

THE APPLICATION OF SYSTEMS THINKING AS APPLIED TO CORPORATE
COMMUNICATION.

BY
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EXECUTIVE SUMMARY

P & O Grindrod Logistics (Pty) Ltd (POGL) was the focus of study over a period of two years and served as the learning field for the systemic appreciation of complex problem resolution.

Organisational conversation and communication surfaced as an issue within the organisation during this period of research and served as the system of interest (SOI) warranting further appreciation and understanding. This paper surfaces an understanding of the complex and emergent issues and dilemmas of the SOI through a process of generative learning, using systems thinking and a brief theoretical understanding of communication, as a multimethodological paradigm. The reflective approach was to gain knowledge and understanding of the SOI and then to subject the knowledge claims to validation. Various worldviews emerged, as to the causes and reasons for non-communication. This required the surfacing of personal issues and experiences, an understanding of emotions, appreciation for other's points of view, values, knowledge, perceptions, beliefs and ethics of the staff at POGL. A systemic appreciation facilitated the emergence and understanding of behaviours of the people, specifically as regards the leadership style and the knowledge-power position of that management style. During my research, my observation was that organisational conversations were limited to these issues, void of any strategic value or vision content. In most job functions including managerial positions, authority levels, empowerment, innovation, and creativity, was replaced with a command style leadership. People lived in fear of reprisal and did as they were told. Retrenchments and restrictions on capital expenditure, equipment maintenance and general day to day running costs, further limited team building, personal and organisational learning, by removing responsibility and authority and relocating this to the Executive Team. The absence of a communicated vision negatively affected commitment, productivity decreased, and focus and energy was lost. A culture of non-communication, namely, distrust, emotions, disrespect, and credibility, emerged as barriers to effective communication and were noted as concerns of the people.

The proposed intervention is the creation of a learning organisation, with the purposeful construction of a strategy to enhance and maximise organisational learning. The process

is designed as systems starting with leadership development, progressing through strategic conversation, a system to improve communication, recognition, reward and performance management systems and staff and management development. The overall objective is to improve organisational effectiveness. The intervention has developed as a generative learning process, ie the reflections of the two-year research process and the additional reflections and learnings from this paper. This was a conscious attempt to improve competitiveness, productivity and innovation, to understand uncertainties and the need for learning in order to improve adaptability and efficiency during these times of change and uncertainty in POGL. As evidenced from the literary review of systems thinking and the application to the issues in this organisation, we are dealing with a complex and dynamic environment. 'Learning enables a quicker and more effective response to this environment, increases information sharing, **communication**, understanding, increases the level of energy and excitement in individuals and the quality of decisions made in organisations.' (April, 2000:49)

The whole process requires a culture change for the organisation and will take time. However, I am of the opinion that the inclusion of staff in organisational decision making complemented with staff development will improve innovation and creativity and promote a sustainable organisation. People desire to be part of a community, where expansive thinking is encouraged and recognition and reward part of the process of building trust and respect; where the people talk to one another, learn from each other in ongoing dialogue, exchange advice, coach and mentor each other. Success is in teamwork, personal mastery, a shared vision and developing leaders capable of dealing with the complexities of the present and the future. The five learning disciplines, namely, systems thinking, personal mastery, team building, mental models and shared vision are seen in this paper as a foundation and enhance aspiration, reflective conversation and understanding complexity. (April, 2000:52) Jack Welch, formerly of General Electric, quoted in April (2000:50) said of learning: 'Our behaviour is driven by a fundamental core belief: The desire and the ability of an organisation to continually learn from any source - and to rapidly convert this learning into action - is its *ultimate competitive advantage*.'

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DECLARATION

I hearby declare that this dissertation, unless specifically indicated to the contrary in the text, is the original work of the author.



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CHAPTER 1: INTRODUCTION AND OVERVIEW

1.0 Introduction

This chapter summarises the two-year research in relation to the company in which I am employed, with specific emphasis on the leadership styles and the impact that these styles had on the staff, profitability, team building, communication and strategic conversation in the organisation.

P & O Grindrod Logistics (Pty) Ltd (POGL) is a Warehouse and Container Park business which provides a service to the shipping industry and import / export customers. It has a network of warehouses and container parks in all the major centers throughout South Africa. The company is a 50/50 partnership between P & O Trans European (POTE), which is a logistics organisation, based in the UK with a presence in Europe, the United States and Africa and Grindrod (Pty) Ltd which is a South African listed logistics company. The partnership was formed with effect from 1 January 2000. The specific purpose of the partnership was to turn an unprofitable business into a profitable business with the introduction of a first world partner. Thus POTE brought in their management and first world logistics expertise to the table.

The research work undertaken has been based on P & O Grindrod Logistics during the period February 2001 to September 2002. Refer to table 1 chronology of my learning in relation to POGL for detail of research issues and topics. It should be noted that as a result of a change in leadership of the organisation during July 2002, the organisation is in the process of moving from an autocratic style leadership to a participatory style. Thus the organisation is in the process of a further culture change. I am in a position to encourage the organisation in the creation of a learning organisation, where there is involvement and participation of all staff at all levels in creative problem solving and learning. This research surfaces my emerging organisational issues and understandings as I engaged with various modules and analysed various aspects of organisational life. This is expanded on as I related the theory to classroom interactions and with staff in the organisation.

All research undertaken during the two year period was systemically contextualised and within the boundaries of a learning organisation. I used the construct of the learning organisation drawn from literature in an attempt to understand where learning should have been evident, but was not taking place within the organisation. I noted a number of issues which impacted negatively on organisational learning and contributed to poor communication. Notably also on the arrival of the new Managing

Director (MD) during July 2002, his first observation was the lack of communication within the organisation.

From a systemic point of view, this research will analyse the complexity of communication and what constitutes communication in an organisation. Refer to figure 2, which provides an analysis of the research issue occurrence in each research topic, for an indication of the likely causes of organisational issues, which result in this organisation not communicating.

2.0 Emerging findings from the two year research assignments

The leadership style (if autocratic) impacts negatively on staff morale, and productivity, and a cyclical degenerative cycle develops as in figure 1 below. A systemic intervention considers the business in a broader sense and the fact that it exists in an environment and interacts with it. A vision and strategy that ensures the development of staff and enabling them to be 'heard' and 'listened to' and be part of the solution, will empower staff to higher levels of achievement and thus improved productivity. They would like to be part of the solution, if anyone cared to listen to what they have to say rather than discounting all staff as having nothing to offer. The above process is summarised in the causal loop diagram and rich picture below. The apparent negative energy resulting in a re-inforcing loop with a symptomatic solution of reducing expenses, injecting shareholder funds or increasing marketing activities. The long-term consequences are unlikely to ensure a sustainable organisation as the issues or problems in the organisation are not being addressed. In order to lever a profitable and sustained organisation, the fundamental solution should be strengthened (Goodman, 1995: 3)- ie build a learning organisation.

The above scenario is based on my observations, discussions with colleagues and surveys (refer appendices) of the impact on organisational life of the process of moving from a participatory leadership style to an autocratic style. This was compounded by a downturn in the economy and the desperate need to return the organisation to profitability.

The concept of the learning organisation will be developed in this paper as the solution to an engaging and sustainable company, that communicates and where people add value to the organisation and together overcome problems, share knowledge and grow with the company.

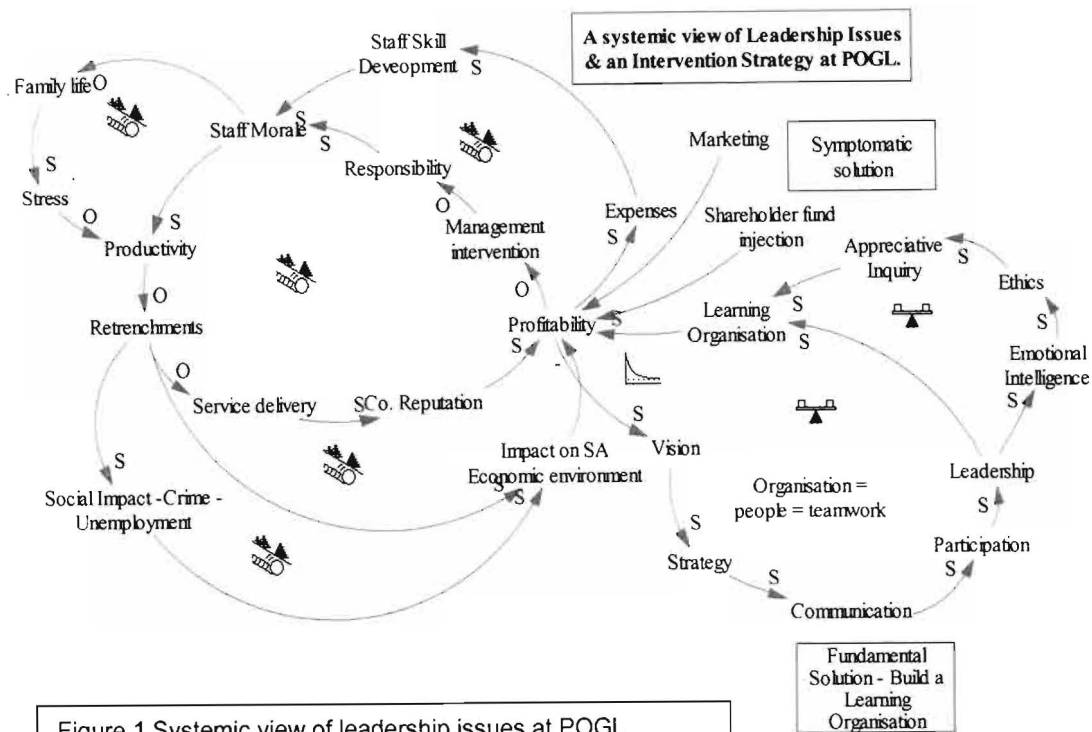


Figure 1 Systemic view of leadership issues at POGL

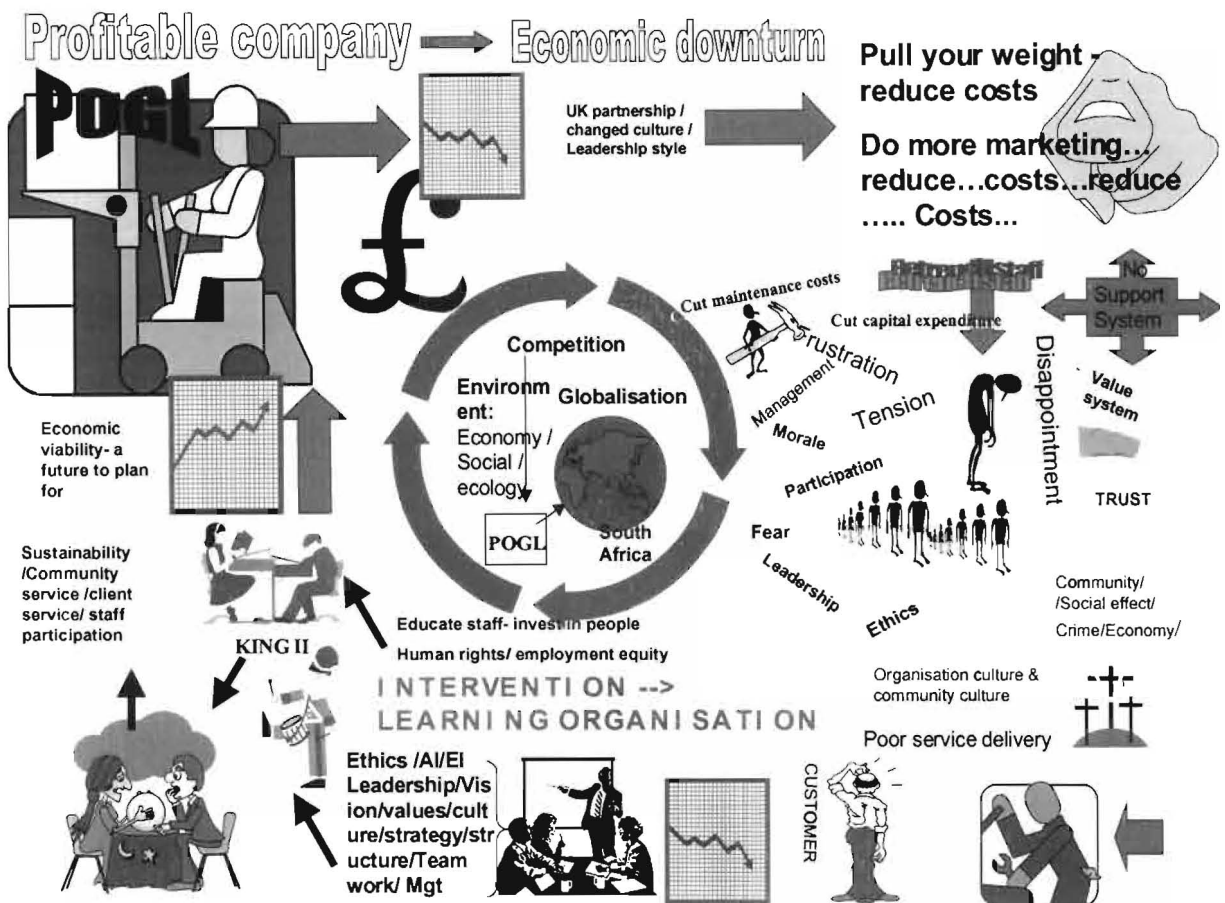


Figure 2. Rich picture of cycle of events over the last three years at POGL.

