workplace. Government began to enforce this practice in the employment environment through legislation shortly after the first democratic elections in 1994 (Burger and Jafta, 2010). Burger and Jafta (2010) further state that the main aim of EEA is the creation of equal opportunity for every person, and more especially, the previously disadvantaged. The South African government enforced AA by imposing certain duties on

employers, inter alia, eliminating unfair discrimination, and implementing affirmative measures to attract, develop, and retain individuals from previously disadvantaged groups.

According to Papacostantis and Mushariwa (2016), Chapter III of EEA provides that all designated employers must adhere to the regulations provided for in the Act when implementing affirmative action, in order to achieve employment equity in the workplace. It further provides that the employer must, among other things, consult with all its employees, including representative trade unions, conducting an audit or analysis of the current staff profile. Finally, the chapter states that the employer must arrange an employment equity plan, reporting to the Director-General of the Department of Labor on the advancement achieved in implementing such an employment equity plan. In the affirmative action regulations, each designated employer has to dispense one or more senior managers to take charge for monitoring and implementing an employment equity plan, provide those managers with the authority and means to perform their functions, and take reasonable steps to ensure that managers perform their functions".

The perceptions and attitudes to AA, "AA has been a term that has attracted much contempt in some circles and has also enjoyed accolades in others". Affirmative action is literally interpreted as reverse discrimination – the capabilities of Blacks and women in senior positions are queried. It is apparent that in such an environment there is slow progress of Black people. Padayachee (2003) further affirms that there is evidence that there are negative as well as positive perceptions of and attitudes to AA.

The critics of AA oppose it as a program which rewards people on the basis of their genetically determined characteristics, such as race, ethnicity, and gender (Kilonzo and Ikamari, 2015). According to the authors Kilonzo and Ikamari (2015), critics of AA feel that individuals from any ethnic, gender, and race groups should have equal opportunities in competing for a job opening. Proponents of AA feel that this is unfair to those who were previously disadvantaged in terms of employment and education. Albertyn (2011) argues that critics of AA preferential treatment based on achieving social cohesion to provide services to the previously disadvantaged suggest that it may increase hostility among White males who see themselves as being deprived of education and employment.

### **1.3 Research Problem**

Rankhumise and Mello (2011) suggest that it is conceivable that White people in senior positions would not wish Black people to take over their positions; hence resistance from the former may obtain. The reason for such resistance might be based on a misconception that Blacks cannot perform well in such positions, leading to low productivity. Harris, Rousseau and Venter (2007) assert that perceptions drive people to behave in a certain way. However, it depends on what individuals perceive as a reality. It may therefore be argued that a “perception is the process by which individuals select, organize and interpret the input from their senses to give meaning and order to the world around them” (Harris *et al.*, 2007: 51).

It is important to understand perceptions of white employees feeling the effect of AA. As such, their perceptions must be considered since they are part of a non-designated South Africa. Furthermore, it is important that, when policies are implemented in the workplace, all parties involved feel secure in the work environment.

### **1.4 Main Research Questions**

The overarching research questions that guide this study are: Firstly, how do managers of ABSA Bank perceive affirmative action? Are they viewing the policy as a tool that will assist the bank to redress inequalities by mentoring affirmative action candidates? Secondly, do managers of Absa Bank view AA as a tool that will assist them in understanding affirmative action?

### **1.5 Objectives of the Study**

The objectives that this study aims to establish are as follows, namely:

- 1.5.1 To elicit managerial perceptions on the implementation of affirmative action in ABSA.
- 1.5.2 To investigate the manner in which affirmative action is being sustained at ABSA.
- 1.5.3 To understand managerial perceptions regarding the performance of affirmative action personnel in ABSA Bank.
- 1.5.4 To establish management willingness to mentor affirmative action personnel.
- 1.5.5 To ascertain the bank's reasons for complying with Employment Equity policy.

### **1.6 Significance of the Study**

This study will benefit the management of the banking institution under review, in that it will assist in the improvement of strategies used to implement AA measures at ABSA Bank. This

will further help motivate the non-designated group of employees in viewing AA as a vehicle to enhance workplace diversity, allowing equal access of job opportunities to previously disadvantaged groups. Should the non-designated group of employees not benefit from AA, would they support the inclusion of the designated groups of employees in the workplace? This research will assist ABSA Bank by offering constructive measures that may be applied during implementation of AA by the bank. Therefore, this study supports the understanding of the way in which employees perceive AA initiatives.

### **1.7 Organisation of the Study**

This study is organised as follows:

- 1.7.1 Chapter One introduces the study and the statement of the problem, as well as the proposed methods of conducting the study.
- 1.7.2 Chapter two focuses on the literature review, with emphasis on conceptualizing affirmative action and the theoretical framework that underpins the social perceptions of individuals towards others.
- 1.7.3 Chapter Three provides an overview of affirmative action practices in various countries, and the lessons learnt by South Africa.
- 1.7.4 Chapter Four highlights the research methodology used in the study. The chapter also reports on the demographics of the research participants.
- 1.7.5 Chapter Five concerns presentation and interpretation of the collected data. The chapter begins by explaining the process and procedure in which data was analyzed, and the manner in which it is presented.
- 1.7.6 Chapter Six discusses the research objectives, offering a conclusion and recommendations.

### **1.8 Summary**

The chapter introduces the study and briefly discusses the statement of the problem as well as the research questions and objectives of the study. It proceeds to outline the significance of the study. In addition, it provide the summary of the various chapter that will be covered in the study. The chapter further highlights the proposed research methodology and the framework on which the study is organised.

## **Chapter Two**

### **Literature Review**

#### **2.1. Introduction**

"Black professionals continue to encounter systematic barriers to their upward mobility. Companies view affirmative action as a threat to white privilege. They know that affirmative action provides to blacks what unearned white privilege had provided to whites for decades, a competitive advantage" (Nyati, 2004).

This chapter firstly presents the story of the South African workplace in order to outline the rationale for the promulgation of affirmative action in South Africa. In the first section the chapter will address the conceptual aspects of affirmative action, presenting differing ways in which various authors view AA. The chapter goes on to look at the legislative framework which regulates affirmative action in South Africa with reference to the Constitution, Employment Equity Act, and Promotion of Equality and Prevention of Unfair Discrimination Act. The discussion in this chapter also includes the views of the International Labor Organisation (ILO) on preventing discrimination in the workplace in order to encourage harmony among various employees. The AA practice of other nations such as the United States of America (USA), Korea, and Malaysia, is highlighted.

This chapter also introduces the social perception theory, linking it with the primary discussion of the subject, therefore focusing on stereotyping and its impact on the workplace. Diversity management and mentoring are also part of the discussion in this chapter, given that, upon implementing the employment equity programs, diversity is inevitable, and as such, monitoring will also be necessary to support designated employees.

#### **2.2. Definition of Affirmative Action**

Affirmative action has no absolute definition. Perhaps this may be attributed to various views that have been provided over the years by researchers such as Coetzee and Bezuidenhout (2011) and Reuben and Bobat (2014). Affirmative action has different meanings to different people. When affirmative action came into effect in 1998, it was overwhelmingly well received by its proponents. However, this does not mean the implementation of affirmative action prevented the evolution of opposing sentiments. Affirmative action tends to be a contentious issue everywhere, which is why it has both supporters and opponents. Coetzee and Bezuidenhout (2011) further state that AA has become very well known in that, even if one mentions the term, there is a possibility that reactions could arise from certain individuals.

Seierstad and Opsahl (2011) view affirmative action as a social policy encouraging treatment which favors socially disadvantaged groups, especially in employment, education, and housing, with regard to race, color, religion, sex, or national origin. The authors further argued that the rationale behind the introduction of AA is reverse historical trends of discrimination aiming to create equal opportunity for qualified persons. Edigheji (2007), on the other hand, sees affirmative action as a corrective measure to ensure representation in the workplace of all races, genders, and people with disabilities.

Zuiderveld (2014) also supports the suggestion by Seierstad and Opsahl (2011) that views affirmative action as a systematic program in which the effects of colonialism and racial discrimination are being repealed in all fields. From Seierstad and Opsahl (2011)'s point of view, this operation would eventually provide preferential treatment to previously disadvantaged people. The definition that is highlighted from these authors, explains affirmative action as a tool that may be used to give preference, in order to reverse the previous system of operating, as Seierstad and Opsahl (2011) pointed out. Although correcting the previous inequalities is necessary, however, recognizing this process as reversed discrimination could dilute the meaning of AA, especially in the workplace.

In the case in which the latter prevails, one could contend that the nation employing this practice has reinvented discrimination, and that non-designated people should not be discriminated against. Other views provide a contrary perspective of affirmative action. For example, Bendix

(2010: 481) expressed the view that the term affirmative action should be seen as a purposeful and planned position from which certain groups were previously barred. The author adds that this should be an attempt to redress past disadvantages in order to create a workplace that is more representative of the whole population. In this definition, it is apparent that affirmative action is not only about giving preference, as indicated earlier, but also about creating equal opportunity for all. Leibbrandt, Finn and Woolward (2012) contend that AA is more concerned with the development of competency among Black employees in influential positions not previously accessible to Black people. In other words, the implementation of affirmative action in most organisations does not necessarily mean that Black people can automatically attain better positions. Black people can also benefit from mentorship program in an attempt to develop their relevant competencies. However, the question is: will the managers, especially White managers, be willing to do this?

Bendix (2015) posits that there are two implications of AA: firstly, to give preference, and secondly to put right what has been wrong and unfair. The author further argues that the term AA is generally used to refer to a process of overcoming barriers, and access to opportunity and equal employment to facilitate the integration of black people and females into managerial positions. The first part of the author's view is lack of clarity in terms of giving preference. As this statement appears with no further delineation of that preference, many would apply their own interpretation. One assumes that preference is given to qualifying previously disadvantaged people, and those who have shown development potential, not simply preference at all cost. The second part of author's view on AA justifies the existence of affirmative action, especially in South Africa. After all, the intention of affirmative action is not malicious in nature. Instead, the intention is to balance the employment opportunity scale, in order to have a representative workforce.

The South African Guide (1995) suggests that affirmative action (AA) is a process by which to achieve equal employment opportunities. In striving to achieve equal opportunity in employment, designated employers have the obligation to eliminate barriers in the workplace which restrict employment and progress of Black people (Employment Equity Amendment Act 47 of 2013). The goal of the South African government is to create a work environment more

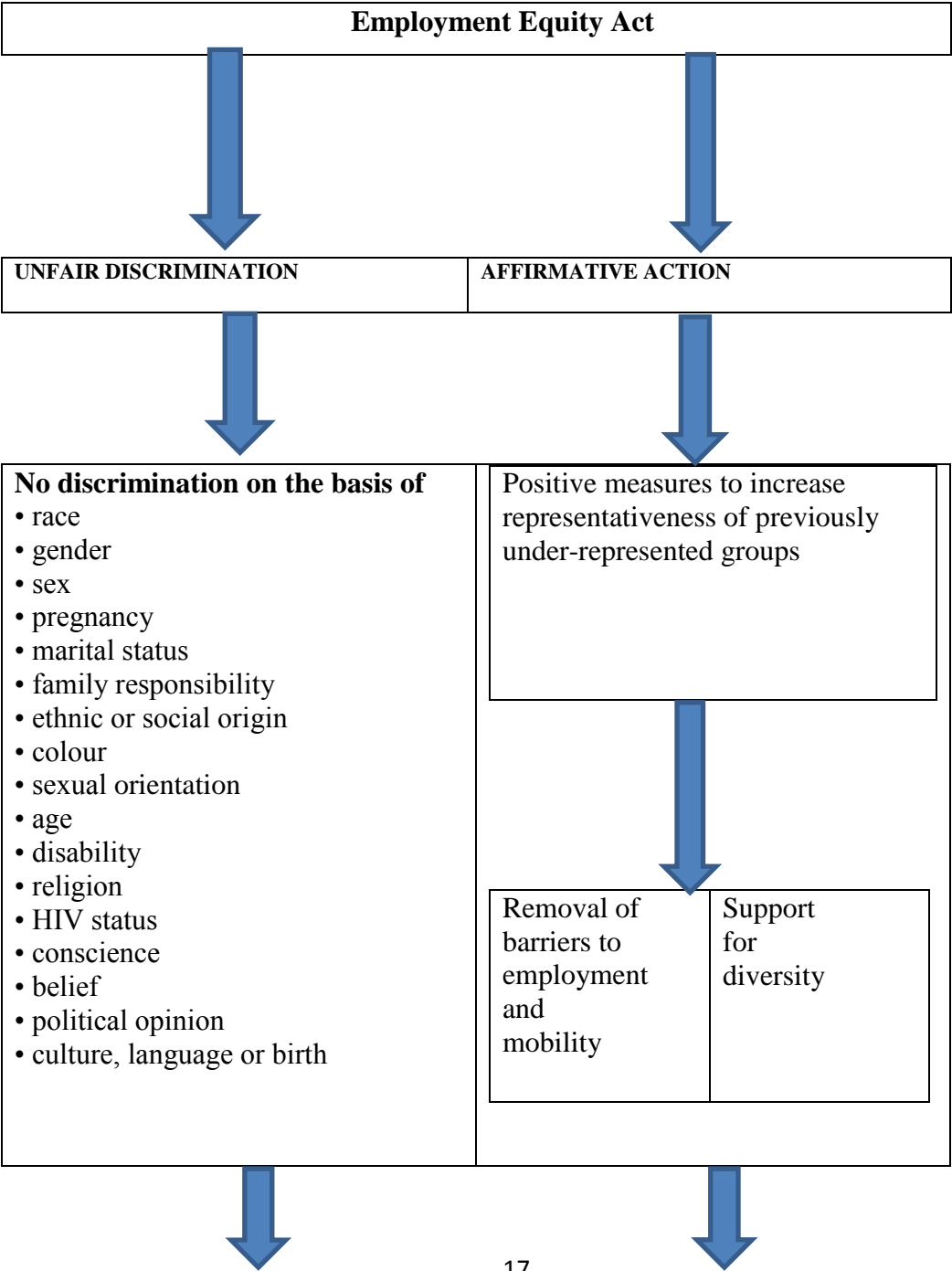
democratic and representative of the population (Bendix, 2015). According to Coetzee (2005), although employment equity targets play a major role in selection decisions, the appointment of qualified applicants plays an equally important role. Concerted efforts should be made to change the demographics at work, especially for higher-level jobs; organisations should not concentrate only on such appointments.

AA may be defined in various ways, depending on the way in which it is perceived. In this study, AA is defined as a social process implemented to empower previously disadvantaged citizens. This ensures that people who had been excluded from the political dispensation are empowered to occupy meaningful positions in organisations. Organisations must understand ways in which perceptions of AA influence employees attitudes and behavior; thus the implications for the success of the organisation. This study takes it that managers in the organisation, especially those at ABSA Bank have the responsibility of keeping the organisational climate comfortable, especially as AA takes effect.

### **2.3. Challenges Associated with Implementation of Affirmative Action in South Africa**

South African organisations are facing the challenge of developing and implementing AA programmes that will achieve the joint goals of employment equity and wealth creation. It is clear that in many African countries, measures to redistribute wealth and impose organisational control have been implemented with scant regard for economic growth (Coetzee, 2005). According to Alexander (2007: 92), building a nation or promoting national unity, which is one of the historic objectives of post-apartheid South Africa, shaping the new historical community evolving here, raises a whole range of issues, such as the class leadership and class content of such a nationalist movement, the nature and feasibility of social cohesion, our understanding of a multicultural polity, and intercultural communication, inter alia.





## Employment Equity Plan

**Figure 1: Employment Equity Act 55 of 1998.**

**Source: Adapted from Bendix (2015)**

During the apartheid regime, first implemented in the nineteenth century, and further formalized by the National Party government, the workplace was characterized by discrimination (Swanepoel and Slabbert, 2012). The emphasis in the apartheid era was on segregating Whites from Blacks in terms of employment opportunities in the workplace. Consequently, Black people, women, and people who lived with disabilities were excluded from accessing better occupations as well as a better salary. This has led to serious job and salary imbalances in the both private and public sectors. Laws during the apartheid era discriminated against Black South Africans through their not having access to proper conditions of employment, and other organisational rights, unlike in the current era.

Finnemore (2013) argues that, while the apartheid system affected general communities, workplaces and labor relations were severely affected. Under this regime Black workers were excluded from entering into mainstream employment; instead, they were often hired as laborers and artisan assistants, while Whites dominated mostly the skilled operating jobs as well as managerial positions. According to Van der Berg (2011, p.12), “it is indisputable that the racial discrimination legally entrenched by the colonial and Union governments and under the apartheid regime contributed greatly to this pattern of inequality”. Van der Berg (2011) contend that during the apartheid era the labour regulation gave more powers to White employees to dominate Blacks in terms of potency, their positions being inferior to White employee positions.

This practice was further reinforced through lack of skills development among Black workers. The National Party government used its political power, harnessing state resources to advance the pursuits of the White workers; and improving the socioeconomic status of Afrikaners through employment, training, and capital disbursement (Swanepoel and Slabbert, 2012). This meant that White people were well looked after, while Black people endured hardship to ensure that the same White people grew more affluent (Swanepoel and Slabbert, 2012). Under apartheid

segregation, work was not the sole matter that was institutionalized: there was also the aspect of unequal wages. The pattern of salary divisions perpetuated the salary inequality in the workplace: this phenomenon has obtained to this current dispensation.

This system left a legacy of inequality in terms of distribution of occupations and income. In the history of workplace discrimination in South Africa, it was inevitable that the new popular government would have to rectify the discrimination and inequalities in the South African workplace. Coetzee and Bezuidenhout (2011) contend that redressing injustices of the past becomes apparent when one views the societal and economic inequalities which still obtain in South Africa. In an effort to dispense with any forms of discrimination in the workplace, the Employment Equity Act 55 of 1998 was enacted in October 1998. This Act has since been amended to the current Employment Equity Amendment Act 47 of 2013 (EEAA 4 of 2013).

The aim of this human intervention is to attain fairness in the workplace: firstly, by promoting equal opportunity and fair treatment; and secondly, by implementing affirmative action measures to compensate for disadvantages in employment experienced by designated groups. EEA further imposes an obligation on employers to eliminate unfair discrimination in the workplace: firstly, in current work and salary practices, and secondly, in accepting positive or affirmative measures to attract, train, and retain people from previously disadvantaged groups.

These groups, such as Blacks, Coloureds, Indians, women, and people with disabilities, are covered in the EEA (Burger and Jafta, 2010). These groups may be citizens of the Republic of South Africa by birth or blood or naturalized citizens of the Republic of South Africa before 27 April 1994 or after 26 April 1994. Groups may include people entitled to gain citizenship by naturalization before 27 April 1994 or after 26 April 1994, but prevented by apartheid policies (EEAA 47 of 2013). According to Coetzee and Bezuidenhout (2011), many organisations have adopted AA programs as a matter of legislative obligation, mainly to achieve a diverse workforce. ABSA Bank is no exception to the provisions of the requirements of the Act.

The consolidation of democracy in our country requires the eradication of social and economic inequalities, especially those systemic in nature, which were generated in our history by

colonialism, apartheid, and patriarchy, and which brought pain and suffering to the great majority of our people (Van Wyk, 2002:42-44).

South African organisations are facing the challenge of developing and implementing AA programmes that will achieve the joint goals of employment equity and wealth creation. It is clear that in many African countries, measures to redistribute wealth and impose organisational control have been implemented with scant regard for economic growth (Coetzee, 2005). Alexander (2007: 93) argues that the policy of affirmative action, levelling the playing fields, representativeness, or whichever other suitable name we care to use, is one of the most sensitive issues in the new South Africa: not because it is wrong in any sense, but because of its unintended consequences.

#### **2.4. The Influence of International Labor Organisation on South African Non-discrimination Laws**

Under the democratic dispensation in South Africa, the Constitution is the supreme law and it underscores the needs of the majority. Nevertheless, historical workplace inequalities still abound and must, therefore, be addressed in terms of inherent occupational injustices (Deane, 2009). Given the transformation in the country, several laws aimed at redressing work inequalities have been enacted, as highlighted in the previous section. Deane (2009) further states that this initiative was motivated by virtue of South African membership of the International Labor Organisation (ILO).

The ILO was established in 1919, as part of the Treaty of Versailles that ended World War I, to reflect the belief that universal and lasting peace may be achieved only if it is founded on social justice (<http://www.ilo.org>). South Africa is among many countries who are signatories to ILO conventions, among others Forced Labor Conventions 1930; Freedom Association and Protection of the Right to Organize Conventions; Right to Organize and Collective Bargaining Convention 1949; Equal Remuneration Convention 1951; Abolition of Forced Labor Convention 1957 and the Discrimination (employment and occupation) Convention 1958 ([www.ilo.org](http://www.ilo.org)). Being part of these and other conventions, South Africa applies laws that encourage equality in the workplace and prohibit unfair discrimination. The International Labor Organisation has

upheld and developed a system of international labor standards aimed at promoting opportunities for women and adult males to obtain adequate and productive work, under conditions of freedom, fairness, security, and dignity.

Deane (2009: 154) states that, in an effort to reduce the gap between previously advantaged and disadvantaged individuals, the government of SA has promulgated a series of employment laws mandating, amongst other matters, affirmative action to be carried out by designated employers. In doing so, the South African government seeks to ensure that all employers are compelled to take genuine steps to address disadvantaged groups and any inequality. However, McGregor (2009) cautions that there is a possibility that, while redressing past inequalities, non-discrimination and affirmative action may clash with each other, if not carefully balanced. This is because, while the non-discrimination principle removes factors such as race and sex from decision-making processes, affirmative action seeks to ensure substantive equality by taking those same elements into account (McGregor, 2009). This suggests that AA measures must be implemented with caution, in order to avert the creating of long-lasting divisions in the workplace. Despite employers' attempts to comply with employment equity requirements, it often happens that supervisors and line managers undermine the success of employment equity initiatives, through their prejudicial treatment of AA employees (Coetzee, 2005:15).

Based on the conflict between AA measures and the perception of non-discrimination, McGregor (2009: 35) proposes that international law must obtain. This rule holds that evaluating distinctions introduced in the framework of an affirmative action policy should apply equally to evaluating of distinctions under the non-discrimination clauses of international official documents. The dilemma which most organisations encounter is the balancing of redress initiatives with non-discriminatory rule. While ensuring equity in the workplace is essential, and a necessity for all organisations in South Africa, some employers may be immune to the notion of equity (Bendix, 2015). Obviously, it is employers like these who will struggle with implementing AA measures, and who may adhere to the precept of non-favoritism. According to Bendix (2015), the following are the principles of affirmative action:

- Employers' understanding of AA;
- The AA objectives to be adopted by the organisation;

- Broad time frames for the achievement of objectives;
- The manner in which candidates are to be canvassed and selected;
- The development of employees;
- The integration of appointees into the organisation;
- Monitoring and performance appraisal systems applicable to all employees;
- Support systems for employees who underperform;
- The possibility that some candidates may have to be dismissed, and the procedures to be adopted in such cases; and
- Sensitisation of other employees to AA initiatives.

## **2.5. South African Constitution on Affirmative Action**

The South African Constitution recognizes affirmative action as a right in terms of section 9(2) which provides equality before law and equal enjoyment of all rights and freedoms. It goes further to make provision for the affirmative action measures, the elimination of unfair discrimination, and the portrayal of national legislation to prohibit unfair discrimination (RSA, 1996). Chapter II of the Constitution contains the Bill of Rights which protects the civil, political, and socioeconomic rights of all groups in South Africa.

The Bill of Rights further provides that no person may unfairly discriminate directly or indirectly against anyone based on race, gender, sex, pregnancy, marital status, cultural or social origin, color, sexual orientation, age, religious belief, disability, belief, culture, language, or birth. The EEAA 47 of 2013 makes provision for designated employers to implement AA measures in order to balance employment opportunities. The balancing of work opportunities is the national government's concern, although the total proportion of such opportunities is not easy to be achieved overnight.

## **2.6 Employment Equity in South Africa**

The Employment Equity Act (EEA) was introduced to ensure that employers offer disadvantaged groups equal work opportunities. This Act was passed in October 1998; in 2006 amendments were made to regulations in terms of the Act (Swanepoel and Slabbert, 2012: 340). The aim of the EEA is to attain fairness in the workplace by encouraging equal opportunity and reasonable

treatment in employment through the elimination of unjust discrimination; and in carrying out affirmative action measures to redress the disadvantages in employment experienced by designated groups; to ensure their equitable representation in all occupational classes and layers of the workforce (Swanepoel and Slabbert, 2012).

Rankhumise and Mello (2011: 786) argue that this Act has been necessary, not just to make an equitable workforce: the South African government had to overcome skills deficiencies in the country among the designated people. The accent in this legislation is on passing an employment environment representative of South African demographics in all job categories. Bloom and Louis (2013) argue that, if designated people are trained sufficiently, the principle of equity may be achieved people with the right skills, qualifications, and knowledge will be selected for all job categories. Mushariwa (2012: 413) argues that employing only the most suitably qualified candidates, irrespective of race, gender or disability is justifiable, if employment equity targets have been met.

