THE IMPORTANCE OF STRATEGIC LEADERSHIP AND CHANGE MANAGEMENT IN ACHIEVING THE OVERALL NATIONAL SUSTAINABILITY OBJECTIVE: THE CASE STUDY OF UNILEVER

By

Celeste Lisa Enoch

207503563

A dissertation submitted in fulfilment of the requirements for the degree of

Master of Commerce

School of Management, IT and Governance

College of Law and Management Studies

Supervisor: Dr. Thea van der Westhuizen

2016
DECLARATION

I _________ Celeste Lisa Enoch _________ declare that

(i) The research reported in this dissertation/thesis, except where otherwise indicated, is my original research.

(ii) This dissertation/thesis has not been submitted for any degree or examination at any other university.

(iii) This dissertation/thesis does not contain other persons’ data, pictures, graphs or other information, unless specifically acknowledged as being sourced from other persons.

(iv) This dissertation/thesis does not contain other persons’ writing, unless specifically acknowledged as being sourced from other researchers. Where other written sources have been quoted, then:

   a) their words have been re-written but the general information attributed to them has been referenced;
   b) where their exact words have been used, their writing has been placed inside quotation marks, and referenced.

(v) Where I have reproduced a publication of which I am an author, co-author or editor, I have indicated in detail which part of the publication was actually written by myself alone and have fully referenced such publications.

(vi) This dissertation/thesis does not contain text, graphics or tables copied and pasted from the Internet, unless specifically acknowledged, and the source being detailed in the dissertation/thesis and in the References sections.

Signature: 

Date: 10th October 2016
Acknowledgements

Firstly, I would like to thank God for continuing to bless me. Faith was a key driver in keeping
me motivated for the duration of this study.

I would like to express my sincere gratitude to my supervisor Dr. Thea van der Westhuizen for
her continuous support of my master’s study and related research, for her patience and
extensive knowledge.

To Deepak, thank you for your continuous love and encouragement, not to mention your
unwavering faith in me- it is because of you that I have come this far.

Finally, I must express my profound gratitude to my parents, friends and family for providing
me with constant support and encouragement throughout this study.
ABSTRACT

The central purpose of this study is to investigate the importance of strategic leadership and change management in achieving the overall national sustainability objective while using Unilever as a case study. It builds on previous research undertaken with respect to leadership, sustainability and change management. In consideration of the current South African economic environment, this bears a climate of continuous turbulence and uncertainty. The fast moving consumer goods industry is one which is deemed to be a large contributor to economic growth. Hence, the significance of focusing on Unilever, being one of South Africa’s largest FMCG organisations. Due to global advances and the development of more “mindful consumers”, the shift towards a more sustainable environment becomes one of extreme importance. The study predominately assumed a quantitative approach for data gathering, and a minor qualitative method in the form of open-ended questions, of which were distributed to Unilever employees. The data was analysed by using statistical methods such as the SPSS system, within which inferential and descriptive statistics were used.

The results from the study indicated that organisational success is dependent on effective leadership, of which must be customised to the organisation and culture, closely relating the nature of South Africans. The results further indicated that effective change is required to progress the concept and execution of sustainability within organisations, all driven by effective leadership implementation. Additionally, more integrated methods of attracting consumers so as to convert their attitudes to achieve the corresponding, desirable behaviour, which will subsequently stimulate the achievement of business opportunities and enhance growth. It further provides a preview into some of current issues experienced by the country as well as the FMCG industry and provides clarity on the areas of focus which require further research in order to capitalise on opportunities in growing both organisational success and the economy. This is essential for a developing country such as South Africa, in terms of playing an active role in progressing the future global economy.

Key words: Unilever; FMCG industry; corporate sustainability; effective leadership; change management; organisational effectiveness; sustainable competitive advantage
# Table of Contents

DECLARATION .......................................................................................................................... i  

ACKNOWLEDGEMENTS ........................................................................................................ ii  

ABSTRACT ............................................................................................................................ iii  

CHAPTER ONE ......................................................................................................................... 1  

INTRODUCTION ...................................................................................................................... 1  

1.1 Background .................................................................................................................... 1  

1.2 Research orientation .................................................................................................... 2  

1.3 Research problem ........................................................................................................ 5  

1.4 Research aim ................................................................................................................ 6  

1.5 Main Research question .............................................................................................. 7  

1.6 Secondary research questions ..................................................................................... 7  

1.7 Research objectives ..................................................................................................... 8  

1.8 Rationale ....................................................................................................................... 9  

1.9 Value of research ....................................................................................................... 10  

1.10 Chapter plan ............................................................................................................... 10  

CHAPTER 2 ............................................................................................................................ 12  

LITERATURE REVIEW: AN INTERNAL PERSPECTIVE: THEORIES AND MODELS ............... 12  

2.1 Introduction .................................................................................................................. 12  

2.2 Leadership models and framework ............................................................................ 15  

2.2.1 Transformational Leadership (TL) .......................................................................... 16  

2.2.2 Charismatic Leadership ............................................................................................ 21  

2.2.3 Sustainable Leadership ........................................................................................... 24  

2.3 Change leadership ....................................................................................................... 31  

2.3.1 The Concepts of Change and Leadership ............................................................... 31  

2.4 Extension of leadership styles: making effective leaders ........................................... 37  

2.4.1 Leadership excellence .............................................................................................. 43  

2.5 Criticisms of existing theories ..................................................................................... 45  

2.6 Managing Change ........................................................................................................ 50  

2.7 Conclusion .................................................................................................................. 57  

CHAPTER 3 ............................................................................................................................. 58  

AN EXTERNAL PERSPECTIVE ............................................................................................. 58  

3.1 Introduction .................................................................................................................. 58  

3.2 Sustainability ................................................................................................................. 58
<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.2.1 Sustainability - the global scene</td>
<td>66</td>
</tr>
<tr>
<td>3.2.2 Sustainability in South Africa</td>
<td>69</td>
</tr>
<tr>
<td>3.3 Expression of value systems in organisations</td>
<td>75</td>
</tr>
<tr>
<td>3.4 Green consumerism</td>
<td>77</td>
</tr>
<tr>
<td>3.5 Economic Issues</td>
<td>79</td>
</tr>
<tr>
<td>3.6 Challenging the economic status quo</td>
<td>81</td>
</tr>
<tr>
<td>3.7 Challenge Deliberations: An FMCG Perspective</td>
<td>83</td>
</tr>
<tr>
<td>3.8 A competitor perspective</td>
<td>85</td>
</tr>
<tr>
<td>3.9 Conceptual Framework: AUTHORS CONSTRUCTION</td>
<td>89</td>
</tr>
<tr>
<td>3.10 Conclusion</td>
<td>91</td>
</tr>
<tr>
<td>CHAPTER 4</td>
<td>93</td>
</tr>
<tr>
<td>RESEARCH METHODOLOGY</td>
<td>93</td>
</tr>
<tr>
<td>4.1 Introduction</td>
<td>93</td>
</tr>
<tr>
<td>4.2 Research aim</td>
<td>94</td>
</tr>
<tr>
<td>4.3 Main research question</td>
<td>94</td>
</tr>
<tr>
<td>4.4 Research objectives</td>
<td>94</td>
</tr>
<tr>
<td>4.5 Research Philosophy</td>
<td>95</td>
</tr>
<tr>
<td>4.6 Research Design</td>
<td>96</td>
</tr>
<tr>
<td>4.6.1 Quantitative research</td>
<td>98</td>
</tr>
<tr>
<td>4.6.2 Characteristics of quantitative data</td>
<td>98</td>
</tr>
<tr>
<td>4.6.3 Qualitative exploratory descriptive research design</td>
<td>101</td>
</tr>
<tr>
<td>4.7 Research methodology</td>
<td>101</td>
</tr>
<tr>
<td>4.7.1 Research approach and research paradigm</td>
<td>102</td>
</tr>
<tr>
<td>4.8 Study site</td>
<td>102</td>
</tr>
<tr>
<td>4.9 Target population</td>
<td>102</td>
</tr>
<tr>
<td>4.10 Sampling strategies</td>
<td>103</td>
</tr>
<tr>
<td>4.10.1 Questionnaire</td>
<td>106</td>
</tr>
<tr>
<td>4.11 Sample size</td>
<td>107</td>
</tr>
<tr>
<td>4.12 Data collection methods</td>
<td>108</td>
</tr>
<tr>
<td>4.12.1 Data collection instruments</td>
<td>109</td>
</tr>
<tr>
<td>4.12.2 Characteristics of questionnaires</td>
<td>109</td>
</tr>
<tr>
<td>4.12.3 Structure of the questionnaire</td>
<td>109</td>
</tr>
<tr>
<td>4.13 Data quality control (reliability and validity)</td>
<td>110</td>
</tr>
<tr>
<td>4.13.1 Reliability</td>
<td>111</td>
</tr>
</tbody>
</table>
List of Figures

Figure 1: The 5 key success factors of business.................................................................13
Figure 2: Differences in the thought process between a manager and a leader ................14
Figure 3: The additive effect of transformational leadership ...........................................17
Figure 4: The determinants of homogeneity of charisma................................................22
Figure 5: Relationship between environment and sustainable organisation .....................26
Figure 6: Model of factors of sustainable leadership.........................................................29
Figure 7: Elements needed to develop an effective leadership strategy ...........................43
Figure 8: Factors required to achieve leadership excellence..............................................44
Figure 9: Focus areas in relation to organisational change outcomes ..............................52
Figure 10: Lewin's three-step model ..................................................................................55
Figure 11: Kotter’s eight-step model ...................................................................................55
Figure 12: Carnall: Managing transitions ..........................................................................56
Figure 13: Sustainability model, consisting of the three spheres of sustainability ............60
Figure 14: Comprehensive sustainable business model.......................................................65
Figure 15: World Population Growth, 1950–2050 ............................................................67
Figure 16: Population growth in Africa ..............................................................................67
Figure 17: Model of environmental orientation .................................................................78
Figure 18: Electricity price increase (%) ...........................................................................84
Figure 19: Impact of electricity price hikes on agriculture sector .......................................84
Figure 20: Percentage (%) of sample respondents by gender ...........................................123
Figure 21: Percentage (%) of sample respondents by race distribution ...........................125
Figure 22: Percentage (%) of sample respondents by marital status ................................126
Figure 23: Percentage (%) of sample respondents by education level ..............................127
Figure 24: Percentage (%) of sample respondents by nationality .....................................128
Figure 25: Key elements needed for organisational success .............................................158
List of Tables

Table 1: Characteristics of sustainable and non-sustainable leadership ........................................ 28
Table 2: Transformational versus Servant Leadership ................................................................. 34
Table 3: Key components of change management ................................................................. 50
Table 4: Advantages and disadvantages of change management models ........................................... 54
Table 5: Core drivers of sustainability .................................................................................. 64
Table 6: The co-dependency between water, food and energy ..................................................... 70
Table 7: Development of human and organisation value systems .................................................. 74
Table 8: Forms of expression in organisation ........................................................................ 76
Table 9: Synopsis of the main differences between qualitative and quantitative methods within research .................................................................................................................. 100
Table 10: Sub-group split of total population ........................................................................... 104
Table 11: Sub-group split of sample population ........................................................................ 105
Table 12: Quantity in terms of research sources ...................................................................... 107
Table 13: Validity of the construct Change in management ..................................................... 130
Table 14: Validity of the construct Sustainability ................................................................... 131
Table 15: Validity of the construct effective leadership .......................................................... 132
Table 16: Pearson correlations coefficients .............................................................................. 133
Table 17: Reliability of the construct effective leadership ....................................................... 134
Table 18: Reliability of the construct sustainability ................................................................. 138
Table 19: Reliability of the construct change management ..................................................... 139
Table 20: Correlations between organisational leadership and sustainability ...................... 141
Table 21: Central tendency measures .................................................................................... 145
Table 22: Alignment of organisational core activities to organisational core values is important for effective leadership .......................................................................................... 146
Table 23: The ability to innovate and generate greener products is important for corporate sustainability .................................................................................................................. 147
Table 24: Green purchasing from environmentally and socially responsible companies (products are non-toxic, water and energy conserving, etc.) is important for corporate sustainability .................................................................................................................. 148
Table 25: Level 2 and 3 top management’s ability to demonstrate passion for sustainable development through motivation .................................................................................................................. 149
Table 26: Level 2 and 3 top management’s ability to continually strive for performance growth and positive outcomes for sustainability .......................................................................................... 150
Table 27: The Company’s ability to influence consumer behaviour towards making more sustainable purchase decisions .................................................................................................................. 151
Table 28: Stakeholders identified from open-ended question 1 ............................................. 157
Table 29: Themes identified from open-ended question 1 ..................................................... 157
Table 30: Groups identified from open-ended question two: Which groups do the organisation need to partner with in order to gain further clout (within all facets)? ........................................ 159
CHAPTER ONE
INTRODUCTION

“An evolving global economy requires pioneering leaders” (Reynolds, 2013, p. 1).

1.1 Background

Global organisations have extended their operations internationally and are frequently infringing the most basic human rights. As such, their operations can negatively impact on the natural environment. The present global corporate landscape may be characterised as one of escalating instability and turbulence. The prevalent phenomenon of globalisation confers new, problematic obstacles for organisations, society at large and governments. Thus environmental protection and economic and social problems require progressive attitudes and the implementation of pioneering techniques for sustainability in an attempt to bring these issues to resolution (Šimanskienė & Župerkienė, 2014). Environmental degradation is closely interlinked with health, thus all the more reason to afford this development more attention. In order for companies to ensure their operations are environmentally friendly and sustainable, strong and effective leadership is required. The focus of this study is then inclined towards Unilever South Africa and the manner in which they currently execute business practices, so as to achieve overall business performance.

Unilever’s business plan is not straight and narrow but constitutes numerous facets of which are required to deliver performance with the objective of achieving positive end business results. The company employs business techniques which embody the construct of ‘inclusivity’ with the intent of generating beneficial impacts on 5.5 million individuals by 2020 (Unilever South Africa, 2016). Unilever’s corporate purpose then states; “to succeed requires the highest standards of corporate behavior towards everyone we work with, the communities we touch, and the environment on which we have an impact” (Unilever South Africa, 2016, p.1). The company’s business strategy centers on driving sustainability through the execution of every organisational practice, where the objective is to grow the business while simultaneously diminishing environmental impact and favorably influencing the society through company brands and products (Unilever South Africa, 2016).
Considering an organisation as large and successful as Unilever, a global consumer goods industry- a beckoning question which needs to be asked is; how are they able to implement effective leadership so as to improve sustainability and reduce their environmental degradation impact? Presently, we are challenged with far greater social, environmental, and economic threats than ever before, encompassing diminishing global ecosystems, population growth, and unprecedented macro-economic stress (Brown, 2011). With the purpose of averting probable far-reaching disaster in this century, civilisation is being summoned to establish significant socially interactive and systemic changes. Additionally, “some are even challenging us to mobilise to “save civilisation” (Brown, 2008, cited in Brown, 2011, p. 1).

Although moving slower than many might hope, there exists a growing universal movement to approach these complex and unprecedented sustainability concerns (Satterwhite, Miller, and Sheridan, 2015; Hawken, 2007). Leaders and change agents launch major new sustainability initiatives on a daily basis (Brown, 2011), hence the need for higher education to assume a principal role in informing and education for sustainability since a sustainable future is increasingly encouraged. Additionally, with reference to South Africa and its current weakened economic position, the fast moving consumer goods industry has been deemed a major contributor towards upscaling the country’s gross domestic product (GDP), hence it’s increased importance within this context.

1.2 Research orientation

This research focuses on Unilever South Africa (ULSA) as a case study. A multi-national organisation which operates across two corporate offices and seven manufacturing locations across the country. “The Top Employer Institute rates Unilever South Africa, established over 100 years ago, as the country’s No 1 employer in South Africa for three years in a row” (Unilever South Africa, 2016, p.1). The company comprises a product range that includes foods, homecare, and personal care and is the market leader in 14 of the 17 categories in which it operates in South Africa (Pynchon, 2012). ULSA aims to make a positive impact in numerous ways: through their brands, commercial operations and relationships, through voluntary contributions, and through the various ways in which they engage with society (Unilever South Africa, 2016). The organisation has adopted a long-term business strategy in which to realise their vision within the categories and brands that deliver growth to the benefit of all
stakeholders. The organisational objective within their strategy is to gain profitable growth while remaining responsible. Unilever’s business model begins with consumer insight that informs brand innovation, often with partners within supply chain, to create products to take to market supported by marketing and advertising across a range of distribution channels (Unilever South Africa, 2015). Given the progression and subsequent issues with social and economic development over the past decade, issues involving technology aimed to decrease dependence on non-renewable resources, infinite energy and sustainability have deviated from the external boarder to the core of the universal economy (Nortech Trinity, 2015). Public and private organisations within all scopes are expected to take cognisance as regards to the great significance imposed on being a responsible corporate citizen in their particular divisions and markets, and to recognise the demands of their stakeholders and customers (Price, 2011).

Numerous organisations are identifying that their core challenge is to ascertain the right leadership within their organisations to proactively address sustainability issues, and convert these into advanced opportunities for growth and development (Bridges, 2010). Definitions of “clean”, “green” and “sustainable” range further than the various assortment of organisations concentrated on progressing clean technologies, substitute or renewable energy and more environmentally-friendly goods and services. Sustainability in its broadest sense is delineated as a calculated leadership and management subject in practically all spheres of industry, whether business-to-business or consumer. Organisations are required to achieve and exceed consumer expectations relating to cleaner, greener or organic products, and more environmentally friendly methods of executing business to provide and maintain elevated levels of product and services.

This could entail reconsidering each stage from the initial stages of product design, to materials and components, and facilities and distribution strategies—frequently being executed in conjunction with developing governing advances, growing shortage of resources, and escalating expenses. Governments around the world have instituted renewable and feasible resource initiatives as well as the expertise required to attain them, as a vital constituent of both green policy and economic development (Ceasar, 2011). Global non-governmental corporations work to expedite sustainability initiatives on a local and international platform, collaborating to deliver significant programs. Therefore, leadership within the age of sustainability indicates that numerous organisations are assigning leading sustainability majors to earnestly and effectively confront these concerns and transform them into growth prospects (Ceasar, 2011). Effective sustainability leadership necessitates understanding and involvement
capability through lawful, acquiescence, advertising/communications, IR and research and development spheres, ensuing the generation of a distinctive and inimitable proficiency set which can be challenging to discover within a solitary individual. With regards to the integration of strategic leadership and sustainability for organisational success, *Unilever South Africa was targeted as the organisation of study* since it is one of South Africa’s largest fast moving consumer goods companies. The burgeoning condition of the industry indicates that there are insufficient high-ranking executives who maintain an established record of accomplishment at scale. Each facet of everyday, regular lives integrates some form of interaction with the environment. We have transformed into a generation incessantly changing, developing and thriving on that which is natural. However, we tend to overlook the fact that these natural resources are not infinite. Eventually, they will become exhausted - what then are the consequences?

A wealth of studies have expressed their immense apprehension towards this issue, as have the corresponding detractors of the problem. Furthermore, on the basis of several assessments, this occurrence will in fact harshly affect the transportation, economy, energy, industrial and food sectors. These effects will sequentially result in noticeably elevated prices for all travel types, amplified prices in food and general retail, along with amplified charges for domestic services, heating and power (International Energy Agency, 2011). So, how does leadership and change management reinforce and acclimatise organisational strategies, in order to maintain a prominently powerful bearing within the market? Leadership and change management are not concepts of mere semantics, thus these are the key areas in which the company must focus in order to sustain itself and reduce environmental damage. Both aspects, if implemented effectively and efficiently, will stimulate elevated levels of success.

Thus efforts must be focused on the comprehension of future realities and how these challenges within the industry can be influenced, overcome, or reduced (International Energy Agency, 2011). The classic quote by Einstein; "we can't solve problems by using the same kind of thinking we used when we created them" Albert Einstein (Mielach, 2012, p.1) appears to be particularly appropriate in light of the sustainability challenge. When considering all efforts put into the sustainable revolution and its corresponding environmental growth strategies, even this does not seem adequate to address the impending undertaking we are challenged with. This may be attributed to our behaviors of thought and practice which hamper our ability to involve both existent and future presentiments (Ceasar, 2011). Mindfulness practices may assist to avert the imminent issues surrounding the sustainability challenge. It facilitates a complete
interrogation of the present circumstances as well as our core discourse with it, so as to accomplish enhanced communication with others. The capacity to sanction a perspective consistent with the wider sustainability agenda is both precarious and distressing. Behavior displaying excessive contesting during an unsuitable period may risk being ridiculed, not appearing as earnest and genuine, and may support division. However, if one does not portray adequate tenacity to the challenge at hand, he or she may be faced with conspiracy which may hamper the prompting of change. Leadership for sustainability necessitates that an individual must be completely vigilant to their own support and true foundation and must have a thorough comprehension of correct timings and methods of execution. (Sutherland and Smith, 2013 and Ceasar, 2011).

1.3 Research problem

This first decade of the third millennium will be remembered for rapidly increasing international recognition of, and leading to global consensus that, the rate of global warming is accelerating, intensified by preceding and current unsustainable practices of the human race. These activities, comprising greenhouse gas productions, deforestation, additional depletion of finite resources, reduction of universal biodiversity and pollution of water supplies, give rise to human-influenced consequences which adversely effects our quality of life (Shahid and Ahmed, 2014). In view of the current period we reside in, within which massive developing countries like China and India are experiencing “energy hungry” industrial revolutions, for years our planet has been bombarded by the destructive effects of our activities. With the intention of restricting the accelerating environmental issues, considerable investment in the growth and development and operation of renewable energy technologies, energy efficiency, and sustainability must be implemented (International Energy Agency, 2011).

In the twenty-first century, convincing consumers to make sustainable choices exists as one of the toughest environmental obstacles for businesses to overcome. The dynamics that accompany the engagement of consumers in terms of persuading them to purchase “greener” products entail a combination of behavioral psychology and technological change (Bertels, Papania and Papania, 2010). Additionally, the financial crisis and consequent recession have compelled consumers towards value offerings, a development that will remain for years to come. This has inevitably led to organisational shrinking margins causing a decrease in consumer spending power. According to a McKinsey study, 70% of consumers are searching for more cost effective methods in order to save money and approximately 15% are purchasing
more economical brands (Satterwhite et al., 2015). The fast moving consumer goods industries (FMCGs) are progressively compelled by retail conglomerates to offer concessions on pricing, delivery and various other terms and conditions. Therefore, the consumer proposition requires modification in order to set forth a more sustainable design, which is more persuasive than on-shelf substitutes, and delivers on what has been promised. In this regard, reference is made to one of the largest FMCG’s in South Africa, Unilever. Maintaining continued success within a massive company such as this, will require numerous initiatives in order to efficiently produce and market the thousands of products supplied by the company. How then does a corporation of such large scale, reduce its impact on the environment and contribute to sustainability? Sustainability initiatives cannot be driven through an organisation the way other changes can. There exist distinctive phases which require diverse organisational aptitudes and leadership experiences (Parry, 2011).

Theory and practice are not always aligned, thus this thesis will comprise a thorough analysis of leadership and change management in tandem with sustainability, in terms of how a multinational corporation institutes sustainable action to employ green policies that can attract the growing ethical consumer market and maintain continued success. It further seeks to obtain authentic information regarding leadership in practice and how theory can be used to better enhance leadership execution. The thesis investigates the constructs surrounding leadership and what is required to implement effective change in accordance with sustainability within the FMCG industry. The execution of sustainable leadership, change management and the integration of revised and more apt business strategies are essential to facilitate the sustenance of the company’s dominant position in the market.

1.4 Research aim

The importance of strategic leadership and change management in achieving the overall national sustainability objective: The case study of Unilever.

The general aim of this study is to explore how leadership and change management can be utilised effectively, to decipher how a fast moving consumer goods company can modify its business model, ensuring the continued success of the company, inclusive of a competitive advantage, within a turbulent environment of increasingly significant concerns and uncertainty. This, in addition to delivering products on a regional level and effectively utilising resources.
Furthermore, the study aims to identify factors that assured success in the past, which are now ineffective and how the company should work towards adapting additional techniques to ensure future sustained success.

### 1.5 Main Research question

The importance of strategic leadership and change management in achieving the overall national sustainability objective: The case study of Unilever.

### 1.6 Secondary research questions

The secondary research questions relate to Unilever as mentioned in the main research question.

1.6.1 What type of leaders are required for successfully operating within the fast moving consumer goods industry (an emerging industry comprising rapidly changing markets, with Unilever South Africa as the benchmark)?

1.6.2 What type of cultural assessment integrated into the recruitment process is used to guarantee that the right leaders for an organisation are presented for long-term success?

1.6.3 What are the links between efficient organisational leadership and the progression of sustainability?

1.6.4 What type of business model is required to afford better customer propositions that are inherently more sustainable?

1.6.5 With consideration to the exploding global middle class, how do we find methods for creating greener consumers?

1.6.6 How will Unilever employ green policies that can attract the growing ethical consumer market?
1.7 Research objectives

The research objectives relate to Unilever as indicated in the main research question.

The below research objectives pertain to Unilever South Africa:

1.7.1 To determine the type of leaders that are necessary for companies to succeed within fluctuating environments.

1.7.2 To identify the type of evaluation used to select the right leaders in ensuring long-term organisational success.

1.7.3 To identify the connection between effective organisational leadership and the advancement of sustainability.

1.7.4 To determine what type of business model is best suited to generate enhanced customer offers that are integrally sustainable.

1.7.5 To understand the dynamics surrounding the current economic state and decipher methods of creating greener consumers.

1.7.6 To determine the methods to be implemented by Unilever in order to attract the increasing ethical consumer market.
1.8 Rationale

This study comprised of responses gathered from participants employed by Unilever. These participants were both Level 2 and 3 management in conjunction with Level 1 employees. Management are essentially responsible for the execution of business strategies within the organisation. They are required to organise and plan as well as use acquired skills to inspire employees to embrace strategic organisational changes. Management leads strategy and change and addresses the “when”, “how” and “why”. Although Level 1 employees are not responsible for strategic choices and implementation, they are responsible for executing strategies management needs to implement.

This research chose to investigate perceptions from Level 1 employees, as well as Level 2/3 management. The reason for this is that management might have a certain perception on strategy implementation and the Level 1 employees might have another perception. It is therefore important that the research investigate the degree of success Unilever has in its strategic implementation of its national sustainability objective through looking at lenses of different level of employees, and how the strategic implementation process is being led. The era of the 21st century has presented both difficulties and opportunities to corporate organisations.

South Africa is deemed the most competitive economy within sub-Saharan Africa, however, it is essential that focus be shifted to these corporate prospects with the objective of enhancing efficiency and competitiveness. It is important to examine the underlying factors of successful leadership in terms of leadership style, overall organisational vision, the way human resources are utilised, and knowledge and formulated paradigms that will assist and drive the progression of effective change management, to achieve environmentally sustainable success. This study indicates the complexity in guiding an organisation towards success and through the research conducted it determines first hand, how companies are able to attain their competitiveness.
1.9 Value of research

Few research studies have been directed towards methods of execution of sustainable leadership and the incorporation of effective change management within the FMCG industry and with consideration of the current economic climate. This research study thus expands on existing literature on sustainable leadership and change management in terms of adaptation towards modern strategies and its overall nature and potential to achieve success. It further facilitates the achievement of a comprehensive understanding of leadership strategies executed within FMCG’s in South Africa which will afford the opportunity to develop customised resolutions to issues regarding sustainable leadership, change management and the preservation of a sustained competitive advantage.

1.10 Chapter plan

Chapter 1 provides an introduction and background to the study, in addition to stating the research focus and related objectives. It discusses the rationale and the value of the research.

Chapters 2 and 3 provides a discussion of the literature review which sets the foundation for the study. The literature reviewed is consistent with the factors of leadership, change management and sustainability, and affords information outlining the FMCG industry issues in tandem with a current, corresponding economic perspective.

Chapter 4 presents the research methodology, and discusses the research design and methods used within the study, in addition to the methods for interpreting and analysing the gathered data.

Chapter 5 presents the collected findings, including an analysis and interpretation of the information collected from the research questionnaires.
Chapter 6 comprises a comprehensive discussion of the findings obtained with regard to the literature provided. It collectively discusses the overall purpose of the study corresponding to the research objectives and the associated findings.

Chapter 7 summarises the study as a whole and provides the final conclusions of the study consistent with the findings acquired. From this, subsequent recommendations are suggested in tandem with the emergent limitations of the study.
CHAPTER 2
LITERATURE REVIEW: AN INTERNAL PERSPECTIVE:
THEORIES AND MODELS

“If your actions inspire others to dream more, learn more, do more and become more, you are a leader”. —John Quincy Adams (Kruse, 2012, p1).

2.1 Introduction
Numerous individuals believe that leaders are not born but rather made (Andersen, 2012). It has become progressively more believed that experience, commitment, a vast knowledge set, tolerance and essentially the ability to compromise with others to arrive at common goal accomplishments, are the requirements of an effective and worthy leader. Operative leadership is established via a continuous process of learning, self-study, preparation, and the growth of pertinent skills and understanding (Bass and Bass, 2008). Waters-Lynch, Potts, Butcher, Dodson and Hurley (2016) summarises the overall trans-disciplinary theory of awareness and human, societal, and organisational behaviour by stating that the foundation of effective leadership is derived from resilient character and self-effacing commitment to an organisation (Bourne and Jenkins, 2013). To many, management is perceived as leadership which is a common misconception (Fallon, 2014). Leadership is essentially derived from influence (Eustace and Martins, 2014).

One’s ability to display authenticity and provide direction, whilst simultaneously motivating others in a positive manner towards the achievement of a shared mission and vision, is a sign of effective leadership implementation (Fallon, 2014). Leadership encompasses a form of accountability intended to realise specific expectations by relating accessible resources (human and quantifiable) and guaranteeing a consistent and comprehensible union in the process (Ololube, 2013). Therefore, in order for a company to succeed, it is imperative that proper leadership be executed, hence the deployment of “strategic leadership”. The literature review has been divided into two chapters. Chapter 2 discusses an internal perspective regarding leadership issues and organisational strategy perspectives. This is in line with the focus of the study, as the research is centred on the importance of strategic leadership and change management in terms of achieving Unilever’s overall national sustainability objective. The
Chapter provides an overview and discussion of present leadership theories and discusses the importance of each theory. These theories are then assessed by the researcher in accordance with the nature of Unilever and through investigation, the most appropriate leadership method is suggested to be applied within the organisation for best overall performance. Chapter 3 provides an external perspective. This discusses the South African economy at large, the nature of the fast moving goods (FMCG) industry, sustainability and factors influencing growth from a peripheral standpoint. It is necessary for an overview of external factors to be provided, in order to decipher the current position of the South African market and where an organisation such as Unilever fits within the bigger picture.

Figure 1: The 5 key success factors of business

![Figure 1: The 5 key success factors of business](image)

Source: Total Success Center, 2015, p. 1.

When considering organisational success, it is important to note that the implementation of a specific leadership strategy needs to incorporate various elements in order to stimulate business growth. As such, five key elements have been distinguished as per Figure 1 above. The key factors of business success differ from leadership in four ways. It requires that both the internal and external environments of the association be focussed upon in conjunction with its tactical position. It has the propensity to engage to a large extent, more multifaceted and ambiguous dimensions than leadership (Denis, Kisfalvi, Langley and Rouleau, 2011, p. 71-85). It induces a more integrated and multifunctional approach and encompasses leading by means of other leaders, or more commonly stated, ‘leading by example’. This study embodies the recognition of the affiliation between both leaders and followers, as well as the methods employed by these leaders to facilitate the coordination of decisions and actions that will determine the future of
the organisation (Denis et al., 2011, p. 71-85). Leaders institute different ways of leading. Within every organisation different methods of working are employed. These methods may be described in the form of a specific nature or strategy which the leader assumes and these constitute seven methods of action logic or transformations of leadership, which may be outlined as follows:

- Opportunist.
- Diplomat.
- Expert.
- Achiever.
- Individualist.
- Strategist.
- Alchemist (Rooke and Torbert, 2005).

**Figure 2: Differences in the thought process between a manager and a leader**

Northouse (2007) and Rowe (2007) described leadership as a process whereby an individual impacts or stimulates a group of people to realise a shared objective. This study advocates that effective leadership is critical to the proper procedures and accompanying success of an FMCG organisation. Leadership is debatably one of the most observed, yet least implicit phenomena on earth (Abbasialiya, 2010). Over time, numerous leadership styles have been proposed yet none have been deemed universal. Regardless of the varied styles of leadership, an effective and proficient leader is one that stimulates, encourages, and leads in order to assist in attaining organisational goals. On the contrary, an ineffective leader will not be capable of promoting corporate growth and can steer away from organisational achievement. Naylor (1999) states that effective leadership is the resultant effect of a leader being at his/her core: idealistic, enthusiastic, imaginative and inspired, flexible, innovative, courageous, motivating original, investigational, and is willing to instigate change (see Figure 2).

2.2 Leadership models and framework

Diverse interpretations of leadership exist in conjunction with the many differing characteristics that differentiate leaders from non-leaders. Most current research has drifted from personality-based or traditional theories to situational theory (Collinson, 2011). This necessitates that the position in which leadership is implemented is gauged by the leadership abilities and characteristics of the leader (Avolio, Walumbwa, and Weber, 2009). All current theories can be grouped under one of three types: leadership as a process or relationship, leadership as a combination of traits or personality characteristics, or leadership as certain behaviours, more commonly referred to as leadership aptitudes.

Within the more prevailing notions of leadership, there exists the perception that to a certain extent leadership is a method that comprises dominance with a collection of individuals toward the apprehension of objectives (Wolinski, 2010) and (Amanchukwu, Stanley and Ololube, 2015). It is important to acknowledge that leadership in its essence is required to be authentic. It needs to draw from both positive psychological capabilities and a highly developed organisational context, which sequentially effects greater self-awareness and self-regulated positive behaviors on the part of leaders and employees, inevitably adopting positive self-development. A common criticism within the leadership literature has been summarised and states that there are comparatively limited studies in any of the areas of leadership research
have aptly addressed levels-of-analysis issues within theory, measurement and data analysis. Simultaneously, several scholars have conveyed their apprehensions towards Luthans and Avolio’s original definition of leadership authenticity (Avolio et al., 2009). There appears to exist common consensus in literature on four specific elements which outline the constituents of leadership, these are balanced processing (being able to objectively analyse information prior to making a decision), an internalised moral perspective (to be guided by internal ethical standards in order to control ones behavior), relational transparency (being open and honest regarding information and emotions), and self-awareness (refers to the confirmation of an individual’s strengths and weaknesses. These four elements have been proven reliable as per Walumbwa and associates, subsequent to further investigation (Avolio et al., 2009).

2.2.1 Transformational Leadership (TL)

Different leadership approaches are required for different situations, therefore this analysis will incorporate a discussion of the contingency theories of effective leadership, as well as the constituents of transformational and strategic leadership. Residing in a world amid growing uncertainty, leaders are required to adapt their behaviours within a transforming environment (Yukl, 2011).

“Transformational leadership is the process by which a leader fosters group or organisational performance beyond expectation by virtue of the strong emotional attachment with his or her followers combined with collective commitment to a higher moral cause” (Díaz- Sáenz, 2011, p. 299).

It is a process which cultivates aptitude enhancement and facilitates the transmission of elevated levels of personal dedication towards organisational goals. In light of the above, transformational leadership can be further described as a phenomenon which:

“… facilitates a redefinition of a people’s mission and vision, a renewal of their commitment and the restructuring of their systems for goal accomplishment. It is a relationship of mutual stimulation and elevation that converts followers into leaders and

From the above quotation it is apparent that transformational leadership encompasses many dimensions and is an effective approach in executing organisational functions. In accordance with how the company will plan suitable strategies to further progress, it can be proposed that transformational leadership is an effective leadership approach (Qureshi and Shahzadi, 2013). This is due to its versatile nature and may perhaps afford leaders the ability to enhance their strategies. Accordingly, four significant factors have been distinguished as being demonstrated by effective leaders, as the factors which spur the successful execution of the TL theory i.e. the additive effect of transformational leadership. These factors are shown in Figure 2.3 below.