The rich picture above is an attempt to see and understand the problem situation, clearly represented as a 'messy complex situation'. The picture shows an organisation in a state of change that has negatively affected the lives of people involved - also families of those retrenched or otherwise affected by the attempt to reduce costs and improve profitability. An organisation does not exist in isolation to the needs of the people that it employs or the community that it exists in. Notably also, it is important to turn the organisation into a profitable sustainable entity, as the demise of the organisation will have far reaching implications not only for staff, and wider social dynamics but as indicated, the economy - unemployed people, reduction in tax base of local and government authorities - and thus a greater burden on the wider environment, including loss of investor capital and negative effect on the holding company share price.

2.1 Chronology of my learning in relation to POGL

Table 1 summarises the modules, each of which researched certain aspects of organisational life referred to as 'research topic'. In each research topic, issues or dynamics emerged which contributed to the organisational learning and systemic understanding of POGL. The right hand column then recorded the 'research issue occurrence rate' - for example, all modules tested and developed systemic understanding and was thus a research dynamic in all modules. This analysis of the two-year research thus surfaced communication as an important issue requiring further investigation as it surfaced in eleven of the modules. Thus the justification for communication as the core research topic requiring further understanding and an intervention in POGL. Other issues emerged, namely leadership, people skills, organisation vision, goals and strategy, etc all of which were considered to affect organisational communication (and thus strategic conversation). This paper attempts to gain a systemic understanding of organisational communication by considering the effect of these dynamics on people and organisational life. Table 1 is consolidated in the graph at figure 3 indicating the range of dynamics researched.

The emergent learnings and organisational issues in respect of each assignment are summarised at appendix 1. This provides further insight into the modules listed in table 1.

Table 1. Chronology of my learning in relation to POGL

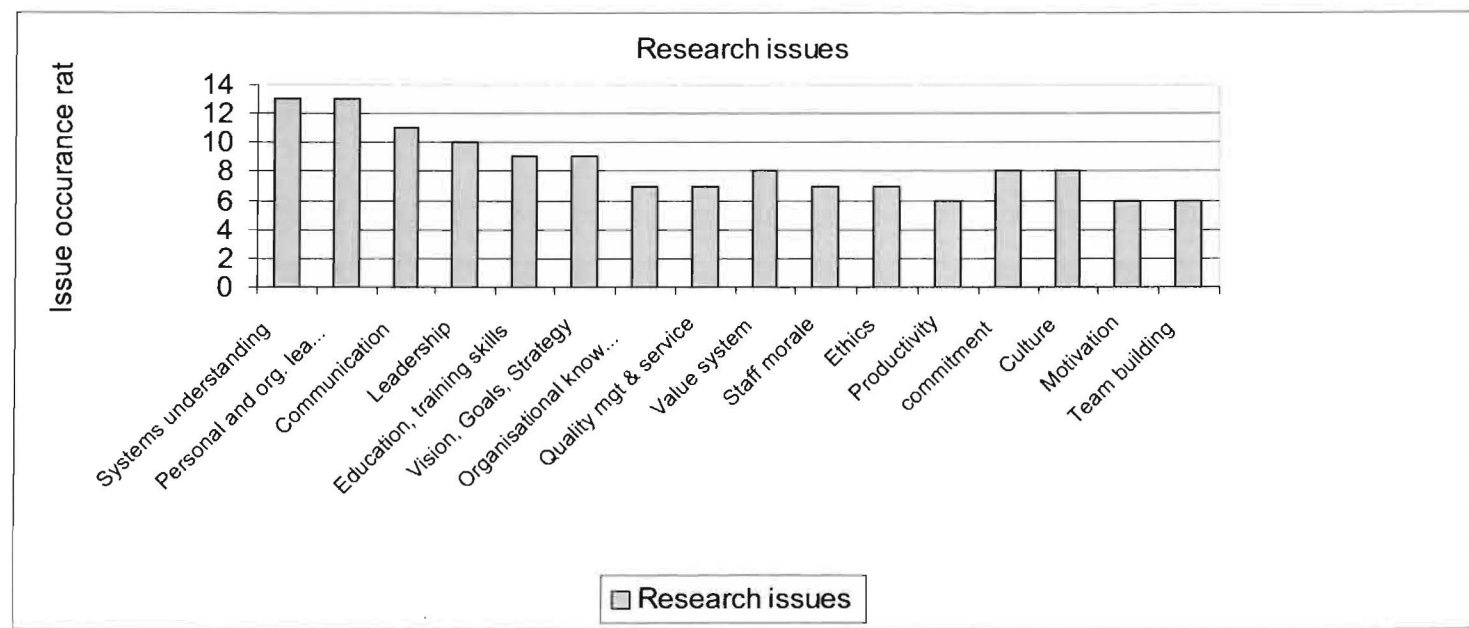
	1	2	3	4	5	6	7	8	9	10	11	12	13	
Research Period	February 2001	March	May	August	October	November	November	March 2002	April	May	July	August	September	
Modules	Systemic learning and participatory research	Systems theories and practices	Leadership theories and practices	Systems Dynamics	Project management 1	Project management 2	Scenario based strategy	Action research	Sustainable development	Project evaluation	Organisational development	Ethics	Corporate citizenship	Research issue occurrence in module
Research Topic	Identify problem and resolve issue: Processing delays over WAN	Improve problem situation: processing delays over WAN further developed	Project initiation and structure / Leadership in project / Organisation leadership	Technical understanding Stella modeling software	Introduce Knowledge management system using data management tools	Knowledge management risk and resource leveling	Scenario plan and business model for Group IT department	A learning exercise in management and leadership based on the POGL partnership	An environmental management system audit	Evaluation of Impact Financial system.	Perform an organisational diagnosis of POGL	Learning log of ethical issues in work and society.	Corporate citizenship strategy for POGL	
Research Issues /dynamics:														
• Systems understanding	*	*	*	*	*	*	*	*	*	*	*	*	*	
• Patterns of behaviour				*			*				*			
• Complexity in systems				*			*				*		*	
• Staff commitment to problem resolution	*													
• Communication	*	*	*		*	*		*	*	*	*	*	*	
• Organisational knowledge	*	*			*		*		*	*	*			
• Accountability		*						*			*			
• Customer satisfaction		*					*	*			*			
• Education and training / skills	*	*	*		*			*	*	*	*		*	

• Quality management and quality service		*						*	*	*	*	*	*	7
• Control		*	*					*			*			4
• Productivity		*			*			*	*		*	*		6
• People Performance			*					*	*		*	*		5
• Participative management			*		*			*			*			4
• Motivation		*	*		*			*	*				*	6
• Leadership		*			*	*	*	*	*		*	*	*	10
• - Power			*					*						
• - Status			*					*						
• - Effective			*					*						
• - Personal mastery			*					*						
• - Hierarchy			*					*						
• - Styles			*		*			*			*			
• - Manager			*					*			*			
• - Self-awareness			*					*			*			
• - Ethics			*					*			*			
• - Relationships			*					*			*	*		
• - Transformational			*			*		*						
• - Team leader			*					*						
• - Followship			*					*						
• - Stewardship			*					*						
• - Consciousness			*					*						
• - Empowerment			*											
• - Intelligent			*											
• - Adaptive			*											
• - Morals			*					*			*			
• - In project context			*											
• - Systemic approach			*											
• - Theories			*											
• Staff morale		*			*	*		*	*			*	*	7
• Vision		*			*	*	*	*	*		*	*	*	9
• Mission			*		*		*	*	*		*	*	*	8
• Goals			*		*	*	*	*	*		*	*	*	9
• Strategy			*		*		*	*	*		*	*	*	8
• Value					*	*	*	*	*		*	*	*	8
• Team building	*	*				*	*	*			*			6

• Chaos and complexity			*				*	*						3
• Organisation hierarchy /structure			*		*		*	*			*			5
• Project management			*		*	*				*				4
• Top management commitment to projects			*		*	*				*				4
• Project teams			*		*	*				*				4
• Project leadership			*		*	*				*				4
• Project risk						*								1
• Project planning					*		*			*				3
• Mental Models		*			*		*	*				*		5
• Ethics			*		*	*		*	*			*	*	7
- Moral space												*		
- Moral values												*		
- Organisation												*		
- Leadership												*		
- Awareness												*		
- Commitment												*		
- Audit												*		
- Transparency												*		
- Freedom												*		
- Respect												*		
- Enjoyment												*		
- Trust												*		
- Honesty												*		
- Code												*		
- Enron/ Worldcom												*	*	
- Social												*	*	
- Human rights												*		
- Dignity												*		
• Culture		*			*	*		*	*		*	*	*	8
• Change					*	*		*	*		*	*		6
• Emotional intelligence		*			*			*				*		4
• Creativity and innovation		*						*	*			*	*	5
• Reward and recognition								*	*			*		3
• Social skills								*	*				*	3

• Sustainable development									*				*	2
• Environment									*		*	*	*	4
• Conservation									*			*	*	3
• Empowerment		*	*					*		*	*	*	*	7
• Learning - personal and organisational	*	*	*	*	*	*	*	*	*	*	*	*	*	13
• Shared ownership and commitment	*	*	*		*	*				*	*		*	8
• Corporate social responsibility													*	1
• Corporate governance												*	*	2
• Organisational dynamics													*	1

Figure 3. Analysis of research issue occurrence in Research Topic from the above table.



3.0 Communication a problem within POGL

Change in relation to the internal dynamics of POGL has created a culture where communication and conversation is limited. These should have been the tools used to announce and explain change and prepare the people for change, and create a community of commitment. This was not the case, and the result was a degenerative process and adversely affected staff growth and organisational renewal.

The barriers to communication (distrust, respect, emotions, credibility, etc) are embedded in the culture (Adey, 1990:26) and will thus take time to change. This has been noted in POGL, as an intervention has been started with the objective of creating participatory management and including staff in decision making. Communication channels have been set up, and branches have been requested to constitute forums where hierarchy is removed and staff have elected representatives to the forum. These have been slow in achieving success, as has been monthly branch managers meetings.

Information is not shared, which tends to limit team building, and thus dialogue, as a tool for problem solving, is not used. In most instances, this is unintentional, but requires an intervention that will allow the subconscious to surface, to face the political issues, and accept that change is required, so that a shared future can be planned. We need to see reality clearly and objectively, review our ingrained mental models, and commit to the creation of a learning organisation, with focus and energy.

POGL has had to deal with a large volume of bad news in the last three years. The new MD is of the opinion that the people now try to 'suppress' bad news and thus don't communicate it or as a team try to solve the problems. The MD relayed a story where we had lost a client purely because the bad news of a machine breakdown was not communicated to the client. We need to encourage people to tell what is going on and learn from their mistakes.

People want the business to succeed and take failure very seriously and personally. However, making mistakes and learning from them is not failure. We need to be brave enough not only to communicate good news but the bad news as well. Bad news requires immediate action and timeous resolution. People are reluctant to make decisions, in case they are the wrong decisions and they are penalised. Failure, however, is part of life and needs to be dealt with, as any other management issue. Maxwell (2000:2) maintains that 'the difference between average people and achieving people is their perception of and

response to failure.' By using an appreciative inquiry process and a systemic understanding of organisational issues, one can learn from the setbacks of failure and focus on the positive and creative and build a positive future. The point is, events in life are cyclical, and failure is part of the process. An attitude change is needed not to fear it, learn to understand it, and be prepared for it. (Maxwell, 2000:3)

4.0 Motivation for the study

Organisations rarely communicate effectively., Whether it is passing on instructions from the managers ie downward or enabling communication, or upward or compliance communication that provides feedback to the people who originate the downward communication.

The purpose of this study is to understand the systemic nature of communication and the reasons why corporations do not communicate, with specific reference to the learnings at POGL. It should be noted that communication issues are not isolated to this organisation, but are a common occurrence in many organisations. The reasons why may vary in a range of issues, with different emphasis on particular issues, as is the case in this organisation. However, most organisations will be able to relate to the issues in this research.

5.0 Objectives of the study

- (1) To understand communication.
- (2) To understand the role of communication within an organisation, and
- (3) If an organisation does not communicate, what measures may be put in place to facilitate communication.

We are aware that unless we communicate, success in terms of personal and organisational growth will be limited and achievement of goals difficult if not impossible to attain.

'Diversity, collaboration and teams become increasingly important management and leadership issues during the 1990's - all of which are unattainable, both now and in the future, if we are unable to communicate, converse and have dialogue.' (April, 2000: 69) Based on my research in this organisation, it is my view that organisations in a state of change require communication and conversation as tools for announcing and explaining change. This prepares people for the proposed effect – either good or bad – of promoting understanding, buy in and commitment and reducing confusion and resistance to change. If this is not done timeously, then informal channels convey the organisation message. This

could be to the detriment of any good work, which may already have been done, and further interventions are required to change perceptions and attitudes.

April (2000: 69) says that the key role of communication is providing and obtaining information, creating understanding, and building ownership. This then is the objective of this paper.