### **2.6.1 Elimination of unfair discrimination**

The EEA lays down specific grounds by which no person may directly or indirectly unfairly discriminate against an employee; taking into account factors such as race, gender, pregnancy, marital status, family responsibility, ethnic or social origin, color, sexual orientation, age, disability, religion, conscience, belief, political opinion, culture, language, birth or HIV status (Swanepoel and Slabbert, 2012: 341). These scholars further state that it is the duty of employers to proactively eliminate unfair discrimination in any organisational functions. According to Coetzee (2005:15), the “work for me” instead of “work with me” approach is thus not applied. If organisations wish to make a success of AA, they have to take a closer look at the way in which AA employees are treated in the workplace. One way of showing respect and appreciation is by involving employees and keeping them informed of changes and issues that concern them.

Although discrimination of whatever sort is forbidden by the EEA, Reddy (2006: 792) contends that this Act recognizes that certain discriminatory practices are considered fair. Possibly, conditions such as these could lead to conflict in complying with and fully utilizing the provisions of the EEA. It is against this background that discrimination remains a challenge in

the South African workplace [Human Capital Management (HCM), 2006/07:37]. Another reason for discrimination to persist in some workplaces is owed to the method in which affirmative action is carried out.

According to Slater (2014: 339), there are disappointments around the style in which affirmative action has been carried out: it seems that the educated and skilled beneficiaries receive more care than other beneficiaries who remain vulnerable and marginalized in terms of accomplishments and training. It is against this background that new, integrated methods for carrying out affirmative action have become necessary. Deane (2006) asserts that it is important that affirmative action measures are enacted in a way that is not arbitrary and without any merit. Deane (2006) mentions that if people work without being supported by policies that increase access to education and work, there is substantial danger that the EEA will simply empower an elite group of Blacks and women, further entrenching growing class inequalities in South Africa. If properly implemented, EEA can help South Africans alleviate discrimination in the workplace and encourage the development of clean and equitable employment policies and practices (Deane, 2006).

### **2.6.2 Promotion of equality and prevention of unfair discrimination act (PEPUDA)**

The emergence of PEPUDA was intended for the promotion of equality: prevention of unfair discrimination and protection of human dignity as laid out in sections 9 and 10 of the Constitution. This Act goes further to provide for procedures in the determination of circumstances under which discrimination is unfair; and to provide remedies for victims of unfair discrimination. The presence of this prescript is pertinent to the South African workforce, especially those who were previously disadvantaged by the rules of the previous regime. According to Du Toit (2007), during apartheid, discrimination against workers on grounds of race and sex was legally supported: employers could further discriminate on grounds such as religious belief, disability, or political persuasion. Thus, it is necessary that employers establish proper mechanisms by which to redress measures: such mechanisms would be effectively enforced. De Vos (2013: 12) states that the Constitutional Court as well as Labor Court have affirmed that redressing does not constitute discrimination; instead, it is a prerequisite for equality.



### **2.6.3 The duties of designated employers towards AA implementation**

The successful implementation of AA depends largely on the loyalty of the designated employer in ensuring that the system complies with legal statutes. The EEA gives the designated employer the responsibility of enforcing the affirmative action measures for designated groups in society to achieve employment equity in the workplace (EEA 2013). In this respect, the Act offers a clear responsibility to the designated employer to consult various stakeholders, which include employer representatives and other relevant stakeholders in society, thereby achieving consensus. The consultation process involves issues relating to employment policies, practices, procedures, and the working environment. After the consultation process, the designated employer should conduct a workforce analysis. In this analysis, the employer should attempt to examine the current workforce, determining whether there are any imbalances in race and gender in the workforce, as well as in the composition of the qualified pool from which potential employees may be identified (Fick, 2014). Should the employer discover that there are certain imbalances, organisational policies and routines must be re-examined in order to identify and address the causes of these imbalances (Fick, 2014).

Thereafter, the employer must implement a policy on its employment equity program, further compiling a report that should be presented annually to the Director General of Labor (EEAA, 2013). This account should provide in detail the progress attained by the designated employer in carrying out the employment equity (Deane, 2009). Fick (2014) insists that, when employers report, it is important that employment equity plans have attainable goals and numerical targets: without these, employment equity plans will be ineffective. Government and designated groups may hope for swift results, however, implementing employment equity effectively is a process which cannot be rushed (Oosthuizen and Naidoo, 2010).

It is evident that employment equity was forthcoming, albeit slowly. In 2004, the government presented a Black Economic Empowerment scorecard through its Broad Based Economic Empowerment Act. According to the scorecard, organisations may qualify to apply for government offers, depending on their score on the scorecard (Broad Based Black Economic Empowerment Act 53 of 2003). The full number of crosses on the scorecard reflects that an

organisation has equitable ownership, including previously disadvantaged people, and is delivering a significant proportion of Black people in executive management (Maisonnave, *et al.*, 2009).

Non-compliance with these provisions means that the organisation will forfeit the chance of receiving government offers. The legal compliance initiatives are an indication that the government is committed to realizing a well-represented workforce in the labor marketplace. Banks are evaluated through the financial sector scorecard. The government has gone further to encourage compliance from organisations by including non-compliance punishment in the Employment Equity Amendment Act. According to Donnelly (2012), fines start from 2% of business turnover for first-time offences. The fine progresses to 10% of the business turnover of a qualifying company in the event that the company is found guilty of contravening some provisions of the Act within three years. Although these fines may seem harsh to some organisations, they offer encouragement for designated employers to comply with labor prescripts.

## **2.7 Affirmative Action Measures**

As indicated earlier, AA measures are put in place to ensure that suitably qualified people from designated groups have equal employment opportunities, and are equitably represented in all occupational classes and layers in the manpower of a designated employer (Deane, 2009: 84). Affirmative action measures are an aspect of transformation. It is easy to confuse them with what we might call transformative measures (Alexander, 2007:95). Notwithstanding, Brown (2004:21) argues that affirmative action is a means, not a principle. As a restorative right, it draws its validity from a system of injustice and imbalance. As this changes, it becomes less and less necessary. In other words, race-based policies are only acceptable as a temporary bridging mechanism. Subject to certain objectives having been attained, they may be discarded (Deane, 2009).

According to Duvenhage and van der Westhuizen (2013), the EEA provides that AA measures be checked in the equity plan; revealing the following, namely:

- i) strategies to eliminate barriers to employment opportunities;

- ii) measures to promote diversity in the workplace through creative initiatives;
- iii) reasonable accommodation for people in designated groups within society, to ensure that they enjoy equal privileges, and are equitably represented in the workforce of a specified employer; and
- iv) Retaining and developing of designated groups.

All designated employers in South Africa, including ABSA Bank, are required by law to ensure that AA measures are in place and are implemented. Employers have a propensity to commit towards implementing AA measure on paper, however, adopting strategies that are adverse to the initial strategy. Reuben and Bobat (2014:13) suggest that, while employers commit towards implementing AA measures, evidence shows that employees disapprove of the practices. Therefore, it is essential that employers remain consistent in practicing the initial strategies for implementing AA measures.

Oosthuizen and Naidoo (2010) found that, at times, managers' focus on increasing the numbers of Black people instead of training them, could have a negative impact on the organisation's operation. If such a practice prevails in organisations, critics of AA, who perceive its goals as ensuring the promotion and employment of unqualified people into various positions in the organisation, are justified. AA is essential in that it enables organisations to reconsider the way in which they have implemented relevant policies, and the way in which they treat employees. Had all employers fully complied with EEA in terms of enforcing AA measures, perhaps more designated groups would have benefited. It is also recommended in the EEA that all employees within the organisation be involved in the establishment of AA policy. Oosthuizen and Naidoo (2010) indicate that the change to employment equity in the organisation depends on active engagement in partnerships of employers, employees, and unions in the workplace, to identify equity concerns, and to deliberate the resolution plans.

According to Bendix (2015), this process is essential to gain the support of existing employees. This may be achieved through various methods such as workshops, sensitization sessions, and interactions. The author further argues that, if existing employees are not involved in the process, they are likely to withhold information and assistance from new employees, especially those

from the designated group. This will cause the employees in the designated group to fail; they will struggle to access essential information for doing their work. However, when employees accept the process, harmonious relationships among employees is inevitable; and the environment would be ready for the creation of an employment equity plan.

## **2.8 Employment Equity Plan**

After establishing an employment equity plan, employers are required to prepare and implement it, setting out the measures of affirmative action which are intended to achieve employment equity goals. In this plan, employers should ensure that the principles of fairness and equity are incorporated into all aspects of employment, including recruitment, training, promotion, retention, and accommodation in the workforce (EEAA, 2013). Since inequality is not limited to general levels of the organisations, employers should also commit to ensuring that effective steps are taken to achieve employment equity at managerial level.

Deane (2009) states that the purpose of the equity plan is to set out the practical steps that a designated employer must take in order to achieve reasonable progress towards employment equity in the workplace, that is, eliminating unfair discrimination, removing barriers, and correcting under-representation of employees from designated groups. Part of the plan also should be clear on the employment equity targets the employer wishes to achieve. Mushariwa (2012) asserts that it would no longer be justifiable for the employer to enforce affirmative action after reaching the equity targets. Mushariwa (2012: 423) further indicates that ignoring the set targets would inadvertently discriminate against other potential candidates.

Mushariwa (2012) has also studied the case of *UNISA v Reynhardt* (2007), closely related to the employment equity plan, wherein it was held that, once an employer has reached the set employment equity targets, it is no longer justifiable for him/her to continue to apply affirmative action. This was a case in which an employee alleged that he was discriminated against by the employer on the grounds of race. In this case, the employer had not appointed the complainant to the position in which he was most suitable; instead, the employer improperly applied its own employment equity policy, ultimately appointing a less qualified and unsuitable candidate to the position. The court held in favor of the complainant, even when the employer appealed the

matter. This case shows that the implementation of affirmative action measures needs careful planning and execution, since mistakes could lead to unnecessary lawsuits.

## **2.9 Employment Equity Compliance by South African Banks**

The interest of the study is on managerial employees who work under one of the top South African banks: looking at the extent of compliance with the employment equity is paramount. Discussing the employment equity of various banks will indicate whether South African banks comply with the law, and to what extent these banks have succeeded in the implementation of employment equity. Only three banks are discussed, namely, Nedbank, Standard Bank, and ABSA Bank; the latter bank is central to the focus of this study.

### **2.9.1 Nedbank**

Nedbank is among the top five large banks in South Africa. As a large organisation, it also falls within the ambit of the EEA of 2013. This indicates that the bank has a legislative compliance obligation to ensure that the provisions of the employment equity are implemented, including establishing employment equity plans, and also implementing the AA measures. Nedbank believes in achieving great things with great people. In this they are focusing on developing and retaining the best employees. The bank is also working towards improving the culture and the climate in which employees operate, by alleviating their challenges ([www.nedbank.co.za](http://www.nedbank.co.za)). Nedbank recognizes that there is a challenge of key skills availability in the financial sector, and this requires extraordinary measures from the bank. In responding to the key skills problem in the financial sector, the bank has implemented an employee-value proposition strategy as a countermeasure. The bank has further established partnerships with various higher institutions of learning (University of Pretoria, University of KwaZulu-Natal, inter alia) in South Africa to attract graduates and also to offer bursaries to some of the students ([www.nedbank.co.za](http://www.nedbank.co.za)).

In terms of the employment equity, Nedbank aspires to be a leader in the transformation of the workplace and also in providing employees with a congenial place in which to work. Nedbank uses employment equity to accelerate transformation. The bank notes that demographic representation is essential, however, the bank believes that it should not only be complying with the legislation to achieve the targets. Transformation should be complemented with an

environment that is conducive, and that would enable the organisation to flourish (www.nedbank.co.za).

In 2008, the bank submitted its employment equity plan to the Department of Labor: the plan met all the aspects of the Employment Equity. The table below reflects the current demographic profile of the group, based on the EE Act's definition of occupational levels on 31 December 2008. Nedbank indicates that these figures were and still are monitored on a monthly basis, in order to assess the group's performance against set targets (Nedbank Annual Report, 2013).

### Total workforce profile per Employment Equity Act

Numbers	Designated						Non-designated				Total	
	Male			Female			Male	Foreign nationals				
Occupational levels	A	C	I	A	C	I	W	Ma	Fema			
							le	le				
Top management	2	0	0	1	1	0	1	9	0	0	14	
Senior management	44	17	41	30	7	22	90	310	25	11	597	
Professionally qualified	575	317	577	522	450	582	1 767	1 779	104	99	6 772	
Skilled technical	1	679	666	2	1	1	2	655	51	103	10	
Semi-skilled	241	749	308	163	1	860	421	687	125	7	43	4 916
Unskilled	9	0	1	11	0	0	1	0	0	1	23	
Exceptions – permanent staff not matched	12	2	3	6	2	3	6	4	2	0	40	
<b>Total permanent</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>4</b>	<b>2</b>	<b>2</b>	<b>4</b>	<b>2 882</b>	<b>189</b>	<b>257</b>	<b>22</b>	
Non-permanent employees	356	74	87	690	185	70	247	293	140	112	2 254	
<b>Grand total</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>4</b>	<b>3 175</b>	<b>329</b>	<b>369</b>	<b>24</b>	
	<b>988</b>	<b>397</b>	<b>538</b>	<b>962</b>	<b>038</b>	<b>364</b>	<b>810</b>				<b>970</b>	

(Source: Nedbank Annual Report, 2008)

Although Nedbank remains committed to accelerating transformation and redressing underrepresented groups at management levels, it is evident that there are imbalances. The bank has since set itself a challenge of annual targets to rectify the situation by 2016.

Becoming a true reflection of the society in which an organisation operates is a key transformational challenge faced by the bank. As a consequence, a diversity management strategy has been enforced, fundamentally directed at producing a workplace in which diversity is embraced; free of all irrelevant pre-judgments and stereotypes. This shows that diversity management forms a central component of the Nedbank transformation process. Nedbank Group is cognizant of the reality that most organisations are either 'strategically' or 'culturally' deficient; and that such deficiency in either sphere impedes the growth and success of the organisation. Recognizing this, the diversity management initiatives form an incorporated component of the Nedbank Group's effort to grow and establish an organisational culture that can confidently carry out its strategy.

### **2.9.2 Standard Bank of South Africa**

The Standard Bank views transformation as an ongoing change process through which the bank can become relevant and be able to respond and reflect the environment in which it is operating. The bank bases its transformation process on the legislation promulgated to enforce proper representation of South African societies. Among the legislations is an Employment Equity Act and a Promotion of Equality and Elimination of Unfair Discrimination Act ([www.standardbank.com](http://www.standardbank.com)).

By sustaining a diverse workforce, the Standard Bank hopes to understand and serve diverse customers. Furthermore, this bank notes that this will give the bank access to a range of skills, as well as diverse thinking. The bank also strives to create an environment that would enable employees to perform to their full potential ([www.standardbank.com](http://www.standardbank.com)). During 2013, the priorities of the Standard Bank were to drive meaningful discussion on transformation with executive management and the bank's governance committees. This included engaging with the business case for transformation, identifying, investigating, and addressing any barriers to transformation, and driving conversations about difficult issues (Black Economic Empowerment Report, 2013).

According to Jongens (2010), the employment equity component of the Financial Services Codes requires that financial institutions have initiatives in place to increase the representation of Black

people, with a specific focus on Black women and Black people with disabilities, particularly at management level. The bank employment equity plan has been prepared in conformity with the requisites of the Employment Equity Act; and sets out numerical targets and the strategies and initiatives to implement such strategies so as to accomplish these objects by the close of 2014 (Black Economic Empowerment Report, 2013).

The table below sets out the advancement attained by this financial institution against its employment equity targets as at December 2013. Top and junior management targets were met for the representation of Black people, but targets for Black representation at senior and middle management levels remained unmet. The bank was close to meeting its targets set for the representation of women overall at all levels of management, however, it could not meet the target for the representation of Black women in senior management. In 2014, the bank vowed to build a new employment equity plan which will guide its employment equity initiatives for 2015 and 2016. This procedure involves an in-depth organisational analysis, utilizing an employee survey. While progress has been gained in appointing more Black people, the restructuring of the business has necessitated the need to re-evaluate equity numbers at a business unit level. The bank will also concentrate on gaining more insight into the primary motivations behind Black senior management exits (Black Economic Empowerment Report, 2013).

#### **Employment Equity Representation**

	<b>2013 targets</b>	<b>2013</b>
Black people (South African citizens)		
Top Management	% 19,4	21,20
Senior Management	% 40,6	37,7
Middle Management	% 64,7	63,2
Junior Management	% 77,2	77,5
Black women (south African citizens)		
%		
Top Management	% 9,0	9,1
Senior Management	% 17,2	15,2
Middle Management	% 32,9	32,6
Junior Management	% 50,5	52,5

**(Black Economic Empowerment Report, 2013)**



Further to its attempts to transform the demographics of the bank, Standard Bank has commenced to roll out Unconscious Bias Workshops which help participants to gain insight into their personal stereotyping and prejudices. The rationale for these workshops is to create awareness in employees about the impact of stereotyping and biases in behavior and decision-making. Diversity awareness workshops are also facilitated by the bank, in order to teach employees the meaning of diversity. During 2013 almost 150 employees in South Africa took part in these workshops (Black Economic Empowerment Report, 2013).

### **2.9.3 ABSA Bank**

Absa Bank believes that success lies in capable, empowered, and motivated employees who, as stakeholders, help shape the group's sustainable future. Building diversity is part of the bank's key objective. This may be achieved through employment equity, as well as leadership programs, enabling the bank to empower employees to reach their full potential (ABSA BEE Report, 2013).

ABSA Bank concedes that there are demographic categories that continue to experience some kind of inequality and disadvantage owing to gender, disability, and other forms of being dissimilar. The previous economically-misaligned education system contributed to the labor market that lacks an adequate supply of appropriately qualified and skilled people, particularly among the disadvantaged groups. Owing to this anomaly, ABSA has committed itself to contribute towards redressing these anomalies. In behaving thus, the ABSA Transformation and Employment Equity strategy are designed to compensate the limitations faced by designated groups in the workplace through a comprehensive and robust employment equity and diversity management plan.

Ensuring that every employee of ABSA is fully developed and given recognition for their contribution, a number of transformation programs have been put in place. For instance, the Group has set statutory targets for itself that are more challenging, which stretch over a period of 5 years, ranging from top management to junior management. Talent pipelines are to be lined up with the employment equity and transformation strategy, and there is a 10-point Executive Committee plan that seeks to change and establish the culture and environment inclusive of all

employees. There is also active support to ensure there is accommodation for employees with disabilities.

The Absa Bank board (our South African banking subsidiary) comprises 10 directors, of whom five (50%) are Black and three (30%) are Black women. This represents an increase from 2012, when the Black Board representation was 29%, and female representation was 11%. Top management comprises Group executive management and other members of the South African top management team. Its composition at year end was 15% Black of whom 5% were Black women (2012: 11%) (ABSA BEE Report, 2013).

### **Employment Equity Indicators**

Indicators	2013	2012	2011
<b>Overall disability (% of total employees)</b>	0.96	1.09	1.13
<b>Black senior management representation</b>	32.15	31.53	38.23
<b>Black women senior management representation</b>	12.00	11.17	12.92
<b>Black middle management representation</b>	49.73	47.09	49.12
<b>Black women middle management</b>	26.06	25.05	25.94
<b>Black junior management representation</b>	71.92	59.08	57.69
<b>Black women junior management representation</b>	50.92	48.89	47.41
<b>Total Black turnover</b>	12.5	14.6	13.0
<b>Total turnover</b>	11.17	15.3	11.9
<b>New appointments – Black</b>	80	81	86
<b>Promotions – Black</b>	77	74	76
<b>Resignations – Black</b>	71	69	70

(Source: ABSA BEE Report 2013).

Workplace diversity is an important beginning of competitive advantage in South Africa and across the Group. The bank proposes to nurture an inclusive workplace environment free from discrimination, and supportive of career progression. By 2013, Black representation remained relatively constant. Increasing employment equity among middle- and senior-level management remains a challenge; however, representation increased marginally among these groups during the year. At lower job levels, Black representation has increased, bringing opportunities for future growth. Turnover among Black employees remains slightly higher than the company

average, as a result of a heightened need for Black talent within the industry (ABSA BEE Report, 2013).

The bank's decision to outsource certain non-core services resulted in a fall in the ratio of handicapped employees in the workforce, a number of these places being filled by switchboard operators with impaired sight. Each line segment has its own diversity and inclusion plan aligned with Group targets. This guarantees a tailored and integrated approach to attracting, training, and retaining diverse talent, while ensuring that, on the whole, the bank continues to select progress against our Group's commitment to the FS Code. These programs include initiatives such as coaching and mentoring, and challenging work assignments with international exposure for key gifts. In terms of diversity and inclusion agenda, the bank places a special focus on supporting women in the workplace, and offering special coaching and mentoring initiatives. These employees have established women's networks to ensure they are equipped to tackle the unique challenges they face in navigating their careers (ABSA BEE Report, 2013).

## **2.10 The Highlights of Bank's Commitment to Employment Equity**

The reports from the three banks indicate their compliance with the employment equity requirements as designated employers. Yet, while there are similarities noted among the banks' BEE reports, contrasting perspectives are also common among these banks. By virtue of the nature of their business, these banks are fierce rivals: it is conceivable that the reports will share certain features, while nurturing their competitive edge. Noteworthy is that Nedbank and ABSA share common features in terms of struggling to attain the objectives of a representative top management layer, while Standard Bank has been able to achieve the objective. Altogether, the three banks recognize that their workforce is indeed diverse, and as such, diversity-management programs are being carried out.

Standard Bank has been successful in its attempt to ensure representation of whole groups in management grades. This bank has invested time in identifying the barriers to transformation within its institution; and through the investigation, the bank has been able to improve on its transformation programs. Exit interviews were also implemented especially for Black managers who are exiting the bank. Interviews were set up in order better to see the organisational

elements that might be driving employees away. This bank is currently rolling out the unconscious workshops, to help employees understand their stereotyping and biased behavior. This suggests that the bank recognizes that stereotyping and biased behavior can provide untoward effects on the organisation's decision-making.

In order to improve on its transformation agenda, Nedbank has resorted to targeting graduates from the various universities using its graduate program. Through this initiative, the bank has built partnerships with most of the South African institutions of higher learning. The bank has also noted the significance of diversity management to ensure that irrelevant pre-judgments and stereotyping are eliminated. In terms of employment equity plans, the bank has set up meetings at which employees are engaged regarding the employment equity plan. This proves that the bank values the input of the employees, and also is aware that employees should be helped to improve the way in which they perceive one another in the workplace.

The ABSA bank experience of employment equity is similar to other banks in that it has accepted that diversity in the workplace is inevitable. As such, the bank has also implemented its diversity-management program. Unlike Standard Bank and Nedbank, ABSA's report does not mention anything relating to stereotyping in the workplace. Although the bank avers that it is committed to eliminating discrimination, there is high turnover among designated employees. This is a challenge that the bank has to correct, in striving to achieve representative equity in the management office.

### **2.10.1 Social perceptions**

Bello and Pickens (2005) suggests that social perceptions are concerned with how individuals see others and how others perceive an individual. Bello and Pickens (2005) further adds that there are various ways in which this may be achieved, namely, the halo effect; the contrast effect; projection; stereotyping; the Pygmalion effect; and impression management. According to Bello and Pickens (2005: 60), the halo effect "is a point where an individual establishes a universal thought about another person based on a single feature such as intelligence, sociable or appearance."

Projection is the “attribution of one’s own attitude and beliefs onto others. Stereotyping is basically about judging someone on the basis of one’s perception of the group to which that person belongs. Pygmalion effect is about causing a person to act erroneously based on another person’s perception. Impression management is the last process in the social perceptions subgroups and it is about influencing the perceptions and behavior of others by controlling the information they receive” (Bello and Pickens, 2005: 61-63). Social perceptions are critical to the literature concerning people’s perceptions; they add value to the understanding of human behavior towards one another. Stereotyping seems to be more relevant in this study, relating to the South African workplace context, since the implementation of employment equity. In reinforcement of this view, Kray and Shirako (2009) stated that the workplace is a convenient place in which stereotyping breeds.

Shantz and Latham (2012) affirm that stereotyping is common in the workplace in terms of gender, race, or ethnic group. Affirmative action is concerned with correcting the inequalities that have existed apropos of gender, race, and ethnic groups in the South African workplace. By implementing its measures, the organisation is likely to discover stereotyping effects. Batalha (2008) indicates that affirmative action policies inherently have a stereotyping effect, because, to implement AA requires social categorization. In South Africa such a kind of classification is given as designated and non-designated groups. It is within such social categorization that stereotyping, bias, and discrimination thrive. More often than not, the stereotyping would be directed principally to the designated groups.

Nevertheless, this does not indicate that designated groups may not harbor stereotyping of their own. To expand on this, Oosthuizen and Naidoo (2010) propose that both groups possess a negative attitude and experience towards employment equity. In their view, beneficiaries’ attitude is established on the fears of token appointment and being controlled by the White employees. On the other hand, the position of non-beneficiaries is attributed to fear of reprisal.