**Figure 3: The additive effect of transformational leadership**

![Diagram of the additive effect of transformational leadership](image)

Thus the organisation under study will need to utilise the approach of transformational leadership to ensure its successful advancement (García-Morales, Jiménez-Barrionuevo and Gutiérrez-Gutiérrez, 2012). As a result of increasing uncertainties within the business environment, leadership must employ creative and innovative measures so as to impact organisational performance in a positive manner. Seven theoretical models have been designed to explain leader performance in pioneering efforts, and its significance within the industry has prompted two main questions:

(1) In what ways can organisations arrange themselves to facilitate and encourage inventiveness and innovation? (2) When is the appropriate time to make investments in innovation? (Mumford, Robeldo and Hester, 2011). Within the leadership context it is essential for power relations and identity constructions within the organisation to be examined to determine the ways in which leaders may execute their authority more effectively and cogently, so as to maintain an environment of trust and loyalty (Collinson, 2011). Reflecting on the above mentioned limitations, one must consider the ways in which leadership can be implemented efficiently and effectively to ensure success (García-Morales et al, 2012).

Due to the varying nature of the economy and world markets, it becomes essential for a new, changed structure of leadership to be executed, thus the deployment of ‘transformational leaders’ (i.e. those who generate something new from something old) (Tichy and Ulrich, 2008). Transformational leadership far surpasses the conventional alterations to the organisational mission, and endorses essential changes within the organisation’s central political and cultural systems (Choudhary, Akhtar and Zaheer, 2013). It is this element that distinguishes transactional leaders from transformational leaders. Critical to transformational leadership are the dynamics of change (Antonakis and House, 2013).

These are founded on three assumptions, the first being that a trigger occurrence signifies a need for change. This allows for mixed feelings- both a positive drive for change and a forceful negative resistance from individuals and the organisation. The second aspect of change then infers the element of resistance and will be now be briefly expanded upon. Resistance is suggested to arise from three systems: technical, political, and cultural systems (Tichy and Ulrich, 2008). Tichy and Ulrich (2008) state that technical systems resistance comprises of task-based pattern and inertia, and the apprehension of change itself. Political systems resistance may arise from inner coalitions in opposition to change, restrictions on resource accessibility, and the notion that the necessity for change is a condemnation of past leadership.
Resistance within cultural systems is based on the premise that “an organisation is one thing, and cannot be another” (Tichy and Ulrich, 2008, p. 2). It regards past history as maintaining security, and that existing organisational culture makes change complex. The final assumptions of change assumes that ‘quick-fix’ solutions do not work and that a transformational leader is required. A transformational leader is believed to be the solution to ‘revitalisation’ so as to generate a new vision, activate dedication and devotion to that specific vision, and institutionalise these adjustments to some extent, by measuring and restoring organisational culture (Tichy and Ulrich, 2008). Success may be achieved through transformational leadership and strategic leadership, both types having close connections. Strategic leadership can be delineated in many ways. However, essentially its theories relate to the management of organisations (Rothaermel, 2015) and thus can be viewed as a collective cognition (Denis et al, 2011). Strategic leadership studies have conventionally emphasised the analysis of the top management group in terms of three theories (Musca, Perez, Rouleau and Giordano, 2009).

Theory one is the ‘upper echelons theory’, which has been viewed as the most commonly instituted approach to strategic leadership presented in academic literature. “Organisations are reflections of top managers’ cognitions and values” (Hambrick, Humphrey and Gupta, 2015, p. 519). Two central ideas have predominately been used to characterise strategic leadership which are “the capacity of top managers to make strategic decisions” and “to drive the organisation towards success” (Musca, et al, 2009, p. 1). Theory two is characterised by “the charismatic, transformational and visionary perspectives (Antonakis and House, 2013). The third theory is “the cognitive complexity and social intelligence approach” theory (Hunt, 1991; Hooijberg, Hunt, and Dodge, 1997, cited in: Musca, et al, 2009, p. 1).

The main differences between them encompass the fact that human cognitive drawbacks, specific experiences, preferences, and characters of top managers may have significant impacts on tactical choices and thus organisational performance. In addition, the collective traits of top management teams as an assembly would be more apt in gauging strategic decision-making models, due to their cumulative nature. A strength of the collective execution of the strategic and transformational perspective demonstrates that tactical leaders can and do make a difference to strategic decisions and performance results (Denis et al, 2011). The significance of viewing the management team as a collective unit is also essential, as it is through collaborative and integrated working that goals are achieved successfully (Denis et al, 2011). Viewed in a somewhat different manner, a second perspective with regard to strategic leadership deems strategic leadership as individual inspiration. Denis et al (2011, p. 75) states
that “this perspective can be seen as an outgrowth of the ‘great man’ or ‘heroic’ theories of leadership”. Studies directed towards comprehending the factors that propel individual strategists have transformed their function in the strategy process. This perspective amalgamates emotions and illustrates a further holistic representation of the strategist as a ‘feeling-thinking-acting’ individual. However, since it is founded on sole-case or ethnographic research, encompassing generality posed challenges (Denis et al, 2011). Two gaps are then found within strategic leadership studies: literature regarding strategic leadership fails to adequately consider the manner in which the environmental and organisational framework is substantial in executing tactical leadership and it has been perceived to impede organisational flexibility (Rothaermel, 2015).

Additionally, environmental dynamics are becoming increasingly more uncertain and risky, thus the strategic requisites have not been appropriately dealt with. Furthermore, the limitations of the above two perspectives are that they implicitly or unambiguously have the tendency to presume, via their positions, that executives at the top involuntarily have the control needed to persuade organisations and execute decisions (Denis et al, 2011). Strategic leadership as political action is the third aspect of strategic leadership. Since top management frequently encounters difficult decisions regarding the distribution of resources, leaders must organise and entrust authority to tactical positioning, being aligned with competing interests. Power is defined as: “a casual relation between the preferences of an actor regarding an outcome and the outcome itself”, while politics refers to individual or group behaviour that “makes a claim against the resource-sharing system of the organisation” (Pettigrew, 1977, p. 81, cited in Denis et al, 2011).

Thus, activating power could possibly improve leaders’ capacity to strategically manoeuvre their organisation, or if the methods are viewed as unlawful, the leadership position of the individual may be compromised. However, there remains an inherent contradiction regarding this aspect. Regardless of leaders’ best intentions, they may not be capable of constantly executing lawful and controlled decision-making practices, thus a barrier remains for leaders to preserve adequate power to direct politics (Denis et al, 2011). Finally, a forth perspective proposes strategic leadership as social practice. This aspect originated from discontent associated with conventional outlooks on leadership that it was deemed too disjointed from daily pragmatic experiences. It is suggested that being alert to the concealed actions and discourses forming the core of strategic leadership, a ‘social practice’ generates data linked to strategist’s existing know-how. However, this perspective does not offer generic guidelines to
being a successful strategic leader. Instead, it generates related and explanatory information, which aims to thoroughly investigate and determine the diverse approaches to executing strategic leadership (Denis et al, 2011).

SYNTHESIS:

The points below summarise the key factors to be noted within the construct of effective leadership.

- The type of leadership executed within a company is an essential factor which contributes to maintenance and continuation of organisational success (García-Morales et al, 2012).
- Transformational leadership has proven to relay this organisational benefit (Choudhary, Akhtar and Zaheer, 2013).
- Transformational leadership is characterised by enhanced consciousness of a collective interest amid employees (Choudhary, Akhtar and Zaheer, 2013).
- Transformational leadership emphasises feelings, principles, and the significance of leadership positioned towards encouraging employee creativeness (García-Morales et al, 2012).
- Strategic leadership forms an additional element of the attainment of organisational success (Choudhary, Akhtar and Zaheer, 2013).
- Despite its benefits, strategic leadership research has its flaws, namely the current literature does not adequately consider the importance of the environmental and organisational framework in executing tactical leadership (Rothaermel, 2015).

The following segment discusses the area of charismatic leadership.

2.2.2 Charismatic Leadership

When we refer to leadership in the traditional sense, it may be viewed as that which generates obedience, respect and support (Anderson, Ford and Hamilton, 1998; cited in: Eustace and Martins, 2014). On the other hand, an alternate view presented by Daft (2014), contends that
the main focus of leaders falls within the investment in individuals as opposed to employee output which allows for the nurturing of constructive relations which enhance efficiency (Eustace and Martins, 2014). Hence it seems as though there is a transferral of importance to empowerment, motivation, and the inclusion of supporters. Within the more recent literature, leadership can be denoted as the skill of altering behaviour of individuals and organisations with the purpose of implementing advantageous changes (Parry, 2011). Figure 4 below displays the determinants of homogeneity of charisma which are required for charismatic leadership.

**Figure 4: The determinants of homogeneity of charisma**

Contemporary leaders are more prone to cultivating respect, genuine consideration of and gratitude for their employees, recognising them as an important basis for information, achievement and invention which are all elements required for improving organisational success (Oyetunji, 2006). Additionally, it is deemed highly significant to recognise and understand the cultural models existing within organisations as well as the manner in which individuals perceive leadership (Mbigi, 2004). Once a comprehensive understanding is established, it becomes easier to determine a method in which appropriate leadership can be executed suitable to that particular organisational climate. With specific reference to South Africa and the South African culture, it is believed that leadership can be considered as embracing the elements of self-respect, people satisfaction, partnerships, and functioning as a
joint entity; a term better recognised as Ubuntu (Schutte and Barkhuizen, 2016). Thus African leadership is acknowledged as that of understanding, collaboration and unity. Since this study is situated within one of South Africa’s biggest fast moving consumer goods companies, it becomes necessary to highlight the major values of African leadership in contemporary times. It is a requirement that organisations be dedicated to integrating African leadership methods, which necessitate involvement, responsibility and transcendent ability in addition to visibility, accountability and validity (Eustace and Martins, 2014). In reference to the brief discussion on charismatic leadership stated earlier in the chapter, and for the purpose of this study, we may discuss at a higher level, neo-charismatic leadership which incorporates transformational, African and charismatic theories. Charismatic theory then exists as an addition to attribution theory (Waldman and Javidan, 2013).

Charismatic leadership then assumes that employees may impart informal leadership skills to leaders subsequent to observing and recognising particular actions displayed by their leaders, which stems from their observance and learnings of leader behaviour. Steve Jobs and John F. Kennedy can be viewed as charismatic leaders (Conger and Kanungo, 1987). Transformational leadership comprises ethics, ideals, principles and long-term objectives, which are viewed as a necessary component of charismatic leadership (Northouse, 2007). Nelson Mandela was one of the extraordinary, charismatic and transformational leaders of our time. He was an individual who inspired change, and expressed and drove a shared vision towards a transformation within his beliefs. African leadership is constructed upon accountability, transparency and teamwork (Eustace and Martins, 2014). African leadership encompasses six critical values:

- Respect for the dignity of others.
- Group solidarity (an injury to one is an injury to all).
- Team work is greater than the efforts of the individual.
- Service to others in the spirit of peace and harmony.
- Interdependence and connectedness.
- Persuasion (Mbigi, 2004; cited in Eustace and Martins, 2014, p. 3).
SYNTHESIS:

The points below summarise the elements to be considered within leadership in the South African context. Within a South African context, it is important to consider the factors that South Africans (employees, employers and the public) deem important within business (Eustace and Martins, 2014).

- African leadership is acknowledged as that of understanding, partnership and unity. Operating in contemporary times within South Africa, it is important to note the major values of African leadership, which are accountability, participation, superior capability and transparency (Eustace and Martins, 2014).
- Neo-charismatic leadership incorporates transformational, African and charismatic theories which is beneficial to South African operating organisations (Eustace and Martins, 2014).

The flowing segment discusses the element of sustainable leadership.

2.2.3 Sustainable Leadership

When considering sustainable development, it is important to keep in mind sustainable leadership at both a national and regional level alongside organisational cultural variances. The sustainable development agenda became the key progressive factor in the European Union growth strategy (the EU’s growth strategy towards becoming a sustainable and inclusive global economy, thus affects every country universally), indicating the vital role this aspect serves within success due to a global shift. It then becomes necessary to set key sustainable leadership objectives which establish the development of economic, social and environmental dimensions of organisations. It is a given that there are numerous discrepancies amongst developed and developing countries with respect to sustainable development (Day and Antonakis, 2012).

In essence, countries and organisations within developing countries should use the sustainability agenda as an opportunity to develop themselves further, as society is increasingly taking a keener interest in the role of corporate social responsibility (Drexhage and Murphy, 2010). From an organisational perspective, sustainable development refers to the implementation of business tactics and undertakings which currently fulfil the requirements of an organisation and its stakeholders whilst concurrently supporting, defending, and growing natural and human resources required for future prospects. The foundation of sustainable
development encompasses three dimensions of (a) economic sustainability, (b) environmental sustainability and (c) social development sustainability (Melville and Ross, 2010).

(a) Economic sustainability comprises adequate and constant economic growth, for example, low inflation rates and conservation of economic constancy (Čiegis and Gineitiene, 2008).
(b) Closely associated with this is environmental sustainability which necessitates that focus be placed on the biological and natural and physical systems (Molchanov, 2011).
(c) Social sustainability incorporates the association within the growth and prevailing social rules currently imposed, pursuing the conservation of steady and consistent social systems (Šimanskiënë and Župerkienë, 2014).

It is imperative for organisations to understand that ecological systems and businesses are intimately connected, and future organisational success is reliant on the company’s capability to successfully integrate into the natural environment (Šimanskiënë and Župerkienë, 2014). The following Figure 5 displays the relationship between the environment and a sustainable organisation.
When we make reference to the growth and progression of an organisation, it is inferred that we seek to discover additional methods which could advance the company towards a more developed state. The process of organisational development is an extensive one and aims to develop company restitution and problem-solving methods, specifically via the implementation of a more efficient and concerted management system (Šimanskienė and Župerkienė, 2014). It is then necessary that employees understand the nature of each of their roles within the organisation and the specific requirements associated with them in order to acquire assistance in executing their tasks effectively. Once employees learn to work efficiently, this impacts on the success of the organisation, subsequently having an optimistic effect on employees. Thus individuals assuming higher management positions are required to focus on progressing the company towards a more sustainable platform (Šimanskienė and Župerkienė, 2014).
Additionally, organisational development can be said to assume a change approach which does not generally pursue the resolution of direct, observable issues, but rather aims to influence company performance by altering employee outlook and conduct (Cameron and Green, 2015). It is important to note that for organisational change to occur in totality, adjustments need to be made to the overall organisational culture, that is, structural perspectives, principles, models, employees’ interfacing approaches, etc. Individuals within top management who pursue the sustainability agenda, do so by arriving at mutual agreements in terms of modifying their perspectives towards the sought after objective. This affords employees substantial influence within the organisation and concurrently has an effect on them.

Managers who pursue sustainability tend to exhibit the characteristic of empathy, that is, they display helpful, compassionate, caring behaviour towards employees which subsequently allows for positively managed relationships between employee and manager (Hörisch, Freeman and Schaltegger, 2014). Thus, once these relationships are established, employees are always prepared to assist their managers whenever assistance may be required (Brown, 2011). Efforts directed towards sustainability require that personal inputs be made. This entails an adjustment within individuals’ thought processes, or a modification in terms of self-awareness. The transference of this conduct is then shifted to other levels; i.e. a group, a company, and thereafter the society (Šimanskienė and Župerkienė, 2014). The differences between sustainable and non-sustainable leadership are presented in Table 1 below.
Table 1: Characteristics of sustainable and non-sustainable leadership

<table>
<thead>
<tr>
<th>The characteristic</th>
<th>Non-sustainable leadership</th>
<th>Sustainable leadership</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business vision</td>
<td>The vision is unclear</td>
<td>The vision is clear and sustainability-oriented</td>
</tr>
<tr>
<td>Goals</td>
<td>Orientation towards fast progress</td>
<td>Oriented towards long-term progress</td>
</tr>
<tr>
<td>Responsibility</td>
<td>Managers are responsible for themselves and partly for the work group</td>
<td>Responsibility for an individual, group, organisation, and society</td>
</tr>
<tr>
<td>Organisational culture</td>
<td>Fragmentary</td>
<td>Strong, oriented towards sustainable development of the organisation</td>
</tr>
<tr>
<td>Solidarity</td>
<td>Individual efforts</td>
<td>Common efforts based on mutual help</td>
</tr>
<tr>
<td>Trust</td>
<td>Strick control is necessary</td>
<td>High degree of trust and goodwill</td>
</tr>
<tr>
<td>Activity results</td>
<td>Totality of individual contributions</td>
<td>Synergy of common efforts of team members</td>
</tr>
<tr>
<td>Changes</td>
<td>To destroy the old by creating the new: looking for new constructions, new technologies, and new employees</td>
<td>The disassembled parts owned by the organisation are newly used, laid out, and combined.</td>
</tr>
<tr>
<td>Collaboration</td>
<td>Desirable, but not necessary</td>
<td>Regular</td>
</tr>
<tr>
<td>Team-centred orientation</td>
<td>Group work</td>
<td>Team work</td>
</tr>
<tr>
<td>Quality</td>
<td>Achieved via control</td>
<td>Achieved via sustainability-oriented organisational culture</td>
</tr>
<tr>
<td>The concept of sustainability</td>
<td>No idea about it</td>
<td>Based on the principles of sustainability</td>
</tr>
<tr>
<td>Loyalty</td>
<td>Employees stay in the organisation just for the salary</td>
<td>Employees are loyal to the organisation, as their needs are met and safety assured</td>
</tr>
<tr>
<td>Development of employees</td>
<td>Randomly chosen people are trained</td>
<td>Everybody is trained</td>
</tr>
<tr>
<td>Professional development</td>
<td>Professional development is the responsibility of the employee</td>
<td>It is taken care of and takes place regularly</td>
</tr>
<tr>
<td>Innovations/ creativity</td>
<td>Restrictive, selecting and the addresses of funds and resources</td>
<td>Systematic, regular, and creative due to allotment of necessary funds</td>
</tr>
<tr>
<td>Work relations</td>
<td>Indifferent</td>
<td>Seeking collaboration</td>
</tr>
</tbody>
</table>

Source: Šimanskienė and Župerkienė, 2014, pp. 88-89.
In Figure 6 above we are able to see how the organisation, society, individuals and teams function as a holistic entity in order to achieve the end objective of successful sustainable orientation. It describes the main elements influenced by sustainable leadership. Centrally, the model displays four regions: individual, team, organisation and society. Here, the important characteristics of leaders in pursuing sustainable leadership are identified, as well as the reasons encouraging individuals to consent to the responsibility of leadership. The subjects under question are related to the central core of sustainable leadership, i.e. self-awareness (Šimanskienė and Župerkienė, 2014).

When instituting any changes within an organisation, it is essential to begin with oneself, therefore, in the transformation of leadership into sustainable leadership, the leader is to start the process with oneself. Leaders are increasingly faced with numerous external and internal pressures which result in leaders searching for new methods which would assist both in retaining the quality of products and services and in fostering the morale of the employees, as well as assuring the stability in the organisation. To attain the aims, different forms of
leadership are necessary, as orders, commands, or task delegation is simply no longer effective; therefore, the role of sustainable leadership is becoming increasingly more substantial (Šimanskienė and Župerkienė, 2014).

SYNTHESIS:

The points below outline the key factors to consider when integrating sustainability into an organisational leadership strategy.

- Sustainable leadership surpasses momentary advances in achievement to generate enduring, significant developments in learning.
- A leader who implements effective sustainable leadership needs to display qualities of being value orientated, systematic, considerate, and employ a working style which prompts confidence.
- There has been a massive shift in society’s interest towards corporate social responsibility, and specifically sustainability, thus necessitating organisations to act accordingly.
- Sustainable development denotes the execution of organisational strategies which achieve business needs and simultaneously grow and support natural resources required for future opportunity.
- Three underlying aspects of sustainable development are economic, social and environmental sustainability
- For organisational change to occur and successfully incorporate sustainable development, business culture needs to be concurrently adjusted and explicitly, changes made to structural perspectives, principles, models, employee interacting methods, etc.

The following section discusses the area of change leadership.
2.3 Change leadership

In terms of the preparation and execution of change, the majority of suggestions concerning what exactly leaders are to accomplish, revert to the conceptualisation of the change process encompassing the three steps of ‘‘unfreezing, moving, and refreezing’’ (Lewin, 1947, cited in: Herold, Fedor, Caldwell and Liu, 2008, p. 348). As such, academic scholars and researchers have focused on the significance of change execution practices which influence employee feelings and their behaviour related to change (Farkas, 2013). Despite the change process having been theorised in numerous ways, a prevailing validation of individuals’ responses to organisational change considers how leaders engage and tend to their employees. This aspect has thus gained increasing awareness and consideration over the past years (Herold et al, 2008).

With reference to transformational leadership and its factors of empowerment through participation, the promotion of motivation through vision, and the inclusive sensitivity towards employee’s needs are significant factors regarding what leaders are required to do when faced with implementing change. According to Herold et al (2008), ‘‘transformational leadership theory talks of empowering followers as a general, motivational tool, change leadership talks of involving others for the sake of improving their understanding and ownership of the particular change initiative, thus improving their motivation to enact the change’’ (p. 348). Thus, the majority of change leadership recommendations for example, conveying the intended plan for change, developing a directing alliance, and affording support (Kotter, 1996, cited in: Herold et al, 2008) are elements of transformational leadership, hence both aspects of transformational leadership and change leadership are closely intertwined.

2.3.1 The Concepts of Change and Leadership

Change leadership ideas may be better comprehended in terms of the concept of change. With respect to the nature of change, John Hayes (2014) states that ‘‘Change can be large or small, evolutionary or revolutionary, sought after or resisted’’ (p.3), a concept that is neither constant nor unvarying. Research suggests that as an industry develops, the rate of change assumes a ‘sigmoidal (s-shaped) curve, generally commencing with slow growth correlated to trialling and stagnant market penetration. The centre period (i.e. the log phase) is typically associated with rapid growth since it is during this phase that the product commonly attains recognition
and approval as a result of prevailing inventions (Hayes, 2014). Finally, the model (curve) is observed to become more narrowed as more highly developed or diverse products emerge, causing a shift in consumers’ attention and thus a new product development model is set in motion (Hayes, 2014). ‘‘Change has been characterised as a ‘crystallisation’ of new actions and possibilities based on ‘reconceptualised’ patterns of the organisation’’ (Kanter, 1993, cited in: Cameron and Green, 2015, p.4). ‘‘Change is no longer an irregular outing, an inconvenient upheaval to be undertaken once every ten years. Change is something we have to learn to live with, to structure and to manage. Change is here to stay, and the winners will be the ones who cope with it’’ (Goetsch and Davis, 2014, p. 1). Thus, to ensure the prosperity of an organisation, should the company pursue effective change management so as to adapt and counteract increasing environmental uncertainties? Or would the implementation of effective leadership within the organisation be more advantageous?

Despite the numerous advocates’ suppositions of the positive relationship between leadership and organisational effectiveness, there remain the many individuals who dispute this theory (Parry, 2011). Research conducted over the past two decades suggests that the link between leaders and organisational performance may be gauged by a range of indicators. ‘‘Leaders do not achieve results themselves, they influence organisational outcomes through other people’’ (Hogan and Kaiser, 2005; Hollander, 1992; Lord and Brown, 2004, cited in: Parry, 2011, p. 54). This statement suggests that organisations are multifaceted structures and that leadership constitutes only one of several essential influences, thus leaders are not capable of controlling outcomes due to the organisation’s complexity (Parry, 2011). However, leaders can generate conditions favourable to organisational effectiveness (Van der Colff, 2003).

Ensuring success would imply that effective leadership be accomplished at the individual, team and organisational level within the company. These three levels are intimately interwoven. The individual level examines the utilisation of incentives and punishment by leaders, in encouraging employees. The ‘social exchange relationship’ existing between leaders and employees impacts individuals’ attitudes and performance, since these factors are products of both trust maintained in the leader, as well as personal views of a leaders’ support, concern, and inclusiveness (Parry, 2011). Unjust and discourteous conduct by a leader consequently estranges and demoralises employees. Constructive attitudes, motivation, and involvement are positively associated with customer satisfaction, productivity, and financial and human resource evaluations of organisational unit performance. Leadership assumes a functional role at team levels within an organisation, in that leadership is considered in terms of ‘social
problem solving’. Hence, leaders presume the duty to identify probable setbacks within the team and organisational goals, determine solutions to the problems and successfully implement the chosen actions (Parry, 2011). The organisational level concerns factors regarding decisions based on strategic goals, staffing and policies, and organisational structure. Through these aspects, leaders may exert their authority so as to either guide or hamper employee and team performance. Over many years research has established two prevailing trends within the field of leadership: the proliferation of leadership development methods and the importance of a leader’s emotional resonance with and impact on others (Day and Antonakis, 2012). Proliferation of leadership development methods suggests that the typical ‘classroom-type leadership’ can now be complemented by a diverse array of leadership development initiative activities, such as coaching, mentoring or action learning. Coaching entails useful, goal oriented approaches of direct learning, and preferably behavioural change (Ehrhart, 2004).

It may be an interim intervention, aimed to grow and enhance particular leadership skills, or it may assume a broader nature incorporating a succession of meetings over time. Hernez-Broome and Hughes (2004) state: ‘The most effective coaching allows for collaboration to assess and understand the developmental task to challenge current constraints while exploring new possibilities, and to ensure accountability and support for reaching goals and sustaining development’ (p. 25). Mentoring involves a steadfast, long-term affiliation whereby individuals in senior management support personal and professional development of those within junior management. This initiative assumes either a formal or informal procedure. Therefore, it can be observed that development in present times means affording individuals the opportunity to learn from their work, instead of removing them from their work environment in order to learn.

The second trend is the importance of leaders’ emotional resonance with and impact on others which depicts the shift from the traditional approach where the focus was on task and relationship behaviours (Hernez-Broome and Hughes, 2004). This approach was termed ‘transactional’ in nature, and was regarded as reciprocally valuable exchanges amid groups, resulting in the maximisation of mutual benefits, inclusive of realising essential organisational tasks (Hernez-Broome and Hughes, 2004). Though this mutually beneficial characteristic afforded advantages, the nature of the exchange-model itself seems to encompass certain drawbacks. Specifically, it generates predictable and to some extent momentary results, that are inadequate for long-term sustained performance. Thus we see that over the decades many methods of leadership have been executed, each of which functions in different ways, some
more efficiently than others. These leadership methods have been commonly labelled according to the distinct models established, namely; charismatic, servant, transactional, situational, and transformational, which will be discussed in more detail (Lowder, 2009). A different approach to leadership assumes a ‘transformational’ position, where employees’ deeper values and consideration of higher purpose are highlighted. This subsequently follows elevated levels of employee commitment and endeavour and increased lasting change. Transformational leaders offer undeniable visions of an improved future, and they encourage trust using steadfast self-confidence and conviction (Hernez-Broome and Hughes, 2004). In addition, a distinction can now be made specifically between transformational and servant leaders, with respect to which leadership style may have enhanced effects on organisational change (Stone, Russell and Patterson, 2004). The following table illustrates the differences between the two models:

### Table 2: Transformational versus Servant Leadership

<table>
<thead>
<tr>
<th>TRANSFORMATIONAL</th>
<th>SERVANT</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Leaders maintain more prominent focus on logical stimulus</td>
<td>Servant leader’s exhibit less focus on logical stimulus and conduct related to emotional elements are strongly accentuated. Great importance placed on followers’ wellbeing</td>
</tr>
<tr>
<td>2. Underlines the importance of improving the novelty and vision of employees’, thus stronger focus on organisational development</td>
<td>Servant leaders stress the importance of cultivating individual aptitudes of their employees’ and assisting in their individual progression- stronger focus on individual development</td>
</tr>
<tr>
<td>3. More eager and equipped to take risks and eradicate inefficiencies- forms a crucial factor effective leadership</td>
<td>Likely to take risks, however, ONLY relating to preliminary tactical planning and definitive duty for organisational achievement</td>
</tr>
</tbody>
</table>

In relation to the aforementioned models, two distinctive organisational cultures can now be distinguished. It has been proposed that “the servant leadership model leads to a “spiritual generative culture” and the transformational leadership model results in an “empowered dynamic culture” (Smith, Montagne, and Kuzmenko, 2004, p. 86, cited in: Lowder, 2009). Of course both forms of culture are effective and valuable in propelling the company towards success, however, each culture functions in terms of dissimilar environmental dimensions. The inherent culture elicited by servant leadership is naturally democratic, which gives rise to submissiveness and opposes external change. In contrast, transformational leadership exhibits a powerful and dynamic culture, adaptable to environmental change. This is a consequence of the leader’s drive to lead as well as building employee novelty and ingenuity, in conjunction with placing considerable weight upon organisational achievement (Lowder, 2009).

Thus, from this it can be deduced that servant leadership functions more effectively under static conditions, whereas transformational leadership is more successful within dynamic environments. The emergence of globalisation has created tremendous uncertainties and given rise to many opportunities and threats (Brown, 2008). Thus companies are required to constantly adjust as a result of this, and hence we see that in order to succeed, transformational leadership is needed to obtain the greatest results in relation to organisational change. It should be noted that it is necessary for the difference between leading and managing to be distinguished (Hernez-Broome and Hughes, 2004). Leaders ‘influence’ and managers ‘direct’. Leadership constitutes value creation and inspiring whereas managers count value and delegate. Many organisations recognise this shift towards leading as a crucial factor in achieving success (Hughes, 2015).

**SYNTHESIS: Change Leadership**

The points below outline the key variables implicated in the shift from change management towards a change leadership.

- The nature of current times has stimulated the implementation of “leadership” as opposed to traditional “management” practices (Hughes, 2015).
- Conventional management encourages leadership as this is deemed crucial to successful organisational performance (Ford, Harding and Learmonth, 2008).
This shift in thinking and practice, from ‘managing’ towards ‘leading’ has been prompted by cultural aspects within the organisation, as a solution to the deficits within traditional change management, and a historical escalation of leadership (Parry, 2011 and Hughes, 2015).

The cultural shift can be attributed to the individualities of American state culture fortifying the significance of leadership and the performance of managers and leaders as important cultural characters within companies (Hughes, 2015).

Management inefficiencies are as a consequence of the correlation of management with stability, leadership being observed as an added operative social guard in comparison to management (Hughes, 2015).

Historic increase in the support of leadership has been stimulated by the encouragement to lead change instead of manage it (Hughes, 2015).

**SYNTHESIS: Transformation leadership versus Servant leadership**

Whilst both transformational and servant leadership possess their own benefits, it has been found that in reference to Unilever South Africa, the implementation of transformational leadership affords greater structure, yields larger benefits and is thus more fitting to its specific organisational culture, as such (Kapstein, 2008).

Transformational leadership constitutes a principled leadership style encompassing leader competency to stimulate knowledgeable motivation via encouragement (Parry, 2011).

Transformational leadership comprises direction through personalised deliberation, knowledgeable stimulus, motivation, and impeccable guidance (McColl-Kennedy and Anderson, 2005).

An individual executing transformational leadership utilises and transforms employee beliefs and expresses them so as to stimulate and support the vision and objectives of the company (Kapstein, 2008).
Servant leadership denotes that a leader must first view himself/herself as a servant (Choudhary, Akhtar and Zaheer, 2013).

H2 The servant leadership type can generally be delineated as an aspiration by leaders to inspire, lead, afford faith, and offer a concerned involvement by instituting a valued connection with his or her employees (Liden, Wayne, Liao and Meuser, 2014).

Two leading features of servant leadership are (a) Ethical behaviour and (b) Concern for employees (Podsakoff, Podsakoff, MacKenzie, Maynes, and Spoelma, 2014).

Servant leaders institute actions which are inclined towards the progression and wellbeing of their employees (Podsakoff et al, 2014).

Key characteristics of servant leadership comprise selflessness, ease, and awareness (Podsakoff et al, 2014).

Servant leaders differ from transformational leaders in terms of unselfish provision toward employees’ significant requirements (Choudhary, Akhtar and Zaheer, 2013).

With consideration of the escalating uncertainties within the current organisational environment, it is essential that dynamic leadership be employed. This is predominately rendered through transformational leadership (Podsakoff et al, 2014).

The following section discusses leadership styles and further explains the criteria required in developing effective leaders in business.

2.4 Extension of leadership styles: making effective leaders

Transformational and charismatic leaders possess fundamental characteristic: an emotional impact on others. Accordingly, “a leader’s ability to resonate emotionally with others is a better predictor of effective executive leadership than is general intelligence” (Rhoads, 2014, p. 259). In addition, it has been found that the style of leadership or direction which a leader takes, establishes to a greater degree leader success in comparison to leader attributes. Thus, a leader’s type of organisational behaviour is strongly associated with their style. In view of that, “the leader's style or manner of dealing with the organisation's members and communicating
with them contributes to or detracts from the group's overall functioning” (Henman, 2011, p. 6). Effective leadership is essential in providing a source of competitive advantage as well as sustainability given increasing environmental uncertainties (Lei, Slocum, and Pitts, 1999). It is generally regarded as central to organisational success that more emphasis be placed on leadership development than ever before. Although growth of better individual leaders remains a crucial feature of organisational success, this does not assume that they are the principal focus. Leadership is becoming progressively more identifiable as a procedure that stimulates organisational effectiveness and is the outcome of a combination of interactions between both leaders and collaborators, rather than a focus centred primarily on leaders’ competencies (Hernez-Broome and Hughes, 2004).

According to Lippitt and White (1943), three universal systems of approach have been recognised relating to leadership style: authoritarian leadership style, democratic leadership style, and laissez-faire leadership style (cited in: Henman, 2011, p. 6). Authoritarian leadership, which may also be referred to as the commonly known “totalitarian style”, presents lucid expectations of duties, encompassing every aspect of these tasks. There is an evident separation or distinction between the leader and his/her employees (Cherry, 2012). This style is dependent on “legitimate, coercive, and reward power to influence others” (Henman, 2011, p. 6). According to further research, this leadership style was deemed less innovative in terms of decision-making and has been found to be best suited under conditions of crisis where time is constrained for the formulation of effective decisions and in situations where the leader is largely the well-informed individual within the lot (Cherry, 2012 and Henman, 2011).

This style commonly exhibits domineering, forceful, and parental traits, and despite its capacity to function well in the abovementioned situations, a notable disadvantage is that the regular implementation of this style is capable of resulting in the creation of indifferent and unproductive employees, since they fall short of cultivating a form of ownership in relation to their jobs (Amanchukwu et al, 2015). Thus, employees become demotivated and production rates diminish. In terms of the democratic leadership style, the process of decision making is a joint decision where all members assume a more participatory position. Members are subject to experiencing feelings of contentment and are less discouraged or aggravated (Amanchukwu et al, 2015), since democratic leadership “engages” its members, which allows them to be further stimulated and innovative (Cherry, 2012). Democratic leadership is required within business environments prone to rapid shifts within the market and where the factor of constancy is lacking. Within FMCG’s all leadership elements must be considered in order to progress
(Bhatti, Maitlo, Shaikh, Hashmi and Shaikh, 2012). It has been established that individuals within autocratic groups have elevated quantity levels, whereas democratic groups maintained peak levels regarding quality of offerings as well as their drive (Amanchukwu et al, 2015). However, despite this leadership style being categorised as one of the most effective styles, it does have certain limitations which should be highlighted.

These limitations are:

- **Competency**- The workforce must be well-informed concerning dealings in relation to the company to facilitate correct judgements. When employees become exposed to additional insightful data however issues may arise such as dissatisfaction over salaries (Cosmato, 2011).

- **Crisis**- to ensure success, the leadership method is required to be adequately responsive and practical for rapid reactions to emergency situations (Cosmato, 2011).

- **Consensus**- increased number of individuals drawn into the decision making process (which is lengthy and multifaceted) causes increased complexity in arriving at an agreement (Cosmato, 2011).

- **Pseudo-participation**- there lies a probable risk that the egalitarian managing style may be implemented only in name and may not be exercised (Cosmato, 2011).

- **Adherence**- ‘‘One of the greatest challenges of the democratic style of leadership is that leadership must emerge from the bottom: the “people’s choice”’ (Cosmato, 2011, p. 1).

However, if executed effectively, this style will render great benefits.

The third leadership style is that within the ‘‘casual and laid-back’’ framework. According to Henman (2011), ‘‘laissez-faire leaders exert little or no influence on the group. In essence, these groups are a collection of equals’’ (p. 7). There is no single individual who leads the group, and thus members are dependent on one another for guidance. This form of leadership may prove effective under circumstances where the set of members are highly skilled within a sphere of proficiency, however, ‘‘it often leads to poorly defined roles and a lack of motivation’’ (Cherry, 2012, paragraph 8). Thus, it has been deduced that ‘‘democratic leadership is the best of the three styles, but no one style is indicated all of the time’’ (Henman, 2011, p. 7). Despite this shift in focus regarding leadership styles, the role of competencies
remains a critical part of organisational success. So, in what ways may these leadership capabilities be used most effectively in leadership development? Leadership competencies must be aligned with the organisation’s specific strategies and business model. Since a thorough scan of the business environment is required to detect possible setbacks or opportunities, its segregation from the leadership development program commonly impedes long-lasting changes.