6.0 Benefits of the study

- Organisational issues have been surfaced, which may otherwise not have been addressed. For example, people's feelings in attempting to deal with a command-control type leadership.
- A holistic understanding of the barriers to communication and conversation within POGL, and what the possible solutions are in dealing with the problems.
- A two year learning history (refer table 1 for content and research dynamics) of POGL, utilizing various tools and techniques in thirteen modules analyzing a range of issues of importance to organisational and personal learning.
- Provide some insight into organisational dynamics recognising that organisations are conscious entities and cyclical behaviours do exist (change, uncertainty, personalities, communication issues, etc). An organisation possesses properties of a living system and the challenge is to deal with the complexity of these systems.
- A systemic view is presented which provides a holistic understanding of the system of interest and an opportunity for dialogue in assessing where skill, talents, resources and energies may be applied that will make the greatest positive impact.
- Based on my observations of communications among colleagues, within the organisation I work, and general communications among people, it is safe to say that in general, we are not effective communicators, and many issues arise as a result of this. The proposed interventions in this research and the barriers and issues surfaced should thus have a wider relevance to management, organisations and interpersonal relationships, and not be restricted to POGL.
- People are an important factor in organisational sustainability. There is the need to facilitate involvement in teams and communities to create innovative solutions, with open communication and without fear of reprisal for bad news.
- Provide a proposal for change that has transformational qualities - value, vision, enthusiasm, motivation, reward, recognition, etc.

7.0 Limitations of the study

In certain of the modules I used surveys as a means of gathering information. A number of my colleagues assisted very enthusiastically, however, some were very reluctant to partake

at all as they were cautious as to who would see the responses, or only made a very mediocre attempt at responding to the questions. The executive team notably did not respond at all to the surveys sent to them, thus their opinions were not recorded. This is considered a shortfall, as their opinions would have added a different perspective to the research. This possibly would not have changed the conclusions and recommendations of this paper, but may have re-inforced the observation of an 'us' vs 'them' situation. The executive team would possibly have seen the autocratic styles as being effective, as this style typifies 'high productivity' only under observation, but as people are not part of the vision and objectives of the organisation, productivity decreases in the long term - ie a sustainability issue. (Boak, 1998: 81. Leadership Styles). This was an observation in this organisation.

A further limitation was that no black staff were interviewed. Surveys were sent only to staff from supervisor level and upwards - very few black staff are at this level. This needs addressing as part of the Employment Equity program – ie identifying black staff that can be fast tracked and trained for managerial or operational manager positions and above. This group would have provided a further perspective, which has not been captured in this paper. (These aspects have been considered as part of the intervention in chapter six.) By including all the different cultures in decision making and issue resolution, will add a different perspective and is likely to enhance decision making in the organisation. Organisations need to contribute to a new South Africa where people are developed and are able to contribute to personal and organisational development, without colour or other restrictions.

Refer chapter eight, Epilogue, which summarises the intervention process in the eight months since this paper was written, and goes some way in addressing the limitations above.

8.0 Findings and conclusions

The command control leadership style, which the people were subjected to up until July 2002, and the fear of repression, were the major contributors to the lack of communication in the organisation. This style of leadership compounded by a value system, which was contrary to that which the people were accustomed to and a knowledge-power position which excluded the majority of the staff, created a non-participatory staff, as their input was not wanted or desired.

Trust in the executive team, staff morale, productivity, commitment, quality of service deteriorated. People development and learning ceased and as a result, this impacted negatively on organisational growth.

The intervention has started with the arrival in July 2002 of an MD with a participatory style leadership, however, it takes time to build trust and confidence, to break down barriers, remove group politics and enable the people to feel free to talk and communicate meaningfully.

The executive team should spend more time getting to know the people, what motivates and inspires them, and to include staff and make them feel that their contribution is important to the success of the organisation. A simple please and thank you, are values, which will enhance motivation and improve productivity. It is normal for people to want to be part of a community, to be trusted and valued.

9.0 Summary outline per chapter

Chapter two: Why a systems approach? A brief background to systems theory and what this approach is expected to achieve in analyzing and contextualising the organizational issue, and suggesting an intervention.

Chapter three: Literary review - systems thinking towards multimethodology. An analysis of certain key aspects to system thinking, understanding of what a system is, the concept of learning organization and a chronology of the learning organization and system concepts. This is followed by a look at metaphors as providing an understanding of complex issues, boundary judgments, and finally Floods prismatic view of organizational issues. The attempt is to understand communication and control mechanisms (patterns and dialogue) as an important element of organizational systems and thus critical to systems thinking.

Chapter four: Literary review – communication theory. An understanding of leadership, communication, conversation and dialogue as critical elements of organizational sustainability, as organizations are dependent on efficient and effective movement and understanding of information. Modern theory of leading in changing environments, the impact of leadership styles on organizations and the effect on people in those organizations. This is followed by communication as a process, the barriers to communication and the goals of effective communication. Models of communication describe the channels of the process and links to organization and leadership structures, as either facilitating or hampering effective information movement.

Chapter five: Investigation into issues of corporate communication within POGL. The two theory chapters are applied to POGL in an attempt to allow generative learning and the emergence of ideas and image generation of the system of interest. The process was reflective based on the two year research and in the context of a systemic understanding of organizational learning. The organization has been in a state of change – this change process has had negative and positive implications on the people involved or affected people not directly involved. The stories of these people have been interpreted in an attempt to understand the reasons for an apparent lack of organizational conversation and communication. The barriers to communication have been considered in relation to this.

Chapter six: Planning and intervention. This chapter looks at processes to enhance the intervention and formalize systems to improve personal and organisational learning – allowing people to be the best that they can be, adding value to their own lives and to the organization. People who feel valued and who share a value system, without the risk of reprisal from a command style leader, will put more energy into innovative solutions and commitment to the job at hand. (Based on modern leadership theory and research of Maxwell, Boak, April, Chatterjee and others, plus the two year research of POGL.)

The intervention proposes the following systems as the strategy to creating an organization that communicates and where the organisational conversation is one of participation and creative teamwork, with an embedded value system and organisational goals. All staff are aware of the future direction of the organisation and contribute meaningfully to it. It is also however noted that it is not possible to change people. They must themselves see the need for change and commit themselves to the process of personal and organisational learning.

- A system to develop leadership.
- A system to improve the strategic conversation.
- A system to improve quality management.
- A system for recognition, rewards and performance management.
- A system for management and staff development.
- A system to improve the organisational conversation.
- A system to improve selection and succession planning.
- A system to improve communication.
- A system to improve organisational effectiveness

The above constitutes a high level plan. It is suggested that, based on acceptance of this by the Executive, that the team embark on a road show, and discuss the plan with all staff at each branch. Following debate, change and acceptance of the final plan and costings, implementation should begin.

Chapter seven: Conclusion. A brief review of the research of applying systems theory and communications theory to the system of interest.

Chapter eight: Epilogue. A brief review of progress since the intervention chapter (chapter six) was accepted by management as the plan for change in the organisation.

10.0 Conclusion

The two year research has covered a broad spectrum of organisational understanding of POGL. This organisation served as an important learning ground as the research was at a time of intense crises, where change was required to turn a loss making organisation into a profit.

A change manager was required with qualities specific to dealing effectively with and motivating people, being able to handle uncertainty and change. People resist being changed, especially without consultation and participation. (April, 2000:45). There was the need for a transformational leader to build trust between the executive team and the staff. April (2000:46) says that if there is a high capacity to trust others, then we are more willing to share information (communication trust), experiences, assist with the change, build relationships and work toward an informed and workable solution. A solution that has had the input of ALL parties concerned has strategised a future and considered the resource requirements and therefore an improved chance of success. We are aware that everything in life (including organisations) is not ordered, linear, predicable and controllable. (April, 2000:33). Communication, particularly at time of uncertainty and change, is an important element in ensuring commitment to the organisational goals and a sustainable future.

In summary, a leader that can deal with, and understand chaos and complexity, believes in people, has a strong set of values, is able to motivate, build trust and empower people (April, 2000:47) is the leader that will succeed in building a sustainable POGL.

Manning (1987) summarised his business and literary research as follows, and I believe it has relevance to my research of POGL:

- The business of business is marketing.
- If you don't innovate you die.
- If you don't **communicate** you die even faster.
- People are your most valuable resource.

Change is inevitable - it needs to be communicated and people need to be part of the solution to looking for new innovative ideas that enhance and ensure sustainability.

CHAPTER 2: WHY A SYSTEMS APPROACH?

1.0 Introduction

I am sure I would have approached the problem differently, had I not spent two years researching the organisation, using methodologies aligned to systemic thinking. I do however believe that a systems approach to management science issues has an improved chance of success, simply because of the holistic concept of interconnectedness and interrelatedness, as opposed to a reductionist approach. This is expanded upon with various systemic theories as discussed in chapter three, which adds further value to the knowledge and learning process in understanding the system of interest.

2.0 Why a systems approach?

A systems approach is intended to provide the emergence and understanding of behaviours of people in organisations. It enables the analysis of issues holistically by understanding the system within which the issue is manifest, rather than dealing with the problem in isolation. The use of metaphors, rich pictures, and diagrams facilitates sense making or creating meaning of issues, which are otherwise hidden.

A multimethodology or 'methodological pluralism' approach is used as the main systems approach as this enables varied worldviews as real-world problems are complex and multidimensional and different paradigms focus on different aspects of the situation. Further, interventions and the research undertaken will be multiphased and consider a number of issues or considerations, which constitute the complex issue of communication. Interventions thus need to be a phased process over time. A multi theory approach also exists as a theoretical consideration and is in use to day. (Mingers, 1997:107)

Habermas's three worldviews (refer figure 1 below) and the dimensions of the learning organisation, ie team, organisational and individual learning then provides the framework for analysis, within the systemic context.

2.1 The three worlds view

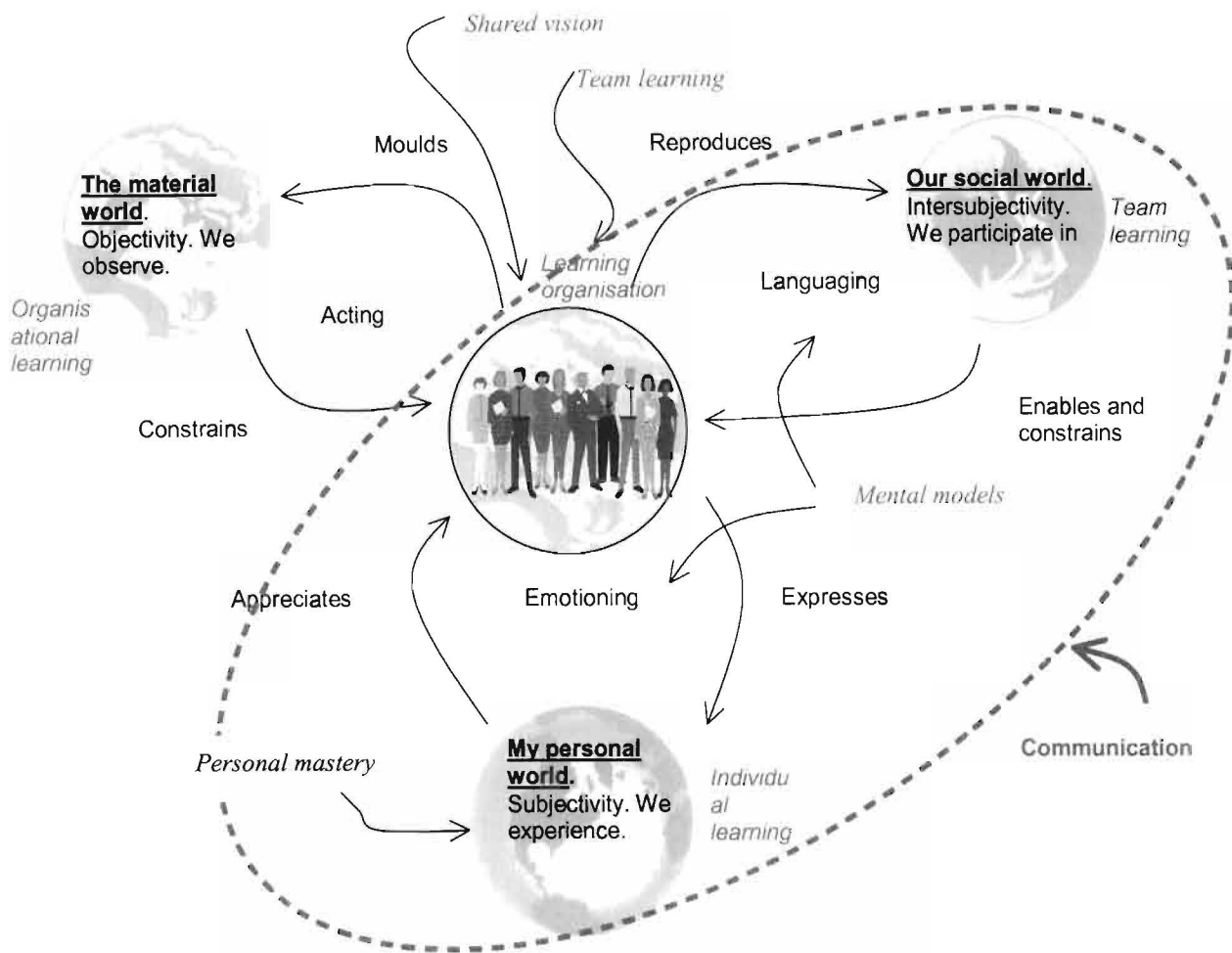


Figure 1. Habermas's three worlds - Adapted. (Mingers, 1997: 108)

In research, I believe an aim is to gain knowledge and understanding and then subject those knowledge claims to validation. The methods used then needs to provide this validation or assist in the creation of a worldview that has emerged over time, has been subject to scrutiny and is now considered valid.

Floods view of the organisation through a prism, (Flood,1999) enabling differing colors of light, allows the emergence of different views of issues, rather than limiting oneself to a single paradigm and thus the possibility of a more limited knowledge position. This is

explored further in chapter three in viewing a broad spectrum of organisational systems and a better understanding of organisational life.