### **2.10.2 Stereotypes**

Stereotypes are sets of attributes ascribed to a group, and believed to characterize individual members simply because they belong to that group (Shantz and Latham, 2012). According to

Shantz and Latham (2012), stereotyping is a belief about people in a particular category: this could involve how people feel about a particular group. This suggests that stereotyping develops among individuals after being influenced by certain beliefs that people hold about other groups. Accordingly, stereotyping could impose prejudice towards designated employees when other employees have certain stereotypical views of them. The authors further argue that stereotyping is a “product of culture and some of the people’s stereotypes are fiercely held accompanied by strong feelings whereas others seem devoid of emotions”. Stangor (2009) suggests that stereotyping matters because it is part of people’s daily life. Furthermore, stereotyping can influence people’s opinion and behavior towards other people to the extent of categorizing those who are not part of their group. The matter of categorizing stems from the Employment Equity Act which categorizes beneficiaries of AA programs as the designated group.

Categorizing groups in terms of employment was done to give a specific mandate to designated employees. Categorizing does not allow for other employees to capitalize on the situation, developing stereotyping of designated employees. Stereotyping about groups exists around people: they are “often inaccurate or over-generalized”. Therefore, in a situation such as this, stereotypes become the basis for faulty reasoning, consequently leading to biased feelings and the actions that could disadvantage others because of the group to which they belong. This issue is likely not to obtain only among general employees within the organisations. Booysen and Nkomo (2010) stated that there is also the possibility of distinct differences in perceptions of managerial stereotypes apropos of race and gender. The researchers' principle is that this situation is a consequence of the South African political and social history, which consistently used the work situation as grounds for precluding other population groups.

A study by Leornado and Rodriguez-Lluesma (2013) regarding occupational stereotyping yielded that status differences and intercultural communication in global organisations when stereotypes are well known, but when individuals are not known personally to each other, those known stereotypes may affect how individuals treat one another and how they view themselves. It is rare for employees to know one another on a personal level within the organisations; therefore it is probable that the problem of stereotypes found by Leonardo and Rodriguez-Lluesma (2013) would perpetuate stereotyping perceptions among employees. More significantly

is the perceptual experiences of managers regarding the implementation of affirmative action. Mekwa (2012) suggests that the perceptions of the workforce of the effectiveness and implementation of employment equity in the workplace contribute largely to its success. Mula (2014) also indicates that perceptions of organisational implementation of employment equity are far-reaching consequences for the organisation and employees. Mula (2014) adds that these perceptions have shown to affect labor turnover and employee intention to entrust the organisation with his or her career.

It is evident that employees' perceptions of stereotypes that are biased against designated employees will cause adverse effects on these employees. This is especially so because most affirmative action programs are conducted without appropriate training to support designated employees; therefore likely to contribute to dissatisfaction and to increase prejudice (Oosthuizen and Naidoo, 2010). Greenberg, Landan, Kosloff and Solomon (2009) argue that stigmatized individuals are more likely to experience difficulty in confirming a sense of self-worth, because they are devalued within the prevailing mainstream organisational culture.

Block, Koch, Liberman, Merriweather and Robertson (2011) are of the view that AA could eliminate stereotypes, while on the other hand it can exacerbate them. This occurs when job preferences may induce employers to patronize the favored workers, which in turn may undermine their incentive to gain necessary skills. Block *et al.* (2011) further argued that stereotypes could lead to prejudice, which is mainly an attitude, generally negative, toward members of a group.

Researchers (Block *et al.*, 2011; Mula, 2014; Oosthuizen and Naidoo, 2010; Stangor, 2009) agree that eliminating stereotyping completely is impossible, however, this may be minimized. For example, Stangor (2009: 11) suggests that, since it is difficult to deal with stereotyping, positive group interaction can change long held beliefs. In his view, stereotyping and prejudice can significantly be reduced when members of the different groups perceive themselves as members of a common group. This approach may be inhibited when contact is not always positive, and when conditions that create good situations are impossible to achieve.

### **2.10.3 Prevalence of stereotyping in the workplace**

The employment equity programs are requirements by law; however, the major problem lies with its implementation, non-beneficiary employees tending to show negative reactions towards employment equity measures (Hides, Michela and Ferrig, 2011). Challenge is likely to emerge when non-beneficiaries in top management positions, particularly in the finance/business sector, are in control. The Department of Labor [DoL] (2015:24) indicates that in the financial/business services sector White males occupy (48.7%) of top management positions as well as senior management positions, followed by White women who occupy (14.7%). Other groups are presented as follows: male Blacks (11.3%), Coloreds (2.9%) and Indians (6.9%). Other categories of females accounted for Black (6.2%), Colored (2.3%) and Indian (2.5%). This trend has been consistently in favor of the Whites (DoL, 2015). Booysen and Nkomo (2010) also noted this phenomenon during 2009.

ABSA Bank is among businesses in this category. It appeared earlier that the depository financial institution is indeed experiencing challenges in terms of achieving equity representation in top management. The bank is also experiencing a high turnover of Black employees, who are known as designated employees. There are numerous ways of justifying the employee turnover. Chief among the causes of turnover is the negative stereotyping usually directed to designated employees.

Duvenhage and van der Westhuizen (2013) suggest that negatively stereotyping designated employees has severe consequences for the organisation as well as for employees. For example, Motileng, Wagner, and Cassimjee (2006) found that stereotyping can either push designated employees to play harder in order to prove a point about powers and skills; while on the other hand certain designated employees can decide to exit once discriminated against. With the support of these findings, Kray and Shiranko (2009) state that the threat of stereotyping is that potentially talented employees are less likely to apply for vacancies. Even the existing qualifying designated employees may not be capable of living up to their true potential, negative stereotyping being directed to them.



It is not the intention of the this report to suggest that the turnover among Blacks at ABSA Bank is a result of negative stereotyping; but only as an element that could possibly pose a serious threat to them. Since the turnover problem has been identified in this bank, it is necessary to conduct a study examining causes of turnover among Black employees in this bank. The directors also have the responsibility to conduct exit interviews in which the reasons for Black employees leaving the bank are outlined, although employees may not entirely be truthful in that practice. The bank stands to gain from the feedback employees provide during the exit interviews. Should the issue of stereotyping surface, necessary measures would have to be adopted to defuse the situation.

Since the inception of corrective policies such as employment equity, it has been a generally accepted norm that White employees, irrespective of occupation type, find the execution of employment equity programs untenable, owing to the stereotyping directed towards the beneficiaries of the process. Individuals are likely to support racial processes that enhance and secure their sense of group. Hides et al. (2011: 363) indicates that such negative attitudes may hold grave implications for the organisation. For example, resources wasted on developing employment equity policies which are not implemented lead to sanctions by government for lack of compliance.

Several studies have reported on stereotyping that commonly exists in organisations in which employment equity programs have been implemented, inter alia, Motileng *et al.* (2006), Kray and Shirako (2009), Mekwa (2012), Shantz and Latham (2012), Leornardi and Rodriguez-Lluesma (2013), and Mula (2014). The study by Motileng and his colleagues (2006) found that designated employees are often labeled as incompetent. Being marked as someone who is unskilled in the workplace may be offensive to the designated employees. Should such stereotyping persist, the work environment could be polarized. In support of this, Kray and Shirako (2009) indicate that this offensive stereotyping undermines the designated employees' performance. Furthermore, those accused of being less competent than other employees become stigmatized (Vermeulen and Coetzee, 2006).

Mekwa (2012) stated that some employees in an organisation have concerns about the way in which Black workers are employed. The author is of the view that Black employees are frequently hired for positions they do not qualify to engage. This could affect the way in which managers conduct themselves during interviews, especially if interviewing designated people. Shantz and Latham (2012) studied stereotyping threats against women during interviews. They discovered that stereotyping disadvantages women. This occurs irrespective of a manager's being male or female. The researchers further suggest that stereotyping threats could be partly responsible for women's underrepresentation in management posts. The stereotypes could also lead to labeling of designated employees as "AA appointees", and such employees are likely to feel stigmatized (Mekwa, 2012).

#### **2.10.3.1 The impact of stereotyping on the organisation**

Stangor (2009) indicates that stereotyping results in faulty reasoning, leading to some undesirable consequences for the particular group. Kray and Shirako (2009) maintain that the stereotyping threat has a psychological effect on an organisation, especially towards the negatively stereotyped individuals, by affecting domain identification and engagement, aspirations, propensity for self-handicap, and openness to feedback. The stereotyping threat would lead to disengagement from threatening activities in an attempt to avoid the possibility of confirming negative stereotyping. It may also hamper an individual's career and performance goals. Kray and Shirako (2009) further assert that designated employees could also suffer from a self-handicap which individuals will use as a defense mechanism to provide an alternative explanation for poor performance. This is linked to the stereotyping that suggests that designated employees often lack skills or are employed in a position for which they do not qualify. Stereotyping could cause designated employees to refute feedback from their superiors, given the motives of the feedback provided (Kray and Shirako, 2009). Another study by Olckers and van Zyl (2015) found that employment perceptions could predict the components of psychological ownership, namely, self-identity, self-efficacy, belonging, accountability, and territoriality. This is an indication that the impact of stereotyping related to designated employees could seriously affect their occupational well-being.

In order to deal with stereotyping and to overcome negative reactions of non-beneficiaries, Hides *et al.* (2011) suggest that organisations need to find ways of increasing the endorsement of employment equity policies and programs, especially from those who resist them. The researchers suggest that this could be achieved by involving the non-beneficiary employees from the beginning of the processes until its implementation. The success of the AA measures may be achieved by clear and convincing communication of the goals of these measures. It is evident that poorly constructed AA measures are likely to cause harm, because non-beneficiary employees will not support the execution of these measures (Hides *et al.*, 2011).

The authors argue that gaining support from non-beneficiary employees is vital for managers, non-beneficiaries being responsible for receiving and helping employees adjust to the workplace. This situation is likely to prevail in the workplace for a long period, perhaps until there is sufficient representation of various populations at all a level of the organisation. Also, employment-equity-related activities are increasingly creating a diverse workforce. This makes it necessary for managers to learn to manage such diversity well. In order to effectively manage a diverse workforce it is necessary to address the attitudes of employees.

### **2.11 Workplace diversity as an attribute of AA**

In the global competitive environment, more organisations are faced with the challenges of managing the ever-changing workplace demographics. There are often several reasons for changes in these demographics. Among others is AA, which, in the context of South Africa, affords employment to previously disadvantaged groups. Thus, by a mere presence or enactment of the EEA, which promotes AA and its measures to balance the employee demographics in the workplace, workplace diversity becomes inevitable.

Patrick and Kumar (2012:1) proposed two distinct definitions of diversity as well as workplace diversity. To them the term diversity refers to the band of conscious practices that requires understanding and appreciating of the interdependence of humanity, cultures, and the natural surroundings, practicing mutual respect for qualities and experiences that are different from

one's own, and workplace diversity. Workplace diversity refers to the form of conflicts between people in the workplace. Since different groups of employees must work together in harmony for the benefit of the organisation, the function of managing a diverse workforce comes into play. Managing diversity is founded on the premise of responding to the demographic changes, including the increasing presence of racial majorities, and women, and, to an extent, the immigrants in the workplace and in the client and customer populations. Oosthuizen and Naidoo (2010:2) indicate that, in order to manage a diverse workforce, it is necessary to address the attitudes of employees.

Werner (2007: 41) suggests that another contributing factor to workforce diversity is the hike in global trade between organisations, with consequently more organisations striving to entrench multiculturalism into their organisational cultures to impress their clientele. Yang and Konrad (2011:7) also argue that the model of the multicultural organisation suggests that organisations allow employees to bring their entire set of identities to work rather than requiring employees to suppress important identities in order to be assimilated into the dominant organisational culture. Nevertheless, trying to bring together people from different ethnic backgrounds could pose a challenge to directors who are not sufficiently well-versed in diversity in the workplace.

Werner (2007:41) suggests that in most cases the challenge is to construct an appropriate strategy for managing cultural differences in such a way that all employees receive a strong sense of belonging in the workplace. Mor Barak (2005:2) asserts that one consequence of diverse workforce proliferation is that corporate leaders are faced with an enormous challenge of successfully managing the ever-growing workforce diversity. Yang and Konrad (2011:6-7) are of the view that, irrespective of whether or not companies offer a chance for competitive advantage, coping with diversity is an imperative. More organisations are initiating systems and practices to promote contemporary diversity in the workplace more effectively, including some of the South African banks, such as ABSA Bank. Werner (2007:41) indicates that such organisations should also embrace cultural diversity, not because it is perceived as a competitive advantage, but as a strategic necessity to survive in a globally diverse environment.

French, Strachan and Burgess (2012:2) perceive diversity as a concept that recognizes the wide variety of qualities possessed by people within an organisation. To them, this concept emphasizes the individuality of people and the importance of valuing each person for his/her unique combination of skill, competencies, attributes, knowledge, and personality traits. Bell (2007:4) indicates that diversity may be understood as the real or perceived differences among people that affect their interactions and relationships. Owing to the disparity in the work opportunities in the past, the differences go beyond ethnic and age differences. One major difference is the ability of previously disadvantaged groups to attain positions of authority, as well as being able to be recognized as equally capable people competing in the labor market, despite their ethnicity or race.

The common denominator in the way in which diversity is viewed is the fact that people have different outcomes, opportunities, and experiences, based on their group membership.

Shenaet, Chanda, D'Nettob, and Monga (2009: 235) suggest that workforce diversity acknowledges the reality that people may differ in many respects, either visible or invisible, such as in age, gender, marital status, social status, disability, sexual orientation, religion, personality, ethnicity, or culture. However, the dominant issues surrounding diversity are unique to the country; and perhaps it is for this reason that many managers struggle with their responsibilities. Mor Barak (2005:2) postulates that, whether corporate managers are able to manage it, workforce diversity is here to stay.

### **2.11.1 Managing workplace diversity**

As part of the affirmative action mandate to promote the employment of previously disadvantaged in the public or private sector organisations, Groeneveld and Verbeek (2012:356) argue that this policy does not further address issues of integrating and retaining ethnic majorities in organisations once they are hired on the basis of its principles. The researchers further suggest that the main focus of this policy is the numerical representation on employee demographics. This leaves a void for employers to struggle in maintaining calmness among its diverse employees. Perhaps this has contributed to French, Strachan and Burgess (2012: 2)'s viewing of diversity management as a major challenge for organisations throughout the world. Managing diversity becomes a challenge through the inability of corporate managers to comprehend the

dynamic stature of this phenomenon; but also largely owing to their own prejudicial attitudes (Mor Barak, 2005: 6).

As there are various issues around diversity, such as multiculturalism, and gender inequality, Shenaet *et al.* (2009: 235) opine that, commonly, for South Africa and United States of America (USA) race equality appears to be the predominant issue around diversity, given the long history of systematic discrimination against Blacks and other ethnic minorities. In the context in which diversity in the workforce is simply the reality, effective management of diversity will increasingly become a managerial issue. Furthermore, if workforce diversity has an effect on organisations, devolving as it does a variety of responsibilities on decision-making teams, increasingly consisting of individuals from various backgrounds, managing the workforce effectively would be an advantage to many organisations.

Managing diversity is the concept of recognizing the wide variety of qualities possessed by people within an organisation. It is also the process by which organisations can create an environment that encourages all employees to reach their full potential while pursuing company objectives. French, Strachan and Burgess (2012: 1) indicate that managing individuals and their differences in the workforce has been popular in western organisations, with calls to manage this diversity for the greater good of the organisation as well as the individuals in it. Companies may show an interest in managing diversity for reasons other than those of ensuring that employees of different backgrounds find a way of exchanging ideas for their benefit.

These views promote the acknowledgement that the public sector and private sector organisations could have different motivations for formulating and implementing programs for managing diversity (Groeneveld and Verbeek, 2012: 355). Grobler *et al.* (2006: 75) argue that an organisation, whether public or private, must be clear about its motivation for managing diversity. Complying with the legal requirements for promoting equity is not sufficient. The organisation should further unleash the potential of a diversified workforce. Nevertheless, since diversity is inevitable, it has to be managed in one way or the other. According to Patrick and Kumar (2012: 1), this process is intended to create and maintain a positive work environment in which the similarities and differences of individuals are valued, in order for them to reach their

potential, thereafter maximizing their contributions to an organisation's strategic goals and objectives.

According to Groeneveld and Verbeek (2012), managing diversity has led to the search for an alternative to the contentious and politically unpopular policy of affirmative action, as well as for a way of addressing its unfinished business issues of retention, integration, and career development of the previously disadvantaged group. As an intervention by the formerly segregated workforce, managing diversity is primarily concerned with improving interpersonal and inter-group communication and relationships in the workplace. Managing diversity should therefore be viewed as a process central to the managing of people, and that which can ensure the success of affirmative action (Groeneveld and Verbeek, 2012). The focus is on interactions between managers and the employees they supervise, among peers, and between employees and customers or clients.

Kumar (2012) posits that improved "human relations" are expected to result in promoting an increased understanding and acceptance, and at best, appreciation, of those who are "different" from the traditional White male able-bodied employee or manager. The benefits of diversity programs may lead to decrease in conflicts and stress, enhanced productivity, heterogeneous teams or work groups, and an improvement in morale, job satisfaction, and retention. Managing diversity seeks these objectives primarily through a program that promotes awareness of differences, empathy for those who are "different", and attitudinal change often involving efforts to assist employees to identify and confront their stereotyping of persons whose characteristics differ from their own (Kumar, 2012). As is true of other human relations approaches, managing diversity is concerned with changing the attitudes of individuals, and perhaps to some degree, with attempting to persuade individual employees to change their behavior; however, it does not generally seek to ensure behavioral change by altering organisational structures or processes.

Increasing diversity and the ability of an organisation to manage it does not suggest only that diversity itself has no difficulties imposed on the organisation as it attempts to respond to increased diversity. Bell (2007: 17) opines that there are several negative outcomes resulting from increased diversity. Among them are dysfunctional communication processes between

different group members, discrimination and harassment, the perception that non-traditional workers are unqualified and inferior in attachment, commitment, and satisfactory work. In South Africa, it may be that the apartheid system has led to a situation in which White people believe that White culture is superior to that of Blacks, leading to negative expectations of Blacks, especially by White managers (Bell, 2007).

Although not all negative outcomes hold true in the South African context, it is worth noting that most of the outcomes still prevail in organisations, whether explicitly or implicitly, making them difficult to identify. Disregarding this trend and legislative trends may be devastating to companies, their employees, and the surrounding communities. Companies that are unable or unwilling to change their policies and practices may suffer dire consequences (Mor Barak, 2005: 58). Such organisations could experience intergroup conflicts among their employees; they may limit their access to the pool of potential talented employees; they may miss opportunities for creating alliances with business organisations; and they may be vulnerable to expensive lawsuits or government sanctions, resulting in serious damage to their earnings, public image, and access to investment.

Managing diversity as an organisational activity may be classified into two broad categories: cross-national and international. The first form refers to managing the interface between peoples of two countries, and the second to managing an increasingly diverse workforce in a given country. In the South African context, the current focus is on the latter. South African society is diverse, and organisations are multicultural in their workforce composition. Managing such diversity requires skillful, informed, and extensive managerial training in interpersonal skills, appropriate systems, and an understanding of both ethnic and corporate cultures. Grobler, Warnich, Carrell, Elbert, and Hatfield (2006: 70) further suggest that, in order for businesses in South Africa to succeed, they must recognize the emergence of their diversified workforce and find a means of harnessing its energies, talents, and differences for future challenges.

This will enable most organisations to have access to the best and most knowledgeable employees. It is also important that organisations consider making diversity a strategic priority. This requires a fundamental change in the attitudes and behavior of an organisational leadership.



Leaders should develop suitable competencies that will enable them to develop an innovative culture that appreciates diversity (Werner, 2007: 41). Grobler *et al.* (2006: 75) warn organisations that managing diversity differs from affirmative action in that managing diversity is not a short-term strategy to correct imbalances in the workplace; instead, it is a long-term process that demands top management identification and commitment to set in motion mechanisms to access the potential of all employees.

Groeneveld and Verbeek (2012: 356) also found that AA approaches differ from managing diversity in that the AA approach is based on the moral and legal arguments which are mostly formulated less independently of an organisation's economic goals. Policies that are designed to manage diversity are driven by internal and economic arguments rather than being imposed externally by legislation or through moral claims about non-discrimination and equality. The essence of the latter is that managing diversity is a voluntary initiative in response to legislative compliance outcomes; and clearly, the process of managing diversity must be supported by top management.

According to Groeneveld and Verbeek (2012: 371), managing diversity does not only succeed in managing the diversity that is already there but also in attracting new employees. If organisations strive for increasing the representation of the ethnic majority in their workforce, it is worthwhile to invest in policies that are actually aimed at managing a diverse workforce. Organisational diversity can improve the creativity of workgroup decision-making, providing competitive advantages for organisations dealing with diverse clients. Groeneveld and Verbeek (2012: 360) state that, if improving the workforce representation is important for achieving an organisation's economic goals, then it is more likely that diversity policies will be voluntary management actions. As a consequence, policies will receive more support from top management. The commitment of senior management to the adoption and implementation of diversity policies is an essential prerequisite to its success. The greater the support from top management, and the more resources devoted to diversity policies, the more likely that they will be implemented.

The commitment from top management has been cited as the most critical factor in the achievement of the organisational goals (Mokhtar and Yusof, 2010). If top management is

committed to the successful operation of diversity management, there will be a clear, articulated vision of the future that is compelling, and is a proof of strategic leadership (Soltani, 2005). This will reveal the commitment of top management to subordinates; in turn, subordinates will be able to contribute significantly to the plan and vision of improving workforce diversity management. It is also the prerogative of top management to provide leadership to everyone in the organisation, including leading the development of policies for managing diversity. However, lack of leadership from top management on effective development of these policies may be a hindering factor for the implementation of diversity-management programs. There could be lack of leadership commitment, diversity programs usually being voluntary initiatives for employers, who have total discretion on how they will be implemented. While the decision to implement diversity programs is often made or approved at the top of the organisation, the participation of top management appears to be rare.

### **2.11.2 Outcomes of managing diversity**

Organisations with diverse employees are better suited to serve diverse external customers in an increasingly global market. Such organisations have a better understanding of the requirements of the legal, political, social, economic, and cultural environments (Patrick and Kumar, 2012). Patrick and Kumar (2012: 2) also indicate that the intention of diversity management is to create and maintain a positive work environment in which the similarities and differences of individuals are valued, so that all may reach their potential, maximizing their contributions to an organisation's strategic goals and objectives.

Furthermore, diversity management ensures that all employees have the opportunity of maximizing their potential, and enhancing their self-development and their contribution to the organisation. It recognizes that people from different backgrounds can bring fresh ideas and perceptions, which can step up work efficiency, improving products and services (Patrick and Kumar, 2012:2). Managing diversity successfully may also help organisations to nurture creativity and innovation and thereby to tap hidden capacity for growth and improved competitiveness. It is also evident that diversity is set to increase significantly in the coming years. Successful organisations recognize the need for immediate action, and are ready and willing to spend resources on managing diversity in the workplace with immediate effect.

The major challenge of diversity concerns the needs and the ability of organisations and societies to seek and achieve unity in diversity. It lies in organisational resilience to develop non-discriminatory human resource and industrial relations policies. While the South African workforce becomes increasingly diversified, discrimination in the workplace is still in existence (Grobleret *et al.*, 2006). This occurs despite numerous efforts to eliminate it and protect employees from experiencing discrimination such as instigating affirmative action and employment equity, as well as diversity management policies. Generally, diversity programs are not crafted to assist employers or employees to understand about discrimination, nor do they assist decision-makers to identify and remove barriers facing previously disadvantaged groups.

According to Grobleret *et al.* ( 2006), given the complexity of diversity as a concept and practice, it is self-evident that managing diversity requires a situational adaptability and communication skills which affirm the value of diverse people and with which to communicate positive expectancies. Managing diversity skills training requires individuals to examine their own attitudes and behavior rather than the reinforcement of often counterproductive stereotyping, based on either tacitly negative or romantically positive views of particular national cultures.

Good diversity training should provide all three elements: awareness, new information, and skill-building tools, although the balance will depend on the organisation's goals and participant experience. Training usually begins with a greater portion of awareness, some new information and a few tools; more advanced training sessions reverse that mix. This combination can facilitate prejudice reduction, growth of cultural competency, and an understanding of the meaning and impact of various behavior, values, and communication styles of several groups. It is important, however, that the goals of training be consistent with the organisational context and be limited to the time and budget available (Kay and Stringer, 2003).

### **2.11. 3 Approaches and models for managing workplace diversity**

There are several approaches to managing diversity in the workplace: below are some of these approaches (Grobleret *et al.*, 2006).

### **2.11.3.1 Assimilation**

In the past, there have been workplace responses to an influx of people of different persuasions. This approach assumes that the dominant group's performance and style are superior to those of persons who are not part of the dominant group. This assumption devalues diversity within the organisation and reinforces the value of homogeneity. In this approach, every employee should conform to the already set standards in order for them to be successful. This approach perpetuates stereotyping and prejudice in the workplace (Grobler *et al.*, 2006).

### **2.11.3.2 Valuing diversity**

The first step in assisting an organisation to value diversity is to acknowledge the fundamental difference between valuing of diversity and affirmative action. Valuing of diversity moves past affirmative action and results in management designed to reap the benefits that a diverse workforce offers. Valuing diversity in a company is specifically a necessity-driven effort to change the perception of the company's workforce. The emphasis is on the performance by individuals as individuals. In an organisation that values diversity, managing diversity becomes a substitute for assimilation (Grobler *et al.*, 2006: 8).