According to Hernez-Broome and Hughes (2004), “organisations must develop leaders and leadership competencies that correspond with and are specific to their distinct business challenges and goals” (p. 28). Hence development is largely viewed as a process of growing and influencing strong areas and of comprehension of and diminishing of the effect of weaknesses. Looking into the future, certain trends present themselves to further practice and understand leadership and leadership development. They each differently signify the vital role that changing contexts play in leadership development. According to Hernez-Broome and Hughes (2004), these trends are:

- Leadership competencies will remain significant.
- Globalisation or internationalisation of leadership models are more prominent.
- The existence of concepts and systems or techniques of development.
- The function of technology.
- Growing importance towards leaders’ rectitude and nature.
- Pressure to express return on investment.
- New approaches for ideas based on the nature of leadership and leadership developments.

Increasingly, we witness new ways of perceiving leadership and leadership development, and these perceptions may deeply affect our thinking regarding the concept. Both leadership and its development are viewed as intrinsically collaborative, social, and relational processes. The organisation should be viewed as a networked economy, per se, since competitive efficiency and effectiveness is the outcome of shared and combined capacity of all members within the organisation. Companies must realise the need to integrate leadership development actions within an extensive framework of organisational business barriers and systems thus recognising and realising that the strategic role of individuals within organisations will afford
unforeseen benefits (Hernez-Broome and Hughes, 2004). So, what exactly makes an effective leader? Based on the mainstream paradigm, the aspects of character traits; situational/contingency aspects; path-goal, leader-member relationships; emotional aptitude, management and social distinctiveness and transformational leadership, are all determinants of effective leadership. Studies based on these factors have provided valuable perspectives on leadership and behaviour; however, its distinct responses remain obscure. With respect to individual leaders and their qualities, conventional research is seemingly more ‘leader-centric’.

Leaders are depicted as proactive participants, and employees as those who react submissively (Collinson, 2011). Likewise, in terms of situational theory, ‘the basis of these theories is that individuals’ characteristics make them suitable leaders only in certain situations. Since each situation requires a leader to vary behaviour to fit the prevailing circumstances, groups do well to match the leader to the present state of affairs’ (Henman, 2011, p. 8).

Effective leaders ought to be able to organise a combination of dictating and supportive behaviours attuned with followers in order to correspond with one another. Path-goal theory assumes that leaders must employ styles more apt to followers’ needs, abilities and experience. Leader-member theory (LMX theory) illustrates leaders as being more open and trusting with ‘in-group’ followers, but isolated from out-group followers (Collinson, 2011). The LMX theory’s most fundamental belief encompasses leaders building dissimilar exchange associations within their groups by which ‘the quality of the relationship alters the impact on important leader and member outcomes’ (Gerstner and Day 1997, cited in: Avolio et al., 2009, p. 433). Within this context, the research literature has developed and its focus has shifted from being solely on the effects of the LMX association to the focal point now based together with previous circumstances and consequences (Avolio, et al, 2009).

However, LMX theory and research have been targets of criticism. One pervasive criticism of this literature revolves around measurement. For instance, several different measures of LMX have evolved and used since the theory was first proposed (Yukl 2006). Schriesheim et al. (1999, p. 100) argued, “LMX scales seem to have been developed on ad hoc, evolutionary basis, without the presentation of any clear logic or theory justifying the changes which were made”. Furthermore, LMX research is further criticised for inadequately theorising the social context in which leaders and followers are entrenched. With a few exceptions, “the majority of research is, quite explicitly, located at the dyadic level, with very little theorising or empirical work examining LMX work at the group level” (Hogg et al. 2004, p. 22). In other words, theory and research on LMX have focused on the leader-follower relationship without acknowledging
that each dyadic relationship occurs within a system of other relationships (Cogliser and Schriesheim 2000, Yukl 2006). LMX theory and research also tend to assume that people simply assess their own LMX relationship in an absolute sense. This is an oversimplification of how people judge relationships. The authors argue that it is much more likely that followers evaluate the quality of their LMX relationship not only in the absolute sense (i.e., low versus high), but also with reference to their perception of others’ LMX relationships. A further criticism of the LMX research is that most of it is based on correlation designs.

This was a central criticism made by Cogliser and Schriesheim (2000) regarding the lack of causal results reported in the extensive stream of research associated with LMX research. LMX research has also been criticised for failing to comprise more unprejudiced methods of performance (Avolio et al, 2009). We see how emotional intelligence requires leaders to generate increased consciousness regarding the emotional dimensions of leadership methods. Stating that leaders’ individual pasts may constitute a considerable source of authority over followers, demonstrates the manner in which leaders frequently create their biographies to communicate predefined meanings (Ahlquist and Levi, 2011).

Transformational leadership investigations show that it is the leaders’ ability to motivate followers to increase commitment by fulfilling their needs, values, and drive, and that it is the duty of an effective, charismatic leader to confirm and alter followers’ identities. Thus, it can be deduced that these perceptions are inclined to define leadership in terms of the implementation principally utilising the top-down approach, whereby leaders alter the way followers envisage themselves (Collinson, 2011). Furthermore, an organisation which is successful is more likely to be so through the implementation of a leadership strategy. Leaders are required to focus on intrinsic areas which may yield enhanced organisational benefits. This can be explained by the flowing diagram:
2.4.1 Leadership excellence

As stated in numerous studies, an organisation may only advance and achieve business objectives if increased superior performance is generated (Aliyeva, 2012). An imperative deliverable as an effective leader is the ability to inspire and stimulate outstanding achievements and behaviour from those around him/her. Given the turbulent economic climate of today, having the capacity to effect exceptional execution becomes a necessary technique (Aliyeva, 2012). Thus, it becomes essential for a leader to adhere to the expectations of their employees. These expectations are:

- Establish a community where all belong to one partnership (Aliyeva, 2012).
- The leader must possess truthfulness and genuineness (Mendenhall and Osland, 2012).
- The leader must display acknowledgement and afford recognition to his/ her employees for their contribution (Mendenhall and Osland, 2012).
- The leader must have the ability to motivate others (Aliyeva, 2012).
Subsequently, these aspects jointly give rise to leadership excellence which assists in influencing organisational performance.

**Figure 8: Factors required to achieve leadership excellence**

![Diagram of factors required to achieve leadership excellence](image)


**SYNTHESIS:**

While many maintain the belief of management and leadership being one in the same, this is a common misconception. The implementation of effective leadership incorporates a more comprehensive thought and planning process. It encompasses numerous vital skills which are required to be learnt well and applied efficiently and strategically.

- A leader’s conduct is strongly linked to his or her style, which subsequently affects the overall organisational operational execution (Hoch and Kozlowski, 2014).

- The implementation of efficient and effective leadership is imperative in affording a source of organisational competitive advantage and the stimulation of sustainability (Henman, 2011).
Three global approach systems pertaining to leadership style have been recognised: authoritarian leadership style, democratic leadership style, and laissez-faire leadership style, of which “democratic leadership” has proven to yield the most successful result (Henman, 2011).

Regardless of the change in emphasis toward leadership styles, organisational success remains heavily dependent on effective leader-type competencies, which need to be aligned to organisational strategies and its subsequent business model (Henman, 2011).

Based on mainstream models, an effective leader displays the traits of situational; path-goal, leader-member relationships; emotional aptitude, management and social distinctiveness; and transformational leadership (Avolio et al, 2009).

In order to stimulate and maintain superior organisational performance, a leader is required to develop a compelling and forceful leadership strategy whilst concurrently integrating the factors of leadership excellence (Aliyeva, 2012).

The following section highlights and discusses the current criticisms of existing leadership theories.

2.5 Criticisms of existing theories

Recent years have witnessed a shift in practice from the art of management towards a leader-type execution. Despite the numerous advantages of existing leadership theories, they also comprise respective shortfalls. A summation of existing most prevalent leadership theories comprise the following:

- Great man theory- suggests that the characteristics of leadership are inherent, implying that the greatest leaders are born and cannot be moulded or made into greatness (Sajjadi, 2014).

- Trait theory- this theory is based on the premise that in order for an individual to be an exceptional leader, he or she is born with specific qualities which centres on evaluating intellectual, physical and social traits (Leadership-central, 2016).
Behavioural theory - as the name indicates, focuses on an individual’s “behaviour” and subsequent relationships (Leadership-central, 2016).

Contingency theory - suggests that there are numerous ways to lead and that leadership is dependent on the specific situation at hand (Leadership-central, 2016).

Transactional leadership - this leadership type may also be recognized as “exchange theories” which are characterised by the matter made amid the leader and follower. This theory may also be associated with leader-member exchange (LMX) (Leadership-central, 2016).

Transformational leadership - this leadership style suggests a leadership method which involves an individual’s interface with others, which engenders a strong relationship comprising confidence and subsequently fostering high levels of intrinsic and extrinsic motivation (Leadership-central , 2016).

These criticisms and boundaries of leadership theories will be further discussed, centring predominantly on transformational leadership (Avolio et al, 2009). Collinson (2011) states: ‘‘mainstream approaches tend to portray followers as ‘an empty vessel’ waiting to be led, or even transformed by the leader’’ (p. 182). It is almost as though followers are regarded merely in relation to their propensity to specific leader styles. This tendency to privilege leaders and disregard followers is an aspect commonly questioned by individuals. Findings suggest three limitations of the ‘mainstream leadership approach’, i.e., romanticism, dualism and essentialism (Collinson, 2011).

Romanticism highlights its societal, interactive and mutual disposition. A “post-heroic” bearing has been associated with romanticism due to its followership nature. Accordingly, Collinson (2011) states that “dualism in leadership research as that between the individual and the collective, arguing that studies typically concentrate either on leaders, in ways that overlook the dynamics of the collective, or on the latter, thereby neglecting the former’s basis for action” (p. 184). Essentialism refers to a specified conviction whereby individuals and/ or certain occurrences, have a primary and invariable ‘essence’ (Sit, Mak and Neill, 2017). Moreover, it
is proposed that we rethink leadership as collectively and evasively created, and thus, we are more likely to discard the essentialism that is positioned centrally to the psychological, positivist approach, which supports the mainstream paradigm. The psychological positivist approach is conditioned to focus chiefly on individuals and their inner dynamics, thus affording the social and evasive nature of leadership less attention (Collinson, 2011). Distinctive from this view are critical perspectives that focus on socially constructed implications and several discourses that illustrate leadership dynamics. The essentialist supporting trait is questioned when leadership is deemed to be understood as ‘socially constructed’. This essentialism theory presumes the probability of discovering an ‘essence’ to leaders and their accompanied contexts (Collinson, 2011). In keeping with the approach of transformational leadership, it has previously been deduced that in terms of organisational change, this form of management and guidance has been deemed the most effective within situations of uncertainty, hence becoming the most suitable form of leadership to be implemented (García-Morales et al, 2012).

Despite the many positive dynamics it encompasses, certain shortcomings must be highlighted. What is perhaps the strongest criticism against the transformational leadership theory is that the Multifactor Leadership Questionnaire (MLQ) is abstractly inconsistent or imperfect (Reid, 2009). The MLQ is of great significance since it is the device that supports the complete theoretical contextual structure of the TL theory. With reference to the previously mentioned elements of idealised influence, individualised consideration, inspirational motivation and intellectual stimulation, critics dispute that these factors are not adequately idiosyncratic so as to facilitate the progress a significant division of the TL theory conceptual viewpoints, as of those regarding other leadership theories (Northouse, 2007, cited in: Reid, 2009). Furthermore, the notion of “influence” has been criticised as being unclear in terms of rationalising the descriptive power of the TL premise.

Consistent with this analysis, literature states that if the tangible processes were further cogently recognised within TL experiential research, the Transformational Leadership theory pertaining to elements about influence would assume additional significance (Reid, 2009, p.2). In addition, the deficiency of qualitative and quantitative research has been denounced concerning “arousal of motives or emotions, increased self-efficacy or optimism, modification of beliefs about reward contingencies and increased task commitment” (Yukl, 1999, p. 287, cited in: Reid, 2009, p.2). Furthermore, it has been suggested that the principles of the TL theory have been doubted, in that the theory has an impending ability to exploit the power and control afforded to the leader once implemented (Qureshi and Shahzadi, 2013). What makes
transformational leaders different is their capability to encourage their employees or followers in that they play on the powerful emotions of these individuals. However, this is sometimes performed devoid of consideration of encouraging and just principles. According to Marion and Gonzales (2014); ‘‘transformational leaders can exert a very powerful influence over followers, who offer them trust and respect (p. 174). Some leaders may have egotistical predispositions from which they lust after control and influence. Likewise, certain followers might be strongly reliant or needy in nature and thus develop influential and adverse attachments to their leaders (Qureshi and Shahzadi, 2013). Additionally, a noteworthy factor is that:

‘‘Transformational leadership lacks the checks and balances of countervailing interests, influences and power that might help to avoid dictatorship and oppression of a minority by a majority. In the absence of moral rectitude, it is self-evident then that transformational leadership might be applied for less-than-desirable social ends’’ (Bass, 1997, cited in: Hay, 2006, p. 14).

The above quotation indicates the negative aspects of transformational leadership. Despite its many advantages, leaders must be aware of the immense power they are endowed with, and be wary that it is not used in malicious ways. This aspect has been expressed as the ‘‘dark side of charisma’’ (Yukl, 1989, p.226, cited in: Hay, 2006, p.14). From this we may distinguish between the positive and apparent negative elements of transformational leadership. For instance, the prominent leader, Mahatma Ghandi was known for his benevolence, and captivating merits, whereas Charles Manson, a criminal and cult leader was notorious for his committed murders in the 1960s (Yukl, 1989, cited in: Hay, 2006). It is important to note that leadership continues to dominate the aspect of mere authority.

Every prevailing theory will have its contesting detractors, however, in relation to transformational leadership, it has been found that in essence it is a theory encompassing great potential for success in the corporate world (García-Morales et al, 2012). If managed effectively so as to eliminate or even evade these limitations, recognise its effortless stateliness, and prevent the demeaning of its theoretical standing (Reid, 2009), the TL theory can present radical prospects for success and leading organisational change productively. So, what does it mean to be a leader, a manager or a follower? All three aforementioned categories of organisational individual needs must be closely aligned so as to communicate respect, fairness
and understanding within the organisation. Leader-led relationships are naturally consensual (Collinson, 2011). Leaders in all industries practice significant control but their power can render conflicting and ambiguous results. Accordingly, the leader-follower relationship may be prone to conflict and dissent (Collinson, 2011). Thus it is impractical for leaders to merely assume the obedience of their followers. In addition, opportunities for achievement reside in each perspective of transformational and strategic leadership, but their points of intersection must be identified and integrated appropriately. Transformational leadership and strategic leadership maintain positive relations, and in order for the successful implementation of these factors, change must be incorporated accordingly within the organisation.

**SYNTHESIS:**

The points below outline the criticisms of mainstream leadership theories. Whilst a wealth of literature may explicate each theory’s advantages, it is essential to consider their subsequent drawbacks when concluding the theory that is to be implemented within an organisational strategy.

- Three main limitations of the conventional leadership approach have been identified as (a) essentialism, (b) romanticism, and (c) dualism (Collinson, 2011).

- The multifactor leadership questionnaire (MLQ) has been recognised as the strongest critique reproach against the Transformational Leadership theory (Collinson, 2011).

- The concept of ‘‘influence’’ is deemed vague and imprecise with respect to explaining the expressive influence of the TL principle (Collinson, 2011).

- It has been proposed that ideologies surrounding the TL theory have been questioned due to this leadership style affording the leader the opportunity to abuse authority once effected (Qureshi and Shahzadi, 2013).

- Despite certain transformational leaders assuming narcissistic tendencies from which they desire power; so too are there followers who may be extremely dependent in nature and hence cultivate prominent negative attachments to their leaders (Qureshi and Shahzadi, 2013).

The subsequent section focuses on the area of managing organisational change.
2.6 Managing Change

Robertson (2008) states “Change Management is the process of incorporating a balanced change culture of recognition, planning and evaluation of project changes in an organisation to effectively manage change” (p. 3). Another definition of this concept states that ‘Change management is a set of processes employed to ensure that significant changes are implemented in a controlled and systematic manner’ (University of Adelaide, no date, p. 4). According to Waters (2012), seven key components of change management have been identified as per the below table states:

Table 3: Key components of change management

<table>
<thead>
<tr>
<th></th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Strategy: the plan devised to maintain and build competitive advantage over the competition.</td>
</tr>
<tr>
<td>2</td>
<td>Structure: the way the organisation is structured and who reports to who.</td>
</tr>
<tr>
<td>3</td>
<td>Systems: the daily activities and procedures that staff members engage in to get the job done, as well as computer systems.</td>
</tr>
<tr>
<td>4</td>
<td>Shared Values: the core values of the company that are evidenced in the corporate culture and the general work ethic.</td>
</tr>
<tr>
<td>5</td>
<td>Style: the style of leadership adopted.</td>
</tr>
<tr>
<td>6</td>
<td>Staff: the employees and their general capabilities.</td>
</tr>
<tr>
<td>7</td>
<td>Skills: the actual skills and competencies of the employees working for the company.</td>
</tr>
</tbody>
</table>

An organisation needs to create the case for change thereby instituting a tactical, economic, and emotional source for change. This may raise the question as to what are the reasons for change. Additionally, change has been viewed as ‘‘situational’’ and transpires devoid of individuals’ transitioning (Bridges, 2010). Next, leadership, the organisation, and stakeholders must be aligned, collaborating, and encouraged. Stakeholder associations need to be managed using effective communication. Therefore, management should consider whether or not their leadership is entirely dedicated to change, and the nature and degree of resistance needed to be overcome or required for success (Robertson, 2008). Subsequently, a new organisational management system must be instituted. So, how exactly do they know that they are measuring the correct factors in order to achieve organisational objectives and goals? This aspect requires the integration of performance management and appraisals with specific strategies.

The subsequent step requires re-engineering process facilities and technology, thereby launching business processes and technology enablers. Here, the question to be asked is: ‘‘to what extent do our current processes and technologies inhibit or enable the achievement of our objectives?’’ (Robertson, 2008, p. 14). The organisation then must manage strategic features of change, through the integrated programme. The last element of change management is the establishment of a competent and skilled organisation. According to The University of Adelaide (n.d.): ‘‘Management plays an essential part in making the changes happen; it empowers the ‘doing’. Leadership inspires the transition, it is what energises people and sustains a change in behaviour and approach. Leadership engages the hearts and minds of staff’’ (p. 5-6). Moreover, specific policies, roles, duties and capabilities must be developed to determine the manner in which the firm’s human resources should be structured to facilitate and maintain superior outcomes. Major change may then be generated through the below five elements:
Moreover, if managers institute organisational changes with the intent of achieving positive reactions to the change, they must be aware of the factors leading to the propensity for change within the following regions listed in Figure 2.9 below:

**Figure 9: Focus areas in relation to organisational change outcomes**

1. Establish sense of urgency
2. Create the guiding coalition
3. Develop a vision and strategy
4. Communicate the change vision
5. Empower broad-based action
6. Generate short term wins
7. Consolidate gains and produce more change
8. Anchor new approaches in culture

Source: Cameron and Green, 2015, p. 54.
With consideration to the organisation under study within this research, and their accompanying procedures, strategies and culture- Unilever South Africa promotes an organisational culture based on tenacity and drive within a fast-paced and constantly changing market. All employees are encouraged to participate within company procedures and are kept engaged. Processes within each department are integrated to afford ease of transition and employees kept informed and updated in order to provide them with adequate skills to influence positive change. A “performance culture” is then engendered so as to invite and retain suitable talent and cultivate future leaders which compliments organisational values and diversity (Unilever South Africa, 2016).

A suggested change management model has not been explicitly suggested, thus subsequent to literature review, the following change management models of Lewin, Kotter and Carnall may be inferred as most suitable change models to be employed within a company of this nature (Appelbaum, Habashy, Malo, and Shafiq, 2012). The below table depicts the advantages and disadvantages of all three models so that each benefit and limitation is clearly understood. The execution of an appropriate change management model is essential, especially within a multinational organisation, since employees may be resistant to change.

Thus, leaders are required to apply and adapt best change management processes in order to diminish employee resistance in order for change to be executed effectively. Hence, it is important to understand the existing change management models available and its subsequent pros and cons in an attempt to evaluate which may be best suited to be implemented within Unilever. Subsequent to the analysis of Unilever SA’s organisational culture, it may be deemed that Kotter’s eight step model and Carnall’s change model are most appropriate for effecting and influencing positive change within Unilever.
## Table 4: Advantages and disadvantages of change management models

<table>
<thead>
<tr>
<th>Model</th>
<th>Lewin’s 3 step model</th>
<th>Kotter’s eight- step model</th>
<th>Carnall: Managing transitions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Advantage</strong></td>
<td>Uses information gathered on probable judgements joined onto a graph and affords a graphical outline of the numerous aspects that assist and dispute a specific idea.</td>
<td>The transition is easier with this model. Focus on buy-in of employees as focus for success and fits well into the culture of classical hierarchies</td>
<td>This model focuses on managers and the skills they use to manage change. The model emphasises three skills in particular which must be existent at all levels of management: (1) managing transitions effectively; (2) dealing with organisational cultures; and (3) managing organisational politics.</td>
</tr>
<tr>
<td><strong>Advantage</strong></td>
<td>The “force field analysis” further develops the assessment ahead of the actual data so as to investigate the qualitative elements which may possibly influence the success or failure of the result under study</td>
<td>Process is simplified and step-by-step which offers guidance. Focus leans towards preparing for and accepting change and not on the actual change.</td>
<td>This assists in tending to change within all levels of the employee structure, ensuring that change is efficiently accepted.</td>
</tr>
<tr>
<td><strong>Disadvantage</strong></td>
<td>Lewin’s model depicts a very coherent representation, however, its actual implementation may omit the consideration of individual emotions and know-hows which could prompt adverse results which may lead to change resistance.</td>
<td>Steps within the process cannot be skipped and entire process is time consuming.</td>
<td>Encourages risk-taking (not necessarily a negative aspect, dependant on organisation type/culture)</td>
</tr>
<tr>
<td><strong>Disadvantage</strong></td>
<td>Force field analysis necessitates the complete involvement of all individuals in order to afford correct data needed for an operative examination. If full involvement by all employees is not possible, this may cause undesirable results as it is unable to depict an accurate representation of the supporting and contesting forces.</td>
<td>Model is top-down, hampering room for co-creation or other forms of true participation. This may lead to frustrations among employees if the stages of grief and individual needs are not taken into consideration.</td>
<td>Effective execution of change greatly dependent on management skills.</td>
</tr>
</tbody>
</table>

The below figures display graphical representations of the three change management models discussed:

**Figure 10: Lewin's three-step model**

1. **UNFREEZE**
   - Examine status quo
   - Increase driving forces for change
   - Decrease resisting forces against change

2. **MOVE**
   - Make changes
   - Involve people

3. **REFREEZE**
   - Take action
   - Make changes permanent
   - Establish new way of things
   - Reward desired outcomes

**Figure 11: Kotter’s eight-step model**

1. **Establish a sense of urgency.** Discussing today’s competitive realities, looking at potential future scenarios. Increasing the ‘felt-need’ for change.
2. **Form a powerful guiding coalition.** Assembling a powerful group of people who can work well together.
3. **Create a vision.** Building a vision to guide the change effort together with strategies for achieving this.
4. **Communicate the vision.** Kotter emphasises the need to communicate at least 10 times the amount you expect to have to communicate. The vision and accompanying strategies and new behaviours need to be communicated in a variety of different ways. The guiding coalition should be the first to role model new behaviours.
5. **Empower others to act on the vision.** This step includes getting rid of obstacles to change such as unhelpful structures or systems. Allow people to experiment.
6. **Plan for and create short-term wins.** Look for and advertise short-term visible improvements. Plan these in and reward people publicly for improvements.
7. **Consolidate improvements and produce still more change.** Promote and reward those able to promote and work towards the vision. Energise the process of change with new projects, resources, and change agents.
8. **Institutionalise new approaches.** Ensure that everyone understands that the new behaviours lead to corporate success.

Source: Kotter, 1995; cited in: Cameron and Green, 2015, p. 115.
SYNTHESIS:

In recent years, we have witnessed a shift from managing change towards leading change. Numerous individuals still view management and leadership as one in the same, however, there exists a major difference. Success is determined by how well a “leader” can influence behaviour in a positive manner in order to yield progressive results.

- Change management involves a well-adjusted change culture of acknowledgement, preparation and assessment of organisational tasks to successfully manage change (Robertson, 2008).
- Tactical, economic, and emotional sources for change need to be instituted in order to generate a case for change (Cameron and Green, 2015).
- Change needs to be perceived as situational and may occur without employee transitioning (Cameron and Green, 2015).
- It is essential that alignment exists amongst the organisation, stakeholders and the underlying leadership style which will allow for successful activation of the leadership process (Robertson, 2008).
- Effective communication within the organisation must take place which will assist in predicting and effectively managing resistance (Cameron and Green, 2015).
Major change may be engendered via (a) establishing sense of urgency, (b) creating the guiding coalition, (c) cultivating a vision and strategy, (d) communicating the change vision, (e) empowering broad-based action, and (f) generating short term wins (Robertson, 2008, p. 17). Of the three models proposed above of Lewin, Kotter and Carnall, Kotter and Carnall can be viewed as the most applicable to rendering positive change within Unilever specifically.

2.7 Conclusion

This chapter discussed the numerous leadership theories proposed within literature and their subsequent advantages and shortcomings. It provided an overview on the elements of effective leadership and which models are best suited to be implemented within organisations operating in the FMCG industry. It further discussed strategies for leadership excellence in ensuing organisational success and conferred the most effective methods to be implemented in terms of executing effective change. Part of the evolution of leadership theory and research will continue to involve further defining what actually constitutes leadership from a content perspective, e.g., authentic, transformational, or visionary, and a process perspective, e.g., shared, complex, or strategic. Additionally, increasingly more attention is paid to the area of strategic leadership, for which organisations are becoming more dependent on, in order to maintain and amplify performance.

Given the forces in the global market, it is expected that the next decade will give rise to increased research and theory in this area and organisations will progressively ask for ways to accelerate positive leadership development as they enter the front lines of the battle for leadership talent. The theories discussed within this chapter aim to depict a picture if the ideal framework of which an FMCG may operate successfully. If these specific models are employed effectively, this may give rise to sustained organisational success incorporating a competitive advantage. To summarise, the leadership field over the past decade has made remarkable progress in discovering some of the enduring obscurities associated with leadership. These include whether leaders are born or made, how followers affect how successful leaders can be, how some charismatic leaders build up societies and others destroy them, as well as what impact leading through technology has on individual and collective performance.
CHAPTER 3
AN EXTERNAL PERSPECTIVE

3.1 Introduction

This second chapter of the literature review seeks to provide an external perspective on the elements affecting the operations of organisations within the fast moving consumer goods (FMCG) market. It discusses the phenomenon of sustainability and its importance on a global scale. It further provides a perspective on South Africa’s approach to sustainability, the required value systems for effective organisational functioning, and green consumerism in terms of attracting the growing ‘green’ consumer. The chapter additionally covers economic issues experienced within South Africa in order to provide a perspective on the consequential challenges imposed upon FMCG organisations. Both an FMCG and competitor perspective is then discussed and finally concluding with the conceptual framework in terms of the author’s construction in relation to the study’s main objective.

3.2 Sustainability

As the world shifts to a more informed and globalised arena, it becomes increasingly more important that organisations introduce and forcefully employ sustainable methods within their business operations. Unilever, being one of the world’s largest fast moving consumer goods companies (FMCG)- necessitates that sustainable measures be adequately implemented since the aspect of sustainability accompanies benefits to all stakeholders involved. It draws in consumers as they are progressively becoming more knowledgeable of the significance of economically friendly products and its subsequent advantages. Sustainability within an FMCG organisation is essential to overall business growth and performance, hence its heightened importance and relevance within Unilever. The 21st century has been provided numerous opportunities and challenges to organisations. When viewing South Africa as a whole, the country is seen as the most competitive economy within sub-Saharan Africa, however, when considering globalisation South Africa is faced with some of the most complex difficulties experienced to date (Satterwhite et al, 2015). These can be described as the continuously changing technological landscape, social and economic problems and environmental protection
The business world today may be characterised as that of progressive unpredictability and disorder (Eustace and Martins, 2014). In order to tackle these issues and have them successfully resolved, organisations are required to adapt new attitudes and pioneering systems (Šimanskienė and Župerkiene, 2014). With the depletion of natural resources, the increase in environmental pollution and social disparity continuing to exist in most countries, this may be perceived as a clear indication of which efforts need to be focused on in order to further effect fulfilment of social expectations.

This requires South Africa to place more emphasis on the prospects of sustainability so as to progress and enhance organisational competitiveness (Eustace and Martins, 2014). As previously stated, in the 2012 International Labour Organisation (ILO) article on international employment developments, the world currently faces a “crucial task” of generating 600 million industrious occupations through the duration of the next ten years with the purpose of stimulating and accomplishing sustainable growth while simultaneously conserving social solidarity (Eustace and Martins, 2014). Currently, the world is unsustainable in the manner in which it functions. Emerging macroeconomic recovery is extremely delicate and will be unsustainable unless a full green recovery is implemented.

Without the execution of a strategy mix for climate change alleviation and adaptation into our macroeconomic plans, we will not be able to achieve interim macroeconomic recovery (Bowers, 2009). According to Bowers (2009) “*Humanity faces a dire and growing crisis*” (p. 1). Sustainable development has become a critical challenge of our current day and age. The concept of sustainability can be largely delineated as fulfilling the necessities of the existing generation devoid of conceding the capacity of later generations to fulfil their own necessities (Vanderbilt University, 2016). Within this definition, two key factors are relevant:

- Needs- Prevailing precedence should be given to the indispensable requirements of the world’s poor.
- “The idea of limitations imposed by the state of technology and social organisation on the environment's ability to meet present and future needs” (International Institute for Sustainable Development, 2016, p1.).
The aspect of sustainable development necessitates us as a society to view the world as a system or structure, which connects space and time (International Institute for Sustainable Development, 2016). Figure 13 below shows the three spheres of the sustainability model.

**Figure 13: Sustainability model, consisting of the three spheres of sustainability**

![The Three Spheres of Sustainability](image)

Source: Vanderbilt University, 2016, p. 1.

Sustainable development is an inescapable certainty of modern day companies and a duty that is largely accepted by them. Organisations are required to pursue sustainable practices and place more focus on their own sustainable development, since this will allow for companies to improve environmental protection within and outside the organisation, external to its restrictions (Šimanskienė and Župerkienė, 2014). The South African economy as an entity needs to focus on its numerous weaknesses in order to make provision for further success in terms of economic growth and the upliftment of the country. South Africa’s weaknesses comprise the factors of poor labour market effectiveness triggered by inflexible employing and
dissolution of employment practices which embody the rigidity of businesses in terms of determining reimbursements, and substantial strains amongst employee-employer relations (Eustace and Martins, 2014). Thus, in order for all parties to work cohesively to solve problems, it is essential that a resilient form of leadership be employed in tandem with valued relations between leaders and employees. With South Africa being an emerging market constituting a varied labour force, it is imperative that effective leadership and an appropriate organisational environment be established to drive momentum within productivity, profitability and market share progression (Eustace and Martins, 2014). Within literature the concept of sustainable development has been studied within various qualitative facets, these being social, economic, ecological, ethical, political, etc. (Eustace and Martins, 2014). Thus, we find it important to ask, why is it necessary to examine sustainability within the framework of effective leadership?

Based on the premise of numerous reported studies, it is evident that sustainable leadership does not exist as a mere hypothetical probability, but rather exists as mandatory for present-day businesses (Eustace and Martins, 2014). An organisation’s thorough understanding of this concept is thus critical to its enduring success as this idea has become a characteristically conscious factor within consumer minds and their subsequent decision making behaviour (Šimanskienė and Župerkienė, 2014). Formerly, organisational functionality demonstrated a more straightforward methodology, in that profit was the key element sought after. However, within contemporary businesses we find that the social and ecological factors now often enjoy the same importance. Thus, we may ask the question, do organisations actually understand the significance of sustainability within an organisational sense and do they understand the benefits that can be derived from the effective deployment of sustainable leadership within all facets of an organisation? (Šimanskienė and Župerkienė, 2014).

Additionally, in order for organisational weaknesses to be successfully addressed, the nature and association of the existing relationship between leadership, sustainability and organisational environment needs to be clarified as well as the manner in which these factors affect employee job satisfaction, motivational levels and job performance (Cloete, 2011; Greyvenstein, 1982; cited in: Eustace and Martins, 2014). “Sustainable practices support ecological, human, and economic health and vitality. Sustainability presumes that resources are finite, and should be used conservatively and wisely with a view to long-term priorities and consequences of the ways in which resources are used” (UCLA.edu, 2016, p. 1). Sustainability is a concept and action, which has been continuously growing and developing within modern
day society in order to better the lives of individuals. It may be regarded as an essential growth driver within today's economic conditions. Companies are largely modifying their business models to incorporate sustainability in order to further the success of the business. One of the most fundamental challenges encountered within the area of sustainability is the ostensible conflict between fulfilling current needs (which most commonly comprise short term profits) and the necessities of later generations (constituting attention to environmental and community needs) (WordPress, 2015, p. 1).

In addition, due to the reigns being constricted with respect to the global financial crisis, the latter of the two needs seems to be losing this battle (WordPress, 2015). However, does it really have to be either one or the other? Can this not be a win-win situation rather than a tradeoff between generations (environment/public versus economics)? Absolutely. With strategically effective planning and the merging of technical expertise with business acumen, sustainability can essentially be extremely lucrative (Bertels et al, 2010). Further research has identified 15 key opportunities, falling into four specific categories delineating profitable sustainable opportunities (WordPress, 2015):

**a. Cost and Footprint Management**
- Lean production- focusing diminishing waste while ensuring quality.
- Energy and emissions management.
- Low carbon supply chains.
- Closing the loop.

**b. Business Model Enhancement**
- Greener sourcing.
- Greener market positioning.
- Greener customer segmentation.
- Future-proof strategies.
c. Growth and Innovation
- Green product development.
- New green business opportunities.
- Renewable and energy sector growth.
- Clean-tech deployment and growth.

d. Regulatory Change and New Industry Requirements
- Policy research and analysis.
- Regulatory design and policy implementation.
- Carbon markets.

The above opportunities have been proven to escalate profitability within these tough times (WordPress, 2015), thus we may ask ourselves whether it’s possible for the global financial crisis to set in motion a substantial commitment in the above 15 opportunities and re-kindle the sustainability drive? (WordPress, 2015, p. 1). With regard to the growing movement towards sustainability, the following elements have been found to exist as the core business drivers concerning the sustainable agenda:

- Costs and cost reduction.
- Risk and risk reduction.
- Sales and profit margin.
- Prestige and brand appraisal.
- Desirability as employer.
- Innovative proficiencies (Schaltegger, Lüdeke-Freund and Hansen, 2012, p. 10).