To understand the multimethodological (refer glossary of terms) systems view, consider Habermas's three worlds, (Mingers, 1997:108) in figure 1 above, where as individuals we exist and interact within three worlds, namely the material world, the social world and the personal world. As **communication** exists between people, it is these three worlds that are used to view and understand the systems approach. As I am looking at a learning organisation as the foundation for transformation in POGL, I mirror in the three worlds, the three dimensions of the learning organisation. Namely the individual, team and the organisation and the core disciplines in building the learning organisation, namely, personal mastery, mental models, shared vision and team learning. (Senge, 1990: 139) The suggestions being that learning organisations are established through the continuous inter-action between these three key dimensions. The need therefore to create environments where effective learning is maximised, is the key to developing learning organisations. (Kelleher, 2000) Key also to learning and understanding, is our interacting within the three worlds.

The material (or objective) world has always existed and is independent of us (human beings) – it is objective and subject to observations and descriptions. We can shape it through our actions but are subject to its constraints. The objective world then gave birth through evolution to **communicative** and reflective human beings. This formed social and personal worlds. The effectiveness of communication within and outside these social and personal worlds that is the subject of understanding from a systems point of view, will give a deeper understanding as to why organisations as a system do not communicate effectively. (Mingers, 1997:108)

The personal world is one that we experience and is our own individual thoughts, emotions, feelings, values, baggage, knowledge, perceptions, beliefs, and ethics. this world is then subjective and only accessible to the individual self. These can be shared with others through expressions and understanding, and is an important consideration when using dialogue as a tool enabling group learning and resolution of issues. (Mingers: 1997:108)

The social world is one's membership of a particular social system and in which you share and participate. In this world there is 'inter-subjectivity', (Mingers, 1997:109) ie 'on the one hand, human construction and the other going beyond and pre-existing any particular individual. These are for example complex multi-layering of language, meaning, social practice, rules and resources that enables and constrains our actions.' A further complexity is the membership of more than one social system, namely the organizational community where one works, the home (friends and family) community, and a third could be a study community, where one is involved in obtaining a qualification. Each one has notably different paradigms, different rules and social practices. One primary dimension, which is further discussed in chapter three section 6.1 is power, or in the case of an organisation hierarchy, knowledge-power.

Clearly real-world situations are complex and subjective, thus a systems understanding from a multimethodological view will enhance understanding of issues under scrutiny.

The three-world view (above), prismatic view of organisations (chapter 3) and the core disciplines in the learning organisation (chapter three) complemented with participatory research is intended to generate the praxiological interventions in chapter six. There is therefore the attempt to broaden the epistemological view of issues and solutions in the system of interest. This is further achieved by reviewing the two year research (chapter one and appendix one), which has as an objective a systemic understanding and critical analysis of elements, communication and control mechanisms, patterns and dialogue within the system of interest. (Refer chapter three, figure three, the concept of a system). Thus an attempt to achieve a broader ontological understanding of the organisation and the emergence of solutions and plan to improve organisational communication.

3.0 Feasibility of multimethodology

I am aware that there could be issues regarding the feasibility of a multimethodology approach, specifically regarding the links across different paradigms. The different levels of problems could be (Mingers, 1997:111): (1) 'philosophical – paradigm incommensurability ie the extent to which the paradigms are mutually exclusive, unable to be linked or combined: (2) cultural – the extent to which organizational and academic cultures militate against multi-paradigm work; and (3) psychological – the problems of an

individual agent moving from one paradigm to another. There may be problems or difficulties to overcome in using this approach, however, the benefits must surely be greater:

- Improved systemic understanding of issues and possible solutions as a more inclusive approach adopted ie broader research methodology.
- A broader theoretical base on which to build a possible intervention strategy.
- A broader theoretical understanding of the system of interest.
- The research question of communication is broad and complex, including social, personal, psychological and material people issues, plus organisational structures and ontological complexities. A single methodology may limit the knowledge required to achieve a comprehensive intervention.
- The need to increase rather than limit the epistemological understanding of the system of interest, which may be a risk in using a single methodology.

Mingers (1997:119) offers the following framework (table 1 below) for mapping the characteristics of different methodologies to help link them together and reasons why. This is the process that I have used in applying Systems Thinking in a multimethodological paradigm to the issue under discussion in this paper.

	Appreciation of	Analysis Of	Exploration of	Action to
Social	Social practices, power relations CSH + SSM + CST	Distortions, conflicts, interests. CSH + SSM + CST	ways of altering existing structures Three world view Systems of improvement	generate empowerment and enlightenment 5 Disciplines Prismatic view
Personal	Individual beliefs emotions, meanings Cognitive mapping + SSM	Differing perceptions and worldview SSM (Root definitions & conceptual models)	Alternative conceptualizations and constructions SSM(Root definitions & conceptual models)	Generate accommodation and consensus. Strategic Choice - to facilitate agreement & implementation. 5 Disciplines. Prismatic view
Material	Physical circumstances	Underlying causal structure. Boundary judgements & experiential learning. 4 window org. view. Management & leadership	Alternative physical and structural arrangements. Viable systems method (VSM)- essentially material – model for org structure- analyse weaknesses	Select and implement best alternatives Structures as systems of improvement

Table 1. A possible multimethodology design. (Mingers, 1997:121)

4.0 My approach to using Systems thinking

With the world view (or bigger picture view) and the learning organisation as the platform, the following areas of systems thinking theory is used to analyse the system of interest (and is discussed in detail in chapter three):

- The disciplines of the learning organisation embrace the individual (systems thinking and personal mastery) and group aspects (mental models, shared vision and team building) which provides the network for communication within an organisation. Based on the research and discussion with staff, I believe that people desire to be

part of an organisation, before commitment and participation takes place. There is also the need for common goals to work toward.

- Metaphor enhances the worldviews and adds to the understanding of the system. Reflecting on the organisation, culture, learning and politics are issues affecting the system of interest and metaphors considering these aspects are considered.
- To understand a system, boundary judgements are important as this adds value to the holistic consideration of the system of interest. This is considered in terms of Ulrich Critical Systems Heuristics and Churchman's Critical Systems Thinking.
- In an attempt to consolidate the ideas generated from the above considerations, and to consider other aspects of organisational life, Floods (2000) four views of organisational life is considered. This highlights other aspects, for example the command control leadership style seen in the coercive political metaphor and correlates to the knowledge-power view and aspects of fairness which emerge as issues in this style of autocratic leadership - and impacts negatively on communication - the system of interest. The underlying principle being generative learning and emergence of ideas and image generation.

5.0 Conclusion

In a changing environment, (April, 2000: 46) we look for a transformational leader, someone to inspire and rally together the troops and keep them informed as to direction, but also looking for innovation and self-motivation. April explains that in transformational leadership, the needs of leaders and followers are more 'interdependent' involving 'mutual trust - ie the fluid glue' which is critical to the relationships between the two groups. If there is trust, then there is more of a willingness to work together, share experiences, and allow increased authority and responsibility to levels where the information is and thus where the decisions should be made. April explains that as trust increases or grows, the following is the result:

- More information is shared - 'communication trust.'
- Peoples abilities are respected and people are encouraged to develop themselves and thus the organisation develops and grows - 'competence trust.'

There is thus the need for:

- A clear vision and sense of purpose, which achieves the respect of the followers by enhancing the fact that together, more can be accomplished.

- Individual development and the potential for further development and giving constructive feedback.
- Stimulate active involvement and idea generation from all people.
- Motivate, generate enthusiasm, and importantly, set an example and be seen to share the workload.
- Be willing to learn and be aware of people, how they behave and tap into their personal energy. People are willing to give more of themselves if they are encouraged to be part of the solution rather than the problem.

This emerges from the systems thinking approach in chapter three and applied to the organisation in chapter five. Chapter four provides the communications theory and chapter six the intervention encompassing the above ideas

CHAPTER 3: LITERARY REVIEW - SYSTEMS THINKING TOWARDS MULTIMETHODOLOGY.

1.0 Introduction

The main purpose of this chapter is to understand 'systems' thinking as opposed to 'reductionist' thinking as a method of solving or understanding organisational issues. System here is a 'complex and highly interlinked network of parts exhibiting synergistic properties.' (Flood and Jackson, 1991: 4) Thus the basic premise that the whole is greater than the sum of the parts.

In an attempt to give a holistic understanding of the evolution of the theory, the chapter briefly reviews the chronology of the literature of the learning organisation, with systemic learning as a focal ingredient. An understanding of systems thinking concepts precedes this.

Literature specific to corporate communication is reviewed in chapter four.

2.0 Key concepts of systems thinking

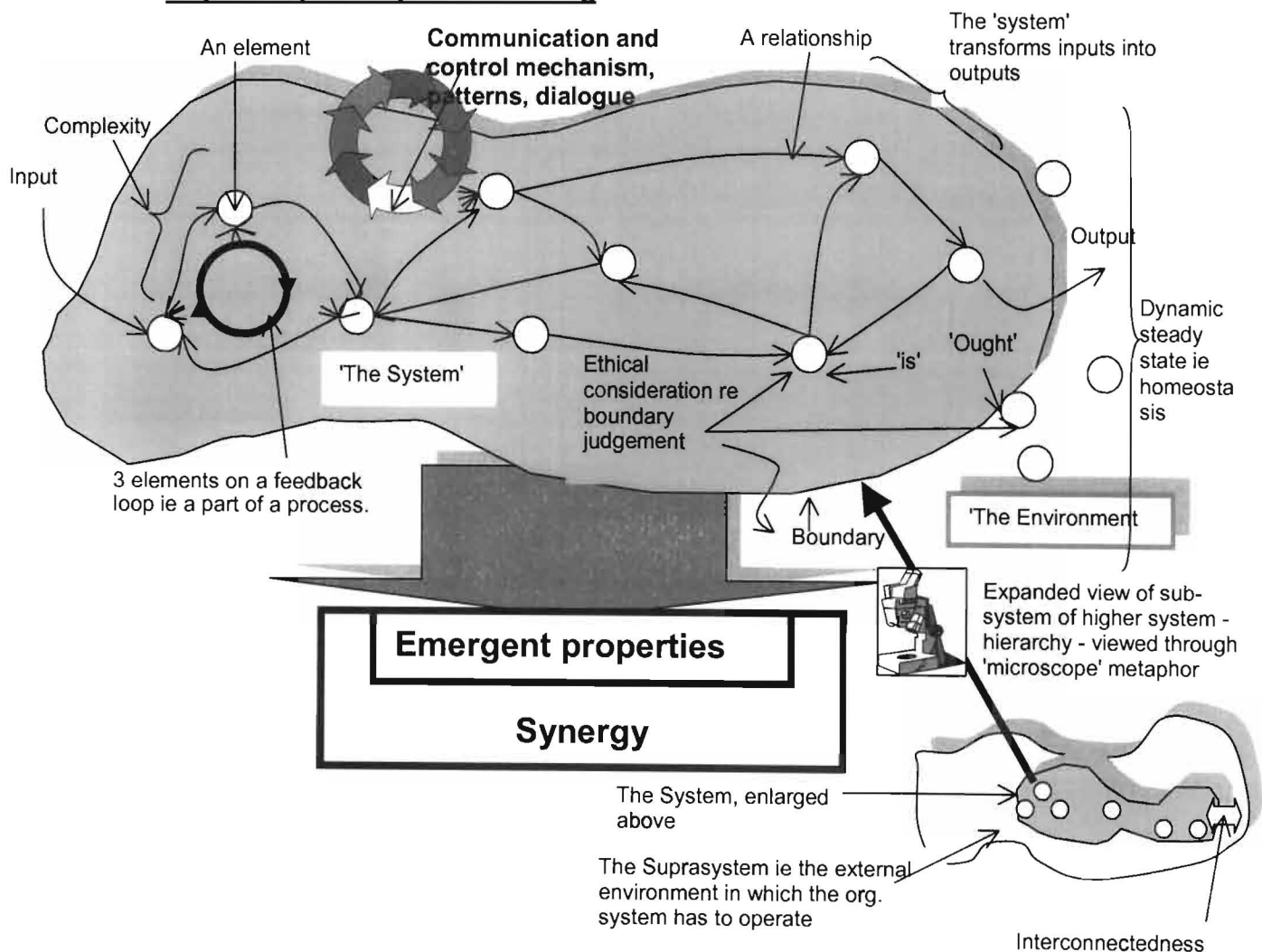


Figure 1. A general conception of 'system' (Adapted from Flood and Jackson, 1991: 6)

A system is a 'group of interacting, interrelated, or independent elements forming a complex whole, defined with respect to a specific purpose and within a larger system.' (Anderson and Johnson, 1997: 130). There are feedback processes having specific structures and from this arises dynamic behaviour. For example, an accounts department is a system within the organisation. As a system is viewed as a whole and is not broken down into its component parts, the value of the whole is greater than that of the constituent parts. The functional whole has properties that are not evident in its parts and are said to be 'emergent' as a result of the synergies of interconnectedness.

It was in terms of this understanding of systems that my two year research was undertaken - a process of locating the theory and testing it within the organisation looking at leadership, management and staff interacting as a community, and attempting to cope with complexities of dealing with change. Of interest and noted early on in the process were the conversations regarding leadership and the manner in which people at all levels were dealt with. The culture of openness and relaxed conversations started to evolve into a closed culture with limited conversation and communication. Knowledge and learning ceased to exist, and information was communicated via the grapevine.