### **2.11.3.3 Cultural diversity model for corporate South Africa**

Cornerstone One represents Ubuntu, cultural synergy, and shared values. Ubuntu embraces a combination of social behavior, such as sharing and seeking consensus and interdependent helpfulness that could contribute to business success. Cultural synergy implies that appreciation and application of diversity are reflected in all organisational processes, practices, structures, and relationships; and also, that any inter-ethnic cultural intolerance is rooted out. The model suggests that if a genuine appreciation of cultural diversity is demonstrated within the organisation, shared values will result.

Cornerstone Two focuses on providing all employees with relevant knowledge and skills to enable them to add value to the organisation, so that they will be valued for their contributions. Strategic interventions aimed at achieving this include training and development, multi-skilling, empowerment, and mentoring. Training and development should be designed in a manner that incorporates on-the-job academic and diversity training. Multi-skilling provides a flexible,

skilled workforce that contributes to organisational success. Empowerment creates an organisational culture in which all people are made responsible for the achievement of organisational goals. Mentoring is a mechanism that enhances socialization, and the individual's sense of well-being, friendship, self-efficacy, and professional identity. Cornerstone Three highlights team building, networking, and transformation, as building bricks in management of diversity appreciation.

Team building provides a foundation for intellectual understanding, effective problem solving and operational efficiency. Networking groups should have a business reason for their existence and become a permanent characteristic of organisations that use diversity as a competitive business strategy (Werner, 2007).

### **2.12 Mentoring Affirmative Action Appointees**

According to Hall and Woermann (2014), South Africa is a place in which there are groups, Black people, and women, who have been traditionally discriminated against, and consequently suffer from three types of interconnected barriers which could perpetuate discrimination against them. The first is stereotyping, which excludes them from lucrative and desirable jobs; secondly is the exclusion from positions of authority, which perpetuates their image of being incapable of doing certain jobs; and thirdly, the lack of role models and mentors within their groups who are in positions of power and influence and who can assist them to obtain and retain desirable jobs (Mor Barak, 2005). Given this disparity, mentoring of the previously disadvantaged becomes inevitable. According to Rankhumise and Netshwera (2010: 4) AA mentoring is a racially charged process whereby Black employees are automatically mentees, while White employees are mentors.

Mentoring is a form of developing employees' deficiency in terms of skills, thereby enabling such an employee to function normally. This process takes place through one trusted and respected person using his experience to offer guidance, encouragement, and support to another person, known as the mentee. Haliru and Kabir (2011: 104) suggest that the aim in mentoring is to facilitate the learning and development of the mentee, to enable him to discover more about his potential. In South Africa, AA mentoring is simply a restorative justice process aimed at

correcting workforce imbalance created in the past (Rankhumise and Netswera, 2010). According to Grobler *et al.* (2006: 314) many organisations have thus begun to set up formal mentoring programs as part of their affirmative action efforts. Bell (2007: 472) opines that successful mentoring programs usually pair a protégée with a mentor who is genuinely interested in seeing the protégée grow and advance. Basically, mentorship without the support from the mentor and the willingness to produce successful mentees is pointless and ineffective.

In such instances, those people from the previously disadvantaged groups who deserve to be supported may suffer from such inefficiency. Generally, mentoring relationships take different forms. They can either be formal or informal. Informal mentoring relationships develop spontaneously, often having a wide scope that would cover a range of career development and psychosocial support functions. On the other hand, formal mentoring relationships are facilitated by the organisation; and may include both voluntary and assigned mentoring relationships. An organisation wishing to benefit from mentoring has a choice between creating a supportive climate for informal relationships or establishing a formal programme (Rankhumise and Netswera, 2010).

According to Rankhumise and Netswera (2010), in recent years, much emphasis has been placed on formal mentoring relationships, which may be particularly important for more junior employees. In a formal mentoring program there must be a series of processes designed to create effective mentoring relationships, guide the desired behavior change of those involved, and evaluate the results for the protégé, the mentors, and the organisation. Formal programs may take a number of forms as they are developed for a variety of purposes, namely, graduate development, professional development, support for qualification programs, induction of new employees, developing of disadvantaged groups, and change management. Informal mentoring avoids some of the costs of formal mentoring in terms of time and administration, and the need to adapt systems such as appraisal and reward. This form of mentoring is best suited for senior managers in an organisation, who have a greater need for access to networks than for guidance. Informal mentoring may be promoted by providing opportunities for frequent interaction between potential mentors and mentees, and by promoting an open and collaborative organisational culture.

Although this may be a simple method of promoting or facilitating mentoring, informal mentoring is inherently difficult to control, and is often influenced by the willingness and the ability of the mentees to initiate a mentoring relationship. Therefore, it will also be difficult for the disadvantaged group to initiate such relationships, given their inexperience and lack of the organisational knowledge thereof.

Several studies (Albertyn, 2011; Leibbrandt *et al.*, 2012; Kilonzo and Ikamari, 2015; Rankhumise and Mello, 2011) have been conducted for many reasons on the monitoring of a previously disadvantaged group of people. Rankhumise and Mello (2011: 788) suggest that, for the implementation of affirmative action to be successful, there is a need for training interventions to develop the affirmative action candidates, enabling them to achieve success in their positions. Management must be committed to the implementation of training interventions to ensure successful implementation of affirmative action. Support for previously disadvantaged groups is imperative, in the sense that their status of being disadvantaged has to be eliminated through necessary training and support interventions (Rankhumise and Netwera, 2010).

However, in the context of South Africa, in which racial discrimination is deeply entrenched into the workplace system, monitoring could suffer immensely from the inadequacy of mentors, while mentees are in abundance. It is worth noting that undertaking the process of mentorship means change in the organisational context. For that reason many who are experienced, particularly Whites, could resist partaking in this process. Rankhumise and Mello (2011: 787) suggest that resistance could be as a consequence of the insecurity which most mentors feel apropos of mentoring AA appointees. Such appointees could in the future occupy their jobs. The study by Rankhumise and Netswera (2010) reveals that Blacks have also noticed that there is resistance to training AA appointees by those holding higher positions, while Whites disagree with this suggestion. Ideas of insecurity could perpetuate the racial tensions between mentors and prospective mentees in the workplace. In whatever circumstances organisations find themselves, improving the employment opportunities of persons who have been previously disadvantaged by unfair discrimination, and redressing those disadvantaged through training and education, remains imperative.

In terms of Section 15(2) of the EEA, 1998 (Act 55 of 1998) the effectiveness of training interventions has to be ensured through the development of people from designated groups, and by the implementation of appropriate measures. This paves the way for new, effective, and productive mentoring relationships to be forged between the senior managers in organisations and newly appointed designated employees.

### **2.12.1 Mentoring relationship**

According to Rankhumise and Netswera (2010), employees who perceive affirmative action as reverse discrimination are less likely to support the training of affirmative action appointees: this is a major concern for organisations. However, Rankhumise and Mello (2011) suggest that since the government has not promulgated any punitive measures for organisations that do not comply with it, legislation is required. Most organisations would not strive to address the issues around affirmative action. This practice will further decrease development opportunities for Black employees and women in the organisation. Evidence indicates the possibility of resistance from mentors to provide mentorship to designated employees that in turn, may ruin the relationship between the two groups. In contrast, a good relationship between the mentor and mentee may have positive outcomes for both employees as well as the organisation (Rankhumise and Mello, 2011). What is most important is that the value and outcomes of all kinds of mentoring are significantly dependent upon the quality of the relationship.

According to Rankhumise and Mello (2011), a good relationship between a mentor and a mentee should lead mentees to feel more committed to the organisation. In such a relationship employees will be shown respect and liking by the representatives of the organisation. Having a good relationship with important managers serves to make other aspects of their organisation more attractive to the employees involved, relative to what is on offer by other organisations, making employees more willing to remain attached to their present organisation, rather than taking up employment elsewhere, thus increasing their sense of organisational commitment.

This is the main reason leading to mentoring being perceived as the means, through which organisations attract, socialize, develop, and retain key employees, ensuring that explicit and



tacit knowledge is effectively transferred and embedded within the social network or the organisation. Echoing the same sentiment, Clutterbuck and Abbot (2005) also share the fact that mentoring can be a major contributor to retention and recruitment of rare talent and reducing of stress levels and productivity. These authors further state that the benefits of mentoring may be maximized when the process is driven by the mentee, and when expectations between mentor and mentee are clear, and when both parties approach mentoring as an important learning opportunity.

Rankhumise and Mello (2011: 791) suggest that the mentorship process could be a major cause of failure when mentors are not chosen by the trainees themselves and the personal dynamics between the mentor and the person being mentored are negative. While this aspect of the mentoring relationship is critical, it is also worth noting that a successful mentoring relationship also requires a holistic and long-term perspective of the needs of the mentee. This may be more difficult to achieve where mentor and mentee are in a line relationship which is also characterized by a tense relationship. Sometimes difficulty arises as a result of work pressures on line managers to focus on short-term organisational objectives. In essence, it would really be difficult to expect the mentorship program to proceed smoothly, given the circumstances which managers encounter in their daily operations. However, managers should not be using this as an argument against supporting the development of designated employees. The commitment and competence of the mentor is essential to the success of the mentoring relationship; and the selection of mentors is a key success factor for formal mentoring.

### **2.12.2 Mentors' competencies, selection, and development**

In the mentoring process the competence of the mentor is critical, in the sense that the mentee looks up to the mentor. The less competent the mentor the less development of the mentee. However, the competence of the mentor depends in part on the functions of a mentoring program. The role of the mentor requires a greater emphasis on the development of relevant experience and organisational knowledge. Training for the mentor is therefore essential in order to help the mentor avoid the pitfalls of mentoring, which include giving in to the temptation to teach the mentee to emulate the "success" of the mentor (Clutterbuck and Abbot, 2005). Today's culturally pluralistic organisations require mentors who can identify with and understand the

needs of all employees, having worthwhile skills and expertise. In this context, even cross-cultural mentoring could take effect, in which mentors of one culture support mentees of a different culture.

While the outcomes of such a type of mentoring relationship may be unique because of variations in socio-cultural dynamics, it will also inherit dynamics reflecting specific values, beliefs, norms, and even negative behavior or attitudes that can affect academic achievement of cultural groups.

Rankhumise and Mello (2011: 788) also state that mentoring as a dynamic and reciprocal relationship in a work environment involves a more advanced and experienced incumbent helping a less experienced person who has developmental potential for some specified capacity. The mentor's role is to give work-related information, acting as a role model for the person being mentored, irrespective of who this is. Given the power that mentors may possess over the mentees, some element of humanity may be lost, especially if the mentor feels superior to mentees. Kawamoto (2011: 363) state that such behavior often occurs, since the mentoring relationship is a work-based mentoring model characterized by elements of formality.

At the core of an effective mentoring relationship is fundamental trust and respect between mentor and mentee that allows both to rejuvenate themselves, continuing to care for and work toward a shared goal (Kawamoto, 2011). If this is taken into consideration when planning the mentorship program, more mentees from the designated group would benefit. In South Africa, coaching and mentoring can play a vital role in promoting equal opportunity. Employment equity and diversity management of mentoring programmes can seek diversity outcomes and involve designated members. Grobler *et al.* (2006) state that mentoring should not be viewed as something that can benefit the mentee only, because both the mentor and the mentee can benefit.

### **2.12.3 Benefits of mentoring**

The mentor may advance the career of the protégé by nomination for promotion or sponsorship of membership; the mentor may provide the protégé with visibility in the organisation or profession through joint efforts; the mentor may protect the protégé from controversial situations and provide coaching by suggesting work strategies; the mentor may provide counseling about work and personal problems; there is better job performance and longer service with the organisation from the protégé, who in turn can develop more skills and self-confidence.

### **2.13 Conclusion**

This chapter presented the discussion on the historical backdrop of the South African workplace which gives the rationale for the inception of corrective measures such as AA through the EEA. Various discussions were also provided in an attempt to provide an acceptable definition of AA, this term signifying different things to different people. The drastic decline in the way AA is viewed by people has a potential to influence people's perception of AA and so attach a meaning that aligns with their own thoughts. The chapter also presented the discussion on the legislation in South Africa that governs AA in the country and the workplace, starting from the influence of the ILO, the country's Constitution, and the Employment Equity Act. The discussion of the various legislations gave a clear view on the existence of corrective measures in the workplace, and the obligation of designated employers to assure elimination of unfair labor practices, particularly directed towards the previously disadvantaged employees.

The theoretical framework introduced in this chapter focuses on social perceptions, placing special emphasis on stereotyping. The literature indicates that the workplace is the breeding ground for stereotypes; and thus effective strategy for managing diversity is necessary in order to ensure that previously disadvantaged employees are not adversely treated within the organisation. The prevalence and impact of stereotypes in the workplace was discussed, together with various arguments lamenting the existence of AA in the workplace. Since employment equity results in a diverse workforce, this chapter examined the managing of diversity in the workplace, considering the accommodation of designated employees. Benefits of effective diversity management are necessary as well as the understanding of different approaches for handling diversity in the workplace. Most apparent is that the South African banks, including ABSA Bank, take the subject of diversity seriously; it is hoped that, since this is the case, a more

transformed workplace will be close at hand in the financial job sector. Given that designated employees may not be fully fitted with the necessary skills and knowledge, mentoring has also become a necessity to ensure that designated employees acclimatize easily in the workplace. Even so, this role becomes complicated for non-beneficiaries. Managers should prioritize this issue to avoid unnecessary tension among employees. The next chapter will provide the overview of AA action measures in various countries, and the lessons learnt from these countries.

## **Chapter Three**

### **Overview of Affirmative Action Practices in Different Countries**

#### **3.1 Introduction**

Affirmative action is not a phenomenon seen in South Africa alone: other countries such as United State of America, Canada, Britain, Kenya, Ghana, Zimbabwe and Botswana have come across acts of discrimination and therefore have had to enforce disciplinary measures (Saenz and Moses, 2010). According to the authors, implementing corrective measures to eliminate discrimination involves the carrying out of affirmative action criteria. Coetzee (2005) contends that a common theme in the experience of numerous countries is that the long-term successful redistribution of resources is dependent upon economic growth which, in turn, is reliant upon AA in order to develop and utilise a country's human resources, ensuring political stability. It should thus be clear that the systematic and strategic management of AA is of crucial importance for the wealth of the individual, the organisation and the country (Coetzee, 2005: 6). This researcher goes further, intimating that, if organisations are to reap the fruits of such longer-term spin-offs, AA will have to become an integral part of everyday human resource management practices within organisations. This will require the adaptation of virtually all human resource management practice areas to accommodate the AA challenge.

The following discussion highlights the affirmative action practices of other countries, namely, South Africa, the United States of America, Canada, Malaysia, and Korea. These nations are opting to partake in AA generics within the business world, possibly discovering worthwhile lessons that may be adopted by South Africa. The practices of other nations such as USA, Canada, Malaysia and South Korea have been included in this chapter with the aim of comparing them with South African practices. It is evident from the discussion that South African AA is not a total departure from countries such as Malaysia, USA, Canada and others.

#### **3.2 Affirmative Action in South Africa**

Affirmative action in South Africa is sometimes seen, mainly by White people, as reverse discrimination (Dupper, 2008). This would not be the case, had the Whites not benefited from unjust employment policies. Whites may support affirmative action policies because they can acknowledge that they were recipients of benefits under apartheid. Whites still contribute in a

major way to the country's economy (Grant, 2007). Negative reactions from Whites relate to AA's preventing them from attaining their own career goals (Coetzee and Bezuidenhout, 2011: 78). Coetzee and Bezuidenhout (2011) further maintain that the moment employees regard something as unfair, they tend to reject it, and any further interventions could be destined to remain dormant. Evidently, the support for affirmative action policies may be seen in terms of perceptions of welfare. According to Coetzee and Bezuidenhout (2011), the more individuals perceive policies as beneficial, the more likely they will be to express support for the policies. The possible benefits from policies such as affirmative action at surface level seem to benefit only policy targets. Agreeing with this view, Whites may support affirmative action on a benefit basis only, even in the South African setting.

Critics of affirmative action such as Terblanche (2002:447-8) argue the point that these token appointments are in fact further weakening the neoliberal, minimalist state in South Africa. It is as though, unintentionally, by means of the preferential appointment of less skilled and less experienced 'Black' people in decision-making posts, the government were loosening the nuts and bolts of the civil service and of the public sector of the economy.

The global legislative trends of banning discrimination against women, immigrants, minorities, majorities and other diverse groups in the labor force have required employers to establish policies that assure fair treatment of all employees (Mor Barak, 2005: 5). These policies stem from the ideology of compensating previously discriminated and disadvantaged population groups. This is also the case in South Africa. Employers are required by law to provide such groups with work opportunities. Alterations in the global section of labor are blurring traditionally geographic and corporate boundaries. At the same time, a growing concern for human rights in nations around the world calls for the inclusion of previously excluded people in mainstream economic activities (Mor Barak, 2005).

Mor Barak (2005) argues that the source of the disadvantages may be found both inside and outside the labor market; hence AA measures are necessary to put an end to such disadvantages. Nevertheless, it is worth noting that AA as a topic and practice has always been a contentious

issue and incites fierce opinions. The discussions below represent diverse opinions expressed that either favor or disfavor AA in the workplace.

Ayob (2006) perceives the presence of AA in organisations as justifiable because it is necessary to level the labor market playing field, and above all, AA supports diversity and removes stigma. Ayob (2006) also maintains that AA does not amount to reverse discrimination, because it is a product of modern human Endeavour, ingenuity, and soul searching, in providing the most amicable solution to past human iniquity. Hence, AA is only based on that genuine desire to correct serious wrongs of the past; it is not retaliation. While affirmative action has brought about some unintended side effects such as depriving a group of their deserved rewards, Ayob (2006) indicates that this is unavoidable in any social policy; since in any operation of change there are invariably casualties. When apartheid was introduced, Blacks were casualties of the system; they must now be given some competitive advantage.

Coetzee and Bezuidenhout (2011) state that AA is necessary, especially since it emphasizes restoration of diversity in society and the workplace, this being the area in which discrimination was most prevalent. Lihamba, Mwaipopo and Shule (2006: 582) also argue that the concept of AA is both a response and an advocate for active participation in the deconstruction of conventional and institutionalized norms and values informing discriminatory behavior and practice in society and organisations. Lihamba *et al.* (2006) further maintain that AA is also a source of empowerment of adult females who have achieved important status in companies and in the world of employment.

Ayob (2006) further argues that affirmative action has nothing to do with racial discrimination. Nevertheless, he hints that people are deselected for jobs not because they come from an inferior race, simply because society believes that the greatest good for the greatest number principle should hold priority over any individual's interest. While some might be in favor of this theory, others may decry it because of the racial basis. The other important perception from Ayob (2006) is that affirmative action promotes diversity in the workplace. Affirmative action is necessary to create diversity in the workplace and institutions of higher learning. Generally, diversity is good for any organisation as it enables the organisation to harness the strengths of each cultural group

while containing weaknesses that they bring to the workplace. The workforce diversity emerged mainly to promote the availability of equal opportunities in the workplace (Henry and Evans, 2007).

According to Slater (2013), most controversies and problems surrounding affirmative action arise not as matter of principle as such, but from the manner in which affirmative action is implemented. AA may be implemented inappropriately by private organisations. Improper implementation in some organisations complying with AA occurs when it is implemented as a matter of political imperative, not as a business objective which must be sustainable within the framework of the organisational objectives. However, this has not been the only concern arising from AA.

According to Dupper (2008), the implementation of affirmative action favors race over gender and equality and Black over Coloured. Dupper (2008) points out that the interests of previously disadvantaged people often loom large, especially in the employment setting, where individuals belonging to this group have previously been passed over for appointment or advancement in the pursuit of apartheid policy. Negative attitudes towards affirmative action arise from the perception that organisations are not dedicated to fairness. As the core commitment of affirmative action policies concentrates on balancing the employee demographics (Sebola, 2009), balancing such demographics often leads to the appointment of poorly qualified and incompetent employees in special situations. This is a problem which arises from either political nepotism or a lack of suitable candidates from designated groups (Sebola, 2009).

Sebola (2009) also states that token appointments, in which candidates with skills not relevant to their knowledge and experience are appointed to positions. Because they were previously disadvantaged, this compromises the motive of the administration of any organisation. Whilst it is agreed that change is certain, proper management should avert any possibly negative impacts. Another argument against AA is that it taints its recipients with a mark of incompetence. Individuals are stigmatized: people invariably have something to say about other people; this is evident in the social perceptions theory. If someone is known to have been employed as a result of AA efforts, onlookers would have a plausible and compelling explanation for the selection decision independent of the job incumbent's qualifications for the position.



Employees know whether the organisation has an AA policy, however, few will know the qualifications of those hired through AA initiatives. AA has indeed contributed to tokenism and consequently, managers are faced with a complicated role of managing subordinates who are unable to perform their duties as per the required standard of the organisation. Dupper (2008) indicates that normally the opponents of affirmative action argue that the legislation such as the Employment Equity Act should contain a clause known as a “sunset clause”. Unless a specific cut-off date is established, affirmative action has the potential to become, at best, a permanent institutionalized racial spoils system. It is widely acknowledged that affirmative action is a temporary measure with specific finishes. Once these goals have been achieved, the case for affirmative action would be correspondingly weakened and continued efforts in the interests of affirmative action may be seen as prejudiced.

It is obvious that AA stimulates employee thought in the workplace; thus managers have the responsibility of seeing that such thoughts are put to good use, rather than creating tensions between diverse groups. Organisations which take non-discrimination policies seriously, must also develop other policies to make managers conscious of implicit stereotypes, facilitating them to handle prejudices which cannot be ruled out entirely. This might reduce the impact of stereotyping in the workplace.

### **3.3 Affirmative Action Practices in Various Countries**

#### **3.3.1 The Case of USA**

Affirmative action originated in the United States around the 1960s for the purpose of uplifting the oppressed minority (Slater, 2014, 338). In the United States, the expression ‘affirmative action’ encompasses measures that grant a more or less flexible kind of preferential treatment in the allocation of scarce resources jobs, university admissions, and government contracts to the ascribed groups formerly targeted for legal discrimination and currently underrepresented in positions of power and prestige (Sabbagh, 2011). According to Garrow (2010), originally, affirmative action programs were mostly concerned with increasing the number of Black applicants, for instance, by running job advertisements in Black newspapers or by setting up special training programs in areas where Blacks were heavily concentrated. Blacks were allowed

in only within the preliminary process of the circle from which candidates would be selected eventually, not at the selection level itself.

As a pragmatic measure, expression affirmative action is not often challenged (Sabbagh, 2011, 166). Another kind of affirmative action program is more controversial and has been the main target of popular initiatives. In this case the decision-making process is entirely permeated by race consciousness, even during its final stage. The expression ‘affirmative action’ then refers to an array of measures initially set up at the end of the 1960s by executive agencies and the federal judiciary, which grant a more or less flexible kind of preferential treatment in the allocation of scarce goods, jobs, university admissions, and government contracts to the members of underrepresented groups formerly targeted for legal discrimination. These groups are Blacks, Hispanics, Native Americans, women, and sometimes, Asians (Sabbagh, 2011).

In this light, eliminating the stereotyping that associate blackness with a more or less dysfunctional type of behavior, is required. A group for whom equality of opportunity remains so imperfectly realized will require more than the enactment of antidiscrimination laws. These stereotypes and their cumulative effects will persist as long as their inadequacy as a beginning of practical guidance for moving around in the American social environment has not been disclosed. AA works by lessening the correlation between race and occupational status (Sabbagh, 2011).

The goal of AA is to prevent race from appearing a suitable indicator that self-interested agents would take into account in a whole range of individual decisions through which Black Americans are negatively affected. Only in this way is one able to attain a ‘color-blind’ society. Besides, it is worth emphasizing that affirmative action thus conceived aligns with the individual-centered dimension of the liberal conception of equality: the policy’s long-term objective is the elimination of those negative inferences which, while being primarily grounded in the existence of a correlation between social standing and membership in a specific racial group, are apt to inflict (more or less serious) penalties on all Black people.

As a general matter, paying attention to the persisting inequalities in the distribution of social goods between Blacks and Whites does not require considering racial groups as issues in matters of distributive justice. The only legitimate fear would be the extent of the disadvantage suffered by those individuals named as a stigmatized group, with race-based affirmative action being designed to suppress the portion of that disadvantage for which racial identification is still responsible (Sabbagh, 2011).

### **3.3.2 The Canadian case**

Since the 1960s Canada has had Human Rights Statutes as an effort to prevent and eliminate unfair discrimination (Howell, 2010). Human Rights in Canada are covered by human rights' statutes. According to Howell (2010), the Canadian Constitution, and employment equity legislation at the federal level. The provisions of these statutes allow employers to undertake voluntary employment equity programs for the members of disadvantaged groups that include women of any race or ethnicity, visible or racial minorities (self-identified as Black, Asian, or South Asian), Aboriginal peoples (Indians or members of first nations, Metis, and Inuit) and persons with disability (Howell, 2010). Since the provisions of the statutes did not make it mandatory for the employers to have corrective programs of employment equity, this process of doing away with unfair discrimination towards designated groups was slow. This led to pressure being applied by the civil society groups working together with unions, women's groups, and other interested organisations. Mounting pressure encouraged the regime to address the issues of inequalities and barriers that affect certain Canadians (The Professional Institute of the Public Service of Canada, 2007).