Thus, it becomes increasingly important to integrate a corporate sustainability strategy into the organisational strategic model. Table 5 next page displays the interrelationships between corporate sustainability and the core business drivers.
Table 5: Core drivers of sustainability

<table>
<thead>
<tr>
<th>Core drivers of business cases for sustainability</th>
<th>Defensive</th>
<th>Accommodative</th>
<th>Proactive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Costs and cost reduction</td>
<td>Mainly cost and efficiency-oriented compliance activities (often ‘low hanging fruit’ only)</td>
<td>Cost and efficiency-oriented activities actively pursued and linked to sustainability issues when possible</td>
<td>Cost and efficiency-oriented activities actively created to achieve sustainability goals; cost concept includes external social costs</td>
</tr>
<tr>
<td>Risk and risk reduction</td>
<td>Sustainability issues seen as sources of risk; activities aim at risk reduction (in contrast to precaution)</td>
<td>Sustainability and risk management seen as complementary and opportunity-creating concepts</td>
<td>Sources of high risks are largely removed</td>
</tr>
<tr>
<td>Sales and profit margin</td>
<td>Products or product communication are adapted to reduce risks of sales decrease; cause-related marketing to ‘attack’ a green image to unchanged products</td>
<td>Sustainability-oriented customer segments are partly acknowledged and served with specific products (besides existing conventional product lines)</td>
<td>Market-oriented strategies to gain competitive advantage by making sustainability-oriented products and services become the core of the company’s portfolio</td>
</tr>
<tr>
<td>Reputation and brand value</td>
<td>Reputational activities, rather reactive and mainly oriented towards risk reduction</td>
<td>Sustainability activities have limited potential to contribute to reputation and brand due to mainly internal focus</td>
<td>Sustainability is actively communicated and is a major driver of reputation and brand value; the company engages in boundary-spanning and stakeholder integration</td>
</tr>
<tr>
<td>Attractiveness as employer</td>
<td>Increased salaries to retain and attract personnel</td>
<td>Sustainability engagement (and related communication) partially increases attractiveness to some groups of employees and talents</td>
<td>Continuous education, innovative positions, social attention (e.g., towards families) increase attractiveness to highly skilled workforce and new talents due to high sustainability reputation</td>
</tr>
<tr>
<td>Innovative capabilities</td>
<td>Innovations to obscure non-performance with regard to sustainability (e.g., ‘greenwashed’ products)</td>
<td>Process, product, and organisational innovations limited by boundaries of existing business logic</td>
<td>Sustainability-oriented process, product, and organisational innovations transform business logic; sustainability problems and stakeholders are considered a key source of innovation</td>
</tr>
</tbody>
</table>

Source: Schaltegger et al., 2012, p. 104.

As a result of the above listed elements necessary within the formulation of a business model, the incorporation of sustainability and all associated factors must be considered. The comprehensive sustainable business model presented below in Figure 14, represents one which is comprehensively all-inclusive and represents the three pillars of social, economic and environmental factors. Additionally, literature states that this sustainable, three pillar model renders increased effectiveness if used in conjunction with the scholar, practitioner, leader model (SPL) (University of Phoenix, 2013; cited in: Akins, Bright, Brunson and Wortham, 2013). This model comprises three parts being scholar, practitioner and leader which signify the following:

- Scholar: centered on continuous education.
- Practitioner: based on shared workplace offerings and influences.
Leader: the capacity to influence beneficial and positive impact within educational, practiced and specialised and personal life (Akins et al, 2013).

**Figure 14: Comprehensive sustainable business model**

3.2.1 Sustainability - the global scene

The first decade of the third millennium can be remembered particularly for the quick escalation in global recognition of the fast pace at which global warming has been rising, inevitably intensified by mankind’s past and present unsustainable actions (Jovane, Westkämper and Williams, 2008, p. 4). Over numerous years, we as a global society have instituted practices which have led to the detriment of our ecosystem. Some of these include deforestation, pollution of water supplies, greenhouse gas emissions which have resulted in the diminishing of universal biodiversity and unavoidably impacting our quality of life. (Ghimire and Pimbert, 2013). Increasingly, more and more countries are in consensus that global warming is a consequence of our impact on the ecosystem and that now is the time to work in partnership towards changing our individual and established practices in order for later generations to enjoy an ecologically enduring future (Jovane et al, 2008, p. 4).

Literature reflecting the developing social apprehension towards national and global societal and environmental issues extends as far back as the 1960s. In reaction to these concerns, numerous global associations inclusive of the United Nations Economic Commission for Europe (UNECE) (one of the five UN world economic regions), UN Education and Scientific Cultural Organisation (UNESCO) and the World Conservation Union (IUCN) established declarations as well as regulatory guidelines for sustainable development for a more resilient future (Jovane et al, 2008, p. 4). An additional issue which has inflicted numerous adverse effects on society, is the amplified population growth both within Africa and globally.
Figure 15: World Population Growth, 1950–2050


Figure 16: Population growth in Africa

With respect to the above figures displaying population growth, and with specific reference to Africa, we see that the population growth is expected to increase by 21.7% by the year 2050. Within a South African context, our country has been categorised within the middle income status but with elevated levels of income inequity as well as wide-ranging poverty. It is perceived as though we are a country split in two with completely opposing sides, where one encompasses a more technically and industrially progressive, wealthy side, and the other being stagnantly developing and extremely poor.

Additionally, South Africa assumes a life expectancy at birth of approximately 43 years old with an infant mortality rate of 59.4 per 1000, this being exceptionally high for a middle income country (Kapstein, 2008). With consideration of the above factors, Unilever South Africa has instituted a sustainable living plan, which aims to diminish the negative effects of the country’s major issues, by affording the resources to better the lives of society. According to Unilever South Africa (2015), this living plan comprises three core aspects:

a. *Improving health and wellbeing through enhanced hygiene and nutrition.*

b. *Reducing environmental impact.*

c. *Enhancing livelihoods.*

For the successful execution of sustainable practices, we are required to transform global society’s unsustainable actions. This will entail substantial paradigm shifts, predominantly from the existing economic paradigm (which assumes that a society is only able to advance by increasing its utilisation of resources and growing per capita consumption patterns, in spite of the impending adverse effects of this behaviour) (Daly, 1996, cited in: Jovane *et al*, 2008, p. 5). Given the global situation of rapidly increasing environmental problems, linked inextricably with and contributing greatly to rising social and economic issues, citizens need to achieve a better understanding of how dependent they are on planetary ecosystems (Sterling, 2004). Such understanding is key in a sustainability paradigm.
Different sectors of society tend to focus on sustainability issues that affect them and talk about sustainability according to their cultural context, deriving definitions and explanations that are not wrong, but often not complete because of their unidimensional focus (Bertels et al, 2010). An example is the focus on ‘economic development’, usually implying an expanding economy and consumption, rather than implicitly increasing quality of life. Other foci may be the depletion or degradation of environmental resources, social development problems such as equity and peace or economic issues that affect the ‘progress’ of a given community or nation (Bertels et al, 2010).

3.2.2 Sustainability in South Africa

With particular reference to South Africa, our country seems to be challenging the boundaries of its reserve constraints. Having and maintaining the systems of water, food and energy creates the foundation of a robust and resistant economy. However, taking into consideration the current drought crisis, South Africa is a water- scarce country as well as having limited cultivable land and a reliance on coal-fired energy and oil imports (Von Bormann and Gulati, 2014). As the age of low-cost, economical resources nears the end, any existing crisis disturbing either one of the above three listed natural systems will unquestionably affect each other since all three systems have been proven to be co-existent (Von Bormann and Gulati, 2014). Table 6 next page illustrates the co-dependency between these three systems.
Table 6: The co-dependency between water, food and energy

<table>
<thead>
<tr>
<th>WATER DEPENDENCY ON ENERGY:</th>
<th>FOOD DEPENDENCY ON WATER:</th>
</tr>
</thead>
<tbody>
<tr>
<td>□ Pumping of water across watersheds for irrigation and distribution to municipal areas</td>
<td>□ Water for irrigation</td>
</tr>
<tr>
<td>□ Treatment of water and waste water</td>
<td>□ Rain-fed crops dependent on rainfall</td>
</tr>
<tr>
<td>□ Heating of water for domestic and industrial purposes</td>
<td>□ Water for aquaculture and stock watering</td>
</tr>
<tr>
<td></td>
<td>□ Water for processing food</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FOOD DEPENDENCY ON ENERGY:</th>
<th>ENERGY DEPENDENCE ON AGRICULTURE:</th>
</tr>
</thead>
<tbody>
<tr>
<td>□ Cultivation (pumping water, fuel for equipment and transportation, cold chain energy)</td>
<td>□ Production of biofuels</td>
</tr>
<tr>
<td>□ Processing and distribution</td>
<td></td>
</tr>
<tr>
<td>□ Cooking and food preparation at household level</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ENERGY DEPENDENCE ON WATER:</th>
<th>WATER IMPACTS OF FOOD PRODUCTION:</th>
</tr>
</thead>
<tbody>
<tr>
<td>□ Water for electricity generation, including coal-fired power stations and hydropower</td>
<td>□ Pollution from farming (fertilisers, pesticides, antibiotics, etc.)</td>
</tr>
<tr>
<td>□ Water for fuel preparation, including coal washing and fracking</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>WATER IMPACTS FROM ENERGY GENERATION:</th>
<th>FOOD IMPACTS FROM ENERGY GENERATION:</th>
</tr>
</thead>
<tbody>
<tr>
<td>□ Pollution from mining and fracking</td>
<td>□ Land and water degradation due to mining</td>
</tr>
</tbody>
</table>


As per the table above, the significance of water as a natural resource is abundantly clear. Water exists as a requirement for the growing and manufacturing of food and its importance is colossal. Additionally, it forms an integral part of the generation of energy and an imperative contribution to the manufacturing of the following elements:

- Fertilisers and agricultural chemicals.
- Growing crops and raising livestock.
- Accessing marine food resources (Von Bormann and Gulati, 2014, p. 4).
The challenges experienced over the last few years have necessitated increased priority being placed on comprehensive sustainability methods. The fast moving consumer goods industry in particular faces increased difficulty within the business environment as a result of the escalation in caution practiced by consumers with respect to their buying attitudes as well as the financial and commodity markets continuing on their turbulent path (KPMG, 2011). Numerous companies have discovered that the element of maintaining a “clean and lean” business is no longer a choice but rather a business necessity so as to conserve margins and progress growth (KPMG, 2011). According to a recent publication by KPMG expressing the importance of sustainability to conventional stakeholders, it was discovered that in terms of investment, an increasing number of factors are currently evolving in the management of environmental, social, governance (ESG) elements (KPMG, 2011).

Environmental, social and governance factors are viewed as substitutes for management excellence, organisational reputation, risk management, and essential to the company’s future success in accordance with improved sustainable earnings to investors (KPMG, 2011). A survey executed by Penn Schoen Berland (a market research and strategic consulting firm based in the United States) revealed that in spite of the latest economic stagnation, three-quarters of consumers stated that being socially responsible was a significant aspect in their purchasing choices (KPMG, 2011). However, if the objective here is to take cognisance of consumers’ and all stakeholders’ types of mindful judgements, a tactical and cohesive method to sustainability is no longer adequate. Organisations are required to increase visibility of company performance through revealing of sustainability data in both qualitative and quantitative methods (KPMG, 2011).

Common areas of interest comprise environmental effects, social responsibility, climate change, responsible governance and environmental innovation. An effective sustainable strategy is more vital today than it has ever been, with particular reference to its substantial influence on an organisations market growth (Von Bormann and Gulati, 2014). Previous technological developments for example, fossil fuel mobilisation and the massive rise in food production have elevated standards of living and created unforeseen and unsolicited impacts on the environment. Therefore, it is imperative that we learn how to combine economic progression in tandem with ecological sustainability (Petala, Wever, Dutilh and Brezet, 2010). Sustainable development has been described as the “ability of current generations to meet their needs without compromising the ability of future generations to meet theirs” (Brundtland, 1987; cited in: Craynon, 2013, p. 112). However, this definition of sustainable development is
unsuccessful in illustrating what specifically needs to be accomplished by organisations predominantly concerning new product development (Pujari, 2006). The “triple bottom line” (Ralston, Egri, Karam, Naoumova, Srinivasan, Casado, Li, and Alas, 2015) having economic, social and environmental dimensions, has facilitated companies’ approaches towards the sustainable development challenge, to address it in a proactive manner. Still, incorporation of sustainability into new product development processes continues to render challenges, and it is not a singular change (Petala et al, 2010). The developing social and regulatory fears regarding the environment have led a rising number of organisations to view green issues as a major foundation for strategic change. In particular, this trend has immense and perplexing insinuations on the technological strategy of a corporation and on its product innovations. However, there are certain obstacles to the institution of more environmentally oriented consumption and production styles (Petala et al, 2010).

Organisations are increasingly identifying the significance of green marketing concepts. The world as a whole has come to recognise the necessity of green marketing, environmental marketing and ecological marketing which render the same implication to the research area. Despite the impact that ecological issues may inflict on our daily activities, some do not realise the severity and implications that sustainability can have on situational outcomes (Wanninayake and Randiwela, 2008). The fast moving consumer goods segment is a significantly large division within the economy which has expanded their view on eco friendliness. As society becomes more complex with environmental pollution and unethical business practices, now both consumers and business organisations are concerned with the natural environment. Thus businesses have commenced revising their conduct in an effort to address this society's "new" apprehensions.

The fast moving consumer goods sector is a developing industry that is concerned with green marketing matters. A majority of marketing specialists are utilising green components as an influential marketing tool (Wanninayake and Randiwela, 2008). Furthermore, a segregated set of Corporate Sustainability (CS) classifications suggests that features of corporate sustainability are non-existent and that the factors of public disclosure, stakeholder engagement, human capital, transparency, etcetera, should be consistent with the framework and precise ambition level of CS (Van Marrewijk and Werre, 2003). A sustainability framework has been proposed by Van Marrewijk and Were (2003), which assembles the various motivation stages in relation to the numerous model type perspectives wherein organisations function consistent with associated value systems. This has been termed the
“multiple levels of corporate sustainability” (Van Marrewijk and Werre, 2003). Throughout the 1950s and 1960s, wide-ranging experiential studies were executed by Professor Clare W. Graves (a professor of psychology from the US), concerning values and stages of existence (value systems). From this research, it was deduced that mankind has progressively established eight core value systems to date (Wanninayake and Randiwela, 2008). “A value system is a way of conceptualising reality and encompasses a consistent set of values, beliefs and corresponding behaviour and can be found in individual persons, as well as in companies and societies” (Van Marrewijk and Werre, 2003, p. 2). This value system progression ensues a fixed direction. The values are listed below.

- Survival
- Security
- Energy
- Power
- Order
- Success
- Community
- Synergy
- Holistic life system (Van Marrewijk and Werre, 2003).

From the above listed essential Gravesian value systems (Gravesian theory holds that individuals exist at different planes of existence) (Beck and Cowan, 2014), only six are substantially pertinent within the context of corporate sustainability. Table 7 next page provides a short explanation of each value system with respect to the (views of) the environment (life circumstances) which prompt the subsequent value system.
**Table 7: Development of human and organisation value systems**

<table>
<thead>
<tr>
<th>MAIN THEMES [SEE ABOVE]</th>
<th>ENERGY &amp; POWER (RED)</th>
<th>ORDER (BLUE)</th>
<th>SUCCESS (ORANGE)</th>
<th>COMMUNITY (GREEN)</th>
<th>SYNERGY (YELLOW)</th>
<th>HOLISTIC LIFE SYSTEM (TURQUOISE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environment</td>
<td>Stateless challenges about boundaries of the territory and to be dominant over self and others within the territory.</td>
<td>Ordered relationships requiring legitimization in order to ensure stability and security for the future.</td>
<td>Many viable alternatives for progress, prosperity and material gain since change is the nature of things.</td>
<td>The gap between people and their (material) possibilities has become disproportionately large.</td>
<td>Complex problems that cannot be solved within the current systems as awareness of broad interconnections grows.</td>
<td>The consequences of human actions threaten the planet’s living systems and demand coordinated effort.</td>
</tr>
<tr>
<td>Life Force</td>
<td>Conquering Domination</td>
<td>Belief</td>
<td>Achievement Changeability</td>
<td>Belonging</td>
<td>Understanding</td>
<td>Interconnections</td>
</tr>
<tr>
<td>Main Focus</td>
<td>Individual/self</td>
<td>Group/collective</td>
<td>Individual/self</td>
<td>Group/collective</td>
<td>Individual/self</td>
<td>Group/collective</td>
</tr>
<tr>
<td>Typical Values</td>
<td>Courage, vitality, strength, respect, personal power, rivalry, territorial, individualism, loyalty to persons.</td>
<td>Clarity, discipline, one truth, responsibility, loyalty, duty, guilt, conformity, justice, obedience, orderliness.</td>
<td>Results, reward, usage, quality, innovation, productivity, creativity, career advancement, enterprise, control.</td>
<td>Consensus, conflict, avoidance, teamwork, equality, participation, honesty and openness, being a decent person, humility.</td>
<td>Insight, integrity, learning, long-term orientation, ability to reflect, flexibility, tolerance for uncertainty and paradoxes.</td>
<td>Inspiration, interdependence, future generations, ability to forgive, wisdom, sufficiency, responsible living</td>
</tr>
</tbody>
</table>

Source: Van Marrewijk and Werre, 2003, p. 3.

**SYNTHESIS:**

The points below provide an outline of the key issues present within South Africa in terms of its position with respect to the broader sustainability agenda.

- South Africa as a whole may be viewed as the most competitive economy within sub-Saharan Africa (Šimanskienė and Żuperkienė, 2014).
- South Africa is faced with numerous complex issues as a result of globalisation, namely a continuously changing technological landscape, social and economic problems and environmental protection (Eustace and Martins, 2014).
- Present day corporate industries may be categorised as continuous unpredictability and disorder (Eustace and Martins, 2014) which makes it significant for organisations to institute new attitudes and innovative approaches (Šimanskienė and Żuperkienė, 2014).
- Sustainable development has become a critical challenge of our current day and age (Eustace and Martins, 2014).
Successful organisational success may be generated by effective relationships between the economic, social and environmental factors (Bertels *et al.*, 2010).

For decades, our global society has introduced practices leading to the detriment of our ecosystem (e.g. deforestation, pollution of water supplies, greenhouse gas emissions) consequently allowing for the diminishing of universal biodiversity and unavoidably impacting our quality of life (Eustace and Martins, 2014).

Thus, universal society’s unsustainable practices need to be transformed in order to successfully implement sustainability (Kapstein, 2008).

This will encompass considerable paradigm shifts, largely from the existing economic paradigms (Eustace and Martins, 2014).

The following section discusses organisational expression systems.

### 3.3 Expression of value systems in organisations

Table 8 next page presents a short depiction of distinctive types of expression within organisations of each value system. When a particular value system is prevailing, the associated types of expression will occur in numerous instances and inherit high levels of emphasis within the organisation (Van Marrewijk and Werre, 2003). However, a particular form of expression (e.g. certain behaviour) does not automatically imply that the related value system is operational. Since a particular value system includes and surpasses previous ones, a basic expression can be found within every framework. For instance, rules and regulations will be found in every organisation, not only in organisations with a dominant Blue value system. The key question when certain behaviour is displayed is:

“Why is it important for you to do this?” (Van Marrewijk and Werre, 2003). In the example of rules and regulations, answers correspond to colour codes as given below:

- **Blue value system answer**: “Because rules provide me with the desired order and stability; rules are important by themselves and must be followed”.

- **Orange value system answer**: “Because the rules we use ensure smooth functioning and lead to success and high profit; rules can be followed as long as they help us in achieving our goals (and can be bent when not)”.
In a more westernised organisation, many of these value systems to a changeable degree, will be existing within their specific employees. However, one or two value systems will generally tend to be reflected as the dominant theme in the corporate culture (Wanninayake and Randiwela, 2008 and Van Marrewijk and Were, 2003).

### Table 8: Forms of expression in organisation

<table>
<thead>
<tr>
<th>Forms of expression</th>
<th>Possible ineffective forms of expression</th>
</tr>
</thead>
</table>
| **Energy & Power (Red)** [see above] | • Selfish at the expense of others; exploitive
| • Strong drives to prove own power |
| • Energetic and egocentric acting out |
| • Quick to act, often impulsive and uncontrolled |
| • Powerful leadership through dominance |
| **Order (Blue)** | • Planning and regulation is more important than the objective
| • A deal is a deal; |
| • Clarity for all, orderly, obedient to rightful authority; |
| • Rules and regulations, logic, step by step |
| • The assigned task is the focus, not the person |
| **Success (Orange)** | • The end is more important than the means: ethical issues
| • Success and result-oriented through improvement |
| • Means serve the end, pragmatic |
| • Informal and pragmatic lines of communication |
| • Desire to compete and to become better |
| **Community (Green)** | • Pace of action and decisions is slow since everyone must agree
| • Tolerance and accepting of differences |
| • Group bonding, sharing and caring for others, consensus |
| • Using each other’s qualities for mutual growth |
| • Makes judgments relative to the situation at hand |
| **Synergy (Yellow)** | • Criticism is smothered by love, not down to the point |
| • Self-development and also environmentally concerned |
| • Focused on the ability to learn and apply knowledge |
| • Flexible organizational forms depending on situations |
| • Strong leadership without dominating / use of raw power |
| **Holistic life system (Turquoise)** | • Consensus is more important than expertise: risk of non-functional decisions
| • Global thinking; broader view of working, living and nature |
| • Care for natural and human resources as one entity |
| • More selfless and altruistic with focus on holistic view |
| • Decision making independent of the own group |
| • Difficulty to implement in conventional organizations |
| • ‘Everything is connected to everything else’-syndrome |

SYNTHESIS:

The points below provide an outline of the key factors present within a value system.

- Within every organisational system exists a form of expression.
- Many of these value systems occur within certain employees.
- Despite the list of numerous value systems, generally only one or two will exist as dominant.

The following section discusses the concept of green consumerism.

3.4 Green consumerism

Modern day society has given rise to a more knowledgeable consumer market. With the progression of globalisation and the effects of global warming, more awareness campaigns have been directed towards conveying the present state of environmental sustainability. Consequently, this has given rise to green marketing - targeted towards the development of green consumerism (or ethical consumerism), and the increase of socially cognisant consumers - a strong representation of the green movement (Anvar and Venter, 2014). Green marketing has developed into a forceful tool in terms of gaining competitive advantage. It is important to note that there commonly exists a gap between consumer attitude and behaviour (Makhutla, 2014). Having an individual be aware of the benefits of green purchasing and its subsequent positive effects doesn’t necessarily translate into a green purchase (behaviour) (Makhutla, 2014). Thus, it is necessary for the gap between attitude and behaviour to be reduced, and this can be achieved through the identification of the key elements affecting green purchasing. The following elements are:

- Green value and knowledge
- Green criteria purchase
- Barriers and facilitators
- Product purchase
Additionally, it is important to understand the external elements affecting a consumer’s attitude. Figure 17 below represents the environmental orientation causing shifts within consumer perceptions.

**Figure 17: Model of environmental orientation**

Source: Anvar and Venter, 2014, p. 186.

Considering the elements which affect green purchasing and Figure 17 above, we can see that the gap between a consumer’s attitude and behaviour may be caused by several influencing factors. These are:

- Social influence.
- Environmental awareness.
- Price (willingness to pay).
- Gender (amongst generation Y consumers).
With consideration to the global green market shift, and Unilever South Africa’s current standpoint on sustainability, significant emphasis should be placed on attracting the growing consumer market towards greener purchasing. Research indicates that positive green consumer attitude does not necessarily translate to green purchasing behaviour (Anvar and Venter, 2014). FMCG’s need to shift additional focus towards creating more awareness of the benefits derived from green purchasing. Consumers’ external environments need to be further scrutinised to determine behavioural influencing factors.

The following section discusses the numerous economic challenges faced in South Africa.

### 3.5 Economic Issues

Given South Africa’s increasing incorporation into the global market, the impact of the global economic crisis was inevitable, resulting in GDP diminishing to 3.1% (SouthAfrica.info, 2013). Domestic consumption continues to be a driving factor in terms of economic progression, however, this is occurring at a slower pace than what was formerly forecast, with projected growth for 2015 at 3.8% (SouthAfrica.info, 2013). Additionally, development is not the only pursuit in terms of attaining growth - a more sustainable and equitable future needs to be generated. The government has displayed resolute behavior towards addressing inequalities via the economic incorporation of its formerly underprivileged majority into the mainstream economy.

Currently one of the most difficult issues facing South Africa is the unemployment rate of 25% and job creation is high on the list of government core objectives. In November 2010, a new growth plan was introduced which builds on strategies to rearrange existing growth plans and the result of this sets a target of five million new jobs being created by 2020 (SouthAfrica.info, 2013). Additionally, South Africa’s economy witnessed growth of 0.7% in quarter three in 2015 and the major industry sectors of mining, agriculture and electricity, gas and water supply have decreased in magnitude (SouthAfrica.info, 2016). With the incorporation of the above factors, and consumers’ continuous struggles within this unpredictable economic atmosphere, new findings have ascertained the five chief influences on grocery purchases, i.e.:
Due to the above factors, it now becomes essential that the end offering to consumers encompasses an extensive range selection of quality and superiority, cost effectiveness and products which are value-positioned (Bright and Fry, 2013). With a growing interest towards going green, and a 3% increase since prior year, promotion sensitivity has been rising within South Africa to a record 38% growth since 2005. Despite in-store promotions, comprising giveaways and prizes, consumers make their purchase choices based on price promotions (i.e. they are looking to make a direct pocket saving) instead of prize promotions. Value for money is becoming ever more attractive, with bulk packs and two for one deals working most effectively since these promotions directly display a direct pocket saving on the consumer end. Additionally, through surveys and research, numerous individuals have specified that retailer loyalty programs have a big influence on shopping contemplations, which further emphasises the need for instantaneous shopper fulfillment (price discounts), in preference to redeemable incentives (Bright and Fry, 2013, and SouthAfrica.info, 2013).

**SYNTHESIS:**

South Africa currently faces numerous issues contributing to the stagnation of economic growth. The points below provide an outline of the largest areas of concern and the sectors which afford greatest opportunity for growth if managed effectively.

- The South African economy’s growth rose by a minimal 0.7% in quarter three of 2015.
- Within our ten leading industry groups, three diminished in size: mining, agriculture, and electricity, gas and water supply.
- One of the country’s most problematic issues is the rising unemployment rate, currently at 25% (SouthAfrica.info, 2016).

The next section discusses the existing state of economic affairs.
3.6 Challenging the economic status quo

The infamous “Rubicon Speech” delivered in 1985 by the then President P. W. Botha entailed the public and global anticipation to pronounce great reforms within the South African government, mainly encompassing the eradication of apartheid and the release of Nelson Mandela (Giliomee, 2012). To all audiences’ dismay, he blatantly stated the complete opposite, maintaining his stance on apartheid and the imprisonment of Nelson Mandela (Giliomee, 2012). Subsequent to this, South Africa bore witness to the fast depreciation of the local currency the rand against the dollar causing sharp declines in the value of the rand, followed by higher costs and economic sanctions against South Africa. This placed the county under immense pressure in terms of its financial stability. Similarly, our country currently experiences a somewhat parallel situation with consideration to our existing president’s decision making skills (current president, Jacob Zuma) (Donnelly, 2016). It is predicted that South Africa may witness a “slow motion” repeat of the 1985 events, possibly concluding in a debt standstill. This probable outcome may be attributed to the following:

- President Zuma’s incomprehensible decision to remove and replace his Finance Minister Nene at the end of 2015. This judgment hit our country hard as it has resulted in the rand to dollar substantially decreasing and subsequently increasing the capital value of interest re-payments on foreign debt (Donnelly, 2016).

- Additionally, the country faces the risk of its credit rating being relegated to a “junk status” which will inevitably result in credit lines being eradicated by foreign funders for instance, banks (Donnelly, 2016).

If we use the events of 1985 as an example, this led to foreign banks rejecting the continuing of South African short-term debt, which triggered added devaluation of the exchange rate of the rand. Thus, in light of the current political decisions being made, our government needs to portray conscientious and accountable behaviour to prevent a recurrence of 1985 (Donnelly, 2016). Another factor which needs to be considered, is debt standstill. With the devaluation of the currency arises both advantages and disadvantages. An apparent benefit is that exported
goods are cheaper abroad thus demand for these exports rises. The downside is increased prices of imported goods and services. Goods and services that are higher in cost place pressure on internal inflation which could give rise to surges in interest rates. Additionally, currency devaluation escalates the capital value of foreign debt in the domestic currency. Furthermore, for the first half of 2016, the exchange rate of the South African currency has displayed substantial devaluation. This can be recognised as a hastening of a long-term diminishing trend (SouthAfrica.info, 2016). The weighted exchange rate of the rand has lost approximately 50% of its value since 2010 which indicates a decrease in almost half of its value. South Africa risks succumbing to a probable “junk status”.

This means the country’s foreign debt position is at risk in three instances. Primarily, currency devaluation increases the capital worth of monies on loan from overseas in foreign exchange, therefore this escalates the settlement liability on South African borrowers. Essentially, foreign debt as a fraction of GDP rises due to currency devaluation (Donnelly, 2016). In addition, currency devaluation causes a rise in the interest payments on foreign debt which is intensified by a global standardisation of interest rates. The third aspect is a possible credit risk relegation to junk status of the country by international ranking agencies. In the event of this downgrade taking place, international banks and other organisations will be hesitant to make loans to South African individuals, or may even remove current credit lines (SouthAfrica.info, 2016).

**SYNTHESIS:**

South Africa is faced with numerous issues which contribute to weakening our country’s reputation, thus resulting in adverse economic effects. These are:

- In addition to the numerous economic issues faced by South Africa, we face the risk of our credit rating being demoted to “junk status”, unavoidably causing the elimination of credit lines by foreign funders (Donnelly, 2016).

- The issue of debt standstill must be considered as this may lead to surged prices in imported goods and services. This will inevitably place pressure on internal inflation subsequently leading to a rise in interest rates (Donnelly, 2016).

The following section highlights the challenges faced within the FMCG industry.
3.7 Challenge Deliberations: An FMCG Perspective

Fast moving consumer goods are increasingly experiencing a product distribution problem. Product accessibility, or its lack thereof, is out of reach for just below a third (31%) of Africans in South Africa due to poverty. Additionally, the de-listing of products is a frustration for numerous consumers. Viewing the continent in its totality, it comprises approximately 594 million consumers and 2.6 million retailers. Apart from price, shoppers purchase brands which are effortlessly accessible and this forms the second driver of consumer purchase decisions. Thus, robust distribution is a significant element for successful economic related advances in Africa (Bright and Fry, 2013). Research suggests that 57% of consumers state that when shopping, they always shop at the same store. Taking into consideration that there exists roughly 120 stores per million of the South African population, selections are countless. This aspect isn’t set in stone, however, a major reason for this is the increasing fuel prices which are affecting shopper decisions.

Consumers deliberate upon the cost of travelling to purchase and view this as a major hindrance (SouthAfrica.info, 2013). There exists the issue of in-house brands which are increasing rapidly and placing immense competitive pressure on FMCG brands. Research shows that there has been a constant increase over time (Bright and Fry, 2013). South Africans are preferring to buy house vs name brands (59%) and this presents a challenge for name brands (Bright and Fry, 2013). Store space is limited with preference given to house brands (Bright and Fry, 2013). This in accordance with lower pricing, meaning that manufacturers are required to relay their brand’s value proposition, assortment and quality offering in order to maintain shopper loyalty, especially when price is the prevailing factor in the marketplace (SouthAfrica.info, 2013).

Additionally, research shows that consumers are moving more towards the purchase of “greener” products and are prepared to pay higher prices for these ecofriendly products. Organisations are investing heavily towards expediting the advancement of new greener products and to innovate current ones to make them additionally eco-friendly. The market is subsequently reacting to these modifications by selecting green products over conventional products (Bright and Fry, 2013). Numerous elements impact consumer’s environmentally friendly product purchase choices. Research has underlined the significance of effective supply as a dynamic which prompts green product purchase and a desire for attractive credit systems for buying greener goods with consideration of and comprehension of its continuing benefits.
(Bright and Fry, 2013). Consumers are increasingly shifting towards an indecisive and erratic mindset as they recognise the need to manage household finances efficiently. Thus in order for a brand to be prominent, it is essential that its value message be successfully communicated and its corresponding quality level be distinguishable with the fluctuations in price to drive purchase decisions (SouthAfrica.info, 2013). The associations between energy and food structures is an indication of the pressure exerted by supply and prices placed on the agriculture sector in terms of its capacity to supply affordable food. Additionally, the accessibility and price of energy is a crucial element for South Africa’s water security. The figures below illustrate the expected increases in electricity prices and its consequential impact on price hikes within the agricultural sector.

**Figure 18: Electricity price increase (%)**

**Figure 19: Impact of electricity price hikes on agriculture sector**

Prior years were deemed a good period for the fast moving consumer goods industry due to the positive economic growth rate and lowered inflation and input costs. However, given our country’s current situation, the escalation in foods prices and raw material costs have resulted in a decline of approximately 16 percent in operating margin. The increase in food inflation subsequently has a negative impact on the fast moving consumer goods industry (Saikrishna, 2010). The consequences of food inflation are highly undesirable, since there lies an inclination towards limiting consumer demand and price elasticity. Continuous functioning in an unpredictable and fluctuating market such as this poses numerous difficulties for the ongoing success of FMCG’s. Thus, organisations are required to constantly innovate and uncover additional methods of working in a more sustainable and efficient manner (Saikrishna, 2010).

3.8 A competitor perspective

A commonly posed criticism of global companies residing within developing countries is that their universal brands and refined, complex strategies overpower local competitors resulting in their exiting of the business arena. Unilever South Africa (ULSA) produces and sells products which create high competition amongst other competitors (namely Procter and Gamble, Nestle as well as local Tiger brands) (Kapstein, 2008). Although this environment is not controlled by an individual organisation, it unquestionably provides an onerous, complex competitive environment for each organisation to participate within (Kapstein, 2008). When discussing the fast moving consumer goods industry, it is important to understand the nature of this sector.

This industry predominately encompasses the manufacturing, distribution and promotion of “consumer packaged goods (CPG)”. CPGs can be described as everyday consumables which are purchased by customers on a daily basis, hence the importance of the industry (EconomyWatch, 2010). With consideration of the growing population, these products are continuously required and demanded by consumers. A few of the core functions which fast moving consumer goods organisations also partake in are retailing, advertising, financing, buying, operations management, supply chain, and so on. In order for an organisation to ensure sustained success within the current economic and environmental market, it is essential that sustainability be integrated within all the above mentioned processes (EconomyWatch, 2010). When considering FMCGs from an investment perspective, it is important to note that organisations demonstrating a long term sustainable competitive advantage are commonly
sought after since companies of this nature have proven to maintain robust strategies. Thus it is essential to comprehend the specifics of sustainable competitive advantage. According to Boundless.com (2015), “sustainable competitive advantage (SCA) can be defined as the characteristics of a business that allow it to consistently maintain an irreproducible market position” (p. 1). Sustainable competitive advantage focuses on maintaining a sustained competitive advantage for the organisation in question and counteracting the SCA of competitor companies. This advantage can be attained by the successful execution of value-creating strategies which are not concurrently being applied by contending companies. In order for these strategies to generate value, they are required to comprise rarity, importance and should not be interchangeable or transposable. Sustainable competitive advantages are those which are not easily mimicked therefore are able to be maintained over longer periods of time.

However, the successful implementation of these strategies to create an SCA necessitates that strong customer loyalty be established, positive customer service levels, a resilient and optimistic organisational reputation be maintained, and suitable distribution channels, well established vendor relationships, distinctive merchandise, and additional bases for advantage exist (Boundless.com, 2015). With that being said, since its establishment Unilever has encountered numerous competitors constantly fighting within the business environment for market share, consumer loyalty, profit gain, etc. Procter and Gamble (P&G) is one of Unilever’s biggest competitors and has been aggressively fighting towards surpassing Unilever as a highly sustainable company. Despite Unilever acquiring numerous honors for its ethical reputation globally, Procter and Gamble have ‘come on strong’ with their wide encompassing range of “community-betterment” programs (Boundless.com, 2015).

The have instituted at least eight P&G brands with dynamic advertising operations publicising benevolent or environmental efforts (Procter and Gamble, 2016, p. 1). When it comes to environmental sustainability, Procter and Gamble seeks to strategise within the following constructs:

- Powering plants with 100% renewable energy (Procter and Gamble, 2016, p. 1).
- Using 100% renewable or recycled materials for all products and packaging (Procter and Gamble, 2016, p. 1).
- Having zero consumer and manufacturing waste go to landfills (Procter and Gamble, 2016, p. 1).
Designing products that delight consumers while maximising conservation of resources (Procter and Gamble, 2016, p. 1).