Characteristics of systems

The following are relevant as system ideas:

- Emergence and structure
- Communication and control

Emergence was covered above. Structure or hierarchy is that which enables emergence within a system, and orders the way in which individual parts are interrelated. Checkland (1981) views organisms and organisations as open hierarchical systems. The assumptions then, as the system grows more complex, properties emerge which were not apparent in simpler forms or in the individual parts.

Actions are carried out without investigation or consideration of all involved and the result is then short lived. The cause was not identified as the system as a whole was not reviewed, and a solution with this in mind. The action was based on an event and not the cause of the event. Events are thus only the part of the iceberg that is above the water. A systems approach attempts to view what is also below the surface – an attempt to identify the root cause of the problem.

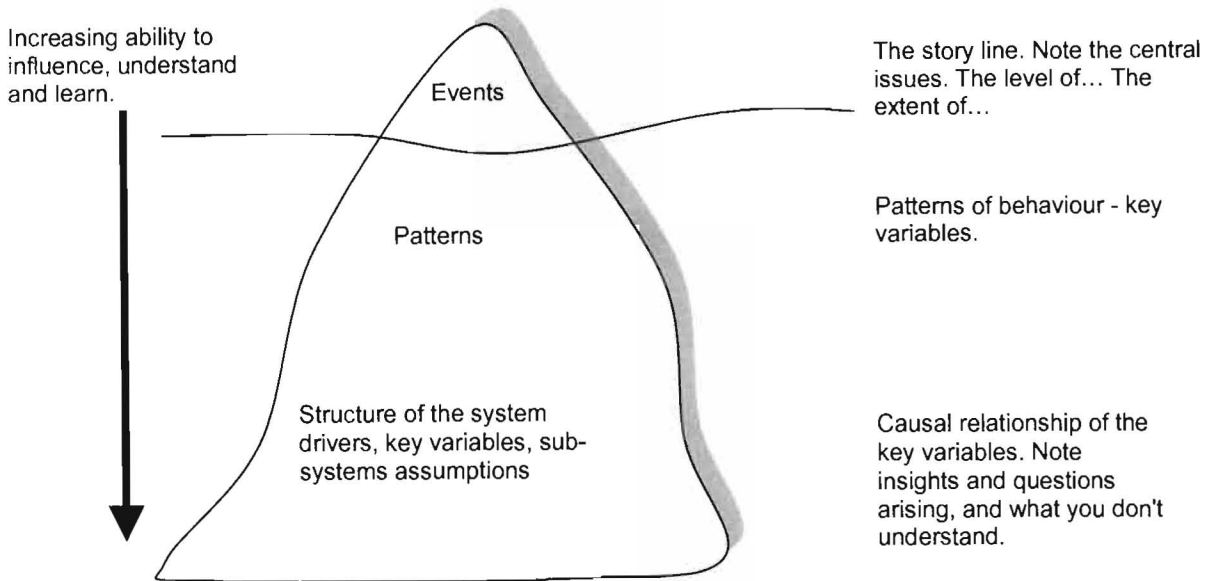


Figure 2. The iceberg model. Teaching ourselves to see that which is not visible.
(van der Merwe 2001, Adapted)

The next level below the surface is the pattern level. Patterns are trends or changes in events over time and provide more information and assist in contextualising the events with other events, which may then lead to the root cause, which is at the structure level.

Solutions at the structure level lead to changes in the patterns and trends and leads to elimination of the problem at the events level. Thus, in the context of this paper, what issues exist at the structure level, that require an intervention, that will lead to a solution to the communication issue which is evident at the pattern and events level?

Systems thinking then, with the tools discussed in this chapter enables a deeper look at the structure to surface (1) an understanding of the issue and (2) propose an intervention that will lead to a sustained change in the patterns and trends.

To enable the system to survive, there must be **communication** and control mechanisms to allow feedback, to be aware of the environment (See figure 1 above) and to enable the system to exert control internally to achieve a state of equilibrium (dynamic steady state, or homeostasis) in response to environmental changes.

Communication and control mechanisms are well represented in causal loop diagrams (CLD). See chapter one figure 1 for a CLD of the communication and control issues in POGL, where the feedback loops are either reinforcing in a vicious cycle of alienation or a balancing loop which resists the cause-effect of the reinforcing loop. The balancing loop is then seen as the intervention leading to a

solution to the structural issues represented in the reinforcing loop. This is discussed further in chapter five section 2.1 in the learning organisation and below.

3.0 The learning organisation

'The learning organisation is one that continuously adapts to a changing and independent environment' (Kofman and Senge, 1993) 'continually expanding its capacity to create its future' (Senge,1990:14). Thus the underlying assumption that in order for an organisation to exist and prosper in to-days modern world of continual change (dynamics), the organisation needs to be a learning organisation.

The disciplines of the learning organization are as follows:

Systems thinking	Analysed above, but briefly, it is a conceptual framework for making meaning of issues by thinking in terms of systems. It looks at systems in terms of cycles (archetypes) and can use dynamic modeling programs for complex systems. Simply, when the whole is broken into its parts, the 'interconnectedness' and 'interrelatedness' no longer exists and thus the parts no longer have the qualities of the whole.	Individual
Personal mastery	'... is the discipline of continually clarifying and deepening our personal vision, of focusing our energies, of developing patience and of seeing reality objectively.' A continual learning and personal development, broadening ones vision and understanding. These people are committed, exercise initiative, take on responsibilities, and learn faster.	
Mental models	'... are deeply ingrained assumptions, generalisations, or even pictures or images that influence how we understand the world and how we take action.' This therefore influences how people act or react to situations. This also tends to limit or restrict a person from learning or broadening their understanding of issues and thus limits / inhibits system thinking. Reflection and inquiry is central to this.	

Shared vision	'... involves the skill of unearthing shared 'pictures of the future' that foster genuine commitment and enrolment rather than compliance.' Shared vision is mandatory to a learning organisation. Provides a focus and energy for learning. - thus expanding on the organisations capacity to create it's own future rather than crises management dependent on events happening now. (Flood, 1999:24)	Group
Team building	'... starts with 'dialogue' the capacity of members of a team to suspend assumptions and enter into a genuine thinking together...In dialogue there is free and creative exploration of complex and subtle issues, a deep 'listening' to one another and suspending of one's own views.' Discussion and dialogue as communication mechanisms enable teams achieving a higher level of success than the individual members.	

Table 1. The disciplines of the learning organisation. (Dumain, Brian.1994: 147 - 157)

Organisational learning and commitment.

As most medium to large South African organisations have international connections or trade with clients in countries other than South Africa, the ability to adapt and see the need to adapt and change could (in my view) be considered a critical element to sustainability. There would appear to be a need for innovation and learning as an underlying requirement for growth in an organisation. Kofman and Senge (1993: 1) are of the opinion that building a learning organisation requires a change in the thinking behaviour away from a 'fragmented, competitive and reactionary behaviour to a reactive organisation that is systemic, cooperative and creative' and this then requires the building of 'communities of commitment.' A community of commitment here refers to 'leadership communities' that can develop and mould the learning organisation. In my opinion, the leadership community must then include the executive team, as this is the team seen as the role model for the rest of the organisation. Kofman and Senge (1993:2) also make the point that unless there is 'genuine commitment' from the leadership community, then 'there is no real chance of going forward.' The POGL executive team would appear to display fragmented and reactionary behaviour as short term goals are evident in the need to make a profit without a systemic consideration of medium to long term goals. Refer figure 2 chapter one, cycle of events - ie decisions are made without consultation which will impact negatively on a sustained future. For example, a policy of retrenching to

reduce costs, without consideration of the workloads and skill loss. However, during times of reduced market volumes, drastic short-term measures always appear to be adopted.

For commitment to take place, there needs to be communication and dialogue (April, 2000: 70) to enable the people to be part of the process and buy into the future vision of the organisation. If people are not committed to some purpose (the organisation's future sustainability), then learning is not likely to take place and knowledge sharing is unlikely to develop. Dr W. Edwards Deming quoted in Kofman and Senge (1993:2) says 'nothing happens without personal transformation' and the learning organisation is the safe space for this to take place. Personal transformation should begin with the leader of the organisation, as the staff cannot subscribe to a vision unless their leader is passionate about it and visibly 'markets' his commitment to the vision. This aspect of leadership is subscribed to by Robert Haas the CEO of Levi Strauss (Cummings, 2001:513) when he said that he had to begin at the top when implementing a vision. 'The first responsibility for me and for my team was to examine critically our *own behaviours and management styles* in relation to the behaviours and values that we profess and to work to become more consistent with the values we are articulating ... You can't be one thing and say another'.

A learning organisation allows one to learn from mistakes, and share and debate problems and issues. As an organisation consists of people, there must be a personal desire to develop (or change or transform) in order to add any value to the organisation. However, based on my research and discussions within POGL, the desire to learn and achieve would appear not to be a priority with most people and would appear not to be regarded as an essential ingredient to organisational achievement. I also had the mindset that my studying ceased after the completion of my last degree and any further active attempt to acquire knowledge would not be pursued. However, having embarked upon a further process of structured learning, I do agree that for an organisation to deal with the complexities of the future, commitment (to change) and personal learning is required. By learning I refer here to actively gaining knowledge from each other on how to deal with issues in the organisation, *and* additional learning of skills which can add value to the organisation, for example, leadership skills, team building, communication, conflict resolution, etc. This alludes to a new path of organisational thinking – ie systems thinking, and would appear to be a culture change within oneself and the organisation. The need to think, when one has a problem to deal with, that the solution may impact negatively on

another area, not yet considered, or the problem definition narrowly excludes elements which ought to be included, based on some moral justification, is a new paradigm in organisational learning. Thus the practice of actively learning about the systemic nature of issues and problem resolution is an important dynamic of a learning organisation, ie creativity and innovation. For example, the accounts department operates and resolves issues without in most instances, considering the other departments or the organisation as a whole. Communication in departments is restricted to that department only, even although the information probably has relevance to the other departments and the business as a whole. Thus a culture change to get all departments to communicate and look at the organisation as a whole, understanding that diversity can play a positive and enriching role in creativity and innovation is required to build a community of people that work together for known and shared goals.

Organisational cooperation and collaboration.

A further dynamic of a learning organisation, that adds value to creativity and innovation, is cooperation or collaboration. (April, 2000: 72) Rather than divisions, teams or departments competing against one another, cooperation and knowledge sharing is likely to achieve greater good for the organisation as a whole. There is also the assumption that the higher the person in the organisation hierarchy, the more knowledge that that person has, even if specialists exist further down the hierarchy structure. There is the fear of 'not looking good', rather than attempting to learn and referring the issue to the person with the knowledge that is in the position of making the informed decision. Chris Argyris called this 'skilled incompetence' – ie remaining incompetent and blinded to our incompetence. Thus to learn, we need to acknowledge the fact that we do not know it all, but can learn from others. A participatory leadership style (and building of relationships (April, 2000: 123) encourages knowledge sharing and enables a systemic understanding of issues. An autocratic style (Tannenbaum and Schmidt, 19973 and Hersey and Blanchard, 1993 in Boak, 1998: 81) is dependent on command and control from the top without allowing individual criticism or advice from even those with specialist knowledge. From this observation, it is clear that for a learning organization to achieve success, the community of commitment of necessity needs to exercise a participatory leadership style.

Organisation aspiration, imagination and experimentation.

Kofman and Senge (1993: 6) develop further the idea that we have in the past become accustomed to change in relation only to outside forces, whereas real learning should be as a result of aspiration, imagination and experimentation. We have been conditioned to react to others directions and expect others approval, and in organizational context, others exercise authority that 'undermines our intrinsic drive to learn.' Could then this lack of creativity, be one of the reasons for organizational failure during economic hardship, when determined, focused and creative leadership is most demanding? Symptomatic solutions tend to emerge (based on observation within POGL) in the form of staff retrenchments, elimination of service departments now seen as not adding value to the bottom line, namely Human Resources, and curtailing the IT development. It would also appear that medium to long term planning or strategy is limited to short term planning to achieve immediate profit only. Any long-term adverse effects as a result of 'non-systemic' understanding of boundary issues, is not considered. For example retrenching people with many years service who may have strategic knowledge useful for future growth and development. Leaders are reactive to situations and Kofman and Senge (1993: 6) point out that it is only the 'creating mode that leads to a genuine sense of individual and collective power, because it is only in the creating mode that people orient themselves to their intrinsic desires.' A creative mode could have emerged from a process of dialogue where all staff understands the criticality of the situation (continued losses) and together look for solutions with the understanding that retrenchments should be a last resort.

Learning organization summarised, (Kofman and Senge):

- Has capabilities beyond traditional organizations
- Must be grounded in three foundations
 - Culture based on human values, wonder, humility and compassion.
 - Actions are coordinated and conversations are generative – dialogue – people connect, invent and coordinate – ie talk and listen, suppress their own beliefs and seriously consider the suggestions / ideas of others.
 - The capacity to see work and life as a system
- Frustrations of the world (or issues / mistakes in the organization) are seen as opportunities to grow, not a time to pass blame.
- The organization is more generative and more adaptive, because of their:
 - Commitment

- Openness
- Ability to deal with complexity
- Ability of people to let go of beliefs and assumptions, and look for penetrating questions and new learning.
- The capabilities for developing such organizations are:
 - Vision
 - Patience
 - Courage
- The nature of leadership then required is that of
 - Servant leadership, or communities of servant leaders. The underlying understanding of servant leaders is that people have dignity and self-worth and that the power of the leader flows from those led. A further important requirement for a leader is to develop leaders in the organization with capabilities of continuing the leadership of the organization to new heights.
 - Leadership is in the form of teams or communities, enabling a deeper synthesis and expression of action. Dialogue and discussion facilitates and enables the emergence of a systemic understanding of issues and as a result a sustainable solution.
- Learning is integrated into work through
 - Performance and
 - Practice
- Virtual learning spaces are required as performance takes place without practice and especially without team practice. The following are suggested as design principles in creating effective practice fields:
 - Focus on key managerial issues.
 - The people who need to learn are the ones that have the power to take action, so focus on key operational managers not staff.
 - Create a 'transitional medium' or 'microworld' (Senge, 1990: 314) where it is safe to experiment and reflect. For example an outdoor team building exercise, where a microworld is created enabling reflection on the way people work and solve problems together. This example does produce learning, but is limited and does not provide insight into strategic business issues. Senge believes that personal computers will enable the learning to take place by simulating complex business issues – then applying policies and strategies and noting the

changes that occur. In this situation the risks and pressures of the real situation are not present.