Owing to this pressure, the Canadian government set up a committee to investigate the demand for policy initiatives with the objective of bettering the economic condition of minorities who faced discrimination in the labor market. In the 1980s, the Canadian government moved further to adopt the EEA. The main aim of this Act is to promote private-sector employers who deliver one hundred or more employees of the under-represented groups (PIPSC, 2007). Employment equity in Canada is the response by policymakers to deal with discrimination and disadvantage in the employment, experienced largely by the disadvantaged groups.

After EEA was adopted, employers no longer had a voluntary obligation to adopt employment equity programs. Adopting employment equity does not mean that employers should give work to people who do not possess the necessary qualifications. The significant function of the employees is to take away the roadblocks that prevent qualifying people from accessing employment opportunities (PIPSC, 2007). The Act requires employers to sustain short-term and long-term programs that demonstrate the extent of commitment of employers in amending inequalities in the work situation. Canada's employment equity policy takes its shape from the conceptual framework of AA as it was implemented by the USA.

At first, the employment equity policy could not yield the much-awaited results in terms of a representative workforce. The employment equity requires all Canadians to have the right to operate in an environment in which opportunities are based on skills and abilities. As such, it is essential that barriers to employment are removed to allow Canadians to fully participate in the labor market. The workplace that reflects the diversity of the country will grow the economy and ensure the long-term prosperity for Canadians (Employment Equity Act Annual Report, 2014).

Although the outcomes have not been good in employment equity, in 2013 the representation of all four designated groups increased in the federally regulated private sector compared with 2012. The federally regulated private sector is equally spread among the banking, communication, and shipping sector. The representation of women increased from 40.9% in 2012 to 41.6% in 2013 (Statistics Canada, 2015). According to Statistics Canada (2015), the representation of aboriginal peoples reached 2.1% in 2013 after remaining at 2.0 during the two previous years. EEA Annual Report (2014) revealed that the representation of persons with disabilities increased to 2.7% in 2013 from 2.6% in 2012. The representation of members of visible minorities also increased from 2012 to 2013, reaching 19.6%. This group remains the only designated group whose overall representation surpasses the labor market availability (EEA Annual Report, 2014:3). The 2014 EEA Report indicated that progress is being made, but equally evident is that more still needs to be done to achieve equitable representation in the workplace.

### **3.3.3 The Malaysian experience**

Malaysia and South Africa share a common political dominance in having an economically disadvantaged majority race group, and for enacting extensive AA (Lee, 2010: 1). Malaysia is a multiracial country with strong ethnic disparities and severe marginalization of the Bumiputera in economic activities (Tran, 2013: 2). The ethnic composition in Malaysia is approximately 60% Bumiputera, 25% Chinese, the rest being Indian and other cultural groups. Yet, at the conclusion of the British rule in 1957, Bumiputera accounted for just 2.5% of corporate assets against over 30% for the Chinese (Tran, 2013: 2-3). This represents a disproportionate indigenous population in the corporate asset control. Had this situation persisted it would have further impeded the future of the Bumiputera.

Lee (2010: 6) states that AA programs, notably in public-sector employment have been in operation in Malaysia since independence in 1957. This researcher further notes that affirmative action has grown apace since 1971, coinciding with the enlargement of executive state power and reassertion of Malay dominance. Owing to this power, Malaysia's AA has been largely produced through the discretionary exercise of office and centralized government. AA policies are embedded in the National Economic Policy (NEP) by which large companies are ordered by government to restructure their ownership, ensuring that Bumiputera participate proportionally in the commercial and industrial sectors (Tran, 2013: 3).

Tran (2013: 3) further states that the equity policies have, to an extent, been deleterious, in that they introduced so much uncertainty into businesses planning that it was a disincentive against which all kinds of incentives appeared unattractive. Even Chinese companies are believed to have chosen to stay small and individual, rather than rising to the level of having to comply with the NEP's requirements. It is further contended that the policy has represented a barrier to foreign investment; and that only the Malay elite have benefited (Tran, 2013: 3).

Affirmative action in Malaysia could be considered a success as it has managed to lead to a rapid advancement of the Bumiputera, its designated beneficiary group, in various areas such as education, public sector employment, and asset ownership (Tran, 2013). Malaysia was able to avoid the kind of widespread violence associated with affirmative action found in India and elsewhere. Lee (2010: 289) states that the relevant government departments still lack substantive

data and analytic thinking to inform target-setting to adjudicate compliance and to punish non-compliant organisations. This is relevant, particularly with regard to the Chinese organisations which distance themselves from implementing AA. Lee (2010) further cautions that forcing organisations to comply with AA will not result in racial integration; instead, it may harden racial perceptions and stereotyping.

### **3.3.4 The South Korean experience**

The challenge of companies who resist compliance with AA is not peculiar to South Africa only; even in countries such as South Korea organisations resist compliance with this legislation. Agreeing with their view, affirmative action is a harsh directive, and in response they assemble plans for the implementation of AA in a fairly inert way (Cho and Kwon, 2010). In Korea, affirmative action (AA) first came into force in 2006 as an active measure designed to expand women's employment and to remedy deeply rooted discriminatory practices against them. It was initially implemented in public enterprises and private firms with 1,000 or more employees, before extending to smaller, private firms (Jung, Sung, and Kim, 2012).

Firms that use substantially fewer female workers or female managers than other kinds of similar industrial properties are believed to be prejudiced against women and thus required to expand women's employment by the AA regulation. Korean AA, however, does not bring into account either work quality or earnings inequality, its sole attention focused on the rate of female employment (Jung et al., 2012:3). Cho and Kwon (2010) further state that in South Korea the procedure on affirmative action is explicitly expressed in the "Equal Employment Act which consists of three stages". In the first stage, organisations are required to provide an initial report reflecting the number of male and female employees by their occupation and grade.

In the second phase, when organisations fail to satisfy the requirements that women's employment reach 60 per centime of the industry norm, these organisations receive a notice which compels them to present a second implementation plan. These implementation plans are required to encapsulate, inter alia, an attainable timetable for growing female employment. In the third stage, those organisations which had submitted an implementation plan the previous year must thereafter submit a second-year progress report to measure the performance of their plan.

Obviously the presence of government policies does not prevent an organisation from knowing the importance of having AA in place.

Under the current Korean AA system, its success in terms of extending women's employment depends on how well AA-targeted firms comply with AA regulations; it especially depends on how the firms that failed to meet the industrial criteria carry out the implementation plan that they submitted. Because of the deficiency of a severe penalty for non-compliance, combined with a weak incentive system, corporate performance pertaining to AA enforcement depends largely on firms' voluntary participation in the program (Jung *et al.*, 2012: 6).

At the firm's level, Korean AA, since its implementation in 2006, has not yet significantly raised the female share in total employment nor the female share in managerial positions; in addition, it has not demonstrated any significant impact on corporate performance, be it productivity-enhancing or productivity-impeding. "As for the potential macroeconomic effect of AA, we sustain a growth-enhancing effect of bringing down the gender pay gap, but not for a concomitant rise in the female part of total workers. It therefore means that AA can function as a driving force for macroeconomic growth if adequately designed and enforced, while at the same time raising the economic welfare of female workers" (Jung *et al.*, 2012: 18).

### **3.4 Lessons for South Africa**

In considering workplace inequalities relative to the South African situation, it is essential to note that, unlike the USA in which corrective measures are implemented to benefit the minorities who were disadvantaged. In South Africa, the majority of the people were excluded from the mainstream of various economic activities, including employment opportunities (Duvenhage and van der Westhuizen, 2013). The cases of the USA and South Africa share certain commonalities in the employees' reactions towards employment equity programs. In America, non-beneficiaries have been vocal about their feelings towards AA. It may be more difficult for them since the corrective programs are targeted at minorities. In South Africa, non-beneficiaries are not as vocal about their reactions towards the AA, since designated people are in the majority. The lesson which South African organisations could perhaps learn from America is the strategy that other organisations have used to manage employees' attitude towards AA.

Canada implemented employment equity: at first the government did not tightly regulate any sector on the function to which organisations should comply with the jurisprudence. Most organisations were encouraged, not obliged, to implement employment equity programs. Because modification in the workforce representation was slow, unions and other stakeholders urged government to take the employment equity seriously. This prompted the government to modify the approach to which organisations had to maneuver. As in South Africa, Canada has designated employers: obligations must be satisfied to secure acknowledgement of the Canadian population that has been omitted from the workforce. Nevertheless, Canada gives the federal state a prerogative to enforce the employment equity, according to the demands of the nation.

In South Africa, one department is entrusted with the responsibility of ensuring compliance with AA. The Canadian government is directly involved in some of the organisations such as banks, while in South Africa such organisations are privately owned. Although Canada has seen improvement in employment equity, in the beginning things were relatively slow, organisations having been encouraged, not obliged. The employment equity concern in South Africa has and still is the underrepresentation of Black managers in the top echelons of private and public organisations. The public sector may have improved much compared with the private sector, which still struggles to employ Black people to top management positions.

The lesson to be learned from Canada is that the South African government should improve the capacity of the central Department of Labor to enforce compliance among private organisations. The situation of Malaysia and South Africa has much common in terms of the previously disaffected population. It seems that Malaysia has been capable of achieving positive outcomes in a short span of time. However, the same cannot be said for South Africa. The Department of Labor suggests that most organisations suffered from lack of compliance with employment equity owing to lack of buy-in from senior and top managers (Van der Berg, 2010). This also includes the incompetence of some directors who were in control of employment equity in the organisations. Some organisations did not have proper consultative forums to engage with employees in order to have a commonly shared employment equity program (Department of



Labor, 2015). The subject of non-compliance was also common in South Korea: the organisation's compliance depends on the met criteria by the organisations.

## **Chapter Four**

### **Research Design and Methodology**

#### **4.1 Introduction**

The preceding introduction, literature review and overview chapters provided a detailed discussions affirmative action in South Africa and other jurisdictions such as USA, Canada, Malaysia and South Korea. It also entertained both national and international scholarly arguments on affirmative action. The purpose of this chapter is to discuss the design and methodology followed in conducting an investigation on the perception of managers on the implementation of affirmative action measures in financial institutions such ABSA Bank. The aim of this chapter is to introduce the research strategy used and the techniques used in the research design, data collection, and analysis.

#### **4.2 Research Design**

A research design is a blueprint or master plan of how the entire study will be conducted. According to Lotz (2009), research is a systematic process of collecting and analyzing information to give a thorough understanding of the subject under discussion. It is a foundation for every study, comprising as it does various approaches to be employed in solving the research problem, the information pertaining to the research problem, and the time frame of the study. Bhattacherejee (2012) describes a research design as a detailed plan of the way in which the researcher will collect the required data. Page and Meyer (2000:41) provide a detailed description of research design, defined as a plan which the researcher uses to obtain participants, collecting information from the participants with the purpose of reaching conclusions about the research problem. (Babbie and Mouton, 2001; Asika, 2004; Creswell, 2009) opined that the research design must answer the research questions validly, objectively, accurately, and economically.

The research design is the complete scheme or programmes of the research which expresses the hypothesis, the operational implication, and the final analysis of data (Kerlinger, 1986). It is the link between the data that has been collected and the conclusion that is to be drawn in relation to the questions raised for the purpose of the study. Hussey & Hussey (1997:54) define research design as the overall approach to the research process from the theoretical underpinning to the collection and analysis of the data. The purpose of the research design is to make sure that the data collected from the respondents enables the researcher to answer the initial research question as unambiguously as possible. In this study, the research design used includes approach, type of research, research paradigm, and research philosophy.

### **4.3 The Research Approach**

There are various approaches to research, namely, descriptive, explanatory, exploratory, participatory action, and archival research. However, this study utilized descriptive and exploratory study. The type of research is described as triangulation, hence descriptive and exploratory studies are the most appropriate research approaches to be used.

#### **4.3.1 Descriptive study**

The main rationale behind the use of descriptive study is to accurately describe a particular phenomenon (Dane, 2011; Royse; 2011 and Abiwu, 2015). According to William and Donnelly (2001), descriptive statistics explain basic features of the data in a study “seeking to solve practical problems” (Creswell 2013). Thus descriptive statistics simply summarize the sampling and the measuring, thereby helping the researcher, “simply describing what is, what the data shows” (William and Donnelly 2001). Descriptive statistics are more concerned with the collection of facts. It is an attempt to discover facts or describe events or situations in the most accurate manner as they exist or occur in their natural settings, thus helping the researcher to gain more insight into the phenomenon. The use of a descriptive study in this research enabled the researcher to gain more insight into the phenomenon under investigation. It enabled the researcher to describe the perceptions of managers at ABSA bank of affirmative action. This approach has provided the researcher with more information about the managers regarding the implementation of the AA policy; and the way in which they comply with the legislation on AA in South Africa.

### **4.3.2 Exploratory study**

The purpose of exploratory study is to gain better understanding of a particular phenomenon or situation. This research focuses on the perception of managers of affirmative action, with reliance on both qualitative and quantitative methods (Abiwu, 2015). In this study, the exploratory approach was used to investigate the topic under discussion, assisting the researcher to gain more understanding of the perceptions of the various respondents regarding AA.

## **4.4 The Research Paradigm/Philosophy**

There are several approaches to the research paradigm which include the constructivist, epistemological, non-positivist, ontological, positivist and interpretive approaches. Creswell (2009:6) defines the main research philosophical paradigms in the practice of research as the positivist, constructionist, and interpretive approaches. Since the study is a mixed-method design, the research paradigm was both positivist and interpretive. Positivism addressed the quantitative space, whilst interpretivism took care of the qualitative approach.

### **4.4.1 Interpretive paradigm**

The interpretive approach is also one of the research paradigms used to analyze the perceptions of managers of affirmative action in South Africa. This approach avoids the using of a scientific method in evaluating a particular situation. It is mostly used in qualitative research, in which the researcher seeks to elicit the views of the respondents, based on a particular phenomenon under investigation. Interpretivists refute a binary worldview represented by positivism and post-positivism; introducing multiple paradigms which address multiple realities as found in society; such as the feminist paradigm, the disability paradigm, and the indigenous paradigm, among others (Hart 2010). The Interpretivists approach believes that meanings are socially constructed and can reveal hidden aspects of the phenomenon being studied. The use of this approach enabled the researcher to elicit the view or the perceptions of the respondents of the introduction of affirmative action in the country. This information was gathered through interviews, which enabled the researcher to conduct detailed discussions on the perceptions of managers of the implementation of affirmative action.

#### **4.4.2 Pragmatic paradigm**

Social scientists have come to abandon the choice between qualitative and quantitative data; they are concerned rather with that combination of both which makes use of the most valuable features of each. The problem becomes one of determining at which points one approach should be adopted, and at which the other approach is the better choice (Creswell, 2003). Pragmatist researchers focus on the 'what' and 'how' of the research problem (Creswell, 2003: 11). Early pragmatists "rejected the scientific notion that social inquiry was able to access the 'truth' about the real world solely by virtue of a single scientific method" (Mertens, 2005: 26).

Pragmatism, when regarded as an alternative paradigm, sidesteps the contentious issues of truth and reality; accepting, philosophically, that there are singular and multiple realities that are open to empirical inquiry; orienting itself toward solving practical problems in the "real world" (Creswell and Plano Clark, 2007, Dewey, 1925; Rorty, 1999). Pragmatists' view of the measurable world relates more closely to an "existential reality" a reference to an experiential world with different elements or layers, some objective, some subjective, and some a mixture of the two (Creswell and Plano Clark, 2007).

The pragmatic paradigm places "the research problem" as central; applying all approaches to understanding the problem (Creswell, 2003: 11). Pragmatic paradigm qualitative and/or quantitative methods may be employed. Methods are matched to the specific questions and purpose of the research. Paradigms which overtly recommend the mixed-methods approaches allow the question to determine the data-collection and analysis methods applied, collecting both quantitative and qualitative data and integrating the data at different stages of inquiry (Creswell, 2003). In this study, the pragmatic paradigm was used to explore in detail the perceptions of managers of affirmative action in South Africa. It used objectivity to critically analyze the perceptions of the managers in ABSA bank of the introduction of affirmative action in the country.

#### **4.5 The Research Methods**

In academic research two main paradigms of research methodology have been prominent, namely, qualitative and quantitative research. For the purposes of this research, a triangulation approach utilizing both the quantitative and qualitative research was employed.

#### **4.5.1 Qualitative research**

Qualitative researchers often begin with self-evaluation and reflection with regard to themselves as situated in a social-historical context. Devetak, Glazar, and Vogrin (2010) argued that qualitative research is a type of exploratory approach to research which aims at using words rather than quantification in terms of data gathering and analyzing. Qualitative research is a type of research which deals with the way in which individuals perceive their own world and the extent to which the researcher interacts with them in relation to what is being researched. Looi (2014) suggests that a qualitative research investigation is broad and open-ended, thereby allowing the respondents to raise issues that concern them most. Qualitative research has certain advantages, such as improving the relationship and dialogue between researchers and subjects in the communities, reducing the imposition of researcher assumption on diverse others; empowering the subjects by assisting them to add their voice and thereby honoring their strengths, needs and values (Ponterotto, Mathew and Raughley, 2013). Qualitative research was used to uncover the perceptions of or views of the respondents on the introduction or implementation of AA in South, through a face-to-face interview that was conducted in ABSA Bank. The use of this approach enabled the respondents in the organisation to air their perceptions of AA in ABSA Bank as well as in South Africa.

#### **4.5.2 Quantitative research**

The quantitative method or approach attempts to quantify or measure social phenomena by gathering and analyzing numeric data, and focusing more attention on the relationships between a smaller number of attributes or characteristics across many cases. The author argued that quantitative research has to do with a thorough review of the research literature and developing appropriate hypotheses which frequently emerge from social theory. Castellan (2010) notes that quantitative research is associated with positivism which explains the fact that “physical and social realities are independent of those who observe them”. One important feature of this approach is that it was easily administered and evaluated by the researcher. It also enabled the

researcher to facilitate comparisons between groups, thereby establishing the extent to which the respondents agreed or disagreed with various research questions regarding AA. The use of quantitative research in this study enabled the researcher to collect data from the respondents through the administration of a questionnaire on the perceptions of managers of AA.

#### **4.5.3 Mixed-method research**

This is an approach to research which involves the method of gathering and analyzing both qualitative and quantitative data in a single study (Bishop and Holmes, 2012; Ponterotto, Jaya and Brigid, 2013; and Abiwu, 2015: 63). The mixed-method design evolved as a result of the limitations observed in both qualitative and quantitative research designs. The mixed method offers a more enhanced insight into the research problem and questions. Decisions are made on whether to use these methods independently (Abiwu, 2015: 64). A combination of both the qualitative and quantitative approaches in a single study provides more robust research than their being used independently.

The use of a mixed-method approach in the current study enabled the researcher to address the research questions and objectives which both qualitative and quantitative research could address, such as on affirmative action in South Africa. The mixed-method design in this single study enabled the researcher to use both qualitative and quantitative tools to reduce the views of the respondents of affirmative action within the country. The questionnaire and interviews were used to tap into the perceptions of the respondents apropos of affirmative action in South Africa.

#### **4.6 Target Population**

Population refers to a group of people with common features in which a researcher is interested (Abiwu, 2015; Salaria, 2012). It may also be individuals in a particular group or a restricted segment of the group. According to Salaria (2012), a population is defined as the total collection of individuals who have attributes in common, to which the research hypothesis refers. Abiwu (2015) also refers to a population as a group of people or elements in which an investigator is interested in. Abiwu (2015) gave a justification for drawing a sample from the population. Sekaran and Bougie (2013) also argued that a population is an entire group of persons, events, or items that a researcher seeks to examine or investigate. According to Sekaran and Bougie (2013)

“a population comprised of all conceivable elements, subjects or observations relating to a particular phenomenon of interest to the researcher”. It is the individual elements or subjects that constitute the population. The further authors observed that a population consists of every member of a particular group that may be measured. The study population comprised managerial employees at ABSA Bank within KwaZulu-Natal. The total population of the managers at ABSA Bank is approximately 304.

#### **4.7 Sampling Technique**

Generally, the process of selecting a portion of the population to represent the entire population is known as sampling. According to Abiwu (2015), sampling is the process of choosing from the population a small group of persons to allow for a valid judgment to be made. Salaria (2012) also asserts that sampling involves the art of selecting a relatively small group of people from the entire population to take part in a study. There are two types of sampling method, namely probability and non-probability sampling. The study utilised both probability and non-probability sampling methods. There are various techniques that may be used for sampling, namely, probability and non-probability which are discussed below

##### **4.7.1 Probability sampling method**

This is a sampling technique or method in which every unit in the population has an equal opportunity of being selected randomly to participate in the study. There are several types of probability sampling, namely, cluster sampling, stratified sampling, systematic random sampling, area sampling, simple random sampling, and double sampling (Sekaran and Bougie, 2013). The researcher chose a cluster sampling technique to select the respondents for the study.

##### **4.7.1.1 Cluster sampling**

In a random sample, each population element is selected individually. The population may also be divided into groups of elements, with some groups randomly selected for the study. This is cluster sampling. When properly conducted, it provides an unbiased estimate of population parameters. In this study, a cluster sampling technique was used to select all the respondents (employee in management positions) in the bank to participate in the study. Each of these respondents was given the equal chance of inclusion in the study, as emphasized by (Singh and

Masuku, 2013). This sampling technique was used because the researcher intended to draw out the view of respondents on AA, without any bias associated with the results.

#### **4.7.2 Non-probability sampling**

For this type of sampling, elements of the population have an unequal chance of being selected for the study. Non-probability sampling is more convenient when the elements in the population are not known or cannot be individually identified. Types of non-probability sampling include convenience sampling, purposive sampling, judgment sampling, and snowball sampling. For the purpose of this study, purposive sampling was used to select the respondents for the interviews.

##### **4.7.2 1 Purposive sampling**

According to Odoh (2015), purposive sampling is a non-probability sampling technique whereby the respondents or participants are chosen based on their knowledge or judgment apropos of the topic under investigation. Odoh (2015) adds that purposive sampling is a type of non-probability sampling which conforms to certain standards or criteria. Singh and Masuku (2013) also defined purposive sampling as a non-probability sampling in which the individuals or the participants are selected according to a purpose. This technique was used to select the respondents for the study, based on their knowledge of AA. This technique enabled the researcher to save time, because only those with prior knowledge of AA were selected to take part in the study. It exclude those employees who are at the lower level and who have not been engaged in the AA plan in the organisation. The study concentrated only on respondents in top management positions, because these employees have greater knowledge of the bank's implementation of AA.

#### **4.8 Sample Size**

A sample may be defined as a unit, element, or subgroup of a larger population, chosen to participate in a specific study with the aim of providing useful information on the entire population (Salaria, 2012). A sample is always drawn from the sample frame, but not from the entire population. Salaria (2012) argues that a sample frame is the process of listing all the elements in the target population from participants selected to take part in the study. The sample frame for this study comprised only the respondents at management or top positions in the bank,



namely, branch managers, sales managers, technical experts/managers, amongst others in the upper echelons.

As indicated above, people occupying these positions often deal, amongst other aspects, with managing of subordinate employees also designated employees in terms of AA. Top executives also deal with the implementation of their employer's employment policies, not excluding the Employment Equity Plan of ABSA Bank. By virtue of the study's intent, these individuals were identified as better positioned to provide relevant answers to the study's research questions. The population consists of 304 managers in the various ABSA Branches throughout KZN. According to Leedy and Ormrod (2010: 214), the corresponding minimum sample size for a population of 304 is 135. The sample size of 135 is adequate to allow the researcher to gather sufficient information from the respondents regarding the topic under discussion. Of 135 questionnaires sent out, 100 were received from the respondents which represents a 74.07% response rate. Given the number of managers in various managerial positions in the bank, cluster sampling was used to select respondents for participation in the study. This helped the researcher to identify the perceptions of the various managers regarding the implementation of AA. The use of this technique was informed by a structure of the targeted population of respondents in the bank. Using this technique further assisted the researcher to conduct correlating of variables across different clusters by means of cross-tabulating the responses of the respondents.

**Table 4.1 Composition of the Sample**

<b>Biographical data</b>		<b>Frequency</b>	<b>Per cent</b>
<b>Gender</b>	Male	48	48.0%
	Female	52	52.0%
	<b>Total</b>	<b>100</b>	<b>100.0%</b>
<b>Race</b>	Black	37	37.0%
	Coloured	4	4.0%
	Indian	41	41.0%
	White	18	18.0%
	<b>Total</b>	<b>100</b>	<b>100.0%</b>
<b>Age</b>	< 30	13	13.0%
	30 - < 45	70	70.0%
	46 - 60	16	16.0%
	Above 61	1	1.0%
	<b>Total</b>	<b>100</b>	<b>100.0</b>
<b>Years working</b>	< 5	10	10.0%

<b>at ABSA</b>	5 - < 10	26	26.0%
	10 - < 15	31	31.0%
	15 Years and above	33	33.0%
	<b>Total</b>	<b>100</b>	<b>100.0%</b>
<b>Current Position</b>	Branch Manager	70	70.0%
	Sales Managers	2	2.0%
	Specialist Manager	10	10.0%
	Other	18	18.0%
	<b>Total</b>	<b>100</b>	<b>100.0%</b>

Table 3.1 above presents the composition of the sample. It is evident that the majority (52%) of the respondents were females, comprising Indians (41%) as a dominant race at an average age of 31- <45. The average tenure of the respondents is 33%, which indicates that most of the respondents have been with ABSA Bank for long periods. Graphical representation of gender, age and positions are further illustrated in charts below.