Additionally, Procter and Gamble continues to execute strong corporate social initiatives, for example the Live, Learn and Thrive initiative aids children’s needs globally in order for them to receive a good education and healthy lifestyle (Procter and Gamble, 2016). In addition, further programs which are aimed at CSR are “Our Always Keeping Girls in Schools” and “The Children’s Safe Drinking Water” programs. P&G maintains an objective of shaping all employees’ minds towards the incorporation of sustainability into their daily actions and practices (Procter and Gamble, 2016). Additionally, Procter and Gamble have set specific 2020 goals towards which their social and environmental objectives will vigorously be driven. These are:

- Substitute petroleum based materials with sustainably found renewable materials (25%), thus using 100% recyclable materials for goods and containment.
- Packaging diminution (20% per consumer use).
- Consumer solid waste - aimed at understanding how to eradicate landfill consumer waste, whereby no waste goes to landfills (Procter and Gamble, 2016).
- The discontinuing of any fossil-based CO₂ or toxic emission.
- Providing the outflow of good water quality which is superior to influent water quality having no influence on water scarcity (considering the current drought we face (Procter and Gamble, 2016)).

It is important to note that P&G is deemed the biggest consumer packaged goods (CPG) company globally, rendering it as extremely tough competition.
SYNTHESIS:

The FMCG industry can be characterised by high measures of uncertainty and a highly competitive nature with large prospect for growth. The points below summarise the key issues which if resolved, can yield increased organisational growth.

- The fast moving consumer goods industry is increasingly experiencing a product distribution issue.
- The de-listing of products is a strong frustration for numerous consumers.
- Strong distribution is an important factor to successful advances in Africa (Bright and Fry, 2013).
- The presence of in-house brands which are fast growing has placed massive competitive pressure on FMCG brands.
- Consumers are shifting more towards “greener” purchasing, and are prepared to pay higher prices for ecofriendly products.
- High investments are made for accelerating the development of new greener products and the innovation of current ones to make them more eco-friendly.
- With consideration of the growing competition within the fast moving consumer goods industry, it becomes essential that organisations engender and maintain a sustainable competitive advantage.

The next section highlights the study’s conceptual framework in terms of what is sought to be achieved from the research.
3.9 Conceptual Framework: AUTHORS CONSTRUCTION

The aim of this research study was to determine the importance of strategic leadership and change management in achieving the overall national sustainability objective within Unilever South Africa. The literature provided an overview of key components affecting organisational performance in terms of leadership, change management and sustainability. The subsequent theories were reviewed and the most appropriate measures were discussed to sustain overall positive growth and organisational performance. As per the diagram below, the variables involved in this study are leadership excellence, which constitutes a combination of transformational and charismatic (African) leadership in conjunction with the implementation of strategic leadership. Since the world has shifted to a more sustainable platform, the elements of leadership must work in tandem with the execution of a comprehensive sustainability model which needs to be addressed from a social, environmental and economic standpoint.

Further to this, the third variable constitutes a focused green consumerism strategy which is essential in attracting the right market (comprising all stakeholders and considers the growing eco-friendly consumer market). This study seeks to determine the importance of the three aforementioned variables and how they may effect organisational change in order to sustain organisational growth and performance. The study then proposes that maintained organisational success requires Unilever to acquire a sustainable competitive advantage. Competitive advantage, once gained, becomes the antidote to competitor superiority and is the route to long term success. However, in order to attain a competitive advantage, a key factor in this equation is the generation of organisational sustainability. This study then examines the factors of leadership, change management and sustainability in parallel and proposes that if all three variables are instituted concurrently and effectively within Unilever, this may inevitably lead to sustained organisational success through a sustained competitive advantage.
The aforementioned conceptual framework encapsulates this research study’s aimed focus and content, by illustrating the relationship between the examined variables. The aim of this study was to analyse Unilever’s success within South Africa in integrating its leadership implementation strategy towards the reduction of its carbon footprint. From the above framework, the following is evident:

- A charismatic leadership strategy (integrating African leadership, specifically) is the most appropriate to be implemented within Unilever (ULSA). Collectively, this coupled with a comprehensive sustainability model and strong green consumerism strategy, will render organisational sustainability, thus resulting in a sustainable competitive advantage affording increased organisational success.
This model is all inclusive of the effective deployment of the following elements:

- Strategic flexibility, technology, social networks, organisational capacity, control systems, competitive assertiveness.
- Social capital, socialisation, social awareness, trust, value systems.

The conceptual framework was constructed on the premise that leadership excellence, strategic leadership, a rigid sustainability model and green consumerism incorporated, will yield a sustained competitive advantage which will further lead to sustained organisational success.

### 3.10 Conclusion

This chapter reflects the literature review component of the research study by providing an outline for the motivation supporting modern day leadership strategies in tandem with organisational growth objectives. The chapter examined sustainable development both globally as well as in South Africa. It examined the nature of the FMCG industry and methods needed to be employed in order to maintain a sustainable competitive advantage. For FMCG companies today, integrating (and proving) sustainability requires more than just adding a ‘green’ feature to products and charging a premium for them. With the increase in competition, this translates to more power and choice for consumers. In this era of the internet and social media, consumers are also becoming more vocal as they can compare products, prices and customer experiences online in real time.

While companies have nowhere to hide, the fact that consumers are now more active in voting with their wallets can be seen in the pressure being placed on companies to demonstrate a commitment to sustainability, fair business practice, appropriate food labelling and employment equity, to mention a few recent instances. Companies that fail to stand up to customers’ scrutiny will feel the effects in lost sales. Given local constraints and despite the considerable challenges, Unilever has begun to expand into the rest of Africa and increase the presence they already have there. Over the years, many of the most successful companies in South Africa have developed their business models to compete and be successful in the tough African market. Unilever South Africa continues to modify and adapt its business model so as to encourage further sustainable methods.
Long-term success will depend on a continued focus on the consumer, efficient supply chains and a low cost of doing business. Additionally, the ability of Unilever being able to identify, react to and take advantage of changing consumer behaviour will determine their level of success. Chapter two examined what type of leadership strategy is most applicable to an organisation operating within South Africa, with consideration of the current economic climate as discussed in chapter three. Additionally, chapter two further outlined the specific change leadership and sustainability models required to remain ahead of competitors (Fullan, 2002). The following chapter discusses the research methods employed in conducting the study.
CHAPTER 4
RESEARCH METHODOLOGY

4.1 Introduction

The paradigm of this research is mixed-methods or triangulation. This type of research has developed from evaluation research and comprises the integration of quantitative and qualitative approaches in terms of creating new knowledge and can include either synchronised or sequential use of these two classes of methods in following a line of inquiry (Bulsara, 2015). Furthermore, the quantitative aspect assumes a realist approach. Reality can be measured and hence focus is on reliable and valid tools to obtain that which include quantitative measurements, such as statistical analysis and questionnaires. This chapter aims to describe the research methodology employed in this study. Additionally, it will delineate the physical area in which the study was carried out, the research design, population and sampling strategies (Mbambo, 2009). The data collection methods and data control factors are further described. The underlying connections between the leadership style executed by top management (level 2 and 3 employees) and the perspectives of lower level employees (level 1 employees) in terms of their overall alignment with management’s decisions and their productivity are identified (Thomas, 2010).

This study aims to explore the importance of what type of leadership is best suited to the company under investigation, Unilever (South Africa) and how it can be utilised in conjunction with change management and effective mechanics of sustainability (Shilubane, 2009). This is to effectively decipher how fast moving consumer good’s companies can modify their business model, ensuring the continued success of the company, inclusive of a competitive advantage, within a turbulent environment of increasingly significant concerns and uncertainty (Oosthuizen, 2009). The literature review provided in Chapter 2 described the encompassing factors of effective leadership, change management and sustainability. This research assumes predominately, a quantitative research method, using a questionnaire comprising mainly closed questions with two open-ended questions, thus incorporating the need for minor qualitative interpretation (Data Collection Methods, n.d.). The underlying significance of this chapter rests within acquiring an understanding of the research methodology and procedures which were utilised in attaining the necessary information establishing the foundation of this study.
4.2 Research aim

The importance of strategic leadership and change management in achieving the overall national sustainability objective: The case study of Unilever.

4.3 Main research question

The importance of strategic leadership and change management in achieving the overall national sustainability objective: The case study of Unilever.

4.4 Research objectives

The research objectives relate to Unilever as indicated in the main research question.

The below objectives aim to decipher the fundamental platforms required for instituting effective leadership for sustained competitive advantage.

4.4.1 To determine the type of leaders’ that are necessary in succeeding within fluctuating environments.

4.4.2 To identify the type of evaluation used to select the right leaders in ensuring long-term organisational success.

4.4.3 To identify the connection between effective organisational leadership and the advancement of sustainability.

4.4.4 To determine what type of business model is best suited to generate enhanced customer offers that are integrally sustainable.

4.4.5 To understand the dynamics surrounding the current economic state and decipher methods of creating greener consumers.

4.4.6 To determine the methods to be implemented by Unilever in order to attract the increasing ethical consumer market.
The following sections provide an in-depth explanation of the research process undertaken.

4.5 Research Philosophy

A research philosophy can be described as a presumption regarding the style and methods used in terms of collecting and examining information on the phenomenon under study (Research Methodology, 2016). A research approach may assume the form of doxology (that which is thought to be factual) or epistemology (that which is proven to be factual) (Riley, 2007). Therefore, it is found that science in its essence, seeks to shift doxology into epistemology (Kothari, 2004). Literature has recognised four leading research philosophies existent within the framework of business studies. These are pragmatism, positivism, realism and interpretivism (interpretivist) (Research Methodology, 2016). The research approach then chosen for this study relates to pragmatism (mixed methods) which has been defined as follows:

“Mixed methods research is a methodology for conducting research that involves collecting, analysing, and integrating (or mixing) quantitative and qualitative research (and data) in a single study or a longitudinal program of inquiry. The purpose of this form of research is that both qualitative and quantitative research, in combination, provide a better understanding of a research problem or issue than either research approach alone (Bulsara, 2015, p.1).

The mixed methods approach has been selected due to the nature of the phenomena under study. The research collected comprises both primary and secondary data of which is greatly organised having a larger sample with the research instrument being predominately quantitative, whilst using a minor qualitative method. The mixed method approach allows for variation in data collected which leads to greater validity and answers the question from a number of perspectives (Denzin and Lincoln, 1994). It ensures that there are no ‘gaps’ to the information / data collected and that pre-existing assumptions from the researcher are less likely (Creswell, 2013). The subject of leadership, change management and sustainability form
a very extensive part of the research material. In order to increase the achievement of obtaining a more accurate set of data information, a quantitative research approach was used to facilitate the attainment of a numerical set of results. Essentially, quantitative research encompasses the explanation of occurrences through the gathering of numerical data which are evaluated using mathematical based techniques (statistics) (Sukamolson, 2010 and McCusker and Gunaydin, 2015). As defined by Creswell (2013), research design embodies a blueprint or specific proposal for directing the research study so as to implement full control over elements which could possibly impede the validity of the results achieved (Mbambo, 2009).

Although quantitative methods may seem limited, a great deal of data that does not apparently present itself in the quantifiable form can be composed in a quantitative manner (Teo, 2013). This is possible through the design of research mechanisms targeted at transforming phenomena that are not generally existent within a quantifiable form into quantitative data which we are able to evaluate numerically (Gill and Johnson, 2010). Examples of these are individual’s attitudes and beliefs.

4.6 Research Design

The research is designed to investigate Unilever as a case. This study comprised of responses gathered from participants employed by Unilever. These participants were both Level 2 and 3 management in conjunction with Level 1 employees. Management are essentially responsible for the execution of business strategies within the organisation. They are required to organise and plan as well as use acquired skills to inspire employees to embrace strategic organisational changes. Management leads strategy and change and addresses the “when”, “how” and “why”.

Although Level 1 employees are not responsible for strategic choices and implementation, they are responsible for executing strategies management needs to implement. This research chose to investigate perceptions from Level 1 employees, as well as Level 2/3 management. The reason for this is that management might have a certain perception on strategy implementation and the Level 1 employees might have another perception. It is therefore important that the research investigate the degree of success Unilever has in its strategic implementation of its national sustainability objective through looking at lenses of different level of employees, and how the strategic implementation process is being led. The research design is an important
element of the research process, which assists in answering the research questions. It constitutes a plan, structure and strategy in order to obtain answers to questions and manage discrepancies (Easterby-Smith, Thorpe and Jackson, 2010). It provides direction and ensures the project’s completion within a given period acting as the blueprint for the execution of the study, optimising control over the factors which may pose as an interference to the validity of the results (Oosthuizen, 2009). This study encompasses both exploratory and descriptive research, on which a case study is carried out based on Unilever South Africa. The research is predominately quantitative, incorporating open ended questions which assumes a minor qualitative perspective. Quantitative research prompts implication through objectivity discovered within the findings. Thus, the use of a quantitative and qualitative approach upholds the conjecture of a pragmatic (mixed methods) paradigm (Williams, 2007).

To facilitate the testing of the validity of prior leadership theories, empirical research aimed at fast moving consumer goods companies (FMCG) in the South African context was conducted (Thomas, 2010). The researcher sought to rationalise the chosen research approach pertaining to suitable research literature using a theoretical perspective, followed by the undertaking of a quantitative survey using a statistical assessment. This secondary research assumes the form of previously conducted questionnaires which was used to expand the understanding of the correlations between top management (Level 2 and 3) and lower level (Level 1) employees. Additionally, this assessment was used to differentiate and determine appropriate research methods. Exploratory research will be conducted within the literature review, thereafter, a descriptive analysis will be conducted. The current, unstable economic climate has created numerous challenges for organisations within the FMCG industry.

The questions posed within the questionnaire seek to identify the degree of importance held to each research construct (i.e. effective leadership, change management and sustainability) and its subsequent correlations. The questions are also aimed towards determining additional methods required to be employed in order to gain substantial competitive advantage for the sustained progression of organisational success. The study focuses on one specific company (Unilever South Africa) in relation to its competitors. In essence, the research design forms the investigator’s complete proposal to facilitate the attainment of answers to the research questions leading the investigation. The importance of the research design is that it aids in assisting researchers to strategise and execute the investigation using methods that will support in achieving the intended results, hence increasing the likelihood of attaining material that could be related to the real situation (Burns and Grove, 2001).
The purpose of this research is to identify the type and style of leadership executed by top management, in accordance with lower level employee perspectives, within the sustainability environment and deciphering to what extent the company employs good sustainable leadership and its consequent effects on success. From this, it can be determined whether or not the specified leadership type and style is effective, and thereafter, what strategies should be implemented to facilitate effective change and ensure future success. Additionally, the proposed study on leadership and change management aims to identify evolving themes from data, and study the dimensions of effective leadership in tandem with change management, and the issue of effective sustainability.

4.6.1 Quantitative research

Quantitative research assumes a statistical framework and can be used to provide responses to comparative questions of variables in research studies. “Quantitative researchers seek explanations and predictions that will generate to other persons and places. The intent is to establish, confirm, or validate relationships and to develop generalisations that contribute to theory” (Leedy and Ormrod, 2001, p. 102; cited in Williams, 2007, p. 66). Quantitative research utilises inquiry approaches, for instance, surveys and experiments, subsequently gathering information based on preordained research mechanisms which generate statistical data (Williams, 2007). Research findings may thus, be “predictive, explanatory, and confirming” (Williams, 2007, p. 66)

4.6.2 Characteristics of quantitative data

Information collected needs to comprise the following essential elements:

☐ **Control**: in actuality, there are numerous aspects which can affect a result. The notion of control suggests that, in examining causation with respect to two elements, your study needs to be structured so as to diminish the effects of further aspects affecting the relationship (Dawson, 2013).

☐ **Rigor**: it is a necessity to be conscientious in ensuring that the measures taken to determine solutions to questions are related, apt and reasonable (Dawson, 2013).
- **Validity and verification**: this dictates that all information collected is accurate and can be substantiated by the researcher and others.

- **Be Empirical**: indicates that any deduction made is founded upon solid proof collected from information obtained from actual practices or opinions (Kumar, 2014).

- **Be Critical**: close inspection of the methods used and implemented is critical to research investigations. The process of analysis must be comprehensive and devoid of shortcomings. Methods implemented must be able to resist inspection. Thus, in order for research to be accurate and inclusive, it is essential that the above elements exist within the study (Kumar, 2014).

Additionally, quantitative research itself should have the following characteristics (Wood and Brink, 1998, p. 305, Burns and Grove, 2001, p. 192):

- There is a single reality that can be defined by careful measurement.
- It is usually concise.
- It describes, examines relationships, and determines causality among variables, where possible.
- Statistical analysis is conducted to reduce and organise data, determine significant relationships and identify differences and/or similarities within and between different categories of data.
- The sample should be representative of a large population with reliability and validity of the instruments forming crucial measurements to the study.
- Comprehensive data collected by employing different methods and/or instruments should result in a complete description of the variable or the population studied.
- It provides an accurate account of characteristics of particular individuals, situations, or groups.
Table 9: Synopsis of the main differences between qualitative and quantitative methods within research.

<table>
<thead>
<tr>
<th>Orientation</th>
<th>Quantitative</th>
<th>Qualitative</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assumption about the world</td>
<td>A single reality, i.e., can be measured by an instrument.</td>
<td>Multiple realities</td>
</tr>
<tr>
<td>Research purpose</td>
<td>Establish relationships between measured variables</td>
<td>Understanding a social situation from participants’ perspectives</td>
</tr>
<tr>
<td>Research methods and processes</td>
<td>- procedures are established before study begins; - a hypothesis is formulated before research can begin; - deductive in nature.</td>
<td>- flexible, changing strategies; - design emerges as data are collected; - a hypothesis is not needed to begin research; - inductive in nature.</td>
</tr>
<tr>
<td>Researcher’s role</td>
<td>The researcher is ideally an objective observer who neither participates in nor influences what is being studied.</td>
<td>The researcher participates and becomes immersed in the research/social setting.</td>
</tr>
<tr>
<td>Generalisability</td>
<td>Universal context-free generalizations</td>
<td>Detailed context-based generalizations</td>
</tr>
</tbody>
</table>

4.6.3 Qualitative exploratory descriptive research design

Exploratory research comprehensively studies the appropriate elements required to reach a suitable depiction of the representativeness of the current state (Wood and Brink, 1998, p. 283-286). Descriptive research affords a precise interpretation of features of a specific person, occurrence or collection within everyday conditions (Polit and Hungler, 1999, p. 189).

The following aspects may be achieved with the use of a descriptive design:

- Designing ideas
- Detecting issues with existing methods
- Substantiating existing methods
- Formulating conclusions, (Creswell, 2013).

The end resolution is to afford the observations and insights of respondents regarding the occurrence analysed (Burns and Grove 2001, p. 293).

4.7 Research methodology

The research methodology executed within this study comprises both primary and secondary research and encompasses an exploratory research method. Primary research constitutes actual, direct accounts of the study transcribed by the individual conducting the study. This is usually deemed an original investigation. Secondary research is denoted as the study and understanding of primary research. With this research type, primary research is undertaken which is applicable to the subject under study, and thereafter an explanation of this information is constructed (Dawson, 2013). This research methodology chapter discusses the research method of this study and the comprehensive application of research design. With the intention of answering all research questions a technique of triangulation of quantitative methods was used. The quantitative research in the form of a questionnaire provides statistical evidence and allows for numerical analysis.
4.7.1 Research approach and research paradigm

The research paradigm used within this study is that of pragmatism which is generally related to mixed methods studies, incorporating both quantitative and qualitative research. The pragmatic paradigm is based on an evolution from evaluation research which is involved in integrating quantitative and qualitative approaches towards creating new knowledge and can encompass either concurrent or sequential use of these two classes of methods to follow a line of inquiry (Rossman and Rallis, 2011). Furthermore, it incorporates quantitative and qualitative data collection and analysis in a single study or a program of enquiry.

The integration of quantitative and qualitative data can dramatically enhance the value of mixed methods research (Bryman 2006; Creswell and Plano Clark 2011). Several advantages can accrue from integrating the two forms of data. The qualitative data can be used to assess the validity of quantitative findings. Quantitative data can also be used to help generate the qualitative sample or explain findings from the qualitative data. Qualitative inquiry can inform development or refinement of quantitative instruments or interventions, or generate hypotheses in the qualitative component for testing in the quantitative component (O’Cathain, Murphy, and Nicholl, 2010).

4.8 Study site

The research was conducted at the Unilever Head Offices in Durban, La Lucia Ridge in South Africa.

4.9 Target population

This research study is based on a fast moving consumer goods company within South Africa, and hence the population for the investigation comprises of top management employed within the organisation (level 2 and 3 leadership employees), as these are the individuals who are responsible for making decisions that will further progress the company as well as lower level employees (level 1 employees). The target population comprises 1400 employees within Unilever South Africa. The research sample included a group of 300 employees (top
management, i.e. Level 2 and 3 and lower level employees, i.e. Level 1) to which questionnaires were administered in order to ascertain a deeper understanding into the functionality of how strategic leadership and change management are implemented within Unilever. This comprised 10 level 2 and 3 top management employees and 290 level 1 lower level employees. However, a response from only 164 individuals (55% response rate) were received (10 level 2 and 3 top management employees and 154 level 1 lower level employees). Obtaining a collection of information from these numerous divisions within the organisation allowed for the prompting of an in-depth analysis of company data, yielding an accurate and defined understanding of how the company functions in terms of effective leadership for sustainability.

4.10 Sampling strategies

Since this thesis focuses on a specific sub-group of experts, and is trying to predict a “process” characteristic or change over time, rational subgrouping is the method of strategy which was used. This is the process of placing measurements into meaningful groups to better understand the important sources of variation. The goal here was to minimise the chance of special causes in variation in the subgroup and maximise the chance for special causes between subgroups. For choosing the appropriate quantitative method strategy, Creswell (2013) defined the following four criteria: implementation sequence; priority; integration; and theoretical perspective. The research strategy employed for this master’s dissertation is a ‘concurrent triangulation strategy’ where quantitative methods were used in an attempt to confirm, cross-validate, or corroborate findings within a single study’ (p. 217).

Respondents for questionnaires were selected using probability sampling; thereafter, the random sampling method was used, where stratified random sampling (proportional/ quota) was administered. This denotes the use of a quantitative method and the method of “stratified sampling” was used, since it focuses on a specific sub-group of experts, and increases the validation and precision of the variables rendering the information (Laerd Dissertation, 2012). Stratified random sampling divides a population into subgroups, or strata, and random samples are taken, in proportion to the population, from each of the strata created. The members in each of the stratum formed have similar attributes and characteristics (Laerd Dissertation, 2012). The initial step carried out in stratified random sampling was to split the population into strata,
i.e. sections or segments. Stratified random sampling was used due to the categories of the strata thought out to be too distinct and too important to the research interest. It is essential to note that the strata should not overlap as overlapping subgroups will allow certain individuals greater opportunities of being selected as a subject. This entirely refutes the notion of stratified sampling as a type of probability sampling. The most common strata used within this stratified random sampling were gender (in relation to Unilever’s workforce in terms of inclusivity among gender) and educational attainment (in relation to employees hired within Unilever). These two strata were chosen since the strength of Unilever’s workforce is highly dependent on gender and education in terms of propelling an organisation towards increased performance. The first step was to stratify the sample by dividing the total population of 1400 into groups targeted at what the study was looking for. The population was stratified into (a) Gender and (b) Educational attainment. Results displayed below:

Table 10: Sub-group split of total population

<table>
<thead>
<tr>
<th>Education level</th>
<th>Male</th>
<th>Female</th>
<th>Total Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>458</td>
<td>942</td>
<td>1400</td>
<td></td>
</tr>
<tr>
<td>Less than matric</td>
<td>4</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>Matric</td>
<td>45</td>
<td>57</td>
<td></td>
</tr>
<tr>
<td>Diploma</td>
<td>110</td>
<td>128</td>
<td></td>
</tr>
<tr>
<td>Bachelor degree</td>
<td>321</td>
<td>376</td>
<td></td>
</tr>
<tr>
<td>Post Grad degree</td>
<td>169</td>
<td>184</td>
<td></td>
</tr>
</tbody>
</table>

Detailed information about which categories the study population falls into are listed and gender was chosen as a specific group as it is homogenous and thus very little variability. Thereafter, the sample size of strata was determined based on the following formula:
Sample size of strata = Number of individuals within Gender and Educational attainment group/ Total Population * Sample size

From the above formula, the below sample from each sub-group was calculated.

Table 11: Sub-group split of sample population

<table>
<thead>
<tr>
<th>Education level</th>
<th>Male</th>
<th>Female</th>
<th>Total Sample</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than matric</td>
<td>139</td>
<td>161</td>
<td>300</td>
</tr>
<tr>
<td>Matric</td>
<td>10</td>
<td>12</td>
<td></td>
</tr>
<tr>
<td>Diploma</td>
<td>24</td>
<td>27</td>
<td></td>
</tr>
<tr>
<td>Bachelor degree</td>
<td>69</td>
<td>81</td>
<td></td>
</tr>
<tr>
<td>Post Grad degree</td>
<td>36</td>
<td>39</td>
<td></td>
</tr>
</tbody>
</table>

Of the above selection of 300 individuals, 290 employees were Level 1, and 10 comprised of Level 2 and 3 top management employees. An advantage of stratified random sampling is that it reduces selection bias. Stratifying the entire population before applying random sampling methods helped to ensure a sample that accurately reflects the population being studied in terms of the criteria used for stratification. The sampling was used with the aim of highlighting a specific subgroup of experts within the population. This technique ensured the presence of the key subgroup within the sample (Laerd Dissertation, 2012). Additionally, this technique affords greater and sophisticated numerical accuracy in comparison to simple random sampling. This is due to inconsistencies within the subgroups being lower compared to the variations when dealing with the total population. Because the technique has high numerical accuracy, this means that it necessitates a smaller sample size which would save time, money
and effort, which would have been necessary had another method been employed. Questionnaires formed the main primary research method for use in this study. The main aspects of the questionnaire comprised issues surrounding effective leadership, change management, and the sustainability phenomenon. The intention within the aforementioned sections of the questionnaire was to realise and comprehend the respondent's point of view. The purpose of a questionnaire is to determine the degree to which the respondent maintains a specific viewpoint or perspective. Open ended questions allow ‘free-form answers’. It affords the opportunity to obtain further information to what was originally anticipated since respondents are able to discuss their motivations and behaviours (Hair, 2011). The below denotes the characteristics of the questionnaire used.

**4.10.1 Questionnaire:** Comprised of leading, importance and Likert type questions. A Likert scale is a rating scale which directly measures attitudes. This type of scale infers that the power or concentration of experience is undeviating (based on a continuum, this scales presumes that attitudes can be evaluated) (McLeod, 2008). Answers are collected in a standardised manner, thus more objective. Information is gathered from large groups, hence increased information from a greater number of participants. Questionnaires were distributed by hand and personally administered to prompt a high response rate. These were distributed to 300 employees, and thereafter hand collected from each individual (10 Level 2 and 3 top management employees and 290 Level 1 employees). This is a practical approach, and was further used to test existing theories (Rodrique, Cho and Laine, 2015).

Responses acquired from the questionnaires were used to further support information obtained from within the literature review, company books, websites etc. and thus, appropriate connections can be established. Additionally, in using quantitative data, responses were simpler to code and allowed for the generation of certain forms of computer- statistical analysis concerning the ultimate results. However, it is important to note that these benefits may become problems if the questions asked are not structured precisely. Thus it was essential for questions to be prepared affording clarity, evading double-barrelled questions. The researcher ensured that the respondents answering questions were competent, in terms of their understanding and working experience and that questions were appropriate. The questionnaire contained open ended questions which were answered by 10 top management employees (Level 2 and 3 directors and managers). The population sample for this study comprised a range of individuals within differing organisational functionalities.
This afforded a diverse and extensive experience and knowledge set, which provided a thorough compilation of information. From this, first-hand information was attained from Unilever employees, and thereafter extended and supplemented by data collected from company databases, books, websites, additional theory and the like. The quantitative research methodology used in this study may be classified as descriptive research since it examines the current situational facets under study and incorporates the identification of characteristics of a specific phenomenon on the basis of an experimental foundation, or the examination of association among two or more phenomena (Williams, 2007). Numerical data allows for statistical analysis, and in addition, the responses from the open ended questions allow for a qualitative analysis in order to support and supplement the research objectives.

4.11 Sample size

The sample size comprised 300 individuals in total.
- 290 Level 1, lower level employees- questionnaires administered.
- 10 Level 2 and 3 top management level employees- questionnaires administered.

Questionnaires were administered to all 300 employees, however, it was not guaranteed that all individuals would be willing to participate, and only 164 responses were attained.

The subsequent table represents the sources from which information regarding this study were collected:

Table 12: Quantity in terms of research sources

<table>
<thead>
<tr>
<th>Research Sources</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Databases</td>
<td>10</td>
</tr>
<tr>
<td>Company websites</td>
<td>1</td>
</tr>
<tr>
<td>Questionnaires</td>
<td>164</td>
</tr>
</tbody>
</table>
The questionnaires distributed to Level 2 and 3 top management employees were limited to 10 participants due to other top management employees being unavailable or unwilling to participate. The 10 individuals comprised of four directors and six work level two managers, with the balance being distributed to work level 1 employees within the functions of customer development, finance, category management, supply chain, sustainability and research and development. Despite top management responses being limited to 10 individuals (i.e. managers and directors), this afforded the researcher an opportunity to obtain a wide range of information since the executives have been in employment at ULSA over a period of years and have gained a wealth of substantial and credible knowledge. This additionally afforded the researcher the ability to obtain a more precise depiction of the reliability of results.

4.12 Data collection methods

The study comprised predominately quantitative data collection methods, specifically questionnaires, containing both open and closed-ended questions. A qualitative content analysis was used to examine the data obtained from the open-ended questions. This type of collection method was dependent upon random sampling and organised information gathering mechanisms which were suitable towards varied practices into prearranged response groupings. This method type yields results which are easily reviewed, linked, and simplified. Quantitative studies relate to “hypothesis testing” resulting from specific philosophies and models or the ability to guesstimate the size of an occurrence of concern (Creswell, 2013).

Data constitutes material acquired through the duration of an investigation. Questionnaires were used to attain information significant to the study’s objectives and research questions. Data collection is an essential factor within any research and imprecise data collection would ensue null and void results and thus, negatively affecting the study (Bryman and Bell, 2015). “Quantitative data collection methods rely on random sampling and structured data collection instruments that fit diverse experiences into predetermined response categories. They produce results that are easy to summarise, compare, and generalise” (Data Collection Methods, n.d., p. 1). The purpose of this study was to identify how Unilever South Africa can remain ahead of its competitors and increase success by simultaneously diminishing its carbon footprint. Every participant within the study received a consent letter, to obtain their consent in terms of
providing the researcher with information, as well as an information letter providing background on the main aspects of the study.

4.12.1 Data collection instruments

Data collection instruments represent tools which may be utilised to gather information for instance tests, questionnaires, checklists and controlled interview schedules (Dunemn, Roehrs and Wilson, 2016). This study used the questionnaire as its main data collection instrument, comprising both close-ended and open-ended questions.

4.12.2 Characteristics of questionnaires

According to Wood and Brink (1998, p. 293-298), the following elements indicate advantages of using a questionnaire:

- Every participant inputs his/her answers on the questionnaire, saving the researcher’s time, in comparison to the time needed to execute personal interviews.
- It is cheaper than conducting personal interviews.
- Respondents feel that they remain anonymous thus can express themselves in their own words without fear of identification.
- Data on a broad range of topics may be collected within a limited period.
- The format is standard for all subjects and is independent of the interviewer’s mood.

4.12.3 Structure of the questionnaire

The questionnaire consists of the following three sections:

Section 1 Biographic information

Questions comprising the respondent’s race, age, sex, marital status, education qualifications, and nationality, were incorporated within this section. The intention of analysing this
information was to determine if there were correlations between the biographic data in terms of overall organisational functioning.

Section A: Effective leadership

Section B: Sustainability

Section C: Change management

Section D: Comprised two open-ended questions on external sustainability facets- directed to top management only (Level 2 and 3 employees).

The items contained within the questionnaire will attempt to identify the factors needed to progress the company ahead of its competitors while concurrently reducing its carbon footprint.

Common quantitative data collection approaches comprise the following:

- Experiment trials.
- Perceiving and recording well-defined happenings.
- Attaining pertinent information from management systems.
- Distribution of assessments containing closed-ended questions (e.g., face-to face interviews, questionnaires etc.).

The following sections discusses the elements of reliability and validity within the research study.

4.13 Data quality control (reliability and validity)

In terms of reliability and validity, and due to quantitative approaches yielding more objective results. Quantitative methods are reliable and valid because they employ prescribed procedures. They eliminate bias in a study because they involve many cases and few variables, which prevent researchers from using subjects known to them. Additionally, quantitative methods enable researchers to correlate independent and dependent variables in order to determine causality within a study framework.
4.13.1 Reliability:

Quantitative research is centred more upon reliability, since it measures numerical information which is systematic, unvarying, measureable and replicable (Creswell, 2013 and Welman, Kruger and Mitchell, 2008). Information has been collected from 164 employees. This percentage of responses assisted in the level of reliability achieved. Reliability is more strongly emphasised within quantitative research. Accordingly, it is associated with the credibility of the derived findings. This is based on whether the research is consistent and replicable at any stage (Welman, Kruger and Mitchell, 2008). Principally, three forms of reliability are reflected upon within social research that is, stability reliability (concerning reliability over a period of time); representative reliability (whether or not the measure will be reliable if used within groups instead of an original group of subjects), and equivalence reliability (determines if the measure under deliberation will produce consistent results across representative information) (Sarantakos, 2005).

Reliability is crucial since information devoid of reliability results in the researcher losing confidence in its stability and dependability. It is generally acknowledged that tests are commonly not reliable, hence the necessity to test for reliability and validity (Ritter, 2010) making both these aspects vital components in the assessment of a measurement instrument (Tavakol and Dennick, 2011). A research instrument may assume the form of surveys, knowledge, individuals’ aptitudes, or in this case questionnaires. The concept of validity is oriented towards the degree to which a research mechanic measures what it is supposed to measure. Validity within research unequivocally denotes the degree to which the research study measures what it is supposed to measure in conjunction with the approximation of honesty and reliability within the framework and reporting.

Reliability explores the capacity of the research mechanic so as to evaluate and measure uniformity or consistency (Tavakol and Dennick, 2011). Additionally, it is important to note that an instruments reliability is jointly and similarly linked to its validity (Gliem and Gliem, 2003). A research mechanic cannot be valid without being reliable. Although, reliability is not in the same manner dependent on validity (Tavakol and Dennick, 2011). One of the most commonly used reliability estimates is Cronbach’s Alpha (α) or coefficient alpha (Ritter, 2010). It is essential for the researcher to thoroughly comprehend “score reliability” due to the
potential effect reliability has on the understanding and interpretation of the research findings (Tavakol and Dennick, 2011). Reliability is associated with the uniformity of scores. The less stable or reliable a measurement results in the diminishing of the usefulness of data within the data analysis phase (Ritter, 2010).

4.13.2 Validity: Internal validity

Internal validity denotes the degree to which elements impact the study participants. In theory, internal validity is significant since we would like to state that the deductions derived from our investigation precisely mirror what we are studying. Within quantitative research methods, the degree to which internal validity is affected is determined by the following factors:

- Type of quantitative research design implemented (e.g. descriptive, relationship-based, quasi-experimental, or experimental).
- Possible risks to internal validity which might have affected the study outcomes (Laerd Dissertation, 2012).

In terms of internal validity, the following may be suggested:

- Content validity: represents a subjective measure and encompasses whether or not the research instrument effectively and sufficiently depicts an all-inclusive set of questions which could be asked in order to achieve the research objective. The research measurement instrument (questionnaire) and questions were formulated by the researcher and further revised by a professional consulting group specialising in research measurement techniques. Thus, this indicates that the questions posed within the study embodied the significant elements required to achieve information in fulfilling the research objective. Hence, resulting in a high degree of content validity.

- Construct validity: is an element which measures the degree to which the research instrument illustrates uniformity in relation to the theoretical models being evaluated. The research measure within the study comprises three main research constructs (i.e. effective leadership, change management and sustainability) which is continuously consistent with
recognised and established theories and systems. The construct of effective leadership represents a personality trait which manifests itself in certain behaviours within the workplace. The data collected from the study suggests significant positive organisational outcomes when the three research constructs are implemented in conjunction with each other, hence theoretical concepts are connected to resultant observations. Information was acquired from a broad database, which ensured a sound foundation for ensuing interpretations emerging from the data collected.