- Simulation modeling or reflection on decisions requires a change in the time frame. Either slow down to enable reflection or speed up to see the effect of decision-making and what unanticipated problems occur.
 - 'Compressing space' as well to enable the learner to see the effect of decisions on the larger system. Simulation modeling will again help here. (Dynamic modeling applications such as iThink, Vensim and Stella are used for dynamic modeling simulations in organizations.)
 - The 'transitional medium' must resemble the actual space of the learner.
 - The 'learning space' must be integrated into the work space to enable it to be an integral part of reflection and experimentation.
- Consider the reasons for resisting change to a learning organization:
- There is the need to change to accomplish the goals, but also the anxiety of facing the unfamiliar and the unknown.
 - Traditional learning is transactional. Information added to existing knowledge and the learner is welcome to add to or change as desired. However, organizational learning requires the questioning of deep beliefs and mental models, as indicated in 'dialogue' above. This is 'transformational' learning.
 - People continue to make the same mistakes because they will not let go of their core beliefs, and *learn* from the mistakes.
 - Learning may require the need to 'look foolish' and if this is the case then learning is no longer as desirable. Some people then enter into volumes of justification to prove their point of view – and thus no learning takes place.

4.0 Chronology of learning organisation concepts

As this chapter covers in detail only a few of the system thinking concepts, which is then applied to the system of interest, I enclose a chronology of the system thinking and learning organisation concepts as an overview of this aspect of management science.

(Time line compiled by Art Kleiner (art@well.com))

1938: In his book 'Experience and Education.' John Dewey publicizes the concept of **experiential learning** as an ongoing cycle of activity.

1940's: The Macy Conference, featuring Margaret Mead, Gregory Bateman and Lawrence Kubie, bring '**systems thinking**' to the awareness of a cross-disciplinary group of intellectuals.

Scottish psychologist Kenneth Craik coins the term '**mental models**'.

Von Bertalanffy generalised **organismic thinking** 'the theory of the organism.' (Checkland 1999:77). This systems thinking was transferred to other systems such as organisations, and hence the biological analogies such as survival, adaptability, development, growth, flexibility and stability. (Flood & Jackson, 1991: 3)

1946: Kurt Lewin proposes idea of a '**creative tension**' between personal vision and a sense of reality.

1948: Norbert Wiener wrote the first book on the subject of **management cybernetics** and gave the classic definition, 'the science of **communication and control** in the animal and the machine.' (Beer, 1969:ix)

1955: The founding of a society of **General Systems Theory** (GST) by biologist Bertalanffy, economist K.E.Boulding, physiologist R.W.Gerard and mathematician A.Rapoport. The purpose was to 'encourage the development of theoretical systems which are applicable to more than one of the traditional departments of knowledge.' (Checkland, 1999: 93). The overarching systems idea has, however, not progressed.

1959: The structure of organic systems. How systems are viable, ie capable of independent existence. Beer. Early development of **Viable Systems**.

1960: "**The Human Side of Enterprise**," by Douglas McGregor, is published.

1961: Jay Forrester publishes "**Industrial Dynamics**." This book, the first major application of system dynamics to corporations, describes the turbulence within a typical appliance value chain.

1960's: C.West-Churchman. **Critical Systems Thinking** – about ethics, efficiency and effectiveness.

1965: Emery and Trist published the classic paper, 'The causal texture of organisational environments' which brought to maturity Bertalanffy's (1950) concept of an open system. Without this conceptualisation of the social field and its changing causal texture over time, it is impossible to answer the questions, 'what are we adapted to?' and 'how do we know if we are maladapted?'

1970: Chris Argyris and Donald Schon begin work on "**action science**," the study of how espoused values clash with the values that underlies real actions.

1972: "The Limits to Growth: A Report for the Club of Rome's Project on the Predicament of Mankind," by Donella Meadows and Dennis Meadows, is published. The book draws on Forrester's theories about **system dynamics**.

Beer, The Viable System Model.

Ackoff and Emery define information as 'a **communication** which produces change in any of the receiver's probabilities of selecting a particular course of action. And **motivation** as a communication which produces a change in any of the relative values the receiver places on possible outcomes of his choice of a course of action.' (Checkland 1999:91)

1979: Consultant Charlie Kiefer, Forrester student Peter Senge, and researcher-artist Robert Fritz design the "**Leadership and Mastery**" seminar, which becomes the focal point of their new consulting firm, Innovation Associates.

Beer, 'The laws of viability lie at the heart of any enterprise. So too do human beings. *The heart of the enterprise*. (Beer, S. 1985: x)

1979: C. West-Churchman. Nine conditions for a system to demonstrate **teleology** (purposefulness)

1979: C. West-Churchman. **Sweep in** more features of the problem context.

1982: Senge, Arie de Geus, Hanover Insurance CEO Bill O'Brien, Analog Devices CEO Ray Stata, and other executive leaders form a **learning-organization study group**, which meets regularly at MIT.

1983: Checkland - in **SSM**, systems are seen as the mental constructs of observers rather than as entities with any objective existence in the worlds; systemicity is transferred from the world to the process of inquiry into the world.

1984 to 1985: Pierre Wack, scenario planner at Royal Dutch/Shell, spends a sabbatical at Harvard Business School and writes two articles about **scenario planning as a learning activity**.

1987: Peter Schwartz, Stewart Brand, Napier Collyns, Jay Ogilvy, and Lawrence Wilkinson form the Global Business Network, with a charter to foster **organizational learning through scenario planning**.

1989: Oxford University management scholar Bill Isaacs, an associate of quantum physicist David Bohm, introduces Senge to the concept of **dialogue** as a process for building team capability.

1989: The Center for Organizational Learning is formed at MIT, with Senge as director and with Ed Schein, Chris Argyris, Arie de Geus, Ray Stata, and Bill O'Brien as key advisers. The staff of the "learning center," as it's called, includes Bill Isaacs, Daniel Kim (whose research involves linking the **learning organization** work to the quality movement), and research director George Roth.

1990: "**The Fifth Discipline**" is published. The book draws on many influences: **system dynamics**, "**personal mastery**" (based on Fritz's work and the concept of creative tension), **mental models** (based on Wack's and Argyris's work), **shared vision** (based on work done at Innovation Associates), and **team learning** (based on David Bohm's concepts).

1990: Daniel Kim founds the "**Systems Thinker**," a newsletter devoted to "fifth discipline" issues. The following year, the newsletter's parent organization, Pegasus Communications, launches an annual conference series called Systems Thinking in Action.

1993: Harvard University professor David Garvin publishes an article on **organizational learning** in the Harvard Business Review, arguing that only learning that can be measured will be useful to managers.

1994: "**The Fifth Discipline Fieldbook**" is published. Authors of the book, which Senge edited, include Charlotte Roberts, Rick Ross, and Bryan Smith (president of Innovation Associates of Canada), and Art Kleiner (who serves as editorial director). The "Fieldbook" becomes a new management-book genre.

1994: The use of "**learning histories**" as a method of assessment begins at the Center for Organizational Learning.

1995: Working with Dee Hock, the Organizational Learning Center begins a two-year process of building an ambitious international consortium called the **Society for Organizational Learning**, with Peter Senge as chairman.

1996: "The Age of Heretics," by Art Kleiner, and Synchronicity: "The Inner Path of Leadership," by Joseph Jaworski, are published.

1997: "**The Living Company**," by Arie de Geus, is published.

1999: "The Dance of Change" is published.

5 Systems Thinking Development.

5.1 Use of metaphor to enhance systems thinking.

A metaphor is used to enhance systems thinking where complex issues are involved. It is a means of bringing focus and understanding to the issue and adding an element of logic and familiarity. For example, frequency, amplitude and energy in water waves are used to explain and understand light as waves.

Organic metaphor

As systems thinking originated in the biological sciences, organic analogies emerged. The complexity added in the organisation was the human element and thus 'issues of motivation (eg, Maslow's hierarchy of needs) and leadership styles (eg. McGerger's

theory X and Y) participation, democracy and job enrichment strategies emerged from this view.' (Flood and Jackson, 1991: 9). Organisations were thus seen as 'surviving' rather than 'goal seeking.' However, this view ignores the social aspect of organisations and also the fact that harmonious relations are not always the norm, but conflict and manipulation is likely to occur. Also the idea that change is generated externally and the system responds and adapts is not true in an organisation, as people can adapt from within, or proactive change can result.

A neurocybernetic metaphor

Organisations thus communicate and respond to change, and have the ability to learn. According to Flood and Jackson, the neurocybernetic metaphor emphasises the active learning and control aspect as opposed to a 'passive adaptability' in the organic metaphor. The principle of goal seeking based on learning, self-criticism and self-enquiry, encourages creativity and the ability to deal with uncertainty.

However, this metaphor does not fully support the systemic principles, as the socially constructed element is not fully supported. Also the purpose of the parts may also not be the same as that of the whole. (Flood and Jackson, 1991: 11)

Organisational culture.

An embedded 'system' existing in all organisations is the culture of the organisation, ie 'the way things are done around here'. It is the expression of the character of the organisation and includes the vision, mission and strategy, i.e. the purpose of the organisation. This and the inner life and character is the way that the organisation operates in the world. (Sue Soal, 2000: 13). Consider organisational culture as the metaphor to describe the system. Culture in an organisation is very important, as it dictates how the organisation will react to change, and what the value and beliefs systems are of the organisation. The culture however, is affected by the leadership style, which tends to influence the way people react and behave in the organisation, thus a breakdown of this metaphor. Also the shared social and organisational practices can both inhibit and encourage organisational development. (Flood and Jackson, 1991: 12). A useful point of view is the inclusive approach to change where perceptions and value systems of people can be emphasised in a change process. Thus, how people develop and grow within their and the organisations value systems, impact positively in a change process, if correctly understood and dealt with. This could be the cause of a breakdown, if control is vested in a hierarchy. Manipulation, distrust, resentment and low staff morale with the consequent low

productivity levels will result. It is also noted that culture takes time to evolve, and a process of change which has not managed people and value systems correctly, needs concerted effort from management to change perceptions create participation and a culture of sharing and learning.

A political metaphor.

A political metaphor is used in an organisation when power relationships between individuals and group competitiveness constitute the problem situation, ie issues around interests, conflict and power. The political metaphor may then be assessed through three contrasting views on the character of the political situation. See table 2 below.

Contrasting views →	Unitary	Pluralist	Coercive
'Sub- → metaphor'	'Team'	'Coalition'	'Prison'
'Political' ↓ issues			
Interests	Common objectives - a well integrated team. Share common interests.	Diverging group interests with the organisation as a mutual focal point - loose coalition.	Oppositional and contradictory interests - rival forces.
Conflict	Rare and transient. Have compatible values.	Inherent, but may have positive aspects.	Inevitable and likely to lead to radical change of whole structure.
Power	Replaced by conceptions such as leadership and control.	Medium through which conflict of interest may be resolved.	Unequally distributed thus allowing domination, subjugation and so on.

Table 2. Political characteristics of situations in terms of the issues of interest conflict and power. (Flood and Jackson, 1991:13 and Jackson 1991: 31) Adapted.

According to Flood and Jackson, all organisations show examples of political activity, and vary in the three ranges above. Power can be a dominant feature and can play a pivotal role in determining outcomes in the organisation. Thus goals are generally those of the dominant power in the system, with other participants views or input relatively or completely restricted depending on the point in the continuum of

contrasting views above. The political view breaks down when political tensions and goals lead to mistrust. Further, organisational structures with the ability to deal with dynamic business issues are not well defined and consequently the ability to deal with market changes are limited.

5.2 Critical System Heuristics (Boundary Judgements)

Boundary judgements are the choices that determine who or what is included in the bounded area and thus benefit or who or what will be excluded. This is in many instances or circumstances, an ethical consideration and will result in choices to be made (value judgements) and issues and dilemmas of concern. Systemic thinking involves being critically aware of boundaries of the system, making judgements based on theoretical and practical interaction and being critically aware of emancipatory (concern for improvement) potential. (Reynolds, 2002)

Innovations, reforms, interventions, treatments, and so on are all intended improvements that are meant to alter a system or some part of it. Something seen as an improvement given a narrowly defined boundary may not be seen as an improvement if the boundaries are extended.

Ulrich (1983) developed what he called Critical Systems Heuristics based on the development of the critique of boundary judgements. The process is expected to be rational and dialogical - involve all stakeholders (the basis of who 'is' and 'ought' to be included in the system of interest) in discussion and free and open questioning. There can be distortion in this process as a result of the effects of personal power (see knowledge-power discussed below) either direct through coercion or indirect through unquestioned assumptions. (Burton, 2002) The issue then is what questions are to be asked to ensure that the interests of the potentially affected are respected. For Ulrich, there are two types of boundary judgement:

- The boundary of the social system to be considered, vs. it's environment, and
- Those affected vs. those involved.