**Figure 4.1: Gender Distribution**

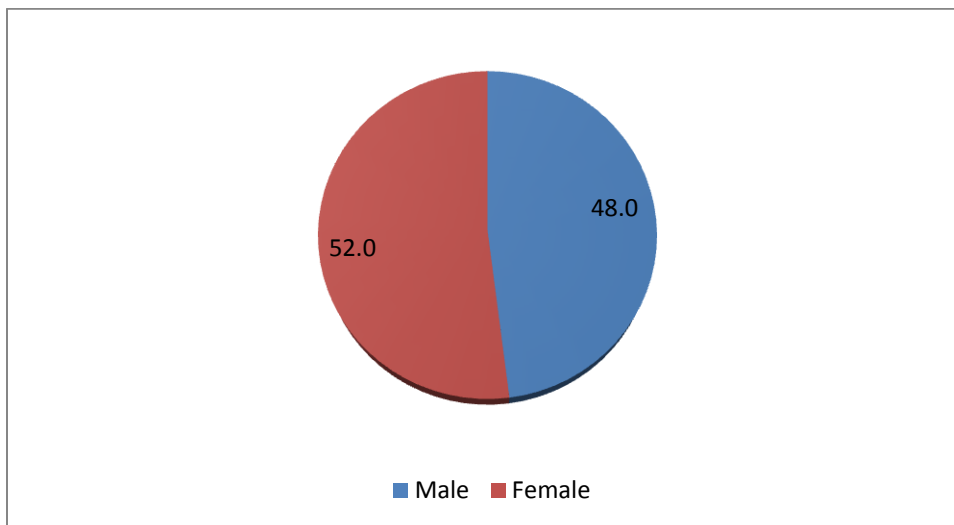
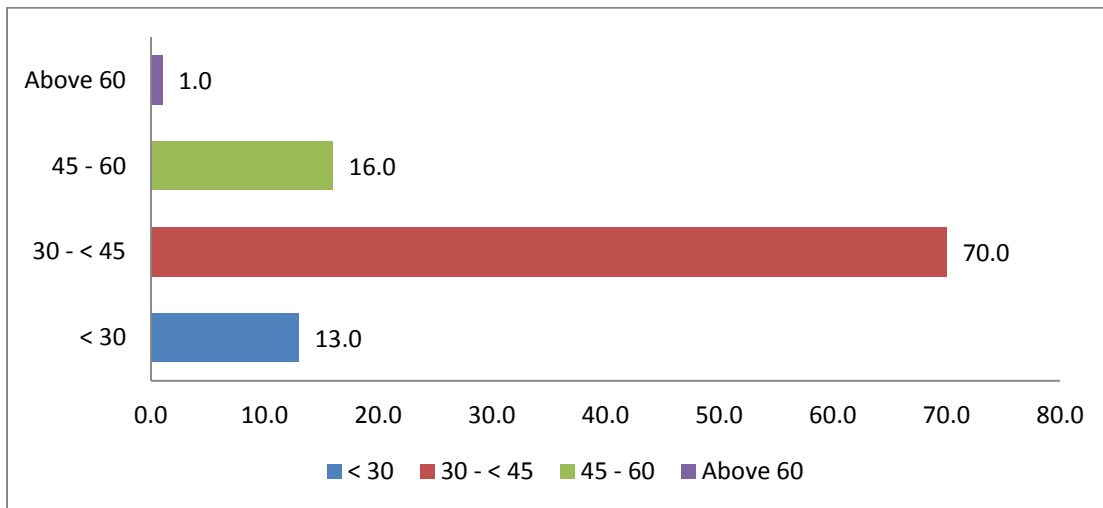


Figure 3.1 above shows the gender distribution of the respondents in the bank. It is evident that most of the respondents were females (52%) while there were fewer males (48%) in the sample. However, it is noteworthy that there is no significant difference in this ratio. The results of this study support the findings of DoL (2015) and Nedbank Annual Report (2008). All these findings indicated a large number of employees who are males as opposed to females.

**Figure 4.2: Age Distribution**



From Figure 3.2 above, it is evident that most (70%) of the managers at ABSA Bank were within the age group of 30-<45, followed by those managers who were in the age group of 45 – 60 (16%).

The age group which scored lowest included employees 60 years and over (1%). It may be regarded as normal for there to be fewer in this age group, being close to retirement age.

**Figure 4.3: Distribution on Current Positions**

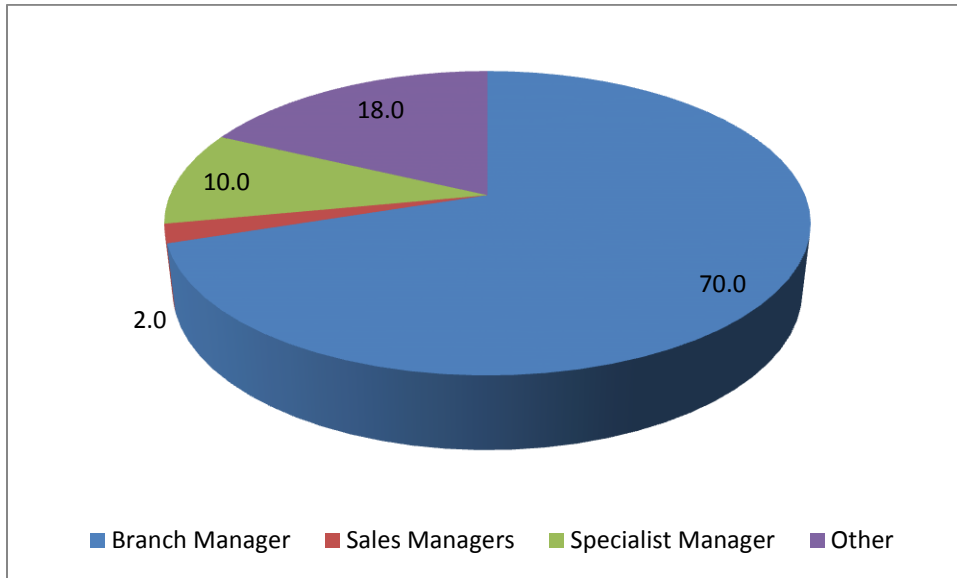


Figure 3.3 depicts that there are more Branch Managers (70%) than others in managerial positions, namely, Sales Managers (2%), and Specialist Managers (10%). The other category scored (18%), consisting of numerous supervisory levels, namely, Admin Sales, Area Manager, Host Customer, Sales Consultant, and Switchboard Operator.

#### **4.9 Data-collection Method**

There are numerous ways in which data may be collected; this usually depends on the nature and aims of the study. A mailed structured questionnaire was used to collect data for the respondents' study. Because this study employed the mixed-methods design, both qualitative and quantitative data-collection instruments were designed to collect data from the respondents, namely a questionnaire and interviews.

##### **4.9.1 Questionnaire**

A questionnaire is the commonest instrument for collecting quantitative data. It is a sequence of research questions designed and administered to respondents with a view to elicit information from them (Abiwu, 2015). Questionnaires are useful if the researcher wishes to reach a geographically dispersed community (Pickard, 2013: 207). According to Creswell (2009: 12), a structured questionnaire provides the researcher with a quantitative or numeric description of

trends, attitudes, or opinions of a population, by studying a sample of a particular population. In this study, a structured questionnaire was constructed and administered to the respondents with the help of the supervisor. The researcher constructed a new set of questions, there being no existing questionnaire. The questionnaires were administered to the respondents via email. A mailed survey has become one of the most popular ways of capturing sufficient information from respondents. Babbie and Mouton (2009: 232) state that surveys are excellent vehicles for measuring attitudes and orientations of a large population. Surveys allow respondents to complete the questionnaire in their own time and at their own pace. Surveys are the most effective way of collecting sensitive information: respondents are more likely to answer honestly.

#### **4.9.1.1 Reliability and validity of the measuring instrument**

The two most important aspects of precision are **reliability** and **validity**. Many scholars of qualitative and quantitative research methodology have variously defined reliability and validity, looking at the aspects from different perspectives (Golafshani, 2003). The notions of validity and reliability, according to Merriam (1998:52) “must be addressed from the perspective of the paradigm out of which the study has been conducted”. Bashir *et al.* (2008) conceived of reliability and validity as germane to the discussion of qualitative research: these features remain appropriate concepts for attaining rigour in quantitative research.

- **Reliability of the Measuring Instrument**

Reliability may be understood as the extent to which a questionnaire, test, observation or any measurement procedure produces the same results on repeated trials. A questionnaire may be considered reliable if the results are likely to be repeated. Saunders Lewis and Thornhill (2009) refer to reliability as the extent to which results are consistent over time; and an accurate representation of the total population under study is referred to as reliability. If the results of a study may be reproduced under a similar methodology, then the research instrument is considered to be reliable. According to Welman, Kruger, and Mitchell (2005: 145), reliability measures the ability of the data-collection instrument and method used for the study to obtain accurate and consistent results. Welman *et al.* (2005) identified three types of reliability referred to in quantitative research, which relate to the degree to which a measurement, given repeatedly,

remains the same; the stability of a measurement over time; and the similarity of measurements within a given time period. Reliability is computed by taking several measurements on the same subjects. A reliability coefficient of 0.70 or higher is considered “acceptable”. The table below reflects the Cronbach’s alpha score for all the items that constituted the questionnaire.

**Table 4.2: Reliability: Cronbach’s Alpha Coefficient scores**

Section	Number of Items	Cronbach's Alpha
B	5 of 5	.817
C	4 of 5	.322
D	5 of 5	.864
E	3 of 5	.440
F	4 of 5	.627
Overall	25 of 25	.660

The overall reliability score of 0.660 approximates the recommended value of 0.70. This implies an overall degree of consistent scoring for the construct. The reliability scores of sections B and D exceed the recommended value of 0.70. It is noted that the variables that constituted Sections B and D loaded perfectly along one factor each. This means that the statements (variables) that constituted this component perfectly measured the component. That is, the component measured what was intended to be measured. This also indicates a high (overall) degree of acceptable, consistent scoring for the research. The remaining sections have values that are below the standard values. Amongst the reasons for this, is that the construct is newly developed. Some of the statements had negative co-variants, owing mainly to interpretative issues with the statements.

- **Validity**

Hanson (2008: 107) regards validity or the “relationship between theory and method,” as the closest possible match of theory and method – the “paramount criteria for judging the legitimacy for a method”. Validity is defined by Welman and Kruger (2005: 142) as the extent to which the research findings accurately represent what is really happening in the situation. Punch (2005: 97) asserts that validity is the extent to which an instrument measures what it claims to measure. The

content validity of the questionnaire consisted of 31 items, with a level of measurement at a nominal or ordinal level. A 5-point Likert scale was used: Strongly agree = 5, Agree = 4, Not sure = 3, Disagree = 2, and strongly disagree = 1. The questionnaire was divided into 6 sections which measured various themes as illustrated below: (Refer to Appendix 3)

- Section A: Captured the biographical data of the respondents.
- Section B: Established reasons for implementing affirmative action at ABSA Bank.
- Section C: Enquired after strategies used to sustain AA at ABSA.
- Section D: Enquired after managerial employees' perceptions of AA-appointed employees.
- Section E: Enquired after managerial employees' willingness to mentor AA candidates.
- Section F: Enquired after ABSA Bank compliance with AA.

Usually, when a study uses questionnaires, measuring instruments and attitude scales are also used (Welman, *et al.*, 2005: 142). This is because researchers do not observe the behavior of subjects directly, but ask respondents to report on such behavior, hence a summated or Likert-scale was used in the study's questionnaire. According to these authors, a Likert-scale may be used for measuring multidimensional attitudes. This scale enabled the researcher to code information easily, as statements required the respondents to indicate the degree to which they agree with its content on a five-point response scale, namely "strongly agree, agree, neutral, disagree, and strongly disagree". Some statements represented a positive attitude, whereas others reflected negativity.

#### **4.10 Data Collection**

After consultation with the ICT personnel a survey-link containing the structured questionnaire was developed and distributed as per the sample size in their various clusters ([www.questionpro.com](http://www.questionpro.com)). The link provided the respondents with an option of returning the questionnaire after completion. The link connected directly with the researcher's email address to receive the completed questionnaires.

##### **4.10.1 Interviews**

Interviews are one of the qualitative instruments for collecting data from respondents. They are one of the most common instruments used by qualitative researchers. Interviews are face-to-face



conversational encounters between the interviewees and the interviewer in which the interview seeks to elicit information from the respondents regarding the various questions. There are three types of interview, namely, structured, semi-structured, and unstructured interviews. However, for the purpose of this study the researcher selected semi-structured interviews to gain responses from the participants or respondents regarding the implementation of AA at ABSA Bank. Punch (2005:172) also reveals that a semi-structured interview is a non-standardized, open-ended, in-depth interview, used as a way of understanding the complex behavior of people (see Appendix 4). The interviews were used with the purpose of complementing the data collected by means of a mailed, structured questionnaire.

#### **4.11 Pilot Study**

A pilot study was conducted initially before finalizing the content of the questionnaire. The questionnaire was based on the demographic characteristics, and employees' perception of AA; it touched on the designated group of employees, implementation of AA, and the attributes of AA in the workplace. As part of the pilot exercise, the questionnaire was administered to ten managerial employees of ABSA Bank. Some items were subsequently edited as per the consistent queries from the respondents, whilst others were added, using the information from the pilot group. The instrument was also considered reliable and valid in investigating ABSA Bank perceptions of various previously identified variables.

#### **4.12 Data Analysis**

The data collected from the responses was analysed with SPSS version 23.0. The results present the descriptive statistics in the form of graphs, cross tabulations and other figures for the qualitative data that was collected. Inferential techniques include the use of correlations. Bivariate correlation was also performed on the (ordinal) data. The results are found in the appendix (Appendix 2).

#### **4.13 Ethical Considerations**

The study complied with all the ethical requirements which are stipulated by the University of KwaZulu-Natal, being the university at which the researcher is registered. Questionnaires are useful if the researcher wishes to reach a geographically dispersed community (Pickard, 2013: 207). The main purpose of ethics in research is to protect the welfare of research participants.

The consent for conducting the survey was also granted by the research department at ABSA Bank Head Office (see attached consent letter). Upon the completion of this study, the identity of individuals from whom data was obtained will be kept strictly confidential. The researcher also ensured that there was no information revealing the identity of any individual included in the final report, or in any other communication prepared during the course of the study.

#### **4.14 Conclusion**

The chapter discussed the research processes and procedures that were followed in conducting this study. In this chapter the sample, population, and the data-collection methods were discussed. The biographic details of the population are further illustrated by means of figures and tables.

## Chapter Five

### Data Analysis, Interpretation, and Discussion of results

#### 5.1 Introduction

This chapter presents the results, and discusses the findings obtained from the respondents in this study. The results were first presented using summarized percentages for the variables that constitute each section. Results were then further analyzed according to the importance of the statements.

#### 5.2 Results

The section that follows analyzed the scoring patterns of the respondents per variable per section. Levels of disagreement (negative statements) were collapsed to show a single category of “Disagree”. A similar procedure was followed for the levels of agreement (positive statements).

#### Section B: Implementation of Affirmative Action

This section deals with the perceptions of managerial employees of the implementation of AA at ABSA Bank.

**Table 5.1: Implementation of AA**

	Agree	Not sure	Disagree
<b>The implementation of Affirmative Action at ABSA is effective</b>	84.0	4.0	12.0
<b>The AA at ABSA is in line with the best practices in the banking industry</b>	80.0	11.0	9.0
<b>The implementation of Affirmative Action at ABSA leads to job satisfaction among employees</b>	75.0	10.0	15.0
<b>If properly implemented Affirmative Action will raise the standard of employee performance at ABSA</b>	87.0	10.0	3.0
<b>ABSA Bank management consider the opinions of employees when implementing AA policies</b>	63.0	19.0	18.0

From the above Table 5.1, 84% of the respondents which constituted the majority agree that the implementation of Affirmative Action at ABSA is effective, 4% were not sure that the implementation of Affirmative Action at ABSA is effective whilst remaining 12% disagree that the implementation of Affirmative Action at ABSA is effective. The findings of this study confirmed the previous findings of Reuben and Bobat (2014). Reuben and Bobat (2014) found that employers in South Africa are committed with effective implantation of AA.

In terms of the practice of AA in ABSA Bank, 80% of the respondents agree that the AA at ABSA is in line with the best practices in the banking industry, 11% were not sure that the AA at ABSA is in line with the best practices in the banking industry and the remaining 9% disagree that the AA at ABSA is in line with the best practices in the banking industry. These findings are supported by the similar findings made by Reuben and Bobat (2014). According to Reuben and Bobat (2014), evidence shows that employers in South Africa commit towards the implementation of AA which is in line with labour legislation on AA such as the Constitution, EEA and PEPUDA. Similarly, ABSA BEE Report (2013) also support these findings. According ABSA BEE Report (2013), ABSA Bank concedes that there are demographic categories that continue to experience some kind of inequality and disadvantaged due to gender, disability and other shapes of being dissimilar. The report indicated that ABSA Bank is committed to implementing AA that falls in line with the practices in the banking industry in South Africa.

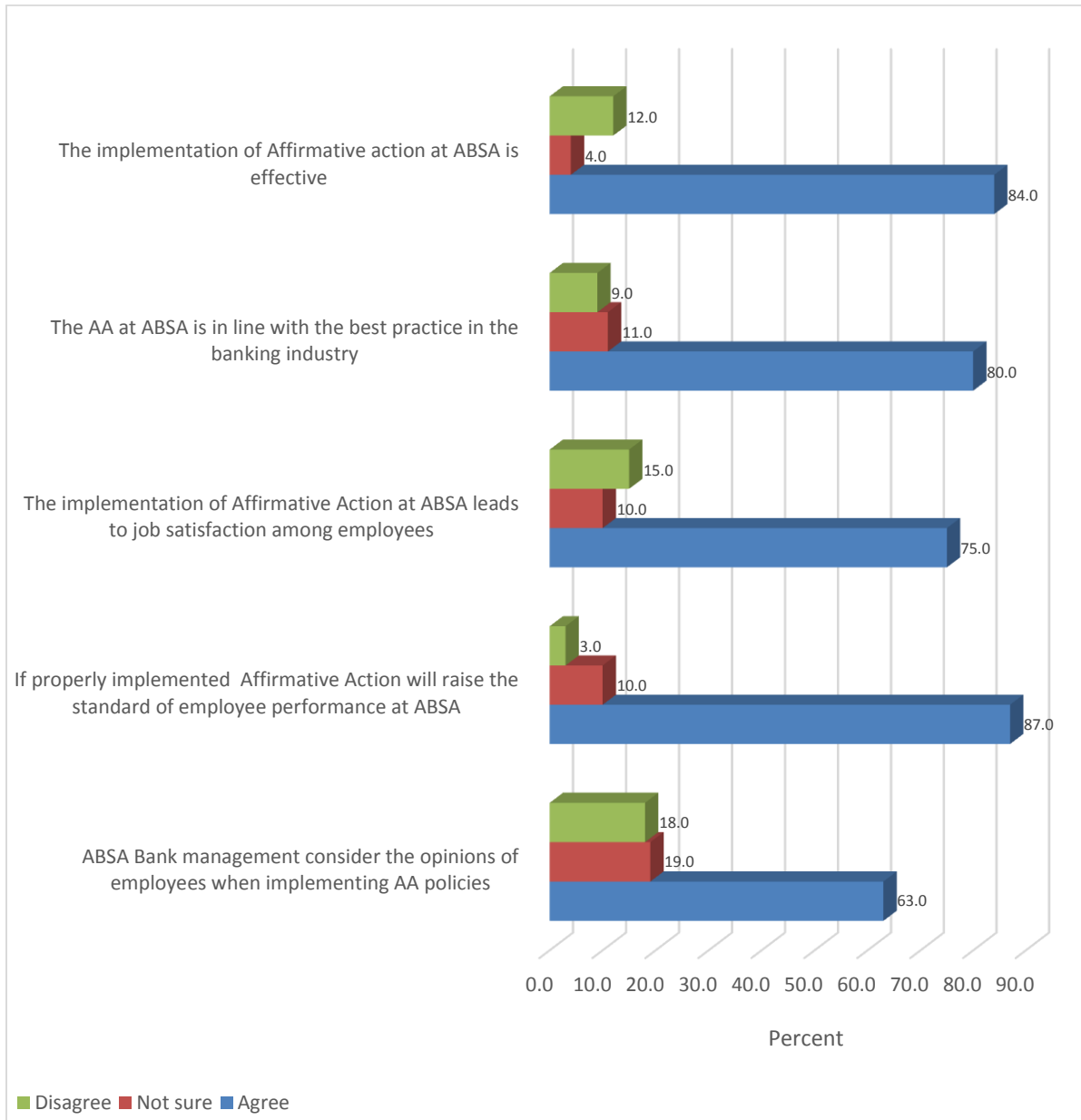
With reference to implementation of AA at ABSA and job satisfaction, majority (75%) of the respondents agree that the implementation of AA at ABSA leads to job satisfaction among employees, 10% were not sure that the implementation of AA at ABSA leads to job satisfaction among employees and remaining 15% disagree that the implementation of Affirmative Action at ABSA leads to job satisfaction among employees.

Furthermore, approximately 87% of the respondents agree that if AA is properly implemented it will raise the standard of employee performance at ABSA, 10% indicated that there were not sure that if AA is properly implemented it will raise the standard of employee performance at

ABSA and the rest of the 3% disagree toe the fact that if AA is properly implemented it will raise the standard of employee performance at ABSA.

Lastly, 63% of the respondents agree that ABSA Bank management consider the opinions of employees when implementing AA policies, 19% said that they were not sure that ABSA Bank management consider the opinions of employees when implementing AA policies whilst remaining 18% disagree that ABSA Bank management consider the opinions of employees when implementing AA policies.

**Figure 5.1: Implementation of AA**



The average level of importance for this section was 77.8%. This indicates that most respondents at ABSA Bank considered AA and its implementation important. Even though the level of agreement was high in most statements, the last statement relating to whether ABSA bank

management considered the opinions of employees when implementing AA policies, scored lower than the rest. This is an indication that not all employees at ABSA were involved in implementing AA from the beginning of the process. The results relating to the last statement were somehow contrary to the provisions of EEA section 16 (1) which provides that, for AA measures to be implemented, an employer must consult with employees (Deane, 2009:383). This would ensure that the employer gains consensus among its employees on AA measures. The study by Bendix (2015) cautions employers, indicating that, if existing employees are not involved in the process, they are likely to deliberately withhold information and assistance from new employees, especially from the designated group.

**Section C: Sustainability of Affirmative Action at ABSA**

This section deals with the manner in which ABSA Bank sustains AA within the work environment.