Within construct validity, a method of factor analysis was utilised. This exists as a data reduction tool which removes redundancy or duplication from a set of correlated variables and represents correlated variables with a smaller set of “derived” variables. Factors are formed that are relatively independent of one another. Two types of “variables” exist, i.e. latent variables: factors and observed variables. In terms of the application of factor analysis, it assists in identifying underlying factors:

- Clusters variables into homogeneous sets
- Creates new variables (i.e. factors)
- Allows us to gain insight to categories

For the purpose of this study, the main application of factor analysis techniques were used to detect structure in the relationships between variables, that is to classify variables.

4.13.3 Empirical and secondary research

Within this context, it is important for the researcher to seek information from derivative, additional reports or data on the subject matter under study. This is essential because it exposes results of past research which may be able to further substantiate the analysis. Thereafter, the primary data collected through quantitative approaches may be further evaluated and reviewed considering additional new information discovered (Welman, Kruger and Mitchell, 2008). However, it should be noted that there lies a limitation in secondary data due to its prior methods of interpretation and analysis. The information used by the researcher from secondary
research is subject to bias rooted in the original author’s judgements. A major part of this study consists of a wealth of literature reviewed and consolidated in order to derive further research deductions to support the propositions of this study. This may be termed empirical research. The following databases were used within this study:

- Business insights
- Google scholar
- SA ePublications
- SAGE journals
- SABINET
- Web of science
- NEXUS
- ProQuest
- Ebscohost
- Emerald insight
- Unilever database

### 4.13.4 Data sources

The concept of evaluation assumes the process of methodically accumulating data which characterises the perception, familiarity and understanding of its contributors. Primary data sources within this study comprised Unilever employees (both top management, Level 2 and 3 and lower Level 1 employees). The key data collection techniques administered within this study included the literature reviews, questionnaires, and observation (Thomas, 2010).

### 4.14 Data analysis

Primarily, data processing exists as the connection between data collection and data analysis (Behrend and Erwee, 2009). Analysis and examination typically necessitates that invalid answers be removed, variations and contradictions be ascertained, information to be coded and transliterated into instrument comprehensible format, omitted data to be provided for and the
data to be modified (Dillon, Madden and Firtle, 2000, p. 455). The data analysis process involves the company and methods of through in relation to information, which is a fundamental element in determining what the information does and does not comprise. It is not a simple undertaking to influence data during the analysis phase, thus, the researcher needs to be observant as regards to the presentation of the data and then critically analyse it in an attempt to attain accurate conclusions. The information obtained will be edited ensuring no alteration of the information which could lead to biased results, hence the steps used in analysing the data is as follows: (1) Data preparation, (2) Data editing, (3) Data coding, and (4) Data capturing. Additionally, in analysing the data obtained from the questionnaires, once the first three steps listed above are completed, the data will be captured onto statistical computer software. This is a computer program which draws on statistical analysis, survey authoring, deployment, etc. Subsequent to data collection, the information was structured and evaluated.

Close ended questions within the questionnaire were analysed using a computer programme called Statistical Package for Social Sciences (SPSS). The data was analysed through descriptive statistics and frequency tabulations. Descriptive statistics has formed the basis of quantitative data analysis and offers researchers sample data summaries across one variable (univariate). While inferential statistics can associate variables (correlation) or account for randomness in any population or process being studied, descriptive statistics simply describe what the data shows and easily translates results into a distribution of frequency, percent’s and overall averages (Van Elst, 2013). An of descriptive statistics is its ability to collect, organise and compare vast amounts of discreet categorical and continuous non-discreet (numerically infinite) data in a more manageable form. Overall, descriptive statistics are used in systematic observations of central tendency and aim to describe subject data information in a manner that can be less subjectively evaluated by others (Van Elst, 2013).

Descriptive statistics therefore enables us to present the data in a more meaningful way, which allows simpler interpretation of the data. Within this study, inferential statistics has been used in a small manner with regard to the Pearson Correlation test. This type of statistic was not used further as data about a population which has not been completely measured cannot be certain of the accuracy of the values. Frequency tabulations were constructed which allowed for the generation and presentation of pie charts and bar graphs (Shilubane, 2009). This assisted in the analysis of the mean, standard deviations, frequency and mode of the data which met the research objectives 5 and 6. Additionally, inferential statistics were utilised which infers from the sample in order to represent the population (Van Elst, 2013). This element aided in
measuring the relationship strength between the dependant (effect) and independent variables (causal). Inferential statistics comprises hypothesis testing, probability distributions, regression analysis and correlation testing. This study conducted correlation testing within inferential statistics, of which Pearson’s correlation test was used. This test is a measure of the linear correlation between two variables X and Y which subsequently met research objective 3. Additionally, in order to test the data reliability, Cronbach’s alpha was used. Cronbach’s alpha was formulated in 1951 by Lee Cronbach with the intention of affording a measure of a test’s internal consistency which is conveyed as a numeral between 0 and 1 (Gallagher, O’sullivan, Leonard, Bunting and McGlade, 2014; Tavakol and Dennick, 2011). He subsequently developed the alpha formula from the KR formula as per below:

\[ \text{KR} - 20 = \frac{K}{(K - 1)} \left[ 1 - \sum p_k \sigma_k^2 / \sigma_{\text{total}}^2 \right] \]

The concept of internal consistency illustrates the degree to which all test components measure the corresponding construct and thus is associated to the inter-relatedness of the components within the test (Ritter, 2010). In order for a test to be reliable, Cronbach’s alpha necessitates the correct use of this test, thus is becomes important for the researcher to understand the concepts of uni-dimensionality, internal consistency and homogeneity (Tavakol and Dennick, 2011). The questionnaire and open-ended questions within the questionnaire were analysed and evaluated via the use of qualitative content analysis and incorporated a mixed methods approach. It interprets meaning from the content of text data in correspondence with the analysis of quantitative and, hence, adheres to the pragmatic paradigm, of which a directed approach was used whereby analysis starts with a theory or relevant research findings as guidance for initial codes. This was executed with the objective of quantifying developing characteristics and ideas.

4.15 Pilot test

The pilot study in the current research can be defined as mainly a try-out of research techniques and methods, but also of questionnaires and interviews. The pilot study formed the pedestal for the research. It was conducted on 15 Unilever employees (10 Level 2 employees- top
management and 5 Level 1 employees). Individuals were selected randomly from differing departments within the organisation. The pilot study of the current research can therefore be defined as both a feasibility study as well as a pre-testing of instruments, questionnaires and interviews. The study entailed questionnaires being distributed to Level 1 and 2 employees. The questionnaires were self-administered and the participants also answered open-ended questions. No problems were identified in the interpretation and answering of the instrument. Therefore, no changes were made to the instrument.

4.16 Ethical Considerations

Conducting research in an ethical manner is imperative, as norms support the aims of the research, for instance, awareness, truth and prevention of error. Seeing that research comprises of a great deal of cooperation and synchronisation amid numerous people of diverse disciplines, ethics encourages significant factors that are crucial to effective collaboration (Resnik, 2015). With reference to the principle of ‘voluntary participation’, individuals are not to be forced or pressurised into partaking in research. So too, is the aspect of informed consent, directly correlated. These aspects encompass fairness, trust, accountability, and respect. The standards of research promote important, just and social values. Since data will be collected from the administration of questionnaires, confidentiality agreements were constructed in order to attain consent from the participants, to distribute the questionnaires.

When administering the research, the following aspects were integrated; trustworthiness, fairness, reliability, caution, directness, discretion, respect for colleges, social accountability, aptitudes, lawfulness, and non- discrimination (Resnik, 2015). As a researcher, it is your obligation to avoid participants from being subjected to any form of detriment. This is considered as either psychological harm or bodily harm. It is imperative that researchers implement caution and ensure that the rights of respondents and organisations are protected (Creswell, 2013). All participants within the study were managed as independent representatives since they were made aware that their participation in this research was voluntary and that their responses would be treated in a confidential manner. This ensured that the ethical principle of self-determination was maintained.
Anonymity was ensured where applicable and the participants were open to withdraw from the study at any point in time devoid of unwanted outcomes upon themselves. Confidentiality and anonymity were maintained throughout the study and no recognisable information to associate or link back to the participants were listed on the questionnaires. Additionally, in order for this study to be deemed ethical, informed consent was obtained. The human resource department at Unilever was consulted, having all the study constructs explained to them. Subsequently, permission was granted to conduct my research within this company. Thereafter, following a process of evaluation regarding the facets of this study, ethical clearance was granted from the University of KwaZulu-Natal (UKZN) Pietermaritzburg. The principles of beneficence and human self-respect were deployed within this research study within the data collection phase. With respect to data storage, the research data acquired from this study will be secured and stored on disc by my supervisor, Dr. Thea van der Westhuizen. In the event of information disposal, all data will be destroyed after five years.

4.16 Limitations of the study

☐ Since research will be conducted by means of quantitative aspects, and because the research will take place in only one company, it is difficult to assume that the factors and results will be the same or similar for other dominant companies within the fast moving consumer goods industry (e.g. Procter and Gamble).

☐ The questionnaires distributed to Level 2 and 3 top management employees were limited to approximately ten executives from top management, which constrained the depth of the study in acquiring a range of perspectives from numerous different individuals within that specific expertise range.

☐ A total of 300 questionnaires were distributed, and it was not guaranteed that all 300 individuals were willing to participate in the study. The validity of the responses may be questioned because the researcher has no specific way of knowing whether or not the respondent is telling the truth (Weiner, 2007).

☐ In terms of open-ended questions, issues arise from the freedom with which the respondents answer the questions. Some may respond ambiguously and others in an opposing manner. However, they are very useful if the topic researched is sensitive in nature (Hair, 2011).

☐ Open ended questions encompass complexity in terms of categorising, due to the reduced control over responses.
Close-ended questions can be extremely useful, and should mutual exclusivity be the objective, since questions not termed or structured properly and correctly may pose disadvantages and may impact the findings, thus essentially distorting the ultimate research.

Close-ended questions allow room for misinterpretations and thus validity of responses are problematic since it is difficult to establish what is correct.

The Likert Scale is uni-dimensional and provides five to seven selective alternatives, making the space amid every option in no way, intermediate and thus, was unsuccessful in gauging the accurate outlooks of participants.

It is not improbable that individual’s responses were stimulated or encouraged by prior questions, or that they would deeply focus on one answer option.

Individuals very commonly avert selecting the “extreme” choices within the Likert scale due to the adverse insinuations associated with “extremists”, despite an extreme selection possibly being best precise answer (LaMarca, 2011).

4.17 Conclusion

This chapter discussed the research methodology executed within the study and delineated the research philosophy, research design, population, sample, data-collection methods and the strategies implemented in order to ensure ethical principles are maintained, as well as validity and reliability (Research Rundowns, 2009). The researcher used a quantitative research method in the form of questionnaires which comprised both open and closed-ended questions. These were distributed to 300 individuals of which 164 participated. Additionally, a form of qualitative content analysis was used as a mixed methods approach (Marshall and Rossman, 2014). Thus, the objective of this section was to afford a basis for empirical research and examine and illustrate the methods utilised in order to obtain primary data in relation to connecting the research objectives and posed questions. Permission to conduct this research was granted by Unilever and thereafter ethical clearance granted by the University of Kwa Zulu Natal.

Chapter 5 covers the data presentation and analysis of the study.
CHAPTER 5
RESEARCH FINDINGS AND DATA ANALYSIS

5.1 Introduction

The aim of this research was to determine the importance of strategic leadership and change management in achieving the overall national sustainability objective within Unilever South Africa. Having succumbed to the oppression of a colonising country, South Africa, since 1994 has established a democracy and financial stability. However, the characteristics and ensuing effects of being a developing country have yet to be completely eradicated. As well as the enduring economic struggles, we have born witness to the incessant weakening of the rand through the duration of the last two decades, and are seeing South Africa stagnate to the position of third largest economy in Africa, next to Egypt (Viljoen, 2016). In light of the above, it becomes imperative for our key sectors to operate effectively and efficiently in order to make a considerable contribution to the country’s GDP.

The fast moving consumer goods (FMCG) industry predominately comprises manufacturing, distribution and marketing of consumer packaged goods (EconomyWatch, 2010, p.1). Currently, competition amongst FMCG’s has escalated ensuing the growth in additional investments within the sector due to its consequential generation and circulation of money. Since the FMCG industry contributes substantially to economic GDP within the manufacturing and wholesale/ retail sectors, it became essential to explore and analyse how one of South Africa’s leading FMCG’s implements their strategies in order to maintain a competitive advantage and advance success. This chapter discusses the research data gathered from the Unilever respondents (both lower Level 1 employees and Level 2 and 3 top management) within the study and will subsequently explore the research findings.

The study comprised a mix of exploratory and descriptive research, and primarily adopted a quantitative research approach but incorporated open ended questions which provided a degree of qualitative data. The data sample selected comprised 300 individuals to whom research questionnaires were distributed. Of this sample, only 164 responded, a response rate of 54.6% of the initial selected sample population. 10 respondents being Level 2 and 3 top management employees (6% of the response sample), and 154 lower Level 1 employees (94% of the
response sample). Primary data was collected via research questionnaires and secondary data in the form of past literature reports, surveys on consumer behaviour in relation to the sustainability agenda, and information pertaining to the South African economy and FMCG market; to reinforce the research findings (Edwards, 2005). Questionnaires formed the main data collection instrument encompassing both close and open- ended questions. This chapter illustrates the results obtained from the biographical data of the respondents and further explains the results ensuing from the study’s three main research constructs (effective leadership, change management and sustainability). Thereafter, the results acquired in accordance with the research questions are demonstrated graphically, in order to afford insight to the data under study and illustrate significant concepts derived from the findings.

5.2 Data presentation

This study employed the use of descriptive and statistical analysis to determine the percentage of responses in relation to the research questions posed, and subsequently determine the regularities or consistencies apparent with the purpose of answering the questions listed within the research questionnaire in order to achieve the study’s main research aim. Despite the questionnaires being distributed to 300 individuals, only 164 responded, thus, the findings reported correspond to the total number of responses received. The questionnaire comprised of five main areas

- The biographical section (seven questions). This afforded the opportunity to gain a brief understanding of the general background of the respondents employed within Unilever.
- The following three sections comprised closed-ended questions in relation to each main research construct (effective leadership- 15 items, sustainability- 5 items and sustainability- 8 items). These questions used a Likert scale (rating scale) in order to ascertain respondents’ attitudes.
- The final section was directed at Level 2 and 3 top management and comprised two open questions associated with the concept of sustainability.
The questionnaires were administered by the researcher to each individual within the sample and hand collected thereafter. Subsequently, the statistical program SPSS was used to analyse the collected data, through which frequency tabulations were constructed which allowed for the development and illustration of the data via pie charts and bar graphs. From these graphical and tabular representations, the corresponding mean, mode, frequencies and standard deviations were achieved which aided in the interpretation and analysis of the data in relation to achieving the research objectives. Being one of the largest FMCGs in South Africa, Unilever SA is constantly expected to keep abreast with corporate social regulations and institute activates that will benefit all stakeholders. This however, is a challenging task, especially considering the current state of the economy and the subsequent challenges faced. The green movement has become one of the biggest driving initiatives globally, and companies are striving to ensure that their business operations adhere to green standards and effectively benefit society as a holistic entity.

5.3 Secondary research questions

The secondary research questions relate to Unilever as mentioned in the main research question.

Below are the main research questions to be answered within this study and will be discussed in accordance with the research findings:

5.3.1 What type of leaders are required for successfully operating within the fast moving consumer goods industry (an emerging industry comprising rapidly changing markets- using Unilever SA as a benchmark)?

5.3.2 What type of cultural assessment integrated into the recruitment process is used to guarantee that the right leaders for an organisation are presented for long-term success?

5.3.3 What are the links between efficient organisational leadership and the progression of sustainability, incorporating effective and successful change management?
5.3.4 What type of business model is required to afford better customer propositions that are inherently more sustainable?

5.3.5 With consideration to the exploding global middle class, how do we find methods of creating greener consumers?

5.3.6 How will Unilever employ green policies that can attract the growing ethical consumer market?

5.4 Research findings (Quantitative data)

5.4.1 Biographical Information

The below biographical information attained, represents all 164 respondents (both Level 2 and 3 top management and lower Level 1 employees).

Figure 20: Percentage (%) of sample respondents by gender

Descriptive statistics describe population characteristics and were performed within this study to determine the gender distribution among the sample. According to Figure 20, the studied sample constitutes 52% females and 48% of males. Historically, we have witnessed the constant universal disparity amongst men and women. Women have encountered immense discrimination which have come about as a result of a deficiency in legal rights, diminished
independence, to being perceived as inferior beings (Newsroom, 2012). Gender equality has
become a core objective within all facets of corporate execution, forming an important growth
strategy and comprehensive business practice (UN Women, 2016). Hence, it is evident from
the ratio of male to female employees within the respondent sample, that Unilever has shifted
their strategy towards reducing this disparity. The aspect of gender has become increasingly
important to economic and corporate growth which may ensure an increase in output, enriched
company opportunities, increased corporate strength and ultimately generate a more
operational and representative organisation (The World Bank, 2015). With respect to this,
Unilever is aiming for a more gender-balanced management structure (globally) through the
institution of gender-focused diversity and inclusivity of which diversity may be deemed as the
driving force of innovation and subsequent growth.

Unilever acknowledges that women form a massive opportunity within business, and studies
have confirmed that an increase in the labour force comprising women leads to faster economic
growth (UN Women, 2016, p. 1). According to the OECD survey conducted in 2010, women
will form the majority of the prospective workforce in the future (OECD, 2010). According to
Pynchon (2012), women comprise “more than 75% of its consumer base, 50% of its global
talent pool, and more than 50% of all graduate recruits” (p.2). These statistics and findings
show the immense significance of increasing the female workforce contribution, especially
within large FMCG’s (Srinivasu, 2014). The data collected from the sample conducted with
Unilever South Africa, indicates that these global plans have been successful in growing the
female workforce size, which may aid in the generation of positive prospective organisational
results.
Historical data is a clear indication of the racial prejudice endured by individuals within South Africa over prior decades. However, with the introduction of democracy and continuing redress in racial inequalities since 1994, racial imbalances are being overcome. There have been significant increases in the proportion of skilled and semi-skilled workers from among the non-white workforce over the last 20 years. As per the results attained from this study as indicated in Figure 21, 24.2% of employees are African, 47.2% Indian, 20.5% White and 8.1% Coloured. As per the Unilever mandate, in order to remain competitive, the company strives to recruit individuals of the highest standards in terms of education and aptitude. Additionally, a fundamental focus area within Unilever remains that of the Black Economic Empowerment Act (BEE Act) which the company strives to comply with through the advancement and enrolment of black employees, predominantly within the management arena. Over the last decade, Unilever has focused its recruitment efforts specifically on female and black representations within management ranks and as at 2016, 37% of management comprised of female employees within management of which 61% were black. With consideration to the entire workforce, African employees constitute 80.5%, Coloured 2% Indian at 12.5% and White at 5%, with female employees constituting 20% of total workforce (Unilever South Africa, 2016). The organisation strives to drive diversity and inclusivity (Kapstein, 2008).
As displayed in the above pie chart, 46% of the sampled population are married, 46% single, 7% divorced and 1% widowed. The statistics show that the majority of sampled population are either married or single. Both circumstances pose their own advantages in that single employees have more time available and may devote this to their careers through longer working hours and more throughput (by attempting to prove their capabilities) hence yielding positive results both for the company and subsequently for fast organisational career progression of the individual. Since the married population may have families to tend to, this may support employee retention due to the stability factor sought after by married employees and higher generation of productivity via increased preservation of skilled workers over a period (attributable to greater know-how and experience) (Ryu and Kol, 2002).
As per the above bar chart, data collected from the sample population indicate that 52.4% of employees have a bachelor’s degree, 22.6% have a postgraduate degree, 17.1% have a diploma, 7.3% have acquired their school matriculation and 0.6% have less than a matric pass, showing a highly educated workforce. More than 75% of respondents have a tertiary qualification. Present day economic literature specifies “human capital formation” as the most vital creator of a country’s economic growth. Consequently, the South African government has positioned aptitude growth and education at the top of its priority list.

Therefore, it becomes essential for an international organisation such as Unilever to afford its employees with adequate prospects for personal development and “upskilling” in order to effectively contribute to economic growth. Unilever’s initial touchpoint within the South African labour market is via its comprehensive recruitment process (Kapstein, 2008). This process encompasses a hands-on, contentious and competitive graduate programme with trainee nomination being based on the top performing students. Unilever annually searches the country for new talent, holding recruitment days within leading universities and offering selected undergraduates interviews. Hence, it is evident that Unilever executes an all-inclusive
recruitment process guaranteed to attract and retain the best talent in order to yield future organisational success.

Figure 24: Percentage (%) of sample respondents by nationality

As per the above chart, 97.6% of Unilever (South Africa) employees within the response sample are of South African nationality and 2.4% of employees are non-South African. Unilever regularly recruits (Unilever) employees from foreign countries into various departments within the organisation. Similarly, local employees are sought for its operations in foreign countries. These employment opportunities fall within the graduate programme facility and offer a 6-12-month international rotation to employees. Additionally, depending on the occupations available, these may be open to foreign employees attracting a specific skill set. This aims to effect the different learning capabilities acquired with the corresponding experience in foreign countries and roles, subsequently using these learned skills to advance and improve the organisational processes and outcomes within the UL Company the employee finally resides with.
5.4.2 Validity of scales of the research study’s main constructs (effective leadership, change management and sustainability)

5.4.2.1 Validity

The concept of research validity is a “matter of degree” (CollegeBoard, 2016, p1), which cannot be completely valid or invalid. The below describes how the areas of validity were achieved within the study.

5.4.2.2 Internal validity

Content validity: the research instrument was developed by the researcher and further modified by a research consulting group (Osmoz Consulting group) which specialises in the construction of study instruments. The questionnaire was developed based on the underlying aim of the study and subsequent research objectives. Research questions were formulated based on current literature and in terms of the desired outcome to be achieved.

Three main constructs were considered in this study namely Effective leadership, Sustainability and Change in management. The convergent validity of each construct was tested using the correlated item-total correlation.
Table 13: Validity of the construct Change in management

<table>
<thead>
<tr>
<th>Item</th>
<th>Corrected Item-Total Correlation</th>
</tr>
</thead>
<tbody>
<tr>
<td>The company’s ability to influence consumer behaviour towards making more sustainable purchase decisions</td>
<td>.511</td>
</tr>
<tr>
<td>Employees being educated on learnings about company’s sustainable efforts and how it can improve the bottom line</td>
<td>.612</td>
</tr>
<tr>
<td>Regular communication regarding how sustainable changes are impacting the organisation</td>
<td>.658</td>
</tr>
<tr>
<td>Adequate awareness has been built to ensure that employees contribute their fullest to change efforts to promote sustainability</td>
<td>.714</td>
</tr>
<tr>
<td>Employees have the necessary motivation and desire to act in line with change efforts for sustainability</td>
<td>.655</td>
</tr>
<tr>
<td>Employees have the opportunity to get involved and move sustainable efforts forward</td>
<td>.632</td>
</tr>
<tr>
<td>A thoughtful and focused change management process has been engaged which enables alignment</td>
<td>.670</td>
</tr>
<tr>
<td>Organisation’s ability to change and transform their business methods</td>
<td>.652</td>
</tr>
</tbody>
</table>

Table 13 indicates that all the corrected item-total correlations are above .5; meaning, each item measures the construct “Change in management” at least at 50%. Since all the selected items converge well toward the construct “Change in management”, it can be concluded that there is no convergent validity concern regarding the construct “Change in management”. In other words, the selected items are good measures of “Change in management”.

Table 14: Validity of the construct Sustainability

<table>
<thead>
<tr>
<th>Management experience in decision making is important for effective leadership</th>
<th>Corrected Item-Total Correlation</th>
</tr>
</thead>
<tbody>
<tr>
<td>The ability to innovate and generate greener products is important for corporate sustainability</td>
<td>.698</td>
</tr>
<tr>
<td>Energy conservation practices are important for corporate sustainability</td>
<td>.761</td>
</tr>
<tr>
<td>Green purchasing from environmentally and socially responsible companies (products are non-toxic, water and energy conserving, etc.) is important for corporate sustainability</td>
<td>.761</td>
</tr>
<tr>
<td>Top management’s ability to demonstrate passion for sustainable development through motivation</td>
<td>.640</td>
</tr>
<tr>
<td>Top management’s ability to continually strive for performance growth and positive outcomes for sustainability</td>
<td>.667</td>
</tr>
</tbody>
</table>

Table 14 indicates that all the corrected item-total correlations are above .5 except the first item highlighted in red; meaning, the majority of items measure the construct “Sustainability” at least at 50%. Since the majority of the selected items converge well toward the construct “Sustainability”, it can be concluded that the convergent validity concern regarding the item “Management experience in decision making is important for effective leadership” is not significant; therefore, it can be concluded that the construct Sustainability has an acceptable overall convergent validity. Meaning the selected items are good measures of “Sustainability”.
<table>
<thead>
<tr>
<th>Construct</th>
<th>Corrected Item-Total Correlation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Integrity is important for effective leadership</td>
<td>.389</td>
</tr>
<tr>
<td>Accountability is important for effective leadership</td>
<td>.479</td>
</tr>
<tr>
<td>Diligence is important for effective leadership</td>
<td>.456</td>
</tr>
<tr>
<td>Perseverance is important for effective leadership</td>
<td>.552</td>
</tr>
<tr>
<td>Ability to communicate business core values to employees is important for effective leadership</td>
<td>.622</td>
</tr>
<tr>
<td>Alignment of organisational core activities to organisational core values is important for effective leadership</td>
<td>.585</td>
</tr>
<tr>
<td>Ability to demonstrate key values and ethical behaviour is important for effective leadership</td>
<td>.496</td>
</tr>
<tr>
<td>Work and personal life balance is important for effective leadership</td>
<td>.612</td>
</tr>
<tr>
<td>Recognition is important for effective leadership</td>
<td>.546</td>
</tr>
<tr>
<td>Teamwork is important for effective leadership</td>
<td>.526</td>
</tr>
<tr>
<td>Education is important for effective leadership</td>
<td>.381</td>
</tr>
<tr>
<td>Personal development is important for effective leadership</td>
<td>.515</td>
</tr>
<tr>
<td>Ethical Considerations is important for effective leadership</td>
<td>.481</td>
</tr>
<tr>
<td>Management experience in decision making is important for effective leadership</td>
<td>.331</td>
</tr>
</tbody>
</table>
According to Table 15, half of the items used to measure effective leadership have a convergent validity concern as their corrected item-total correlations are below .5; meaning, only half of the items measure Effective leadership” at least at 50%. Since only 50% of the selected items converge well toward the construct “Effective leadership”, it can be concluded that this particular construct has a convergent validity concern. We therefore propose that further research should improve our measurement instrument of Effective leadership.

**Discriminant validity assessment**

The discriminant validity was assessed through a Pearson bivariate correlation test. The results are presented on the Table below.

**Table 16: Pearson correlations coefficients**

<table>
<thead>
<tr>
<th></th>
<th>Change management</th>
<th>Sustainability</th>
<th>Organisational leadership</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change management</td>
<td>Pearson Correlation</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Sustainability</td>
<td>Pearson Correlation</td>
<td>.666**</td>
<td>1</td>
</tr>
<tr>
<td>Organisational leadership</td>
<td>Pearson Correlation</td>
<td>.553**</td>
<td>.384**</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).

According to Table 16, all the Pearson correlations are moderate as none of them is above .8; in other words, the 3 constructs considered in the study are significantly distinct from each other because they are not strongly correlated to each other. This result is the evidence that discriminant validity among the construct is supported.

Conclusion: Considering that our research instruments are reliable and valid (for most of them, we can proceed testing our research hypothesis.
5.4.3 Reliability of scales of the research study's main constructs (effective leadership, change management and sustainability)

This study predominately sought quantitative data for which the numerical coefficient of reliability, Cronbach’s alpha was used. Cronbach’s alpha is a standard test theory which is used to measure the “internal consistency” of a test or scale (Tavakol and Dennick, 2011). Internal consistency determines the degree to which all elements in a test measure the same construct (Tavakol and Dennick, 2011, p. 53) Testing reliability becomes a necessity when variables formed from computed measures are utilised as forecasting constituents in objective models (Ritter, 2010). A variable may only be deemed reliable when the derived variables afford constant, attested and dependable feedback through the duration of repetitive test execution (Ritter, 2010). This study comprises three leading research themes/ constructs, that is; (a) effective leadership, (b) sustainability and (c) change management. With respect to effective leadership, the following has been inferred:

Table 17: Reliability of the construct effective leadership

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.845</td>
<td>14</td>
</tr>
</tbody>
</table>

Initially, the construct comprised 15 items with a Cronbach alpha of .639. To improve the internal consistency, item number 5 (discipline is important for effective leadership) was removed within the pilot study. After reducing the number of items, the new Cronbach alpha was highly positive (.845 > .70) as indicated above in Table 17.

☐ Results from the distributed questionnaires indicate that majority of respondents agree that the characteristics proposed as a requirement for effective leadership are in fact essential to progress an organisation. The respondents of the study are learned within the field of management and have first-hand experience and have observations regarding what does
and does not work within Unilever. The elements listed as being deemed essential for effective leadership are increasingly becoming more relevant within organisations today. These factors are both theoretically and practically essential for the progression of an organisation (Aliyeva, 2012).

- As discussed within the literature, the specific qualities of integrity, accountability, work-life balance, education, etc. (to name a few) are essential factors in enabling a leader to execute efficient decision making and consequently, render positive business results.

- Additionally, of the population sample, 91% of respondents possess higher level education. This indicates a high level of learned employees which could render benefits in that they possess the ability of having a deeper understanding of organisational requirements which may be needed for effective leadership. This may assist in allowing them to be more aligned to common business principles and ways of working. Since these results are consistent, they prove to be reliable.

**Research Objective 1:** to determine the type of leaders’ that are necessary in succeeding within fluctuating environments

Effective leadership is an abstract concept (construct); it can therefore only be assessed through a set of sub-questions called items. Initially, the construct “Effective leadership” had 15 items for a Cronbach Alpha of .639 which was below (.7) the accepted threshold. To improve the internal consistency of the scale, the item number 5 (“Discipline is important for effective leadership”) was deleted as it was found uncorrelated with the rest of construct Effective leadership.

The remaining 14 items generated a Cronbach Alpha (.845), suggesting that the items have relatively high internal consistency (note that a reliability coefficient of .70 or higher is considered “acceptable” in most social science research situations). Meaning, the 14 items used to measure Effective leadership measure it at 84.5%. In conclusion the 14 selected items are all consistent in measuring the construct Effective leadership in the South African context. By attaining questionnaire responses from respondents, we are able to understand
their perceptions of the importance of specific critical elements needed for effective leadership. Both the literature and responses combined, allow for an understanding of the characteristics needed for leaders to succeed within fluctuating conditions. With respect to the research construct of effective leadership, we find that the data produced a Cronbach’s alpha of .845, which proves to be a highly positive result. Consequently, the following elements under the effective leadership construct were measured and these elements prove to be significant in building effective and successful leaders:

- Integrity
- Accountability
- Diligence
- Perseverance
- Ability to communicate core values
- Business alignment
- Ethical behaviour
- Work and personal life balance
- Recognition
- Education
- Teamwork
- Personal development
- Management experience
- Ethical Considerations

In connection with this, the following categories represent the consolidated areas within which each of the above characteristics fall, which is required for an effective leadership strategy in terms of fostering effective leadership (as represented graphically in the literature review- see Figure 1):

- Analysis of required current and future leadership.
- Leadership development strategy.
- Business strategy.
- Talent acquisition, talent sustainability, leadership practices.
- Strategic execution, business results, leadership culture, bench strength.
Leaders make a difference. We know that the leader is a critical factor in the effectiveness of any organisation. Leadership has been analysed from many different perspectives over the years in an attempt to determine the elements of success, and the research has generated a number of theoretical approaches to leadership qualities. New times have mandated new leadership approaches. As we trace development from the earliest trait theories, we have come to recognise the need for a new approach described as transformational leadership an approach to leadership in which the leader transforms the institution by enabling those who serve the institution to participate actively in the process. Leaders can no longer be viewed as entities in isolation; rattler they must possess the ability to empower their followers to be and to do. In order to understand this evolution and its implications for the present, we need to reflect on the past to create a perspective for the future.

Currently, Unilever South Africa employs a strategy encompassing a shared vision which aims to increase organisational growth whilst simultaneously diminishing their environmental footprint and rendering a positive social influence on society (Unilever South Africa, 2016). With consideration of the incessant turbulent environment we are required to work within, it becomes essential that our leaders embody the characteristics of integrity, tenacity, accountability and ethical behaviour, whilst having a good educational background and adequate experience. Furthermore, leadership excellence is perceived as a critical element in the achievement of organisational success (see Figure 2).

Thus, the characteristics imperative to developing an effective leader have been determined which operates in tandem with the processes Unilever has in place in order to recruit employees with sufficient capabilities required to lead an organisation toward success. The success achieved in the face of these challenges results, in part, from the ability of the leader to create a working environment based on a "shared vision." Implicit in what "shared vision" meant to be, good leaders place high value on follower involvement. This involvement, in turn, translates into building internal and external communities.

**Research Objective 2:** to identify the type of evaluation used to select the right leaders in ensuring long-term organisational success

Unilever employs a comprehensive recruiting program which is committed to discovering the highest quality of talent available (Unilever South Africa, 2016). Diversity is constantly encouraged, along with the fostering of shared trust and respect which sets in motion the
engendering of accountability within the employee, for the achievements and reputation of the organisation (Kapstein, 2008). Unilever recruits, employs and promotes exclusively on qualifications while remaining within the BEE act parameters, as well as the individual’s capacity to fulfil the roles and responsibilities required. A challenging recruitment process has been developed from inception to end, whereby graduates are required to complete the following:

- A comprehensive application form.
- Psychometric testing.
- Interview screening process.
- Final candidates selected are presented with real-life business scenarios, and must execute the most appropriate responses in order to arrive at the final selection group (Unilever South Africa, 2016).

Furthermore, the company frequently provides employees with additional training and coursework to assist in growing and advancing individual employee’s capabilities (Kapstein, 2008). In an effort to create exceptional leaders, we may refer back to Figure 1 and 2, where the elements to develop an effective leadership strategy and the components of leadership excellence are discussed. To ensure sustained, competitive, organisational performance, it is essential that the company impart the necessary training and induction on new graduates, so that they may develop the skills required to employ leadership excellence and execute an exceptional business strategy.

Table 18: Reliability of the construct sustainability

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.889</td>
<td>5</td>
</tr>
</tbody>
</table>

According to Table 18, the construct sustainability consists of 5 items which measure approximately 88.9% of what the construct intends to measure. Therefore, the construct is
reliable and there was no need to amend it. Response data collected from the questions posed on the sustainability construct indicate the high levels of importance with regard to the elements of innovation, energy conservation practices, green purchasing, and management’s demonstration of passion for sustainable development as well as their subsequent sustainability motivation and encouragement to employees. These factors managed in a constructive and efficient manner, can collectively afford increased organisational performance. Hence, the above results suggest the importance of the extent to which the organisation achieves the below:

- The ability to innovate and generate greener products in relation to corporate sustainability.
- The extent to which energy conservation practices are integrated into organisational practices (Van Marrewijk and Were, 2003).
- The degree to which green purchasing is achieved from environmentally and socially responsible companies (products are non-toxic, water and energy conserving, etc.).
- Top management’s ability to demonstrate passion for sustainable development through motivation (Brown, 2011).
- Top management’s ability to continually strive for performance growth and positive outcomes for sustainability (Brown, 2011).

Table 19: Reliability of the construct change management

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.877</td>
<td>8</td>
</tr>
</tbody>
</table>

According to Table 19 above, the construct change management includes 8 items which measure approximately 87.7% of what the construct intends to measure. Thus, the construct is reliable and there was no need to amend it. Change management can be defined as “the process of continually renewing an organisation’s direction, structure, and capabilities to serve the ever-changing needs of external and internal customers” (Moran and Brightman, 2001, p. 111). Essentially, change may be characterised by the rate of occurrence (Todnem, 2005). Given our current economic disposition and the accompanying nature of FMCGs, in conjunction with
technological advances and further progressions, we find ourselves in a constant state of adaptation. Thus, success becomes highly dependent on the manner in which an organisation can adjust and adapt itself to accommodate the necessary change. The questions posed under the change management construct indicate that from the sample taken, the respondents perceived the company’s ability to influence change, as a highly important function. The results achieved from the analysis of the questionnaire suggest the following of great importance:

- Organisational ability to influence consumer behaviour towards more sustainable purchase decisions.
- Affording employees the opportunity to enrich themselves in areas regarding business sustainable efforts.
- Regular communication concerning how sustainable changes are impacting the organisation.
- Building adequate awareness to ensure that employees contribute their fullest to change efforts in promotion of sustainability.
- Ensuring that employees have the necessary motivation and desire to act in line with change efforts for sustainability.
- A thoughtful and focused change management process has been communicated which enables alignment and organisation’s ability to change and transform their business methods.