The twelve key questions that can then be worked through for any system or improvement, are discussed below:

Those who have...	Categories in <u>Ought</u> & <u>is</u> mode	Issues / sources of intentionality			
...the benefit	<div>1. <i>Social role</i>: Client</div> <div>2. <i>Role specific concerns</i>: Purpose</div> <div>3. <i>Key Problems</i>: Measure of improvement</div>	Sources of motivation for improvement In Q: whose purposes are served? Value basis	Those Involved	The system of concern (or context of application) on which depends the meaning of ... →	I M P R O V E M E N T
...the say	<div>4. <i>Social role</i>: Decision Taker</div> <div>5. <i>Role specific concerns</i>: Resources</div> <div>6. <i>Key problems</i>: Environment (of decision)</div>	Sources of control: who has the power to decide? Basis for power			
...the know-how	<div>7. <i>Social role</i>: Planner /designer</div> <div>8. <i>Role specific concerns</i>: Expertise</div> <div>9. <i>Key problems</i>: Guarantee</div>	Sources of knowledge / expertise: who has the know-how?			
...the costs & side-effects	<div>10. <i>Social role</i>: Witness</div> <div>11. <i>Role specific</i>: Emancipation</div> <div>12. <i>Key problems</i>: World view</div>	Sources of Legitimation	Those affected		

Table 3. Summary of 12 boundary questions. (Ulrich, 1996 and Reynolds, 2002)

The boundary questions apply to all stakeholders – those involved and those indirectly involved – raising the moral implications of proposed improvement – those who ought to be involved and those who are involved. Thus there are two elements of critique involved, namely:

- To develop a '*critical consciousness*' in the planners and experts, or those who have the knowledge-power, and
- To give '*ordinary people a voice*', or enable competence so they can take control of their own lives. This then gives people a new understanding of social change.

I believe the issue above is then pertinent in organisations, where there may be a persistent tendency to marginalise and distort the interests of the least powerful interest group, for possibly some underlying self interest, misstatement of fact or fraud.

The above then is the start of a process or a 'critical path toward improvement' (Ulrich, 1996: 10), which enables people to question those who are in (for example) a knowledge-power position. It does not help people prove the 'case', but rather an understanding that knowledge depends on value judgements and visa versa. (Ulrich, 1998: 10) The analysis implies a renewed emphasis on constructing frameworks for training staff, and management support that continually creates opportunities to confront the lived experiences of the affected. To confront those experiences critically, to ensure participation and communication as systemic solutions to organisational problems, and provides a mechanism to deal with the past and move on.

As discussed below in critical systems thinking, the first step in achieving this is to place oneself in the position of those without the knowledge or not directly involved. Then experience, sense the feelings, understand the situation and reflect on how they would see the circumstances, and then adjust for the needs of those persons. Not an easy exercise, and specifically, if the knowledge-power position has something to lose, as emphasised above.

At this point it would be useful to consider a further systemic learning concept, namely the significance of 'worldview' - refer figure 3 below. (Bawden, 1998: 24). The critique process involved above is also a part of purposeful learning and self-development. Learning follows a cyclical process and could be the cycle of learning, thinking, planning and action. (Bawden, 1998: 23). What we experience influences what we do and think. People have different methods of resolving issues, based on past learnings, or their value systems. Others may see these methods as being unethical, and could exist in knowledge-power situations. To assist further with the boundary questions, introduce a 'window on the world' (Bawden, 1998: 24) between those that are involved and those that ought to be involved. This will assist in the sense making for the learner. The process would be as follows, figure 3 below:

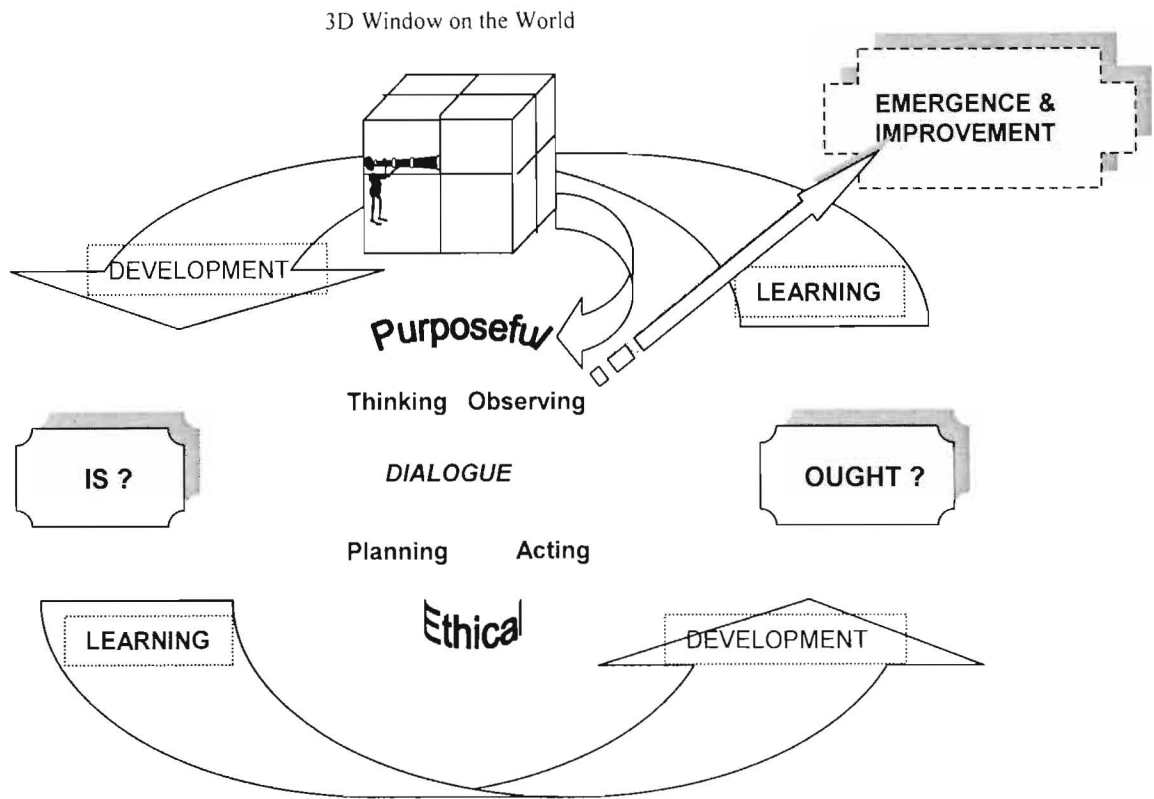


Figure 3. Boundary judgements with experiential learning and worldview window (Bawden, 1998: 24) Adapted.

Bawden explains that the above process then enables one to critique our own worldview and those around us – and reformulate the different views or perspectives. This process may not result in acceptance of different views or perspectives, but will probably result in a clearer understanding of the position of that view and with the understanding that we all hold epistemological and ontological positions which influence the sense we make of the world. An overriding concern is that an improvement raises issues of ethics and knowledge or understanding, the intention of which has a purpose or is purposeful. Further, when it comes to the boundary judgement, there are no experts (Ulrich, 1996: 19), thus lay people (or those not directly involved) are in a position to question the validity or fairness of the boundary issues. Those who are not the experts are not normally aware of this point, but once this is known, it enables more competent debate without undue influence from those with the expertise.

Kuhn (1962: 187 - 192) recognises issues, which are important to a learning process or an understanding of worldviews or paradigm's, and these are briefly:

- People understand and relate differently to the same words
- Two people viewing the same stimuli, as a result of their different knowledge, neural processing, and other factors, do not have the same sensation.
- Thus different stimulus can produce the same sensation and the same stimulus can produce different sensation.
- There is also the conditioning of education. People raised in different societies appear to see things differently. Kuhn says that they 'in some sense live in different worlds'.
- A student cannot solve problems unless he has learned the theory and the rules for applying it. This then is important as it has bearing on the notion of knowledge-power. In business, much of the tacit knowledge (Polanyi 1958 in Kuhn, 1962: 44) is gained through informal interactions with people and analysis of processes. Thus the learning process is ongoing, with the rider that the learning is different as stated in the points above, ie people have different reactions and learnings to stimuli.

It is clear then that different people and communities of people will have different shared beliefs. Kuhn says that paradigms valid to one group could be rejected by another as invalid. This could be the result of change in organisations where different management teams are introduced with different leadership styles, as in POGL. As indicated above, various communities will have established certain accepted paradigms and a set of norms. Kuhn explains that a change process results in a search for a new set of rules. As in POGL a new management team, results in frustration, and difficulty in interpretation and identification or rationalisation of the new set of norms and rules.

In terms of the issues relating to POGL, the person or team of people looking through the 'window on the world' will view the issues differently, and the emergent solutions will of necessity, be different, based on Kuhn's theory above. This is borne out by the two very different approaches and management styles applied to the restructuring and change process applied to POGL - ie one autocratic, command / control and the other democratic and participative. The respective people see both as valid solutions to the problems of the organisation. Bawden considers the introduction of 'ethical morality' and the need to consider 'objective knowledge' when considering a worldview. Again, each persons view of ethics and objectivity is different - reality to each is different, and thus the two opposing management styles. Bawden suggests

that a systemic understanding would enable the sense making to use the data in three dimensions. Ie to be able to hold the initial worldview and at the same time use the data to inform the different worldviews. How does one then deal with the 'emergent properties' ie the impact of management actions on the society, ecology, organisation bottom line, ethics, and value systems. It is these further considerations which would become evident if systemic principles were considered by management in dealing with change.

Criticism:

An issue 'critical awareness' - (Reynolds, 2002) to be noted with boundary judgements is that each person's assumptions and beliefs are not known, and may not be surfaced. There may also be hidden agenda's, which may not surface, but could be alluded to. People could mask their true feelings, and this would also be problematic for team learning and shared vision.

Reynolds refers to 'social rationality' or 'systems irrationality' associated with the 'environment'. This could be in a 'hostile' or oppressive environment, fear of victimisation may preclude the disclosure of all the points of view and changes to the boundary may cause oppression. In these circumstances, the consideration of ethics and fairness may not ensure a holistic solution to the boundary issue. Personal greed could override the ethical alertness of systems thinking, and may require an additional intervention (and not considered in this paper) to solve this problem.

5.3 Critical Systems Thinking (CST)

From a systems thinking perspective, little is said about value or boundary judgements (Ulrich, 1996:17) and Senge does not mention it in his fifth discipline work, however, it is core to Churchman's processes by which an action area is created. (Flood, 1999: 92). 'Action area' refers to the bounded area under discussion, which would have different issues on the agenda and different beneficiaries - ie based on the rationality of the people concerned. Boundary questions are a critical element to critical systems thinking, with specific emphasis on ethical considerations and are a requirement from a holistic point of view. Ethics and boundary critique then add value to the learning organization of Senge.

Churchman's systemic thinking is captured in four principles and seven central concepts and is explained below. (Flood, 1999:63). The four principles are:

- A systems approach is when you begin to see the world through the eyes of another.
- Every worldview is restricted – people have different knowledge, understanding, intentions, etc.
- There are no experts in the systems approach
- The systems approach is not a bad idea.

The first two principles clearly align with Senge's mental models. The third, considering that each situation is new and different, has relevance. The purpose of the fourth would appear to have little relevance, from my point of view, in a decision making process concerning the usefulness or otherwise of a systems approach. If an approach / principle has usefulness / adds value to the outcome / results in an improvement, then it is a *good idea*. The fact that it is a good idea is not a principle of the process.

The above principles are embodied in seven central concepts as follows:

Teleology: For a system to demonstrate purposefulness, the following conditions are to be met: (Flood, 1999: 63)

- A system is purposeful
- The system has a measure of performance
- There is a client whose interests are served
- There are purposeful components
- The system is within an environment
- A decision maker can produce changes in performance
- A designer whose design of the system influences the decision-maker, leading to changes in performance
- The designer aims to maximize the systems value to the client
- There is a built-in guarantee that the purpose of the system defined by the measure of performance can be achieved and secured.

Questions of system identification are then addressed through sweep in.

Sweep in: Sweep in is an ever-increasing boundary as more relevant issues are swept into the system of interest. Sweep in caters for contrasting views and different

meanings and is a process of critical reflection and debate, but also results in an expanding boundary. This then resulted in a need for unfolding.

Unfolding: To cater for the obvious problem from the expanding boundary above, there is a need for sense making. The nine conditions above are considered, but also consider Senge's system archetypes, (classic stories and depicted using causal loop structures) which helps 'group' systems with similar 'features' and thus assists in making sense of the system. Both sweep in and unfolding then result in boundary setting.

Boundary setting: Issues and dilemmas now arise concerning the clients within the system of interest and those outside. The questions are then (Flood, 1999:64):

- | | | |
|---|---|---|
| <ul style="list-style-type: none">• Who is in the action area and thus benefits?• What are the consequences of this?• How might we feel about this? | } | Questions about ethics, efficiency and effectiveness. |
|---|---|---|

Boundaries are open for further debate via sweep in and unfolding, as information becomes available which may require change to enable improvement. A point needs to be reached where further information is either not considered or no longer adds value to the desired improvement. Thus, in Churchman's terminology, the improvement requires securing.