**Table 5.2: Sustainability of AA**

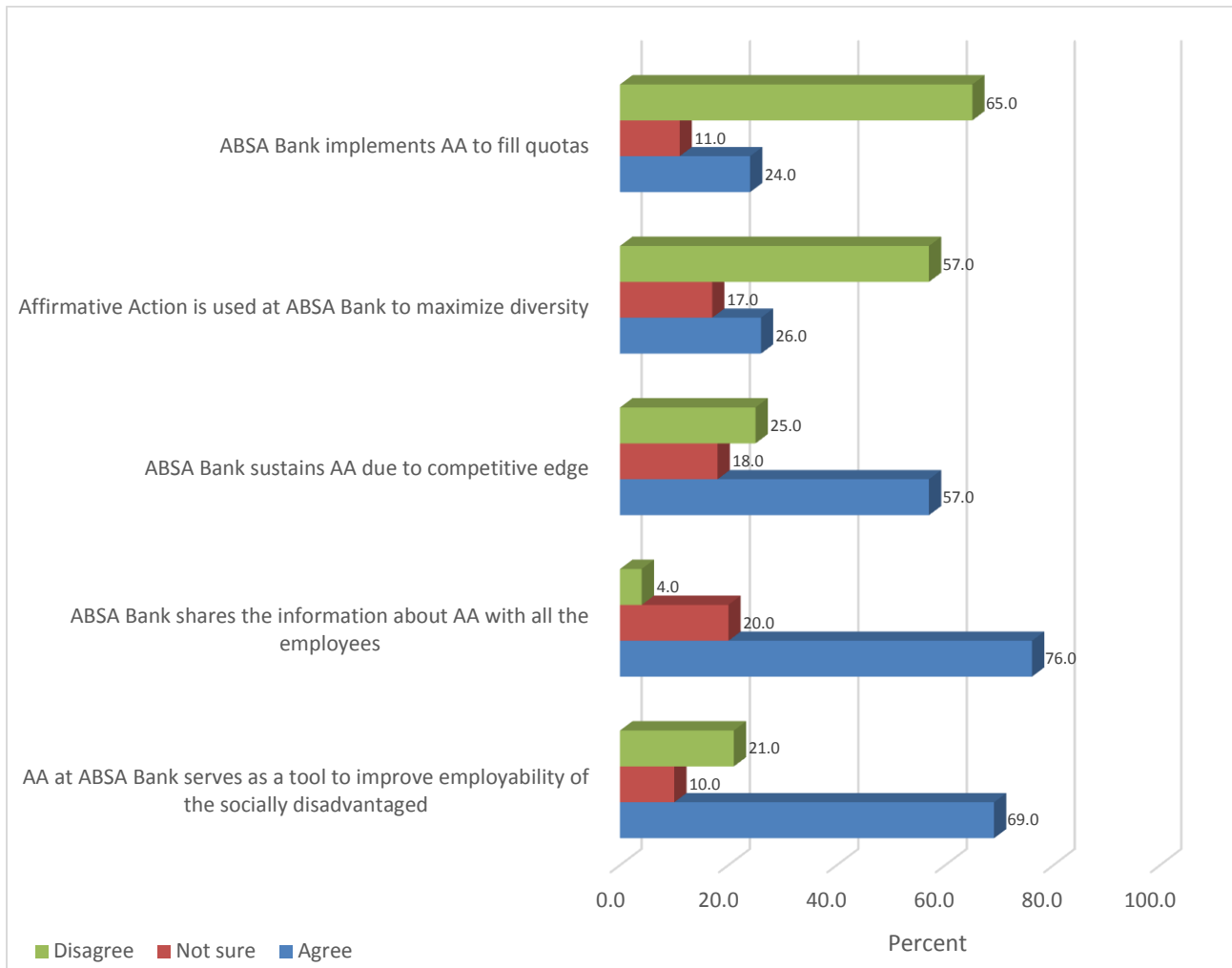
	Agree	Not sure	Disagree
<b>ABSA Bank implements AA to fill quotas</b>	24.0	11.0	65.0
<b>Affirmative Action is used at ABSA Bank to maximize diversity</b>	26.0	17.0	57.0
<b>ABSA Bank sustains AA owing to competitive edge</b>	57.0	18.0	25.0
<b>ABSA Bank shares information about AA with all its employees</b>	76.0	20.0	4.0
<b>AA at ABSA Bank serves as a tool to improve employability of the socially disadvantaged</b>	69.0	10.0	21.0

Table 4.2 above depicts sustainability of AA at ABA. Approximately 24% of the respondents agree that ABSA Bank implements AA to fill quotas, another 11% indicated that there were not sure that ABSA Bank implements AA to fill quotas and remaining 65% which constituted the majority disagree that ABSA Bank implements AA to fill quotas. Also, 26% disagree that Affirmative Action is used at ABSA Bank to maximize diversity, 17% were not sure that Affirmative Action is used at ABSA Bank to maximize diversity and remaining 67% disagree

that Affirmative Action is used at ABSA Bank to maximize diversity. Furthermore, 57% agree that ABSA Bank sustains AA owing to competitive edge, 18% were not sure that ABSA Bank sustains AA owing to competitive edge whilst remaining 25% disagree that ABSA Bank sustains AA owing to competitive edge. With regards to the share of information on AA in the bank, 76% of the respondents agree that ABSA Bank shares information about AA with all its employees, 20% were not sure that ABSA Bank shares information about AA with all its employees and remaining 4% disagree that ABSA Bank shares information about AA with all its employees. Finally, 69% of the participants agree that AA at ABSA Bank serves as a tool to improve employability of the socially disadvantaged, 10% indicated that they were not sure that AA at ABSA Bank serves as a tool to improve employability of the socially disadvantaged and remaining 21% disagree that AA at ABSA Bank serves as a tool to improve employability of the socially disadvantaged.



**Figure 5.2: Sustaining AA**



There are two levels of agreement pattern. The lowest ranked statements refer to “ABSA Bank implements AA to fill quotas” (24.0%) and “Affirmative Action is used at ABSA Bank to maximize diversity” (26.0%). These findings indicated that respondents at ABSA Bank did not perceive AA as a policy which is crafted and implemented with the sole purpose of filling quotas or maximizing diversity. Regarding this issue, Bendix (2015) maintains that most organisations comply with the policy for the wrong reasons. Consequently, AA measures are implemented inappropriately. Although ABSA’s situation may differ from Bendix (2015)'s views, they are worth noting, although many respondents disagreed with both statements. Other respondents perceived the situation as some irregularities being indeed inherent in sustaining AA at ABSA Bank.

In terms of implementation of AA for maximizing diversity, the study by Groeneveld and Verbeek (2012:356) states that AA approaches differ from managing diversity, in that AA approaches are based on the moral and legal arguments which are mostly formulated dependent on an organisation's economic goals. Perhaps the same could be said about ABSA Bank, seeing that most respondents do not associate AA measures with maximizing diversity.

The highest-ranked statement is that "ABSA Bank shares information about AA with all its employees" (76.0%). In the previous section, respondents revealed that employees' opinions were not considered when AA measures were implemented. Although this may be viewed as a contradiction in terms, in essence, considering opinions is different from sharing information. However, both these processes were a requirement in the implementation of AA measures within organisations. The results of this study indicated that ABSA Bank's compliance with the law pertaining to AA was selective.

The results of this study further indicate that most (69%) of the respondents felt that AA at ABSA Bank served as a tool to improve employability of the socially disadvantaged. Sebola (2009) views such a process as token appointment, in which candidates with totally unrelated skills are appointed to positions, not relevant to their knowledge and experience, simply because they were previously disadvantaged. Heilman (1997) affirmed that this will further taint AA recipients with a stigma of incompetence. Heilman further states that if someone is thought to have been employed as a result of AA efforts, then it would supply onlookers with a plausible and compelling explanation for the selection decision, independently of the job incumbent's qualifications for the position.

Ultimately, the previously disadvantaged group will be stigmatised because people always have something to say about other people; this is evident in the attribution theory. Greenberg *et al.* (2009) caution against stigmatizing of fellow employees, noting that individuals will be more likely to have difficulty sustaining a sense of self-worth when they are devalued within the prevailing mainstream organisational culture and policies.

## Section D: Managerial Perceptions

This section dealt with managerial perceptions of those employees appointed through AA measures.

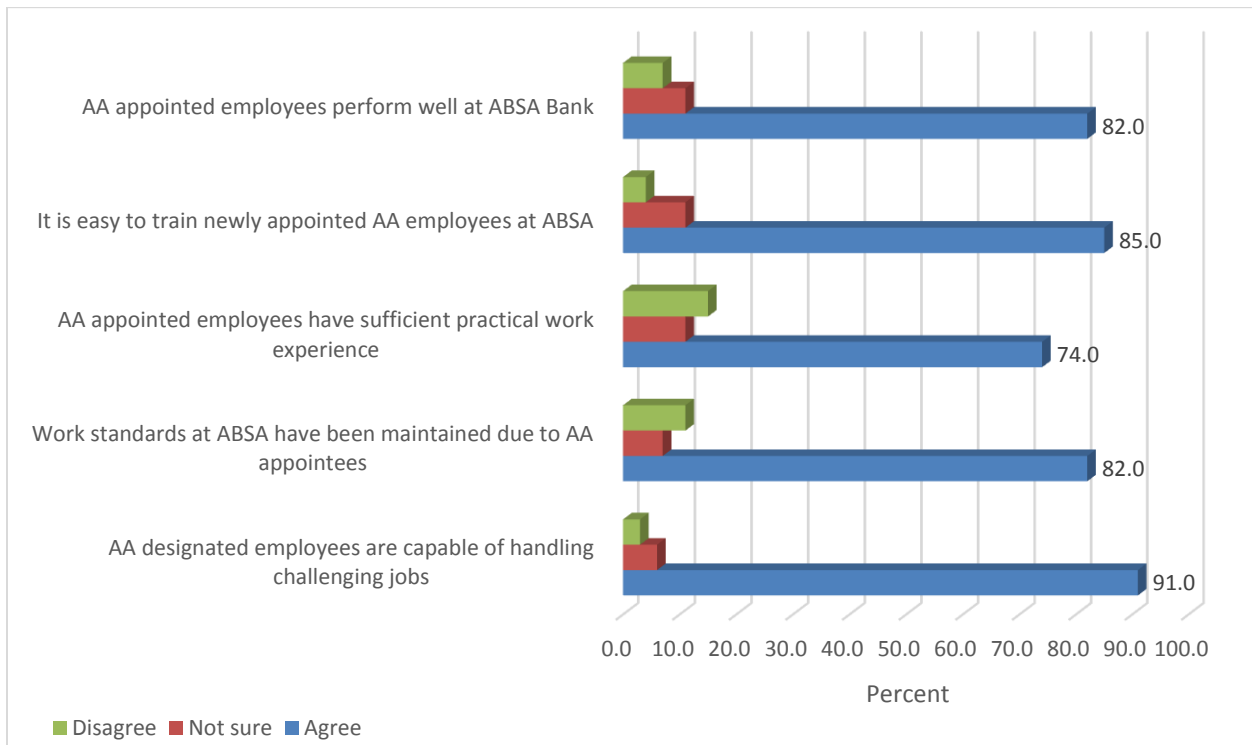
**Table 5.3: Perception of AA Appointees**

	Agree	Not sure	Disagree
<b>AA-appointed employees perform well at ABSA Bank</b>	82.0	11.0	7.0
<b>It is easy to train newly appointed AA employees at ABSA</b>	85.0	11.0	4.0
<b>AA-appointed employees have sufficient practical work experience</b>	74.0	11.0	15.0
<b>Work standards at ABSA have been maintained thanks to AA appointees</b>	82.0	7.0	11.0
<b>AA-designated employees are capable of handling challenging jobs</b>	91.0	6.0	3.0

Table 5.3 above presents the perceptions of AA appointees in ABSA Bank. Approximately 82% the respondents agree that AA-appointed employees perform well at ABSA Bank, 11% were not sure if AA-appointed employees perform well at ABSA Bank and remaining 7% disagree that AA-appointed employees perform well at ABSA Bank. In addition, 85% of the participants agree that it is easy to train newly appointed AA employees at ABSA, 11% were not sure that it is easy to train newly appointed AA employees at ABSA whilst remaining 4% disagree that It is easy to train newly appointed AA employees at ABSA. Also, 74% of the respondents agree that AA-appointed employees have sufficient practical work experience, 11% were not sure if AA-appointed employees have sufficient practical work experience and remaining 15% agree that AA-appointed employees have sufficient practical work experience. Furthermore, 82% of the respondents agree that work standards at ABSA have been maintained thanks to AA appointees, 7% were not sure that work standards at ABSA have been maintained thanks to AA appointees and remaining 11% disagree that work standards at ABSA have been maintained thanks to AA appointees. Lastly, 91% of the participants agree that AA-designated employees are capable of handling challenging jobs, 6% were not sure that AA-designated employees are capable of

handling challenging jobs and remaining 3% disagree that AA-designated employees are capable of handling challenging jobs.

**Figure 5.3: Perceptions of AA appointees**



The average level of agreement for this section was 82.8%. Since the statements were positively worded, there were high levels of agreement with the statements. About (82%) of the respondents felt that AA-appointed employees performed well at the bank. These findings contradicted the accusations that were made by Vermeulen and Coetzee (2006). Contrary to their findings, AA appointees at ABSA are competent and perform well, as opposed to being less proficient. Another advantage of the AA appointees, as indicated by (85%) of the respondents, is that they are easily trainable. The study by Rankhumise and Mello (2011) argues that, in order for the implementation of affirmative action to be successful, there must be training interventions for AA appointees designed to enable them to succeed in the work environment.

About (74%) of the respondents felt that AA appointees have sufficient practical work experience. This indicated that most of the AA appointees at ABSA were employed after having gained work exposure somewhere else. Therefore, being appointed to a position within ABSA Bank may be impossible for someone who does not have practical work experience. In this situation, the mentorship, suggested by Rankhumise and Mello (2011), whereby a more advanced and experienced incumbent helps a less experienced person who has a developmental potential to develop in some specified capacity, was not always necessary. Instead, managers could apply other forms of assistance to enable the AA appointees to settle well in their respective jobs.

In terms of the work standards, (82%) of the respondents indicated that work standards in ABSA have been maintained thanks to AA appointees. This suggests that the work standard at ABSA has not been negatively affected by the employment of a previously disadvantaged group through AA measures. The reason for this success may be that the integrated workforce strengthens the way in which employees perform their duties at ABSA, each employee's skills complementing the other. In this instance, diversity holds that people from different backgrounds can bring fresh ideas and perceptions, which can improve efficiency and enhance products and services (Patrick and Kumar, 2012). A significant (91%) number of the respondents indicated that AA appointees were able to handle challenging jobs. These results suggest that AA appointees are capable of handling challenging jobs. From this result it may be seen that ABSA is committed to ensuring that AA appointees are placed and developed into positions of influence from which they were barred in the past (Bendix, 2010).

### **Section E: Management Willingness**

This section dealt with the willingness of managerial employees to provide mentorship for AA appointees.

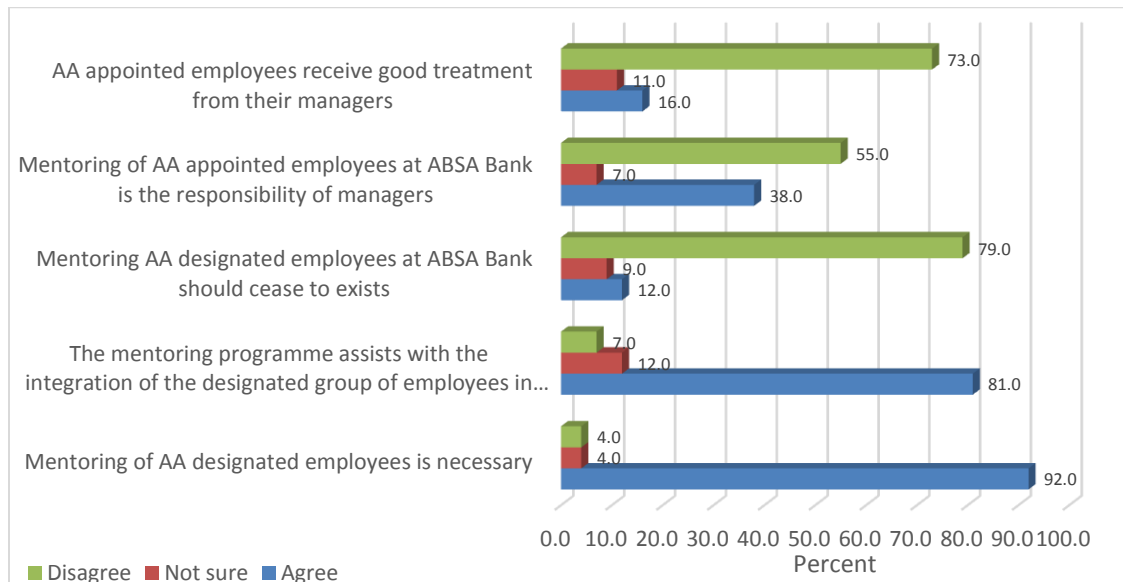
**Table 5.4: Willingness to Mentor AA Appointees**

Agree      Not      Disagree

		sure	
<b>AA-appointed employees receive good treatment from their managers</b>	16.0	11.0	73.0
<b>Mentoring of AA-appointed employees at ABSA Bank is the responsibility of managers</b>	38.0	7.0	55.0
<b>Mentoring AA designated employees at ABSA Bank should cease to exist</b>	12.0	9.0	79.0
<b>The mentoring program assists with the integration of the designated group of employees into ABSA Bank</b>	81.0	12.0	7.0
<b>Mentoring of AA designated employees is necessary</b>	92.0	4.0	4.0

Table 5.4 above shows the willingness to mentor AA appointees. About 16% of the participants agree that AA-appointed employees receive good treatment from their managers, 11% were not sure that AA-appointed employees receive good treatment from their managers and remaining 73% which represented the majority disagree that AA-appointed employees receive good treatment from their managers. With regards to monitoring of AA designated employees at ABSA Bank, 38% of the respondents agree that mentoring of AA-appointed employees at ABSA Bank is the responsibility of managers, 7% were not sure that mentoring of AA-appointed employees at ABSA Bank is the responsibility of managers and the remaining 55% disagree that mentoring of AA-appointed employees at ABSA Bank is the responsibility of managers. Furthermore, 12% of the participant agree that mentoring AA designated employees at ABSA Bank should cease to exist, 9% were not sure if Mentoring AA designated employees at ABSA Bank should cease to exist and remaining 79% disagree that mentoring AA designated employees at ABSA Bank should cease to exist. Another 81% agree that the mentoring program assists with the integration of the designated group of employees into ABSA Bank, 12% were not sure that the mentoring program assists with the integration of the designated group of employees into ABSA Bank and remaining 7% disagree that the mentoring program assists with the integration of the designated group of employees into ABSA Bank. Furthermore, 92% of the respondents agree that mentoring of AA designated employees is necessary, 4% were not sure that mentoring of AA designated employees is necessary whilst remaining 4% disagree that mentoring of AA designated employees is necessary.

**Figure 5.4: Willingness to Mentor AA Appointees**



The first three statements showed higher levels of disagreement than the last two higher-level agreement statements. The first three statements were “people related”. There were levels of disagreement as to who should be responsible for mentoring, and whether the mentoring program should be abandoned. However, more important is that AA appointees do not receive good treatment from their managers at ABSA Bank. This could be as result of various human perceptions of AA appointees. For example, a study by Kruger *et al.* (1996) stated that people from a group that is disliked by the manager are likely to be treated unfairly owing to the manager’s perceptions. Possibly through not being involved in the process of establishing and implementing the AA policy, managers are deliberately taking out their frustration on the AA appointees. Bendix (2015) stresses the involvement of existing employees, especially managers, in the process of establishing and implementing AA policies.

The results further suggested that there was no clear understanding by the respondents about who should be responsible for mentoring AA appointees. It was evident that, while some agreed that it remains the manager’s responsibility, other respondents disagreed. The findings by Grobler *et al.* (2006) suggested that organisations set up formal mentoring programs as part of their

affirmative action efforts. The responsibility of the organisation's management is to establish structures that will enable mentorship programs to thrive. Managers will thus be responsible for facilitating the mentorship programs. The results further suggested that respondents do not think that mentoring of AA appointees should be terminated by ABSA Bank. Although respondents were not clear on the manager's role in mentoring of AA appointees, they nevertheless supported the initiative.

The last two statements related to the necessity for mentoring; and it is obvious that respondents were indeed in support of mentoring AA appointees. Affirming these findings, Rankhumise and Netswera (2010) stated that this has the aim of correcting the workforce imbalance created in the past. The findings by Rankhumise and Mello (2011) also suggested that, for the implementation of affirmative action to be successful, there is a need for training interventions to develop the affirmative action candidates. Therefore, ABSA Bank management must be committed to the implementation of training interventions to ensure successful implementation of affirmative action. Bloom and Lues (2013) further stated that, if designated people are trained sufficiently, the principle of equity may be achieved: people with the correct skills, qualifications, and knowledge will be selected for all job categories.

#### **Section F: ABSA Bank Compliance with EEA**

This section sought to understand how managerial employees perceived ABSA Bank's compliance with EEA.

**Table 5.5: Compliance with EEA**

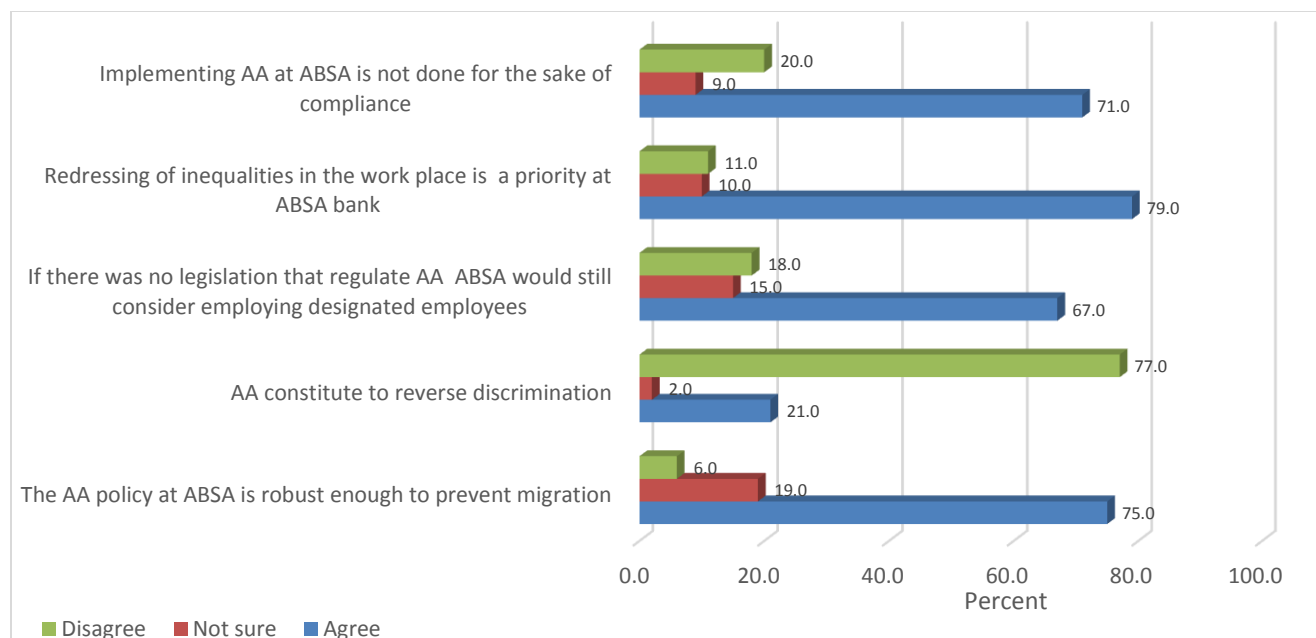
	Agree	Not sure	Disagree
<b>Implementing AA at ABSA is not done for the sake of compliance</b>	71.0	9.0	20.0
<b>Redressing of inequalities in the workplace is a priority at ABSA bank</b>	79.0	10.0	11.0



<b>If there were no legislation that regulated AA, ABSA would still consider employing designated employees</b>	67.0	15.0	18.0
<b>AA constitutes reverse discrimination</b>	21.0	2.0	77.0
<b>The AA policy at ABSA is robust enough to prevent migration</b>	75.0	19.0	6.0

From the Table 5.5 above, 71% of the participants agree that implementing AA at ABSA is not done for the sake of compliance, 9% were not sure that implementing AA at ABSA is not done for the sake of compliance and remaining 20% disagree that implementing AA at ABSA is not done for the sake of compliance. In terms of redressing inequality, 79% of the respondents agree that redressing of inequalities in the workplace is a priority at ABSA bank, 10% were not sure that redressing of inequalities in the workplace is a priority at ABSA bank whilst remaining 11% disagree that redressing of inequalities in the workplace is a priority at ABSA bank. Also, 67% agree that if there were no legislation that regulated AA, ABSA would still consider employing designated employees, 15% were not sure that if there were no legislation that regulated AA, ABSA would still consider employing designated employees and remaining 18% disagree that If there were no legislation that regulated AA, ABSA would still consider employing designated employees. Furthermore, 21% disagree that AA constitutes reverse discrimination, 2% were not sure that AA constitutes reverse discrimination and remaining 77% disagree that AA constitutes reverse discrimination. Finally, 75% agree that AA policy at ABSA is robust enough to prevent migration, 19% were not sure that AA policy at ABSA is robust enough to prevent migration and remaining 6% disagree that AA policy at ABSA is robust enough to prevent migration.

**Figure 5.5: Compliance with EEA**



**Table 5.6: AA Equates to Reverse Racial Discrimination Cross Tabulation**

		Race				Total	
		Black	Coloured	Indian	White		
<b>AA equates to reverse discrimination</b>	Agree	Count	9	1	7	4	21
		% of Total	9.0%	1.0%	7.0%	4.0%	21.0%
	Not sure	Count	1	0	1	0	2
		% of Total	1.0%	0.0%	1.0%	0.0%	2.0%
	Disagree	Count	27	3	33	14	77
		% of Total	27.0%	3.0%	33.0%	14.0%	77.0%
<b>Total</b>	Count	37	4	41	18	100	
	% of Total	37.0%	4.0%	41.0%	18.0%	100.0%	

In this section the scoring pattern varied, mainly because there is a combination of positive and negative opinions regarding the compliance of ABSA Bank with the EEA. Many (71%) of the respondents do not think that ABSA Bank implements AA for the sake of compliance. These findings contradict Bendix (2015), in which it was found that some organisations comply with AA as matter of political imperative, and not as a business objective which is sustainable within

the framework of the organisational goals. This indicates that ABSA Bank could be committed to ensuring that AA is implemented consistently, and achieving the goal of creating a balanced workforce.