In relation to Objective 1 (to determine the type of leaders’ that are necessary in succeeding within fluctuating environments), it is important to note that possessing the ability to efficiently lead and effect change is a fundamental factor in operating within uncertain environments. Thus, if managers want to achieve positive reactions to organisational change, they need to be aware of the factors directed towards the inclination for change within the five regional spheres as previously explained within the literature (see Figure 9). Additionally, in order to ensure positive change results, it has been inferred that Kotter’s 8 step model and Carnall’s managing transitions model, are best suited to be implemented within Unilever (see Figures 11 and 12).
All research objectives subsequently listed pertain specifically to operations executed within Unilever South Africa in terms of their organisational leadership, change management methods and sustainability efforts.

**Research Objective 3:** To identify the connection between effective organisational leadership and the advancement of sustainability

**Table 20: Correlations between organisational leadership and sustainability**

<table>
<thead>
<tr>
<th></th>
<th>Organisational leadership</th>
<th>Sustainability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organisational leadership</td>
<td>Pearson Correlation 1</td>
<td>.384**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>160</td>
</tr>
<tr>
<td>Sustainability</td>
<td>Pearson Correlation .384**</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>156</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).

Variables selected for this study comprise non-fixed parameters- they were selected based on the core elements under investigation within this research study. We had in total 164 people who participated to the survey. The differences in N are due to missing values. 160 people responded to the questions regarding organisational leadership only; in other words, there were 4 missing values for this construct. 156 people completed both questions on Organisational leadership and sustainability (8 missing values) and 159 people completed questions regarding
To explore the relationship between organisational leadership and sustainability a Pearson correlation test was conducted. As shown in Table 20 above, there is a significant and positive relationship between organisational leadership and sustainability because the Pearson correlation coefficient is equal to .384 and the p value is .000. In other words, there is a 99% chance that when organisational leadership improves it does so in tandem with the advancement of sustainability performance. Unilever South Africa realises the effects of global warming, the country’s escalating issues in water deficits (which should be deemed a natural disaster), and all collective issues which impact on the population, increasing the gap inconsistencies between the affluent and underprivileged (Unilever South Africa, 2016). Consequently, the company continuously strives towards implementing efforts that may yield sustainable results (Kapstein, 2008).

Additionally, we have born witness to the accelerating and incessant growth in the world’s population over the last decades which poses further concerns (see Figures 15 and 16). Taking all above aspects into consideration, Unilever South Africa places great emphasis on instituting activities that will contribute to the impediment of the harsh effects of these issues (Unilever South Africa, 2016). A sustainable, equitable growth model has become the driving force behind the company’s business decisions, where the objective pursued incorporates the reduction of organisational ecological influence while simultaneously growing their constructive societal impact (Unilever South Africa, 2016). In the year 2010, Unilever established a sustainable living plan which includes a spectrum of activities from the obtaining of raw materials to how end consumers utilise company brands. This is indicative of the company’s continuous drive to discover innovative methods of collaborating with society, government and other businesses.

The sustainable living plan comprises 3 objectives:

a. Improving health and wellbeing through enhanced hygiene and nutrition

Unilever hygiene brands (Lifebuoy and Domestos) aid in enhancing individuals’ welfare as well as providing behavioral change campaigns to influence people’s habits towards a healthier lifestyle. Additionally, the company continually strives to meet the highest nutritional standards, entrenched in universally accepted dietary rules with the intent of assisting people in improving their diets (Unilever South Africa, 2016).
b. Reducing environmental impact

The company strives to achieve diminished environmental impact of its activities through obtaining 100% of the energy utilised in its processes from renewable sources by 2030. Furthermore, they are currently undertaking efforts to reduce organisational greenhouse gas emissions caused via sourcing, production and innovation, in addition to extending actions to eradicate deforestation from supply chain activities (Kapstein, 2008). With respect to the current water crisis, Unilever has focused their efforts towards growing products, strategies and amenities which serve domestic water requirements of company consumers in water-threatened countries, whilst decreasing water usage within company factories globally (Unilever South Africa, 2016). Unilever also employs methods to increase efficiency by reducing wastage and continually finding ways to “reduce, reduce, re-use, recycle and recover packaging and waste” (Unilever South Africa, 2016, p. 1) striving to progress to a zero waste business (Unilever South Africa, 2016).

c. Enhancing livelihoods

Unilever targets the improvement of employee livelihoods and occupation through increased equality within the organisation, inclusivity and growing prospects for women (Unilever South Africa, 2016). They have set a massive goal, that by 2020, the company will enhance the livelihoods of millions of people while growing the overall business. To achieve this, it is necessary to create transformational change, thus the fundamental changes to whole systems that are required to really make a difference, both to the livelihoods of people around the world and to opportunities for growing sustainably as a business.

The breadth and depth of Unilever’s value chain affords the prospect to institute change in numerous areas (Unilever South Africa, 2016). The company works in partnerships with an extensive range of public, non-governmental and private stakeholders. Through this, they harness the scale, expertise, and reach of the business to these partnerships to achieve change in key areas, i.e. empowering five million women throughout their value chain, and improving the livelihoods of 800,000 smallholder farmers; work in building inclusive distribution models; as well as their contributions to education (Unilever South Africa, 2016).
**Research Objective 4:** to determine what type of business model is best suited to generate enhanced customer offers that are sustainable

In relation to an organisational business model, it has been found that the elements listed below are required to be present when formulating an effective growth driving model:

- Strategic choices comprised of customer, value proposition, capabilities/competencies, revenue/pricing, competitors, output, strategy, branding, differentiation, mission.
- Value network: suppliers, customer information, customer relationship, information flows, product/service flows.
- Create value: resources, processes.

Unilever South Africa currently employs a *sustainable, equitable growth model* within their daily business operations (Unilever South Africa, 2016). The company drives a shared vision of business growth while simultaneously diminishing their environmental footprint and increasing their societal influence. Since 2010, the company’s Sustainable Living Plan has become the organisational model for stimulating a sustainable business. The core objective of this plan is to double business growth and concurrently reduce environmental impact. This plan strives to detach organisational growth from negatively affecting the environment (Unilever South Africa, 2016). The organisational model currently used has been proving to be effective so far, however, consideration should be given to the core drivers of sustainability (see Table 5) in conjunction with the comprehensive sustainable business model (see Figure 14) in order to improve the existing elements within Unilever’s sustainable, equitable growth model. Through the research conducted within this study, Objectives 5 and 6 have been achieved via the data collected within the effective leadership and sustainability construct sections:

**Research Objective 5:** to understand the dynamics surrounding the current economic state and decipher methods of creating greener consumers

**Research Objective 6:** to determine the methods to be implemented by Unilever in order to draw the increasing ethical consumer market
Table 21: Central tendency measures

<table>
<thead>
<tr>
<th>Statistics</th>
<th>Green purchasing from environmentally and socially responsible companies</th>
<th>Top management’s ability to continually influence the company’s culture</th>
<th>The company’s ability to innovate and generate greener and energy conserving, etc. products</th>
<th>The ability of top management to demonstrate a passion for sustainable growth and behaviour</th>
<th>Top management’s ability to continually strive for more sustainable consumer behaviour</th>
<th>Top management’s ability to continually strive for more sustainable purchase decisions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alignment of organisational core activities to organisational core values is important for effective leadership</td>
<td>Important for sustainability</td>
<td>Important for sustainability</td>
<td>Important for sustainability</td>
<td>Important for sustainability</td>
<td>Important for sustainability</td>
<td>Important for sustainability</td>
</tr>
<tr>
<td>N</td>
<td>Valid</td>
<td>163</td>
<td>161</td>
<td>161</td>
<td>160</td>
<td>161</td>
</tr>
<tr>
<td>Missing</td>
<td>1</td>
<td>3</td>
<td>3</td>
<td>4</td>
<td>3</td>
<td>10</td>
</tr>
<tr>
<td>Mean</td>
<td>4.58</td>
<td>4.40</td>
<td>4.39</td>
<td>4.28</td>
<td>4.35</td>
<td>4.14</td>
</tr>
<tr>
<td>Mode</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>Std. Deviation</td>
<td>.596</td>
<td>.702</td>
<td>.767</td>
<td>.768</td>
<td>.701</td>
<td>.759</td>
</tr>
</tbody>
</table>

Table 21 above shows the answers from the respondents to section a of the research questionnaire (effective leadership construct, item 7): alignment of organisational core activities to organisational core values is important for effective leadership, in relation to all five items regarding sustainability, listed within section b of the research questionnaire (sustainability construct). These items were selected to determine the measure of central tendency apparent in order to describe a central point within the data in relation to the effect of effective leadership in terms of influencing sustainability holistically. Subsequently, the mean, mode and standard deviations were then calculated. According to Table 21, the mean score derived from this central tendency measure is equal to 4.58, showing that the majority of people either agree or strongly agree that the organisational core activities should be aligned with the
organisational core values for effective leadership in terms of successfully effecting sustainability.

Table 22: Alignment of organisational core activities to organisational core values is important for effective leadership

<table>
<thead>
<tr>
<th></th>
<th>Number of responses</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unsure</td>
<td>9</td>
<td>5.5</td>
<td>5.5</td>
<td>5.5</td>
</tr>
<tr>
<td>Agree</td>
<td>50</td>
<td>30.5</td>
<td>30.7</td>
<td>36.2</td>
</tr>
<tr>
<td>strongly agree</td>
<td>104</td>
<td>63.4</td>
<td>63.8</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>163</td>
<td>99.4</td>
<td>100.0</td>
<td></td>
</tr>
<tr>
<td>Missing</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>System</td>
<td>1</td>
<td>.6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>164</td>
<td>100.0</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

In section a under the effective leadership construct, in relation to item 7 (alignment of organisational core activities to organisational core values is important for effective leadership), respondents were asked to agree or disagree on the importance of this element in terms of it being required for effective leadership. The majority of respondents, 104 or 63.8% strongly agreed that the two should be aligned, with 50 or 30.7% agreeing, a total of approximately 95% who answered in the affirmative. The results are presented in Table 22 above. According to Table 21, the mean score for this question is 4.58 showing that the majority of people either agreed or strongly agreed that the organisational core activities should be aligned with the organisational core values for effective leadership. This result is consistent with the frequency table (Table 22) which indicates that 30.7% of respondents agreed with the statement while 63.8% strongly agreed with the statement. The mode of the question is equal to 5; which confirms that those who strongly agree with the statement are in greater number (63.8%).
Table 23: The ability to innovate and generate greener products is important for corporate sustainability

<table>
<thead>
<tr>
<th></th>
<th>Number of responses</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid Disagree</td>
<td>2</td>
<td>1.2</td>
<td>1.2</td>
<td>1.2</td>
</tr>
<tr>
<td>Unsure</td>
<td>14</td>
<td>8.5</td>
<td>8.7</td>
<td>9.9</td>
</tr>
<tr>
<td>Agree</td>
<td>62</td>
<td>37.8</td>
<td>38.5</td>
<td>48.4</td>
</tr>
<tr>
<td>strongly agree</td>
<td>83</td>
<td>50.6</td>
<td>51.6</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>161</td>
<td>98.2</td>
<td>100.0</td>
<td></td>
</tr>
<tr>
<td>Missing System</td>
<td>3</td>
<td>1.8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>164</td>
<td>100.0</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Respondents were asked in section b under the sustainability construct, to indicate their agreement or not with the view that the ability to innovate and generate greener products is important for corporate sustainability. The answers ranged one to five in terms of options provided, on a scale from ‘strongly disagree’ to ‘strongly agree’. A total of approximately 90% agreed, with 51.6% strongly agreeing. Results are presented in Table 23 above. According to Table 21, the mean score for this question is equal to 4.40 meaning that the majority of people either agreed or strongly agreed that the ability to innovate and generate greener products is important for corporate sustainability.

This result is consistent with the frequency table (Table 23) which indicates that 38.5 % of respondents agreed with the statement while 51.6% strongly agreed with the statement. The mode of the question is equal to 5 which confirms that those who strongly agree with the statement are in a slight majority. Hence, this indicates that organisational core activities in association with core values are in high correlation to sustainable activities in terms of generating greener products. This shows that there exists a positive relationship between both elements, where effective leadership in terms of alignment to core activities and values, directly affects the type of sustainable activities executed.
Table 24: Green purchasing from environmentally and socially responsible companies (products are non-toxic, water and energy conserving, etc.) is important for corporate sustainability

<table>
<thead>
<tr>
<th></th>
<th>Number of responses</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disagree</td>
<td>5</td>
<td>3.0</td>
<td>3.1</td>
<td>3.1</td>
</tr>
<tr>
<td>Unsure</td>
<td>13</td>
<td>7.9</td>
<td>8.1</td>
<td>11.2</td>
</tr>
<tr>
<td>Agree</td>
<td>58</td>
<td>35.4</td>
<td>36.0</td>
<td>47.2</td>
</tr>
<tr>
<td>strongly agree</td>
<td>85</td>
<td>51.8</td>
<td>52.8</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>161</td>
<td>98.2</td>
<td>100.0</td>
<td></td>
</tr>
<tr>
<td>Missing System</td>
<td></td>
<td>3</td>
<td>1.8</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>164</td>
<td>100.0</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Unilever respondents were asked to agree or disagree to the statement that green purchasing (in relation to green consumerism) from environmentally and socially responsible companies is important for corporate sustainability. There were five possible answers to choose from on a scale from ‘strongly disagree’ to ‘strongly agree’ and the results are presented in Table 24 above. A total of 88.8% of respondents answered in the affirmative with a slight majority of 52.8% strongly agreeing. According to Table 21, the mean score for this question is equal to 4.39 meaning that the majority of people either agreed or strongly agreed that green purchasing from environmentally and socially responsible companies is important for corporate sustainability. This result is consistent with the frequency table (Table 24) which indicates that 36% of respondents agreed with the statement while 52.8% strongly agreed with the statement. The mode of the question is equal to 5 which confirms that those who strongly agree with the statement are in a majority.
Thus indicating a positive relationship between an organisation’s ability to effect successful leadership in tandem with its ability to innovate and create products on a greater sustainable scale, as well as its purchasing activities from greener companies. These elements thus display a positive association in terms of achieving the objective of generating effective corporate sustainability.

Table 25: Level 2 and 3 top management’s ability to demonstrate passion for sustainable development through motivation

<table>
<thead>
<tr>
<th></th>
<th>Number of responses</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disagree</td>
<td>4</td>
<td>2.4</td>
<td>2.5</td>
<td>2.5</td>
</tr>
<tr>
<td>Unsure</td>
<td>19</td>
<td>11.6</td>
<td>11.9</td>
<td>14.4</td>
</tr>
<tr>
<td>Agree</td>
<td>66</td>
<td>40.2</td>
<td>41.3</td>
<td>55.6</td>
</tr>
<tr>
<td>strongly agree</td>
<td>71</td>
<td>43.3</td>
<td>44.4</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>160</td>
<td>97.6</td>
<td>100.0</td>
<td></td>
</tr>
<tr>
<td>Missing System</td>
<td>4</td>
<td>2.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>164</td>
<td>100.0</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Unilever respondents were asked to agree or disagree on the level of importance attributed to the statement that Level 2 and 3 top management (within Unilever SA) has the ability to demonstrate passion for sustainable development through motivation, under section b within the sustainability construct. There were five possible answers to choose from on a scale from ‘strongly disagree’ to ‘strongly agree’ and the results are presented in Table 25 above. The majority of respondents agreed and strongly agreed with the statement: 85.7%. According to Table 21, the mean score for this question is equal to 4.28 meaning that the majority of people either agree or strongly agree that Level 2 and 3 top management has the ability to demonstrate passion for sustainable development through motivation. This result is consistent with the frequency table (Table 25) which indicates that 41.3 % were the majority of respondents in...
agreement with the statement while 44.4% strongly agreed with the statement. The mode of
the question is equal to 5; which confirms that those who strongly agree with the statement are
in greater number. Hence, this indicates a positive relationship between the alignment of
organisational core activities to organisational core values for effective leadership in tandem
with Level 2 and 3 top management’s ability to demonstrate passion for sustainable
development through motivation.

Table 26: Level 2 and 3 top management’s ability to continually strive for performance
growth and positive outcomes for sustainability

<table>
<thead>
<tr>
<th></th>
<th>Number of responses</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disagree</td>
<td>1</td>
<td>.6</td>
<td>.6</td>
<td>.6</td>
</tr>
<tr>
<td>Unsure</td>
<td>18</td>
<td>11.0</td>
<td>11.2</td>
<td>11.8</td>
</tr>
<tr>
<td>Agree</td>
<td>66</td>
<td>40.2</td>
<td>41.0</td>
<td>52.8</td>
</tr>
<tr>
<td>strongly agree</td>
<td>76</td>
<td>46.3</td>
<td>47.2</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>161</td>
<td>98.2</td>
<td>100.0</td>
<td></td>
</tr>
<tr>
<td>Missing</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>System</td>
<td>3</td>
<td>1.8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>164</td>
<td>100.0</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Respondents were asked to agree or disagree with the statement that Level 2 and 3 top
management has ability to continually strive for performance growth and positive outcomes
for sustainability. There were five possible answers to choose from on a scale from ‘strongly
disagree’ to ‘strongly agree’ and the results are presented in Table 26 above. A majority of the
respondents, some 42.7% strongly agreed whilst 41% agreed, a combined total of 83.7% who
agreed as opposed to disagreed. According to Table 21 the mean score for this question is equal
to 4.35 meaning that the majority of people either agree or strongly agree that top management
has ability to continually strive for performance growth and positive outcomes for
sustainability. This result is consistent with the frequency table (Table 26) which indicates that
41% of respondents agreed with the statement while 47.2% strongly agreed with the statement. The mode of the question is equal to 5 which confirms that those who strongly agree with the statement are in greater number. Hence, this indicates a positive relationship between the alignment of organisational core activities to organisational core values for effective leadership in tandem with top management’s ability to continually strive for performance growth and positive outcomes for sustainability.

**Table 27: The Company’s ability to influence consumer behaviour towards making more sustainable purchase decisions**

<table>
<thead>
<tr>
<th></th>
<th>Number of responses</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid Disagree</td>
<td>6</td>
<td>3.7</td>
<td>3.9</td>
<td>3.9</td>
</tr>
<tr>
<td>Unsure</td>
<td>17</td>
<td>10.4</td>
<td>11.0</td>
<td>14.9</td>
</tr>
<tr>
<td>Agree</td>
<td>81</td>
<td>49.4</td>
<td>52.6</td>
<td>67.5</td>
</tr>
<tr>
<td>strongly agree</td>
<td>50</td>
<td>30.5</td>
<td>32.5</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>154</td>
<td>93.9</td>
<td>100.0</td>
<td></td>
</tr>
<tr>
<td>Missing System</td>
<td>10</td>
<td>6.1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>164</td>
<td>100.0</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Respondents were asked to agree or disagree with the statement that *the company has the ability to influence consumer behaviour towards making more sustainable purchase decisions*. There were five possible answers to choose from on a scale from ‘strongly disagree’ to ‘strongly agree’ and the results are presented in Table 27 above. A majority of the respondents, some 52.6% agreed whilst 32.5% strongly agreed, a combined total of 85.1% who agreed as opposed to disagreed. According to Table 21, the mean score for this question is equal to 4.14 meaning that the majority of people either agree or strongly agree that the company has the ability to influence consumer behaviour towards making more sustainable purchase decisions. This
result is consistent with the frequency table (Table 27) which indicates that 52.6% of respondents agreed with the statement while 32.5% strongly agreed with the statement. The mode of the question is equal to 4 which confirms that those who agree with the statement are in greater number. Hence, this indicates a positive relationship between the alignment of organisational core activities to organisational core values for effective leadership in tandem with the company’s ability to influence consumer behaviour towards making more sustainable purchase decisions.

**Research Objective 5:** *to understand the dynamics surrounding the current economic state and decipher methods of creating greener consumers*

In terms of determining methods of creating greener consumers, it is necessary to understand the driving forces behind consumer purchasing behavior. In relation to the literature within this study, we have seen that the development of green consumerism and more socially mindful consumers are compelling indicators of the green evolution. However, an individual’s apprehension toward the environment may not necessarily translate to a shift in greener purchasing behavior, thus resulting in an attitude-behavior gap. This makes it necessary for the organisation to understand the green consumer purchasing model (Anvar and Venter, 2014). Key elements to be considered are consumer general knowledge and values on greener purchases, consumers’ criteria for green purchasing, barriers/ facilitators to green purchases, the product purchase and any corresponding feedback regarding green purchases.

In relation to understanding the above elements and in answering objective 5 (*to understand the dynamics surrounding the current economic state and decipher methods of creating greener consumers*), the literature assists in painting a picture of the current state of the economy. South Africa currently faces numerous challenges, from the de-valuation of the rand and subsequent rise in cost of living, to service delivery issues, corruption, an unemployment rate of 25% and recent striking issues within the mining sector (a sector regarded at the core of the South African economy (Mbele, 2014, p. 1)). Furthermore, the South African policy improbabilities, gaps within infrastructure, the issue of drought increasing public debt and potential inflationary forces have all placed fiscal and monetary policy in a constricted position (The World Bank, 2015). The sectors contributing to South African GDP are in the areas of manufacturing (contributing 13.3%) and wholesale, retail and motor trade, catering and accommodation (contributing 14.6%) (South Africa.info, 2015). Thus, it is clear that the
FMCG industry contributes greatly within these sectors and hence has the opportunity to steer the economy towards increased growth and development. Additionally, the tests performed to determine the central tendency measures as displayed in tables 19-25, indicate a positive relationship between organisational activities and core value alignment and the progression of key sustainability metrics. By understanding the position of the economy and how the FMCG industry can impact economic performance, organisations may implement strategies to attract consumers in ways that are beneficial to all parties. In terms of creating greener consumers, and in relation to objective 6 (to determine the methods to be implemented by Unilever in order to draw the increasing ethical consumer market) organisations must thoroughly understand the barriers that exist in achieving this objective.

These are listed below:

- Lack of awareness.
- Negative perceptions.
- Distrust of the product.
- High prices.
- Low availability (Bonini and Oppenheim, 2008, p. 1).

Hence, in order to grow turnover within environmentally sustainable products, consumers need to be made more aware of these products, organisations need to effect actions to change negative perceptions into positive outlooks, build and increase trust in products, lower product cost, and increase product availability. Additionally, it is significant to note that the priority and relevance of each barrier differs according to product, industry, and geography (Bonini and Oppenheim, 2008). Organisations need to develop methods to eliminate these barriers. Consumers need to be educated. Better products need to be manufactured which convey value that equates to or is superior to conventional products. Organisations are required to eradicate the use of “greenwashing” (communicating that products are more sustainable than they actually are) and work towards building consumer trust. They are required to communicate value offerings, both in terms of financial investment and environmental investment.
And finally, products must be available in order for them to be purchased. Availability and distribution is thus a crucial factor in terms of removing these external barriers (Bonini and Oppenheim, 2008). Furthermore, from the above discussed external environmental elements affecting consumer perception (see Figure 17), and as per the International Energy Agency (2011), the quantitative result tabulations and the questions posed within the research sustainability section, the following is evident:

*With the advancements in technology and the progression of time, we find ourselves residing in an “information hungry” period. Consumers are becoming increasingly more aware of their surroundings, lifestyle, health decisions and concurrently, their impact on the environment.*

They want to make decisions that are more socially and environmentally responsible, since the numerous positive effects of sustainable living are becoming increasingly apparent. According to a study conducted by Nielsen, 55% of universal online consumers in 60 countries, they are prepared to pay more for goods and services delivered by organisations that are dedicated to progressive and constructive social and environmental impact (Nielsen, 2014, p.1). Moreover, a wealth of literature and further studies suggest that an increase in sustainable activities and simultaneous corporate social responsibility can effectively improve the bottom line. The Nielson study further conveyed that consumers partially base their purchasing decisions on packaging and whether the brand is intent on and dedicated to positive environmental and social impact.

Additionally, it was found that the following geographic areas assume the greatest inclination towards socially responsible brand purchases: Asia-Pacific (64%), Latin America (63%) and Middle East/Africa (63%). Having Africa constitute part of the 63% clearly suggests that there lies massive opportunity for sustainability within our consumer group. The respondents within the Nielsen study further communicated that they will purchase as many sustainable goods as they are able to and have subsequently modified their purchasing actions to diminish their effect on climate change (Nielsen, 2014). Millennials (individuals between the ages 21-34) are increasingly knowledgeable and aware of socially responsible and sustainable actions and have
proven to be more receptive to sustainable efforts, symbolising 51% of individuals who are more inclined to paying higher prices for sustainable goods (Nielsen, 2014).

**Research Objective 6: to determine the methods to be implemented by Unilever in order to draw the increasing ethical consumer market**

Numerous factors influence the gap between consumer attitude and their corresponding behaviour. In order to attract the ethical, sustainable consumer market, the following has been deduced:

In relation to the central tendency measures carried out within the testing phase of this study, the positive relationship displayed between organisational activities and core values in association with the areas of sustainability (Tables 15-21) indicate that if proper alignment exists in terms of activity execution (across all facets including sustainable activities), the organisation can achieve broadening consumer understanding on sustainability and subsequently aiding in matching consumer attitudes to their behaviour.

Creating greener consumers will involve targeting their marketing campaigns on a social level towards family and friends in an effort to shift the attitude of consumers (Gen Y). Additionally, awareness must be broadly generated via integrated marketing communications (IMC) plans etc., and an affordable pricing strategy should be deployed as a result of price sensitive consumers (high prices associated with sustainable goods). Lastly, the research literature has shown that females are more inclined towards making greener purchases, thus more efforts should be directed towards influencing the behaviour of males (Gen Y) (Anvar and Venter, 2014).

**5.4.4 Open ended questions**

In order to further substantiate the results from the quantitative data collected, two open ended questions were asked of top management (WL2 and WL3 - managers and directors respectively). Ten responses were received. Respondents were able to offer more than one response to open-ended question one. The question was: “Who are the company’s "stakeholders" and what is the strategy behind that?”. The responses indicate that the organisation’s main stakeholders are its shareholders, employees, suppliers, consumers. The
responses also indicated that the company strategy is built around internal alignment and a common understanding of stakeholder engagement. Responses about strategy were collated into 11 themes reflecting the key elements required to achieve organisational success. The responses collected indicate that the organisation’s main stakeholders are its shareholders, employees, suppliers, consumers. The responses further infer that the company strategy is built around internal alignment and a common understanding of stakeholder engagement. The organisation’s strategy aims to create and maintain strong relationships with key stakeholders which enables an effective operational system in terms of networking and service delivery. In identifying the key stakeholders, the company may then determine what is needed to satisfy these stakeholder needs and work towards achieving this in order to create win-win situations, whereby all parties benefit. The following themes were identified, are listed below and are also presented in Table 22 below.

- Internal alignment
- Stakeholder engagement
- Organisational growth
- Environmental impact
- Fair/equitable trading
- Employee satisfaction
- Deliver quality
- Uphold business principles and ethics
- Drive awareness
- Consumer focussed
- Supply chain management
Table 28: Stakeholders identified from open-ended question 1

Who are the company’s "stakeholders" and what is the strategy behind that?

The themes have been deduced as a result of respondent answers, of which the following company stakeholders have been identified:

<table>
<thead>
<tr>
<th>Stakeholder</th>
<th>Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shareholders</td>
<td>Internal Alignment and Common Understanding</td>
</tr>
<tr>
<td>Employees</td>
<td>Employee satisfaction (well supported in all areas)</td>
</tr>
<tr>
<td>Suppliers</td>
<td>Internal Alignment and Common Understanding</td>
</tr>
<tr>
<td>Customers</td>
<td>Drive Value through quality and price</td>
</tr>
<tr>
<td>Government/ NGOs</td>
<td>Instituting Sustainable living programs</td>
</tr>
</tbody>
</table>

Table 29: Themes identified from open-ended question 1:

Who are the company’s "stakeholders" and what is the strategy behind that?

<table>
<thead>
<tr>
<th>Codes</th>
<th>Themes</th>
<th>Frequency of response</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Internal alignment</td>
<td>4</td>
</tr>
<tr>
<td>B</td>
<td>Stakeholder engagement</td>
<td>2</td>
</tr>
<tr>
<td>C</td>
<td>Organizational growth</td>
<td>6</td>
</tr>
<tr>
<td>D</td>
<td>Environmental impact</td>
<td>5</td>
</tr>
<tr>
<td>E</td>
<td>Fair/ equitable trading</td>
<td>2</td>
</tr>
<tr>
<td>F</td>
<td>Employee satisfaction</td>
<td>3</td>
</tr>
<tr>
<td>G</td>
<td>Deliver quality</td>
<td>5</td>
</tr>
<tr>
<td>H</td>
<td>Uphold business principles and ethics</td>
<td>6</td>
</tr>
<tr>
<td>I</td>
<td>Drive awareness</td>
<td>4</td>
</tr>
<tr>
<td>J</td>
<td>Consumer focussed</td>
<td>6</td>
</tr>
<tr>
<td>K</td>
<td>Supply chain management</td>
<td>3</td>
</tr>
</tbody>
</table>

Figure 25 below shows the themes for open ended question one as percentages of total responses. Four themes were fairly equally important, these being organisational growth (13%), environmental impact (11%), deliver quality (11%), uphold business principles (13%) and consumer foci (13%). In achieving a sustained, successful organisational strategy, the company must strive towards aggressively driving and achieving the elements given below.
These themes, if translated into action effectively and collectively, have the ability to render great organisational success. As stated above, the responses indicate that the organisations main stakeholders are its shareholders, employees, suppliers, consumers and further infers that the company strategy is built around internal alignment and a common understanding of stakeholder engagement. Additionally, it is essential to ensure that the company is trading within a fair and equitable manner to help drive business. Employee satisfaction is imperative. Delivering value to the end consumer is a key driver of success and attracting the greener consumer market. From a sustainability perspective all stakeholders above would have a vested interest but the advent of social media has changed the leverage of each group with arguably consumers benefiting the most. Consumer and customer needs are increasingly holding companies more accountable for how they affect communities and the environment. Furthermore, as resources become scarce, companies are forced to engage suppliers particularly, but also regulators, to ensure that steps are taken now to protect availability of resources.
Table 30: Groups identified from open-ended question two: Which groups do the organisation need to partner with in order to gain further clout (within all facets)?

<table>
<thead>
<tr>
<th>Codes</th>
<th>Theme</th>
<th>Frequency of response</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Agricultural groups</td>
<td>2</td>
</tr>
<tr>
<td>B</td>
<td>Governmental agencies</td>
<td>3</td>
</tr>
<tr>
<td>C</td>
<td>Big Retailers</td>
<td>3</td>
</tr>
<tr>
<td>D</td>
<td>Customers</td>
<td>8</td>
</tr>
<tr>
<td>E</td>
<td>General Public</td>
<td>5</td>
</tr>
<tr>
<td>F</td>
<td>NGOs</td>
<td>4</td>
</tr>
</tbody>
</table>

Respondents identified six main groups the organisation needed to partner with. These were:

- Agricultural groups
- Governmental agencies
- Big retailers
- Customers
- General public
- NGOs

The most frequent response was customers, with this group being mentioned 8 times or 32% of total responses; the next most frequently mentioned group being the general public, with five mentions or 20% of total responses. These results indicate that the business needs to partner with suppliers and consumer groups and buyers (e.g. retailers) to build the ‘through the supply chain’ alignment. A loss in belief or inadequate commitment in any of the steps, could break down the prospect of strong partnerships being formed, especially since the customer is the ultimate route to market (direct or indirect) for company products and significantly influences organisational ability to execute in the market. Additionally, partnerships need to be created with Governmental agencies to influence legislation and the impact of sustainability related reforms as well as NGOs in the relevant areas to build a credible reputation as a sustainable organisation but also to secure the expertise to implement sustainability initiatives that the organisation may not have.
In terms of the interpretation of qualitative data, there are three major factors to be noted:

- Significance of the data set and its social or cultural place.
- Sufficiency of the data, and coverage of the analysis.
- Transparency and repeatability of the analysis (Creswell, 2013).

Respondents of the two open-ended questions had been selected from management functions within Unilever. This afforded the opportunity to acquire several responses from individuals with a wealth of differing expertise and background knowledge, assisting in providing a holistic view of requirements to progress the company further, within all facets.

5.5 Conclusion

This chapter has presented the results of the research study. The findings have been interpreted and displayed both graphically and through the use of figures and tabulations. The results have revealed that the FMCG industry is currently a tough market to reside within considering all internal and external factors affecting its operational activities. The data findings have been delineated as associations and links to the research variables and have been exhibited in a graphical and tabular format. The study aimed to determine how Unilever South African can institute ways to remain ahead of its competitors in consideration to the current economic situation and simultaneously reduce its carbon footprint. The results indicated that there lie positive relationships between the alignment of organisational core activities and values in relation to sustainable efforts. If the correct leadership methods are applied to effect efficient change and implement sustainable initiatives, the organisation has the capacity to develop and maintain a sustainable competitive advantage (as long as all stakeholders benefit) thus, ensuing increased organisational success. The next chapter discusses the implications and conclusion of the findings, and the corresponding recommendations and limitations to be conferred.
CHAPTER 6
DISCUSSION AND FINDINGS

6.1 Introduction

The preceding chapter provided the presentation and analysis of the data collected from the research study which was conducted within Unilever South Africa, with information obtained from both Level 2 and 3 top management and lower Level 1 employees. This chapter seeks to present and summarise the key findings obtained through the data analysis in relation to the research study’s three major constructs, i.e. effective leadership, change management and sustainability. At present, the world is faced with far greater social, environmental, and economic challenges than ever before, comprising diminishing global ecosystems, population growth, and unprecedented macro-economic stress (Brown, 2011). Considering this, the research study analyses current literature and the FMCG industry’s situational conditions in tandem with the data collected from the study. The aim here is to determine what methods are currently being employed in terms of leadership execution and sustainable development, and thereafter, identify gaps within present organisational processes which, once recognised, can afford a sustained competitive advantage leading to continued organisational success.

6.2 Reliability

Reliability measures the extent to which a research instrument is consistent and dependable in terms of attaining uniform results against recurring administration of testing (Weiner, 2007). This study comprised the numerical coefficient of reliability, Cronbach’s alpha which measured item-total correlation and internal consistency. All research constructs measured, displayed a Cronbach’s alpha result of > 0.70, which indicated a high degree of reliability. Well formulated and precise questions were posed within the research instrument, affording adequate information to be received in order to allow for practical comparisons to other conditions and frameworks.
6.3 Research questions and objectives

Below displays the main research question that this study aimed to answer, in conjunction with the corresponding secondary questions and research objectives.

6.3.1 Main research question

The importance of strategic leadership and change management in achieving the overall national sustainability objective: The case study of Unilever.

6.3.2 Secondary research questions

The secondary research questions relate to Unilever as mentioned in the main research question.

6.3.2.1 What type of leaders are required for successfully operating within the fast moving consumer goods industry (an emerging industry comprising rapidly changing markets)?
6.3.2.2 What type of cultural assessment integrated into the recruitment process is used to guarantee that the right leaders for an organisation are presented for long-term success?
6.3.2.3 What are the links between efficient organisational leadership and the progression of sustainability?
6.3.2.4 What type of business model is required to afford better customer propositions that are inherently more sustainable?
6.3.2.5 With consideration to the exploding global middle class, how do we find methods for creating greener consumers?
6.3.2.6 How will Unilever employ green policies that can attract the growing ethical consumer market?
6.3.3 Research Objectives

The research objectives relate to Unilever as indicated in the main research question.

The below research objectives will be dissected further in relation to the empirical findings of the study.

6.3.3.1 To determine the type of leaders that are necessary in succeeding within fluctuating environments.
6.3.3.2 To identify the type of evaluation used to select the right leaders in ensuring long-term organisational success.
6.3.3.3 To identify the connection between effective organisational leadership and the advancement of sustainability.
6.3.3.4 To determine what type of business model is best suited to generate enhanced customer offers that are integrally sustainable.
6.3.3.5 To understand the dynamics surrounding the current economic state and decipher methods of creating greener consumers.
6.3.3.6 To determine the methods to be implemented by Unilever in order to draw the increasing ethical consumer market.

6.4 Empirical findings

The study examined Unilever’s organisational position within the prevailing economic climate in South Africa. Assuming the position of one of the world’s leading fast moving consumer goods (FMCG) companies, Unilever faces escalating pressures in terms of remaining ahead of competitors while simultaneously satisfying all stakeholders involved. With consideration of the economic recession experienced towards the end of the first decade into the new millennium, South Africa continues to bear the consequences of such stagnation. The country is faced with continuous economic challenges, which renders an economic environment riddled with turbulence and uncertainty. This makes it increasingly difficult for organisations within the FMCG industry to maintain a sustainable competitive advantage in tandem with fulfilling
all stakeholder needs. The main and direst challenges experienced by South Africa are the following:

- Stagnant economic growth.
- Increasing unemployment rate (25%).
- Strikes within the mining sector (deemed one of the country’s main foundations for growth).
- Cost of living.
- Service delivery.
- Corruption (Mbele, 2014).

With specific reference to the study’s main objective in terms of the importance of strategic leadership and change management in achieving the overall national sustainability objective within the case study of Unilever in South Africa, it has been found that an effective leadership model is essential— one that is in line with the needs of the organisation and able to influence effective change decisions which will positively impact the overall company performance. Additionally, a sustainability model which is compatible with company needs, must be implemented in order to realise business objectives, since the world is shifting towards a more knowledgeable and informed platform. Additionally, attention is given to the issue of the cost of living within South Africa. As previously discussed within Chapter Two, over the last two years the South African currency has experienced a reduction in value of approximately 20% (Mbele, 2014). This instability has resulted in the country being deemed a member of the “fragile five” together with Indonesia, Brazil, India and Turkey (Mbele, 2014, p. 1).

Additionally, the State President’s recent decisions as regards shuffling finance ministers has negatively impacted on the rand. Subsequent to these changes, the adverse effect on the rand along with current drought conditions, has concurrently prompted a rise in the cost of goods, resulting in higher prices being paid for transportation, food, housing and the like. Without situational improvement, this may lead to interest rate hikes resulting in diminished consumer spending, unequivocally impacting the organisational performance of FMCGs along with numerous other industries. Hence it is important to determine additional methods of attracting the growing consumer market, and shifting consumer mind-sets and influencing their purchasing behaviour within the consumer goods market. Residing within a highly competitive, globalised market, it becomes a challenge to continuously remain ahead of
competitors, and with consideration of the global economic climate, it is predicted that the nature of the South African and global markets could become further unstable and difficult to operate within. Thus, it becomes imperative for organisations to focus on the facets of cultivating an organisation which engenders the development of effective leaders in tandem with sustainable growth and the ease of transition in relation to organisational change (Korn Ferry, 2016). The main empirical findings were determined through the analysis of both exploratory research in conjunction with the data analysis of the research study and achieved through each respective chapter as per the following:

- Chapters Two and Three: Literature review
- Chapter Five: Data presentation and analysis.

The results of this study indicate that leadership plays a critical in overall organisation performance. When reviewed in conjunction with the literature, we see that neo-charismatic leadership is a leadership form most applicable to the nature of Unilever. The literature favour and deduce that neo-charismatic leadership is the most effective leadership style to be implemented within Unilever South Africa. It holds that effective leaders must encompass the traits of diligence, accountability, collaboration, respect, teamwork, empower, adapt and humility in order to effectively execute business operations. Unilever ensures that a stringent recruiting process be implemented in order to acquire the most suitable individuals for corresponding roles- this is based predominantly on educational qualifications as well as racial elements in order to comply with the BEE Act (Unilever South Africa, 2016).

In order to meet the requirements of a continually growing and fast-paced market and society, leaders must incorporate their individual values with appropriate leadership characteristics. They must be capable of shifting mind-sets and behaviours and modifying leadership strategies in order to remain competitive (Akins et al, 2013). Unilever currently implements the "sustainable equitable growth model". Although this has rendered elevated success levels over the last few years, it is important to consider the three pillar model encompassing the factors of social, environmental and economic aspects in conjunction with the scholar, practitioner, leader model (SPL model) (Akins et al, 2013). These models implemented collectively, set the foundation for effective leadership execution in promotion of sustainability for organisational
success. In order to create greener consumers, an organisation must thoroughly understand the needs, wants and perceptions of consumers. Unilever must continuously drive and embed the factor of "brand trust" in the minds of consumers and facilitate educational forums within which consumers are able to learn about company products. Educational awareness is thus a critical factor in this sense. This section will synthesise and discuss the empirical findings to answer the study’s research questions.

**Question 1: what type of leaders are required for successfully operating within the fast moving consumer goods industry (an emerging industry comprising rapidly changing markets, using Unilever SA as a benchmark)?**

As previously mentioned, it has become increasingly more difficult to operate within the current economic environment in South Africa. The findings from the data collected within the research study suggest that effective leadership is regarded as one of the most important elements in determining organisational success. The questions posed within the research questionnaire aimed to identify the significance given to specific characteristics required from a leader. The results have shown that an effective leader is one who exudes integrity in his or her actions and who assumes accountability, displays diligence and perseverance and has the ability to effectively communicate organisational core values to the business. An effective leader must stimulate business alignment, portray ethical behaviour in his or her actions, and maintains a positive work and personal life balance. An effective leader should embrace employee recognition, have a good educational background and be able to engender the spirit of teamwork.

He or she should encourage personal development and possess a high level of management experience. Past leadership methods in organisations tended to favour a more autocratic approach. However, the progression of time and knowledge and the rise in globalisation has propagated the shift in leadership style to a servant perspective and further to a transformational position. Thus, in relation to the literature discussed on leadership in chapters two and three, organisations require a type of leadership which will enhance success within a fluctuating business environment. This type of governance requires the leadership characteristics identified within the study, alongside the effective management of these characteristics which may promote organisational values that become difficult to replicate, thus ensuring a competitive advantage. The study has further identified though interpretation, the type of leadership which is required to improve organisational performance, as **neo-charismatic**
leadership. This leadership type is an integration of transformational and charismatic methods, and needs to be customised to our African nature and characteristics in terms of embracing the fundamentals of self-respect, people satisfaction, partnerships, and functioning as a joint entity, better recognised as Ubuntu; thus deduced as the most effective method to be implemented alongside the recognised leadership characteristics. This leadership type through literature and an internal understanding of Unilever business functionality, has been interpreted as being the most effective to be employed within the organisation.

**Question 2: What type of cultural assessment integrated into the recruitment process is used to guarantee that the right leaders for an organisation are presented for long-term success?**

Numerous organisations employ talent management processes which do not deliver the leaders they require. Additionally, organisations tend to lean towards a generic approach in terms of improving the existing talent supply, with the expectation that this effort may achieve prospective appeal. However, this method it has been suggested, is inadequate. Organisations are required to become more progressive in terms of their future plans. Employees and leaders are required to be fully knowledgeable of the company’s proposed direction and be constantly aware and well-informed regarding market developments. This will afford the opportunity for implementation of a rigorous system for the recognition of talent. Unilever South Africa currently employs a recruiting process comprising a high degree of rigour. The company Unilever, recruits, employs and promotes exclusively according to qualifications achieved by individuals and in terms of their capacity to fulfil the desired role as well as in terms of being aligned with the BEE Act.

However, to ensure that the correct individuals are selected at the initial stages of the recruitment process, the organisation must identify and employ individuals who display a sustainability orientation or sustainability aptitudes. The organisation has implemented a comprehensive recruiting process which allows for potential employees to complete an extensive program, subsequently being placed in real-life business situations and have their consequent actions observed and critiqued. Thereafter, the top performers are selected. This process further incorporates continuous development of individual graduate’s capabilities, affording each employee extensive exposure and experience within the industry. Unilever’s current recruitment process has been perceived to generate high performing employees who develop the necessary skills needed for leading a progressive organisation towards sustained performance (Unilever South Africa, 2016).
Question 3: What are the links between efficient organisational leadership and the progression of sustainability (within Unilever)?

The findings obtained from the research in terms of the effective leadership and sustainability constructs have shown these two constructs to be closely interlinked. This association was identified using the Pearson correlation test, which illustrated a positive relationship between organisational leadership and sustainability, with the correlation coefficient being equal to .384, indicating high significance. In connection with the new age in which organisations operate and the growth of globalisation, businesses are required to integrate innovative, adaptive organisational processes. They need to keep abreast with current trends and constantly monitor the consumer market. As the world has shifted towards a more sustainable culture, the concept of sustainability has been given wide-spread attention over the last few years within business. This idea of sustainability represents the achievement of current needs without a trade-off in the future generation’s capacity to achieve their own needs.

This relationship is underpinned by the transformational leadership theory (whereby charisma, intellectual stimulation, individualised consideration and inspirational motivation are used to inspire employees to reach organisational goals) which has been extensively discussed in the literature. Organisations are required to adapt and extensively integrate methods of sustainability in order to remain successful. Sustainability needs to be built into the company’s culture and aggressively propagated. “A culture of sustainability is one in which organisational members hold shared assumptions and beliefs about the importance of balancing economic efficiency, social equity and environmental accountability” (Bertels et al, 2010, p. 10).

Sustainable development thinking and action have developed so rapidly in recent times that most businesses have no choice but to implement these actions within their operations. When determining the business case for sustainability, the underlying and subsequent benefits derived from its execution must be clearly identified, as per the below:

- Cost and cost reduction
- Sales and profit margin
- Risk and risk reduction
- Reputation and brand value
- Employer attractiveness
- Innovative capabilities (Schaltegger et al, 2012).
The concept of sustainability has been proven to affect the triple bottom line and hence the implementation of all organisational actions must be made in view of social, financial and environmental risks, opportunities and obligations (Bertels et al, 2010). The concept of sustainability poses challenges within organisational implementation in comparison to general, historic business changes, and thus management must be prepared to employ substantial inter-organisational collaboration (Bertels et al, 2010). Despite the effort and resources invested in this change process, it is important to note that the benefits reaped from its successful execution are extensive.

Thus, it is imperative that the characteristics previously identified as determinants of an effective leader be cultivated into the culture and actions of business leaders, since these traits will allow for the execution of effective leadership and simultaneously stimulate the successful implementation of sustainable efforts (Šimanskienė and Župerkienė, 2014). The close association between effective leadership and sustainability, if managed efficiently and effectively, will allow for a sustainable business to flourish, leading to long-term, organisational sustained performance, since business actions are intimately linked to a robust economic, social and environmental system (Bertels et al, 2010).

**Question 4: What type of business model is required to afford better customer propositions that are inherently more sustainable?**

The findings of the study indicate that an appropriate and effective leadership model be employed in line with organisational sustainability objectives. Furthermore, the literature has identified and favoured a “sustainable equitable growth model” as Unilever South Africa’s main business model upon which their actions are based. This has proven to be reliable and effective. However, in order to operate successfully within a business environment, and with consideration of all macro and micro economic factors, businesses have been realising the need and importance of a heightened shopper understanding, in order to drive organisational growth (Obiukwu, 2014). Major shifts within the South African FMCG market in terms of supply and demand necessitate the institution of newer, more pioneering and efficient holistic strategies from organisations, with the intention of sustaining a competitive advantage (Imperial Logistics, 2012). Companies within the FMCG industry have progressively learnt the art of business alignment between their processes and brands in line with customer/shopper needs.
One of the biggest challenges facing FMCG organisations is their lack of understanding in identifying the most operational and pertinent areas within each of channel within the company, affording growth. It is thus imperative that marketing, channel and customer teams be aligned in terms of each function’s responsibilities. Generally, organisations are more inclined to implement the “best practice model”, however, despite the benefits acquired from this, it is important to note that business models need to be customised and evaluated in terms of the organisation’s vision and mission. Current trends in consumer behaviour necessitate further efficiencies in product flows and current information flows. Organisations bear witness to the escalations associated with infrastructure and hikes in energy prices which subsequently influence transportation costs.

As a result of this organisations are required to resourcefully have supply coincide with demand whilst maintaining their competitive edge. For an organisation within the consumer goods industry, this entails the efficient functioning of all organisational operations, from perfect order achievement and supply chain incorporation, enhancing visibility, shipment compactness, load usage, to all activities involved in manufacturing the product, to its delivery to the end consumer, devoid of flaws whilst producing an optimum value offering (Imperial Logistics, 2012). All these activities are required to be executed with diminished impact on the environment and affording beneficial contributions to all stakeholders involved. Unilever South Africa may have a comprehensive business model, but the company must bear in mind that this should be regularly revised and adapted consistent with market trends and consumer behaviour. A successful, high performing organisation continuously strives to modify and transform their business operations so as to maintain a sustainable competitive advantage.

Question 5 and 6 investigated:

☐ With consideration to the exploding global middle class, how do we find methods of creating greener consumers? And

☐ How will Unilever employ green policies that can attract the growing ethical consumer market?
Findings drawn from this study indicated that sustained performance is dependent on the organisation’s ability to successfully adapt to market related trends and changes in operations. In order to create greener consumers, organisations must first thoroughly understand consumer behaviour and the drivers of consumer attitudes. Consumer thinking and perception is highly influenced by external environmental factors. Just because a consumer acknowledges that purchasing a sustainable product is the right decision, this doesn’t necessarily translate into a purchase action. The age of green consumerism and socially mindful consumers is a strong indicator of the movement towards the green evolution which presents a huge opportunity for organisations to gain credibility within the minds of green consumers. Furthermore, it has been found that certain barriers exist which influence green consumer purchase behaviour. These are: consumer’s lack of awareness, the presence of negative perceptions, distrust in the product, increased prices and diminished availability (Bonini and Oppenheim, 2008, p. 1).

In order to attract consumers, these barriers need to be eliminated. Organisations are required to afford opportunities for consumers to be educated about the dynamics surrounding these products and their subsequent benefits. Products must convey their value offering, or demonstrate their superiority in comparison to other products. Organisations must work towards establishing and maintaining consumer trust, and delivering on product availability. A consumer cannot purchase a product if it is not made available to him/her. Additionally, it has been discovered that Generation Y consumers are more mindful of the green movement and hence have a deeper understanding of the surrounding dynamics of green purchasing. Thus, organisations need to employ effort which is aimed at deliberately targeting this generation group in terms of realising potential opportunities. Furthermore, Unilever is required to partner further with the following organisations which will contribute to attracting the growing ethical consumer market:

- Agricultural groups
- Governmental agencies
- Big Retailers
- Customers
- General Public
- NGOs.
When consumers are aware that organisations are supported by the general public, government, customers and larger companies, this affirms the belief in their mind that the organisation can be trusted. Within the era of sustainable development and the current dynamics surrounding the economic market, consumers want to be assured that the offering they receive will provide what it’s communicated to provide. Consumers want to be treated fairly and want organisations to display integrity, honesty and value in their offerings. Organisations must strive to win the hearts of consumers, and this will ensure a loyal consumer base.

6.5 Main findings

In relation to the body of research consulted and the findings acquired from this study, the following points denote the major findings attained from this study:

- Progression requires organisations to constantly monitor the manner in which performance is managed and its subsequent influence on company objectives. The gap between these two elements must be identified in order to establish an effective solution.
- Organisations must continuously monitor changes in the market as well as the wider global landscape.
- Performance management must incorporate a holistic comportment with respect to all operational activities effected.
- Organisations are required to identify the association between strategy and culture, and effectively communicate this to employees so as to encourage and stimulate employee performance, resulting in performance growth.
- A sound business model must be determined and should be constantly revised in light of market activity and changes, in order to maintain organisational alignment to core values and activities and remain well informed of competitive behaviors from opposition companies. Thus, organisational goals must be aligned and a strong organisational culture must be cultivated, generating competent and proficient leaders.
- The body of literature and subsequent findings from the study suggest that the most effective leadership strategy to employ within Unilever South Africa, is that of neo-charismatic leadership, which is an incorporation of a transformational nature, in tandem with the elements of charismatic leadership and further modified to incorporate the fundamental nature of our African culture.
Organisations and particularly Unilever South Africa must continue to regularly reassess certain areas for business growth in order to remain competitive. These are:

- Promotional campaigns directed at the consumer. Are these campaigns affording adequate awareness to the end consumer? Does it meet the required objectives? Does the company understand the elements affecting consumer attitudes? Do these attitudes translate to desired behavioral actions?
- Strategy - the division among customer and shopper thinking and the considered feedback from channel must be redefined.
- Resourcing – the business requires individuals who are suited to and embody the skills needed for the execution of the overall organisational vision (Obiukwu, 2014).

FMCGs within the current economic climate face increased challenges. FMCGs must further aggressively, evaluate in-house competition and develop methods to remain ahead of competitors. They need to communicate value offerings to consumers, as this to a certain extent, contributes to driving purchasing decisions. Organisations must place emphasis on availability and distribution of products. Consumers become frustrated when the goods they require are not available. Companies need to seek to improve their forecasting systems and enhance their supply chain processes in order to negate this issue.

6.6 Managerial Implications

This study has highlighted numerous issues which Unilever South Africa executives may wish to further consider. Firstly, since the country’s continued growth remains a fundamental objective, and with consideration of the high rise current unemployment rate of 25%, priority has been placed on job creation. Top management within Unilever must continuously assess the growing developments within sectoral shifts, specifically with regard to the retail trade segment, in terms of employment and the generation of income. It would be valuable and of interest to appoint a study which examines this specific subject in depth, paying attention to potential prospects which lie within the bottom of pyramid outlets (BOP) (e.g. spaza shops), which refers to individuals at the bottom of pyramid in terms of the wealth scale. This is essential in assisting to lift those from poverty and prevent social degeneration, political disorder and environmental collapse. Secondly, Unilever South Africa currently has
partnerships with numerous stakeholders as indicated earlier. It is imperative that the organisation work closely with these stakeholders, specifically suppliers, so as to guarantee the continuation of internal competitiveness. With consideration of the escalating pressures imposed by the pervasive nature of globalisation, South African companies are faced with the duty of generating a supply chain strategy which aids in finding a resolution to the burden of globalisation. Furthermore, companies should continue to evaluate the degree to which their outsourcing decisions can be agreed upon which may afford beneficial impacts on local businesses (Kapstein, 2008).

Thirdly, Unilever South Africa currently institutes numerous sustainability initiatives, and should continue to guarantee sustainability, scalability, efficiency and value of their corporate social responsibility initiatives. In view of this, it may be beneficial to direct their initiatives toward a smaller set of programs (Kapstein, 2008). Finally, due to Unilever South Africa’s programs affording such extensive benefits to society at large, it may be prudent for the organisation to build and sustain strong and influential partnerships with the government in order to ensure the preservation of an environmental policy which stimulates private sector investment, since a country devoid of this investment lacks the capacity to effect and advance economic growth as well as reduce inequality and poverty.

6.7 Limitations of the study

The main limitation of this study was its sample size. Since the research was conducted by means of quantitative research and because the research study was conducted within only one company, it is difficult to assume that the factors and results will be the same or similar for other dominant companies within the FMCG industry (e.g. P&G). The questionnaires administered to Level 2 and 3 top management were limited to ten individuals which restricted further depth of the study in attaining responses from a broader range of employees within their particular functions. A total of 300 questionnaires were distributed to Unilever employees, of which only 164 responses were received. This again limited the depth of information acquired from the study. The research instrument was developed based on existing information and an assessment of current gaps in research, and thereafter customised specifically for Unilever, so it may not be applicable to other FMCG companies within the industry. Nonetheless, the organisation is now able to utilise and build on this questionnaire and the identified business
model with assurance, as a basis in the undertaking of future studies in determining other areas needed for improvement within the sustainable leadership segment (Eustace and Martins, 2014). Despite the information obtained being able to provide a clear illustration of the company operations and its subsequent leadership execution, it does not represent the functions of all companies within the FMCG industry, and thus this study may be viewed as a starting point for the undertaking of further research.
CHAPTER 7
RECOMMENDATIONS AND CONCLUSION

7.1 Recommendations for future research

The current study sought to analyse Unilever South Africa’s success and answer the research question of how the organisation can improve or implement further processes in diminishing their carbon footprint whilst simultaneously maintaining a sustained competitive advantage. It did not consider the evaluation of customer centricity in South African business strategy and process. This is a prospective area which could be further looked into.

This study could provide a foundation for further research within the FMCG sector. In an effort to obtain a broader spectrum of findings, the study sample could be extended by including employees from numerous organisations within the FMCG industry as well as other industries within South Africa. The utilisation of a measurement instrument which has the ability to assess a variation of leadership styles and its subsequent effects on organisational performance, may enhance the value of future research.

Further research should seek to determine the relationships between the organisation and its broader stakeholder group. Since the effective leveraging of stakeholder influence is a key component within which the company operates which can subsequently contribute to organisational performance.

Leadership encompasses complex systems in which leaders are required to effectively maneuver and adapt. It may also be beneficial to examine the development of leadership methods within organisations which are in the initial stages of undertaking sustainable efforts. This may afford the opportunity to distinguish prominent techniques that are evident in the initial “sense making” stages of the leadership development process, which could assist in dismantling the complexity of sustainable leadership and contributing to the promotion of globalised sustainability (Metcalf and Benn, 2013).
A further recommendation for future research would be investigating additional initiatives by Unilever South Africa in terms of pursuing and examining potential green prospects in the stage of packaging, and determining additional methods of diminishing their negative environmental impact.

7.2 Research contributions

The research contained within this study contributes to theory in terms of the growing research on Leadership, Change Management and Sustainability with regard to adaptation by business to modern strategies of implementation which are tailored to each organisation. It may be used as a foundation for further PhD studies in order to render benefits of each research field within practice. It adds to present literature on customised leadership models and frameworks. It affords an understanding of how organisations within the FMCG industry are required to operate and indicates the fundamental factors which need to be focused on (in terms of attracting the green consumer market and highlighting the barriers to consumer behavior in terms of green purchasing).

It further provides an understanding of the challenging issues which need to be strategically addressed regarding economic concerns of which the FMCG industry can assist in reducing. The study presents a benchmark for further research studies on the execution of different leadership styles and how they can be aligned with corporate culture to provide enhanced organisational performance. Furthermore, the study becomes important in providing a representation of Unilever’s overall impact on economic development and its responsibility as a representative for progressing human and capabilities so as to facilitate its ability to contend more efficiently in the market.
7.3 Ethical considerations

It is of the utmost significance that research be conducted in an ethical manner, as norms reinforce the objectives of the research, for example, mindfulness, truth and avoidance of mistakes. Considering that research encompasses of an extensive form of collaboration and synchronisation amongst several individuals, of varied divisions and disciplines, ethics encourages substantial elements which are fundamental to effective cooperation (Resnik, 2015.). With reference to the principle of ‘voluntary participation’, individuals are not to be forced or coerced into participating in research. So too, is the facet of informed consent directly associated. These aspects encompass fairness, trust, accountability, and respect. Since data will be gathered from questionnaires, confidentiality agreements were constructed, in order to get consent from the participants, to answer the questionnaires.

7.4 Conclusion

This study set out to explore the current status of the South African economy in relation to how organisations within the fast moving consumer goods industry (specifically Unilever South Africa) can enhance their operational activities in order to remain ahead of competitors, thus stimulating organisational success, whilst simultaneously diminishing their carbon footprint. The study further sought to analyse the shift from historical leadership methods to modern day leadership deployment, and how the concept of change management and sustainability may be incorporated in improving operational strategies towards the attainment of organisational progression.

Given the history of South Africa and despite the recent socio, economic and political developments which have been achieved, we find ourselves positioned within an undesirable predicament. South Africa, being a developing country and an emerging market, continues to battle the major external economic issues of poverty, unemployment, corruption, cost of living, (Mbele, 2014), all contributors to the overall hindrance and detriment of South African economic health. The nature of the South African economic environment is one of high instability demonstrating substantial difficulties for organisations seeking a sustainable position. The country, being a developing nation, and burdened by the effects of historic inequality occurrences as well as current economic challenges (such as discrimination,
unemployment, corruption, poverty, and the like), has not developed environmental policies as a major priority. However, despite these challenges, organisations realise the importance of the shift toward a greener society in order to remain competitive and ahead of the market. Unilever has extensively implemented global green standards and strives to offer products which benefit the end user by adding value whilst simultaneously enforcing positive societal impacts. Organisations must strive to maintain and sustain a positive brand status which is a key driver in influencing consumer behavior (KPMG, 2011). In order to achieve environmental sustainability alongside competitiveness, the type of leadership strategy employed is critical. Total company functionalities must be thoroughly analysed in order to determine the type of leadership essential for ensuring success.

A successful strategy involves organisational alignment as a necessity and with the integration of sustainability, change must be effectively managed. Further to this, it has been found that effective management of change continues to exist as an essential ability. Past incidences have shown that the regulation of change needs to be more reactive. Subsequent to reviewing a wealth of literature, it was found that numerous theories suggested an unclear and conflicting perspective on change management, which could possibly reveal a fundamental absence in an effective structure required for the successful execution of change (Todnem, 2005). More recent literature suggests a fundamental shift in the management of change, comprising the following:

- A social and cultural shift from management to leadership indicating the rise of change leadership, instead of observed evidence (Hughes, 2015).
- Emphasis is currently being placed upon favouring change leadership over change management (Hughes, 2015).
- In terms of prospective future avenues, organisations must learn to embrace and sustain the basic elements (leadership excellence, employee recognition, understanding consumer behaviour, etc.) resulting from both management and leadership and integrate these concepts so as to realise enhanced benefits (Hughes, 2015).
Further to this, it has been deduced that the effective deployment of a viable leadership strategy must be instituted within organisational operations. Sustained company performance is determined by the extent to which a leadership strategy necessitates the effective implementation of change leadership and institutes the elements of sustainable development. Effective leadership must be commanded by a “leader” who inspires change, encourages and stimulates organisational progression and who displays extraordinary abilities. Additionally, it must be noted that the nature of sustainability assumes its own complexities, and a leader of this nature must have the capacity to comprehend, evaluate and successfully resolve the following:

- The intricacy regarding the dynamics of sustainability (Metcalf and Benn, 2013).
- The complexity of multifaceted problem solving, and
- The complexity of the concept and implementation of leadership (Metcalf and Benn, 2013).

This type of leadership must incorporate a sustainable inclination as well as a transformational disposition which allows for refinement against organisational goals and objectives. Thus, success may only be achieved once efforts are made to enhance all stakeholder benefits, i.e. environmental, societal and organisational (Šimanskienė and Župerkienė, 2014). Through the integration of the elements of effective leadership execution which engenders successful change and a business model that incorporates sustainability, organisations can enhance their competitive advantage resulting in a diminished carbon footprint and simultaneous growth in organisational performance.

Furthermore, in relation to maintaining a sustainable competitive advantage which will inevitably enhance organisational performance, companies need to attract the growing green consumer market. Firstly, campaigns need to be developed and directed at friends and family of consumers in an effort to impact and stimulate consumer attitudes (via the use of social influence). Secondly, green awareness needs to be cultivated within the mind of the consumer and finally consumers are heavily cognisant of market pricing, thus organisations need to implement more low-cost, economical pricing strategies for sustainable products due the price sensitivity frequently related with greener products. Organisations can only progress if their
actions positively impact the wellbeing and stability of their society (Kapstein, 2008). Thus, in order to stimulate economic progress progressive influences, companies need a thorough understanding of businesses current effects and the methods to improve them. It is crucial that organisations be part of the solution to combat major global and local economic and social challenges (Kapstein, 2008). Sustainability has been deemed an essential element in affording organisational growth and innovation, hence the emphasis placed on this concept. Unilever South Africa will continue to remain one of South Africa’s leading FMCGs provided that appropriate leadership strategies are implemented (neo-charismatic) in conjunction with a sustainable business model which benefits all organisational stakeholders; additional methods are put in place to assist in bridging the gap between consumer attitudes and their subsequent sustainable behavior, and increased emphasis on Unilever forming strong partnerships with further possible stakeholders (additional NGOs, governmental agencies, customers, etc.) in order to stimulate their progress in order to maintain a sustainable competitive advantage.

7.5 Final conclusion

Despite the significance that universal and specific leadership practices play within creating a preferred organisational climate, it is essential that a leadership model be customised specific to the characteristics of Unilever and its employees. Organisations have realised the prospective opportunities that may be achieved with the sustainable development phenomena and are rapidly changing business methods so as to adapt to and implement these practices which if executed effectively, will render organisational growth and success. This becomes imperative with regard to a multi-national FMCG such as Unilever and its successful functioning within a developing country such as South Africa, in terms of playing an active role in progressing the future global economy.


Considerations in Energy Production. USA: Society for Mining, Metallurgy, and Exploration, Inc.


Gliem, J. and Gliem, R. (2003). Calculating, interpreting, and reporting Cronbach’s Alpha reliability coefficient for Likert-Type scales. *Midwest Research-to-Practice Conference in Adult, Continuing, and Community Education*. Ohio State University, Columbus, 08th to 10th October 2003, pp. 82-88.


Rowe, K. (2007). *The imperative of evidence-based instructional leadership: Building capacity within professional learning communities via a focus on effective teaching practice.* City: Centre for Strategic Education.


APPENDIX
APPENDIX 1: INFORMED CONSENT
Dear Respondent,

M Com Research Project
Researcher: Celeste Enoch (079 953 0628)
Supervisor: Thea van der Westhuizen (031 260 8148)
Research Office: Mariette Snyman (031 260 8350)

I, Celeste Lisa Enoch am a Masters student in the School of IT, Management and Governance, at the University of KwaZulu-Natal. You are invited to participate in a research project entitled, *An analysis of Unilever’s strategic implementation of its national sustainability objective: A leadership perspective.* The aim of this study is to: focus in particular, on the implementation of effective leadership with the integration of sustainability in creating an organisation that is responsive to change. Given that high performing corporations require the development of an agile leadership skill, the capacity to proactively anticipate and react to rapid and invasive change, it is imperative to explore this concept within an organisational system. Through your participation I hope to understand the role that effective leadership has within propelling an organisation towards success. The results of this survey are intended to contribute to the growing research on Leadership, Change Management and Sustainability with regard to adaptation towards modern strategies. Your participation in this project is voluntary. You may refuse to participate or withdraw from the project at any time with no negative consequence. There will be no monetary gain from participating in this research project. Confidentiality and anonymity of records identifying you as a participant will be maintained by the School of IT, Management and Governance, UKZN. If you have any questions or concerns about participating in this study, please contact me or my supervisor at the numbers listed above. It should take you about 5 to 10 minutes to complete the questionnaire. I hope you will take the time to complete the questionnaire.

Sincerely

Investigator’s signature____________________________ Date_________________
CONSENT FORM: An analysis of Unilever’s strategic implementation of its national sustainability objective: A leadership perspective.

My name is Celeste Enoch and I am a Masters student at the University of KwaZulu-Natal. I am conducting research on the impact of conscious leadership on reduction of carbon footprint.

My research includes an empirical component of which this questionnaire is one of the research instruments used for data gathering.

The purpose of this questionnaire is to gather data that will enable me to assess the nature and the direction of the afore mentioned relationship

Please note:

- The data you provide will be recorded anonymously and your participation in this study will be held in the strictest confidence. If a summary of the results is used for educational or publication purposes, individuals will not be identified.

- Your participation in this research is entirely voluntary and you can withdraw from the survey at any time. For ethical reasons, this research is aimed at adult participants only (persons aged 18 and above).

- You also have the right to skip any particular question or questions if you do not wish to answer them but you are strongly encouraged to answer all questions.

- You have the right to ask questions before, during and after the administration of this questionnaire.

I shall appreciate it if you assist the project by providing your personal views or opinions in the questionnaire.

Informed Consent

I hereby give my permission for the use of my views and opinions for research purposes.

..........................................................  ..........................................................

Signature                      Date

My Email is enochceleste@gmail.com

Many Thanks
APPENDIX 2: QUESTIONNAIRE
# I- PROFILE OF THE RESPONDENT

Q.1. Gender: 
- Male 1
- Female 2

Q.2. Race: 
- African 1
- Indian 2
- White 3
- Coloured 4

Q.3. Marital Statute: 
- Single 1
- Married 2
- Divorced 3
- Widow 4

Q.4. Age: 

Q.5. What is your designation within company?

Q.6. Highest education level: 
- Less than Matric 1
- Matric 2
- Diploma 3
- Bachelor Degree 4
- Postgrad Degree 5

Q.7. Nationality: 
- South African 1
- Non-South Africa 2
Please indicate your opinion regarding the statements below; also note the following:

1 = Strongly disagree; 2 = Disagree; 3 = Unsure; 4 = Agree; 5 = Strongly agree

### A. Effective Leadership

<table>
<thead>
<tr>
<th>Statement</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Integrity is important for effective leadership</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accountability is important for effective leadership</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Diligence is important for effective leadership</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Perseverance is important for effective leadership</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Discipline is important for effective leadership</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ability to communicate business core values to employees is important</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Alignment of organisational core activities to organisational core values</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ability to demonstrate key values and ethical behaviour is important</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Work and personal life balance is important for effective leadership</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recognition is important for effective leadership</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Teamwork is important for effective leadership</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Education is important for effective leadership</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal development is important for effective leadership</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ethical Considerations is important for effective leadership</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management experience in decision making is important for effective</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Please indicate your opinion regarding the statements below; also note the following:
B. **Sustainability**

<table>
<thead>
<tr>
<th>The ability to innovate and generate greener products is important for corporate sustainability</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy conservation practices are important for corporate sustainability</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Green purchasing from environmentally and socially responsible companies (products are non-toxic, water and energy conserving, etc.) is important for corporate sustainability</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Top management’s ability to demonstrate passion for sustainable development through motivation</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Top management’s ability to continually strive for performance growth and positive outcomes for sustainability</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>
Please indicate your opinion regarding the statements below; also note the following:

1= Strongly disagree; 2= Disagree; 3= Unsure; 4= Agree; 5= Strongly agree

C. **Change Management**

<table>
<thead>
<tr>
<th>Statement</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>The company's ability to influence consumer behaviour towards making more sustainable purchase decisions</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employees being educated on learnings about company's sustainable efforts and how it can improve the bottom line</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Regular communication regarding how sustainable changes are impacting the organisation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adequate awareness has been built to ensure that employees contribute their fullest to change efforts to promote sustainability</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employees have the necessary motivation and desire to act in line with change efforts for sustainability</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employees have the opportunity to get involved and move sustainable efforts forward</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A thoughtful and focused change management process has been engaged which enables alignment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organisation’s ability to change and transform their business methods</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
D. (For top management ONLY)

1. Who are the company's "stakeholders" and what is the strategy behind that?

2. Which groups does the organisation need to partner with in order to gain further clout (within all facets)?
APPENDIX 3:
ETHICAL CLEARANCE
22 February 2017

Ms Celeste Lisa Enoch (207503563)
School of Management, IT & Governance
Pietermaritzburg Campus

Dear Ms Enoch,

Protocol reference number: HSS/0152/016M
New project title: The importance of strategic leadership and change management in achieving the overall national sustainability objective: The case study of Unilever

Approval Notification – Amendment Application

This letter serves to notify you that your application and request for an amendment received on 21 February 2017 has now been approved as follows:

- Change in Title

Any alterations to the approved research protocol i.e. Questionnaire/Interview Schedule, Informed Consent Form; Title of the Project, Location of the Study must be reviewed and approved through an 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 discipline/department for a period of 5 years.

The ethical clearance certificate is only valid for period of 3 years from the date of original issue. Thereafter Recertification must be applied for on an annual basis.

Best wishes for the successful completion of your research protocol.

Yours faithfully

Dr Shenuka Singh (Chair)

/ms

Cc Supervisor: Ms Thea van der Westhuizen
Cc Academic Leader Research: Professor Brian McArthur
Cc School Administrator: Ms Debbie Cunynghame

Humanities & Social Sciences Research Ethics Committee
Dr Shenuka Singh (Chair)
Westville Campus, Govan Mbeki Building
Postal Address: Private Bag X54001, Durban 4000

Telephone: +27 (0) 31 260 3587/6350/6557 Facsimile: +27 (0) 31 260 6850 Email: smhepc@ukzn.ac.za / snymanm@ukzn.ac.za / motunp@ukzn.ac.za
Website: www.ukzn.ac.za

100 Years of Academic Excellence

Founding Campuses: Edgewood, Howard College, Mduwick, Pietermaritzburg, Westville

217 | Page