Most (79%) of the respondents further agreed that ABSA Bank makes it a priority to redress inequalities in the workplace. These findings suggest that ABSA Bank is not among those organisations identified by Levy (1999), which resist the notion of ensuring equity in the workplace. However, complying with the legislative requirements to promote equity is not sufficient. The organisation should also be able to unleash the potential of a diverse workforce. Respondents further indicated that ABSA Bank would have employed a designated group of employees even had there been no legislation regulating AA.

Since most of the respondents in this study have been working for ABSA Bank for some time, they may well have analyzed management's behavior towards the initiatives of empowering the previously disadvantaged groups. In terms of the arguments against AA as a policy, (77%) of the respondents did not regard AA as reverse discrimination. Perhaps the findings by Dupper (2008) that White people regard AA as reverse discrimination should then be ascribed to the non-designated; other groups rarely perceiving it the same way. The findings in this study supported Ayob's (2006) way of perceiving AA as a mere product of advanced human endeavour, ingenuity, and soul searching, to find the most amicable solution to centuries of human injustice, rather than reverse discrimination.

The results as depicted in Table 5.6 above revealed that respondents across all ethnic groups, although few, perceived AA as reverse discrimination. This indicated that it would not only be Whites who perceive AA as reverse discrimination; Blacks may also share the same sentiment with Whites. Most (75%) of the respondents felt that the AA policy at ABSA Bank was robust enough to discourage and prevent migration of employees. This suggests that the AA policy at ABSA Bank is likely not to contribute to employee migration, even for those who feel strongly against AA.

### 5.3 Findings Relative to Research Objectives

The findings below were presented relative to the objectives of the study in order to interpret the results using statistical methods. The traditional approach to reporting a result requires a statement of statistical significance. A **p-value** was generated from a **test statistic**. A significant result is indicated with " $p < 0.05$ ". These values are highlighted with an asterisk.

The Chi-square test was performed to determine whether there was a statistically significant relationship between the variables (rows vs. columns). Bivariate correlation was also performed on the (ordinal) data. The result from positive values indicates a directly proportional relationship between the variables, and a negative value indicates an inverse relationship. All significant relationships are indicated either by one or two asterisks.

#### 5.3.1 Managerial Perceptions of the Implementation of Affirmative Action in ABSA

**Table 5.7: Perceptions of AA Effectiveness**

##### Pearson's Chi-Square Tests

		Current Position	Current Position - Other
<b>The implementation of Affirmative Action at ABSA is effective</b>	Chi-square	19.788	91.025
	df	6	18
	Sig.	.003*	.000*

In Table 4.5 above, the p-value between “*The implementation of Affirmative action at ABSA is effective*” and “*Current Position*” is 0.003 (which is less than the significance value of 0.05). This means that there is a significant relationship between the variables. That is, the position of a respondent does play a role in terms of how the effectiveness of AA at ABSA is perceived. Perhaps this could be attributed to respondents who earlier indicated that their opinions were not considered by management when AA policies were implemented. This means that the way in

which respondents perceived AA had nothing to do with their positions at ABSA Bank. Despite operational practices pertaining to policy implementation at ABSA Bank, results indicated that implementation of AA at ABSA Bank is somehow effective.

**Table 5.8: Effectiveness of AA at ABSA**

<b>ABSA Bank implements AA to fill quotas</b>		<b>The implementation of Affirmative Action at ABSA is effective</b>
	Correlation	-.578**
	Coefficient	
	Sig. (2-tailed)	.000
	<b>N</b>	<b>100</b>

The correlation coefficient between “*ABSA Bank implements AA to fill quotas*” and “*The implementation of Affirmative Action at ABSA is effective*” is -0.578. That is, the more effective the implementation of AA at ABSA, the less likely that ABSA would resort to AA to fill quotas. This will ensure that ABSA Bank does not prioritize filling quotas with the sole purpose of ensuring that its AA policy is effective.

### **5.3.2 Sustaining affirmative action at ABSA Bank**

In determining reasons for ABSA having AA policies in place, three variables were used, namely, quotas, diversity, and improving employability of socially disadvantaged.

**Table 5.9: Sustaining AA at ABSA Bank**

<b>Affirmative Action is used at ABSA Bank to maximize diversity</b>		<b>ABSA Bank implements AA to fill quotas</b>
	Correlation	.606**
	Coefficient	
	Sig. (2-tailed)	.000
	<b>N</b>	<b>100</b>

The correlation coefficient between “*Affirmative Action is used at ABSA Bank to maximize diversity*” and “*ABSA Bank implements AA to fill quotas*” is .606. That is, the more ABSA Bank implements AA to fill quotas, the more it likely that this would result in maximized diversity. Therefore, among many other unknown reasons for ABSA Bank to sustain AA could be that of diversifying the workforce by filling the quotas. It is this type of AA implementation that Bendix (2015) found problematic for many organisations. The burgeoning equity policies inevitably bring along diversity, but candidates’ merits should count more than race.

### 5.3.3 Performance of affirmative action candidates at ABSA Bank

In determining the way in which the performance of AA appointees is perceived by managerial employees at ABSA Bank, the following variables were tested: perceived performance, training of AA appointees, work standards, and sufficient practical experience.

**Table 5.10: Performance of AA Appointees**

		<b>AA-appointed employees perform well at ABSA Bank</b>
<b>It is easy to train newly appointed AA employees at ABSA</b>	Correlation Coefficient	.637**
	Sig. (2-tailed)	.000
	N	100
<b>AA-appointed employees have sufficient practical work experience</b>	Correlation Coefficient	.528**
	Sig. (2-tailed)	.000
	N	100

The correlation coefficient between “*AA-appointed employees perform well at ABSA Bank*” and “*AA-appointed employees have sufficient practical experience*” was .528. That is, the more AA appointed employees have sufficient practical experience, the more likely they will perform well at ABSA Bank. These findings suggest that, when appointments are made within the ambit of AA, practical experience should be another criterion in the selection process. In turn, AA employee appointments will not be as indicated by Sebola (2009) “token appointments”.

In this kind of appointment, individual skills are disregarded, and they are eventually placed in irrelevant portfolios. Sebola (2009) further states that such appointments may compromise the motive of the administration of the organisation.

The correlation coefficient between “*It is easy to train newly appointed AA employees at ABSA*” and “*AA-appointed employees perform well at ABSA Bank*” was 637. That is, the easier it is to train newly appointed AA employees, the more likely AA-appointed candidates will perform well at ABSA Bank. The study by Rankhumise and Netwera (2010) supported the training of previously disadvantaged groups, stating that this could also help to eliminate the stigma attached to this group.

#### **5.3.4 Management willingness to mentor affirmative action candidates**

In determining management’s willingness to provide mentorship to AA candidates, the following variables were tested: “*AA-appointed employees receive good treatment from managers*”; “*the mentoring program assists with the integration of the designated employees in ABSA Bank*” and “*mentoring of AA-designated employees is necessary*”.

**Table 5.11: Willingness to Mentor AA Appointees**

		<b>AA-appointed employees receive good treatment from their managers</b>
<b>The mentoring program assists with the integration of the designated group of employees at ABSA Bank</b>	Correlation	-.346**
	Coefficient	
	Sig. (2-tailed)	.000
	N	100
<b>Mentoring of AA-designated employees is necessary</b>	Correlation	-.158
	Coefficient	
	Sig. (2-tailed)	.116
	N	100

The correlation coefficient between “*AA-appointed employees receive good treatment from their managers*” and “*The mentoring program assists with the integration of the designated group of employees in ABSA Bank*”, was -.346 (negative values imply an inverse relationship. That is, the variables have an opposite effect on each other). This means that the more AA-appointed employees do not receive good treatment from their managers, the less likely a mentoring program would assist with integration of the designated group of employees.

The fact that AA appointees at ABSA Bank are not receiving good treatment from managers indicates that managers could be resisting the accepting of such appointees. The study by Rankhumise and Mello (2011: 787) supported these findings, further indicating that resistance could be as a consequence of insecurity: most mentors feel insecure about mentoring AA appointees who could in the future take over their jobs.

The correlation coefficient between “*Mentoring of AA-designated employees is necessary*” and “*AA-appointed employees receive good treatment from their managers*”, was -.158. That is, the more AA appointees do not receive good treatment from the managers, the less likely mentoring of AA appointed employees would be necessary. Earlier results for respondents showed that they



support a mentoring program for AA-appointed employees. However, should managerial employees continue not treating AA employees well; their mentoring program will not be effective. The mentoring process requires that there should be a good relationship between the mentor and mentee. McBain (2004) affirmed that the value and outcomes of mentoring program depend upon the quality of the relationship between mentee and mentor. Orpen (1997) further supported that a good relationship between a mentor and a mentee should lead mentees to feel more committed to the organisation. If AA-appointed employees do not receive good treatment from managers, the mentor-mentee relationship will be adversely affected.

### **5.3.5 ABSA's compliance with Employment Equity policy**

In determining the respondent's perceptions on ABSA compliance with EEA, the following variables were tested: *"Implementing AA at ABSA is not done for the sake of compliance"*; *"Redressing of inequalities in the workplace is a priority at ABSA bank"*; *"If there was no legislation that regulated AA ABSA would still consider employing designated employees"* and *"AA constitutes reverse discrimination"*.

**Table 5.12: ABSA Compliance with EEA**

		<b>Implementing AA at ABSA is not done for the sake of compliance</b>
<b>Redressing of inequalities in the workplace is a priority at ABSA bank</b>	Correlation	.309**
	Coefficient	
	Sig. (2-tailed)	.002
	N	100
<b>If there was no legislation that regulated AA ABSA would still consider employing designated employees</b>	Correlation	.249*
	Coefficient	
	Sig. (2-tailed)	.013
	N	100
<b>AA constitutes reverse discrimination</b>	Correlation	-.587**
	Coefficient	
	Sig. (2-tailed)	.000
	N	100

The correlation coefficient between “*Implementing AA at ABSA is not done for the sake of compliance*” and “*Redressing of inequalities in the workplace is a priority at ABSA bank*”, is .309. That is, the respondents felt that the more they comply with EEA, the more likely that inequalities would be redressed. A comparative study between South Africa and Malaysia conducted by Lee (2010) reported that government departments still lack substantive data and analysis to inform target-setting, to adjudicate compliance, and to punish non-compliant organisations. This indicates that some companies may not comply fully with the labor prescripts of either Malaysia or South Africa. The results show that should an organisation such as ABSA Bank comply with the law, the inequalities among the workforce could be addressed. The correlation coefficient between “*Implementing AA at ABSA is not done for the sake of compliance*” and “*AA constitutes reverse discrimination*”, was -.587. That is, respondents felt

that the more ABSA Bank complied with the EEA, the less likely the AA measure would constitute reverse discrimination.

## **5.4 Interview Results**

The results presented below are from the interview. This was to complement the results collected from the questionnaire.

### **5.4.1 Implementation of AA**

Respondents felt that in most cases affirmative action policy is good on paper; however, when it comes to practical implementation in the work environment, bureaucratic obstacles and red tape is experienced, especially at middle management level. *“You don’t always have power to implement these policies and you are expected to wait for a senior (Top) level of leadership to authorize certain things before they are implemented. In my current experience or view, middle management do not have power or mandate to implement affirmative action in their work environment. They are disempowered honestly speaking and power is more centralized to head office when it comes to affirmative action. This fact is true regardless of what companies portray as their purportedly support of affirmative action”*. This suggests that AA works well in theory, but may not be transparently implemented. These results were in line with quantitative results, respondents also indicating that the management at ABSA Bank did not consider the views of the employees when implementing AA.

### **5.4.2 Experience when working with AA candidates**

Respondents were also asked to share their experiences of working with AA candidates. Various responses emerged; and it was clear that AA candidates were treated differently, depending on the race of the manager. Some of the respondents' experiences were: *“I am also involved in recruitment process including those of affirmative action. If you appoint an affirmative action candidate, in most cases, it is always viewed that someone has been elevated into the role. The other audience on the other side tends to distance themselves to see if the candidate will swim or sink. More focus is placed on mistakes than what is good about the candidate.*

*Recently, I had a situation whereby I have appointed 3 affirmative action candidates; 2 of them are excelling in their respective roles but 1 of them never made it in a role. Instead of looking at the successful appointments more focus is placed on the unsuccessful one and some people are building their case against affirmative action based on this unsuccessful affirmative action*

*candidate*". This shows that, while some managers felt that they should be treating AA candidates positively, others decided to focus on the negative aspects that would highlight the negative stigma against the AA candidates. Some had this to share: "*Learnership candidates are given the opportunity "All Paid" for and but they show no or little interest during the year, whereas someone else would have given their service back to the company or even show interest and learn everything they can from all the department*". The obvious perception here is that some respondents have predetermined ideas about AA candidates and this is in line with the social perception theory.

### **5.4.3 Existence of AA**

Some respondents felt that the existence of AA leads to "*wrong candidates appointed in job roles and service standards are going down as a cause of it*". In terms of wrong candidates being appointed, the other results contrast with this perception, in that the previous AA appointees were said to have practical experience. Some respondents felt that: "*if you are person of color, regardless of your status quo in terms of meeting criteria for a job or qualification, you must still fight very hard to prove a point that you were not elevated into the role but you got it on merits*". These results coincided with the quantitative results in which respondents indicated that AA appointees do not receive good treatment from the managers.

Respondents further indicated: "*It is more than a decade now since affirmative action came into place but in my view it has not fully served the purpose it was meant to serve. More work needs to be done psychologically to shift our mind set to accept one another in South African as human being without placing emphasis on the ethnicity, color and being equal before the eyes of the law*". Others felt that "*If affirmative action is ruled out completely out to South African law system we might tend to experience again the injustices of the apartheid era*".

### **5.4.4 AA as reverse discrimination**

Respondents were also asked whether they perceived AA as reverse discrimination. The responses were split: some felt that it was not reverse discrimination whilst other respondents felt that AA is reverse discrimination. Those respondents who support AA indicated: "*no, it is not because it does not say promote a person of color because his /her skin even if she does not meet the criteria on merits. But where we have an affirmative action candidate who qualifies for the role he or she should be given preference within the ambit of diversity*". Respondents who are

against AA: *“Yes, Color/Gender should not be the criteria for anything; it should be skill, knowledge and passion to achieve”*.

#### **5.4.5 AA as a cause of migration**

The respondents also provided their insights regarding whether migration could be as a result of AA measures. The opinions of the respondents were divergent regarding this matter. It is obvious that AA is viewed differently by people. Some respondents indicated that: *“People leave organisation for different reasons. Some people leave because the culture of the organisation is evolving and no longer suit their tastes and preferences. Alternatively, it could mean that white people are not leaving the organisation but we have more people of color joining the organisation which dilutes the previously perceived strong representation of white people in the organisation”*.

On the contrary, other respondents’ opinions were that migration is caused by the implementation of AA. In their responses: *“new EEA candidates join the organisation with twice the salary and no knowledge or willingness to due dual functions”*.

#### **5.5 Conclusion**

The qualitative and quantitative results complemented each other in that respondents had differing views regarding the existence of AA. The results were presented in graphic illustrations and further supported by literature, as well as by interpretative discussion. It is evident that, while some managerial employees have positive perceptions of AA candidates, negative perceptions still persist among other managerial employees. The results further confirmed that AA is being effectively implemented at ABSA Bank, according to the respondents. Yet, the bank hardly considers employees' opinions regarding AA measures.

## Chapter Six

### Conclusion and Recommendations

#### 6.1 Introduction

The purpose of this chapter is to conclude the study and offer recommendations based on the conclusions reached. The limitations of the study and possible areas for further research are also discussed.

#### 6.2 Conclusion

Before conclusions are drawn and recommendations are offered it is important to reiterate the key objectives and questions of the study so that it may be easier to align the conclusions and recommendations with the objectives, and also to identify the key responses to key questions.

#### 6.3 Reiterating the Objectives of the Study.

The objectives of the study are reiterated to ensure that the researcher remains focused on the topic under investigation.

The objectives which this study aims to establish are:

- 6.3.1 To elicit managerial perceptions of the implementation of affirmative action within ABSA;
- 6.3.2 To investigate the manner in which affirmative action is being sustained at ABSA;
- 6.3.3 To understand managerial perceptions regarding the performance of affirmative action candidates within ABSA Bank;
- 6.3.4 To establish management willingness to mentor affirmative action candidates; and
- 6.3.5 To establish the bank's reasons for complying with Employment Equity policy.

The objectives that this study sought to establish were addressed as follows:

##### 6.3.1 Addressing Research Objective One

- The first objective of the study was to elicit managerial perceptions of the implementation of affirmative action within ABSA.

The findings of the study suggest that the managerial employees of ABSA Bank in KZN feel that the implementation of AA in their work environment is effective. Although the implementation of AA is effective, and might lead to job satisfaction, respondents also feel strongly that their

organisation does not consider their opinions when implementing AA policies. Nonetheless, the respondents still feel that AA is important, possibly in redressing the previous inequalities in the workplace. The correlation coefficient results indicated that the more effectively AA is implemented, the likelier it will be that the implementation of AA at ABSA Bank will remain in line with the banking industry.

### **6.3.2 Addressing Research Objective Two**

- The second objective of the study was to investigate the manner in which affirmative action is being sustained at ABSA.

Various predetermined reasons for implementing AA were posed to respondents to establish the extent to which they agree or disagree on matters such as quotas, diversity, competitive edge, and improving employability of socially disadvantaged. The findings suggested that respondents do not feel that AA at ABSA was implemented to fill quotas. However, the correlation coefficient results (.606\*\*) pointed to a direct proportion of the relationship between implementing AA to fill quotas and maximizing diversity, respondents indicating that the AA policies are not implemented for such purposes. The respondents' knowledge of the implementation of AA at ABSA Bank was not influenced by either of the latter variables. According to the respondents, AA policies could be sustained for the purpose of gaining a competitive edge and also to improve the employability of socially disadvantaged groups.

### **6.3.3. Addressing Research Objective Three**

- The third objective was to understand managerial perceptions regarding the performance of affirmative action candidates within ABSA Bank.

The findings on managerial employees' perceptions of AA appointees' work performance were positive; an indication that AA candidates have the necessary experience and skills to handle their occupations. Respondents also indicated that it is easy to train newly appointed AA employees, although at times AA employees' work performance is placed under unnecessary scrutiny by those who do not support AA. The literature supports these findings that this does occur in some organisations, especially when the existing employees have not been consulted (Bendix 2010). Therefore, it should become essential that such perceptions are alleviated by the employer by consulting its existing employees. Whilst some respondents feel that the work standards at ABSA Bank have been positive regarding AA appointees, other respondents feel

that the way in which AA appointees are appointed lowers the work standard at ABSA Bank. This reveals that there are mixed perceptions among managerial employees regarding the work performance of AA appointees. Perhaps the mixed perceptions arise owing to personal views that individual managerial employees have about AA policies. This can either lead a managerial person to provide support to the employment of AA candidates or to reject such appointments. Although there are mixed views among respondents, a significant number of respondents (91%) suggested that AA appointees are handling challenging jobs. Perhaps these respondents have been working with more capable AA appointees.

It is also worth noting that, in cases in which managerial employees have negative perceptions of the performance of AA appointees, whether the AA appointees excel at their work or not, they may still have a difficult time being seen in a positive light. The social psychology theories, namely impression formation, attribution, and stereotyping concurs with having a narrow view of other people; and it goes further than expected. Johri (2012) also affirmed that interpersonal impression formation plays a crucial role in enabling employees to recognize the expertise of the other. It can also facilitate the interactions among employees in the workplace. Another view held by Meighan and McKinnon (2005) is that impression formation is simply a process of making initial judgments of others; and is often based on limited information about other people. Kruger (1996) also concurs that most perceptual errors are made on the basis of insufficient information, manipulation, stereotyping, prejudice, and the halo effect.

#### **6.3.4. Addressing Research Objective Four**

- The fourth objective of the study was to establish management willingness to mentor affirmative action candidates.

The findings suggested that AA appointees are not receiving good treatment from their managers. This implies that AA appointees may be mistreated by managerial employees, given the nature of their employment. Respondents also indicated that mentoring AA appointees is not their responsibility. Notable was that, while more (55%) indicated that as managerial personnel, they are not responsible for mentoring AA appointees, others (38%) felt that it was indeed their responsibility to provide mentoring for these appointees. There seems to be confusion among managerial employees about who is responsible for providing mentorship for AA appointees. This may result from lack of consultation by the employer regarding the implementation of AA.



Consequently, managers were unclear about their responsibility regarding the provision of mentoring to AA appointees. However, as confused as managers seem to be, they still feel that mentoring of AA appointees is necessary; and that it could assist with the integration of a designated group of employees.

### **6.3.5 Addressing Research Objective Five**

- The fifth objective of the study was to establish the bank's reasons for complying with Employment Equity policy.

In terms of the compliance of ABSA Bank with EEA, the respondents felt that the implementation of AA is not done for the sake of compliance. This suggests that AA implementation is implemented with commitment from top management; and that it is voluntary, based on the provision of EEA to establish AA measures. More respondents (79%) also indicated that addressing the past inequalities in the workplace is ABSA Bank's priority; and that AA policies do not constitute reverse discrimination. It is evident from these findings that managerial employees perceive the implementation of AA policies at ABSA Bank as genuine, based on the provision of the EEA.

## **6.3 Conclusion**

The implementation of AA in the workplace remains a contested issue between managers of different ethnic groups; and its successful implementation requires the full commitment of managerial employees. The literature review has demonstrated that people do hold certain impressions of other people. Sometimes such impressions may be formed through faulty perceptions of the person. Managerial employees who participated in this study also have their perceptions of AA implementation, as do AA appointees.

The results suggested that, while most managers have positive perceptions of AA implementation, others still feel negative towards the existence of AA, to extent that those against AA claim that since 1994 there has been democracy, therefore people must be treated equally. Owing to the fragmented beliefs about AA and its appointees, the findings in this study reveal that AA appointees do not receive good treatment from their managers. This requires urgent attention from the bank, as this situation may create unnecessary divisions among its employees. Because managers do not treat AA appointees well, it will possibly be complicated to

establish effective relationships between mentors and mentees. The study by Bell (2007) found that a successful mentoring program usually pairs a protégée with a mentor who is genuinely interested in seeing the protégée grow and advance. However, this could be impossible in a case in which AA appointees are not treated well in the workplace. A study by Orpen (1997) suggests that a good relationship between a mentor and a mentee should lead mentees to feel more committed to the organisation. In the case of AA appointees at ABSA, such relationships would be impossible to establish, given the tension between appointees and managers.

Besides the different views from respondents, it is evident that AA can amass more support from managers should ABSA Bank management use a different approach in implementation of AA policies.

## **6.5 Recommendations**

Part of the significance of this study lies in useful solutions that can solve problems around implementation of AA at ABSA Bank. The following recommendations, based on the findings established in the course of this study, are made:

- i) The findings of the study suggested that employees were consulted about the implementation of AA policies; however, more extensive consultation is required. Therefore, the study recommends that ABSA Bank should have a consultation forum at which all managerial employees' opinions will be considered. This possibly will help improve the implementation strategy of AA.
- ii) The findings of the study revealed that AA appointees do not receive good treatment from managers. Therefore, it is recommended that ABSA Bank establish workshops at which all managerial employees will be educated sufficiently on AA, and why it is necessary to be implemented by ABSA Bank.
- iii) The findings of the study also revealed that managerial employees at ABSA Bank do not understand who is responsible for providing mentorship to AA appointees. Therefore it remains the duty of ABSA Bank to ensure that they establish a policy on the mentoring of AA appointees, which will provide clear guidelines on the role managers should play in such mentoring.

iv) ABSA Bank should also provide training for managers on mentorship. This will enable managers to become knowledgeable on the provision of mentorship, requiring as it does certain skills from the mentor as he or she guides the mentee.

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## **List of Legislation**

- Abolition of Forced Labor Convention 1957  
 Black Economic Empowerment Act

Discrimination (employment and occupation) Convention 1958  
Employment Equity Act 55 of 1998  
Equal Remuneration Convention 1951  
Forced Labor Conventions 1930  
Freedom of Association and Protection of the Right to Organize Conventions 1948  
Promotion of Equality and Prevention of Unfair Discrimination Act 4 of 2000 (PEPUDA),  
Right to Organize and Collective Bargaining Convention 1949  
The Constitution of the Republic of South Africa Act 108 of 1996

## Appendix 1: Ethical Clearance



5 July 2013

Mr Sanele William Phili 211560734  
School of Management, IT and Governance  
Westville Campus

Protocol reference number: HSS/0585/013M  
Project title: Perceptions of managers towards affirmative action in ABSA Bank in KwaZulu Natal (KZN)

Dear Mr Phili

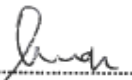
**Expedited Approval**

I wish to inform you that your application has been granted Full Approval.

Any alteration/s to the approved research protocol i.e. Questionnaire/Interview Schedule, Informed Consent Form, Title of the Project, Location of the Study, Research Approach and Methods must be reviewed and approved through the amendment/modification prior to its implementation. In case you have further queries, please quote the above reference number. Please note: Research data should be securely stored in the school/department for a period of 5 years.

I take this opportunity of wishing you everything of the best with your study.

Yours faithfully

  
.....  
Dr S Singh (Deputy Chair)



/px

cc Supervisor: Mr DV Dlamini  
cc Academic Leader Research: Professor B McArthur  
cc Post Graduate Administrator: Ms Hazvinel Muteswa

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