Securing: Over time there must be improvement and this should be sustainable. This is an important outcome of any systemic intervention, and thus an overriding requirement that the long term result of a project or other intervention be sustainable. Thus:

- Consider choices for improvement - rate the choices based on predetermined and agreed criteria
- Spend time and effort in the planning and debating stage
- Consider long term implications and possible scenarios of different choices
- The final choice should have no adverse environmental (economic, ecological or social) impact. Churchman introduces here two 'fundamental desires' (Flood, 1999: 65) – wisdom and hope.

Wisdom: Wisdom is thought combined with concern for ethics.

Hope: Hope is the spiritual belief in an ethical future.

Main features of CST

Jackson (1991: 184) says that CST embraces five major commitments, namely:

1	'To seek to demonstrate critical awareness'	The assumptions or values in the systems design, the options available, possible achievable results, ethical choices and conflict of needs and value judgements.
2	'It shows social awareness'	People and societies exist which may pressurize certain methodologies to be followed. Social awareness is becoming the dominant feature and thus soft system methods are becoming important.
3	'It is dedicated to human emancipation'	Organisations consist of people – a method that promotes well-being and improves the productive capacity of people is important. People need to work and live together individually and in teams.
4	'It is committed to all the different forms of systems thinking at the theoretical level'	The commitment here is that the various strands of systems approaches should be complementary and add value to the informed and rational outcome. The critical path is always toward an improvement acceptable to all stakeholders.
5	'It is committed to the complementary and informed use of systems methodologies.'	The process is to 'develop' a methodology that embraces the above four features, plus an understanding of the different unique features of the various system models and translate this into action in the real world. For example Flood and Jackson's 'Total Systems Intervention' (TSI). (Jackson, 1991: 187)

Table 4. The main features of Critical systems thinking. (Jackson,1991:184) Adapted.

Jackson describes the above as a 'meta-theory' which embraces the developing aspects of systems thinking. It expands on the learning organisation, develops the boundary critique and includes critical and reflective thinking. The generative learning process of all involved is an important consideration.

With the above in mind, Flood (1999) considers a further dynamic view of generative learning.

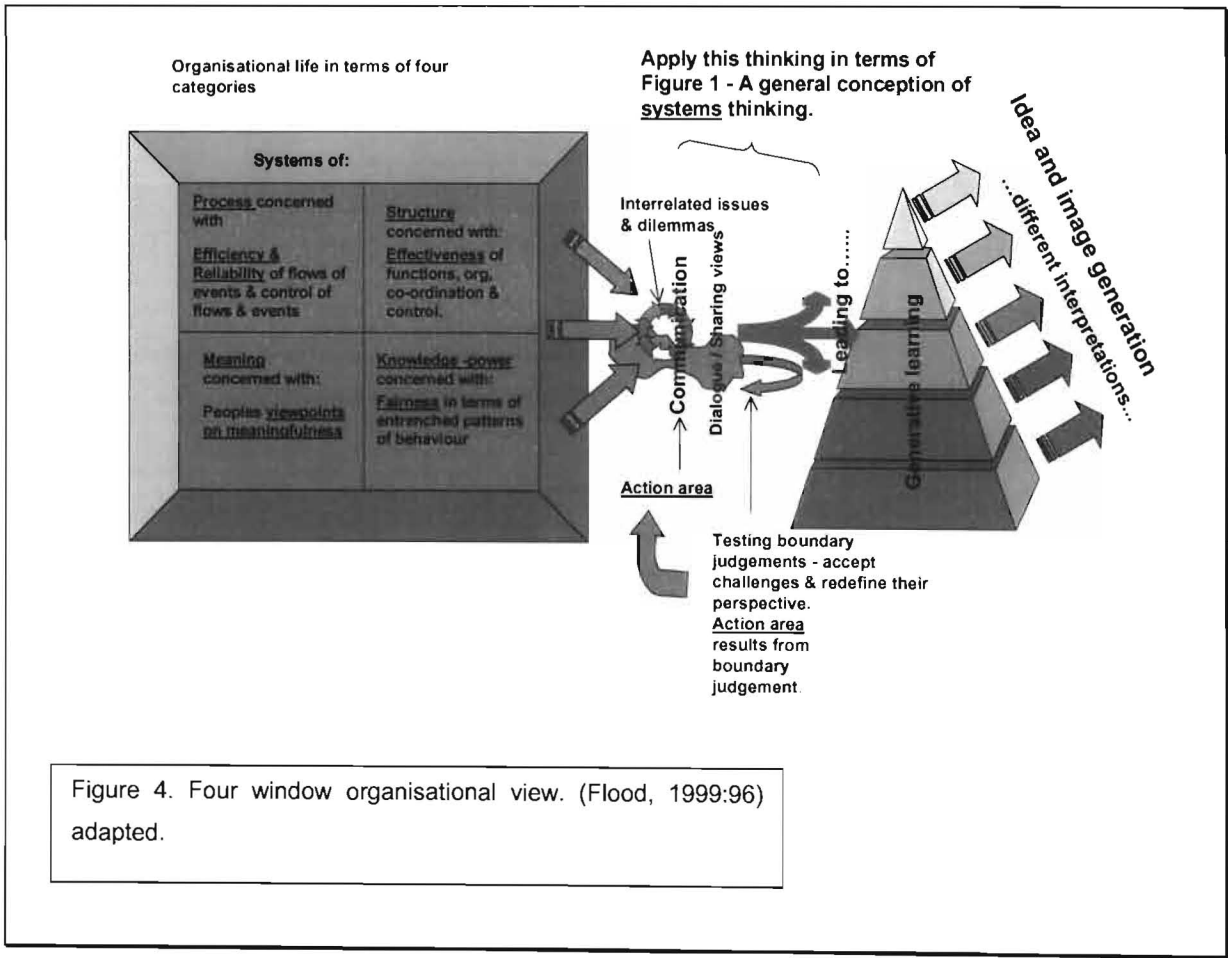
6.0 A Prismatic view of an organisational issue.

The aim of this process of thinking is to generate further appreciation of the issues and dilemmas of the system of interest (see figure 4 below) and likening the process to opening four windows on the action area or bounded area under discussion, (and

management and organisation in general.) This thinking process provides further systemic understanding of organisational life and an appreciation of the complexity involved and is also intended to stimulate debate, generate insights and enhance learning. (Flood, 1999:94) This process may be one of many different angles of viewing management and organisational life, and has been practically employed in various organisational contexts, (Flood, 1999:94) and in terms of a wider understanding of systems and complexity theory.

6.1 Four views of organisational life - leading to generative learning

To gain a deeper systemic appreciation of the action area the organisation is viewed within four specific 'windows' (Flood; 1999: 94). This principle is illustrated below (figure 4) and explained in the paragraphs that follow. The metaphor used is to look through a window at four different but dynamic views of organisational life and analyse the system of interest (communication), testing boundary judgements, within the constructs of these views.



6.1.1 Window 1 – System of Processes

Processes are flows of events (Flood, 1999: 99) that are undertaken for a specific activity and are:- (1) **Operational** - the way in which the work gets done and (2) **management** - the way in which the work is supported. When looking through this window, the consideration is whether there is the possibility for improvement to the efficiency and reliability of operational and management processes.

Strategy for improvement

Improvement in the efficiency and reliability of organisational processes may range from radical change to continual incremental improvement. (Flood, 1999: 101). Flood identifies four categories used to assess the criticality of the issue and thus assist in the remedial intervention by more clearly identifying, on the continuum, the appropriate 'depth' of intervention required. Refer table 5 below.



Continuous incremental improvement		Business Process Reengineering
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Process improvement	Process redesign	Business reengineering	Process transformation
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'Aspects of a system of processes are considered inefficient and /or unreliable and are recognised in need of enhancement.'	'An entire system of processes is regarded as in need of augmentation.'	'All systems of processes within the action area specified by boundary judgements are thought to be in need of reform.'	'Radical improvement through transformation of the bounded system of processes offers much potential.'
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Table 5. Improvement of efficiency and reliability continuum. (Flood, 1999: 101) Adapted.

A need for quality.

Flood (1999: 101) notes an important dimension to change in processes is that it leads to quality improvement. For quality to be measured, the current position needs to be understood and recognised as being inappropriate and not leading to the desired outcomes - eg. poor customer service, claims due to staff negligence. This is compared to the future desired state. Quality extends the organisational boundary to ensure that all departments of the organisation recognise the need for quality services and products (both inputs and outputs) within the organisation and the interaction with customers and service providers outside the organisation. A desired set of standards are developed and agreed upon. These standards are compared to the actual state and any failure to meet the standards is noted and acted upon. A critical element here is effective communication of issues noted by all concerned in the process.

It should however be noted that Flood suggests that no action be taken on the improvement strategy, until all four windows and prismatic thought as a tool has been considered in total. The systemic nature of the exercise then should also include a boundary critique adequately defining the client, purpose, issues and dilemmas for discussion. This process then also assists on the decision of which strategy should be adopted on the continuum above. This process has been applied as an intervention in chapter six section 2.3 - a model to improve quality management.

6.1.2 Window 2 – Systems of Structure

Flood (1999:104) defines structure as 'organisational functions and forms of coordination, communication and control. A set of rules and procedures that organize management support around operational and within the operational activities themselves (what work will be done, where, by whom and how) and that span the action area defined by boundary judgment. The boundary judgment may well extend beyond the traditionally conceived organizational boundaries. The consideration in respect of structure is to be alert to issues of **effectiveness**.' The interventions desired for management support are then in terms of organizational effectiveness.

Improvement of effectiveness

Improvement of organisational effectiveness may be in a range as illustrated in table 6 below.

Bureaucracy

Adhocracy

Bureaucracy:	Democratic hierarchy:	Organic idea – Bertalanffy's Open systems theory:	Viable system model - Stafford Beer:	Adhocracy - Mintzberg:
<p>Lines of authority – people have clear roles and tasks. Tall hierarchy and many levels of management.</p>	<p>A flat hierarchy and greater participation through a 'board' structure. (Ackoff in Flood, 1999:51). Enhances people's contribution to meaningful change.</p>	<p>Rules of function rather than authority. Vertical control replaced by interrelationships of subsystems and feedback. There is a relationship between the whole and the environment. Organic concepts include goal attainment, steady state, adaptation and survival.</p>	<p>Organic concept developed further. Five main management functions – operations, coordination, control, intelligence and policy. The last two introduce the people aspect as organization considerations. The structure is proactive – rules and procedures achieve communication between management functions and external environment. The aim then is organizational viability.</p>	<p>Minimal rules. Informal arrangement based on discussion of issue and how best to solve them. People learn from each other and scope for creativity and transformation.</p>

<p>Criticism:</p> <p>Clearly bounded organization rather than systemic view. Limits organization expansion by excluding staff involvement. Rules operating vertically restricts communication. Thus inflexible. Responsibility at the top. Cannot exercise creativity and innovation People at lower levels become alienated and demotivated.</p>	<p>A conservative response to traditional hierarchy. Retains the idea of clearly defined bounded organizations, rather than systemic view. Does increase people participation. Still inward focussed.</p>	<p>More systemic approach. Organic suggests harmonious structure and fixed goals. Survival and growth depends on cooperation and coordination of all parts. Organisation tension and dynamics not captured here, plus people intelligence aspect.</p>	<p>This model addresses these needs. Changing goals are noted but still harmony emphasised - which undervalues tension resulting in creativity and transformation. The human element takes note of a set of rules - plus cooperation, conflict, culture, politics, etc - not just a physical entity.</p>	<p>Cultural dimension noted - social rules and practices allow an informal structure the space to innovate and resolve issues and dilemmas. Creativity allows staff to be motivated - but lacks a formal structure and expectations and career structures not well defined. Thus there is ambiguity.</p>
Strong emphasis on rules and procedures.				Weak emphasis on rules and procedures.
Rules and procedures spell out exactly what is to be done and by whom.				Informal arrangements with minimum rules and procedures.
<p>The machine organization. A classic bureaucracy - highly formalized, specialized and centralized – dependent on standardization of work processes for coordination. Common in mature industries with repetitive work.</p>	<p>The entrepreneurial organization. Flexible structure controlled by chief executive. Common in start up organizations and small businesses.</p>	<p>The professional organization. Organized to carry out expert work in specialized settings – like hospitals.</p>	<p>The adhocracy organization. Organized to carry out expert work in highly dynamic settings with experts and highly cooperative project teams. In aerospace and mature project team type organizations. Flexibility to adapt to dead ends and creative discoveries</p>	

Skills: Specialisation of skills generating expertise across a narrow field			Producing generalists with less depth of skills across a wider field.
Work definition: Clearly defined with job descriptions.			Open ended jobs and job design, around changing goals rather than job content.
Controls: Central control mechanism regulated by policies and procedures and limits of authority.			Decentralised control exercised through standards.
Communication: Top-down, formal and written policy and procedure manuals.			Communication moves in all directions. People bypass hierarchical lines.
Culture: Power and role cultures dominate.			Task and people cultures dominate.
Work orientation: Maintenance orientation; focus on improving existing procedures and systems.			Development orientation; focus on change and innovation – complex and dynamic.
Diagnosis and design: Explore the types of structural arrangement as they relate to the action area (communication), generate dialogue and make judgement on the issue.			

Table 6. Improvement of effectiveness. (Adapted from Mintzberg, H 1994:398, Flood, 1999:105 and Misselhorn, 1998:136)

Structural considerations (Misselhorn, 1998:133)

- Organisational goals should change over time but they need to be clear and understood by all. Must be clear, relevant and motivating.
- Organisations achieve success through people who are well trained and empowered to achieve worthwhile goals.
- Close cooperation and coordination and a structure that facilitates this, adds value to the organisation. Shared information and knowledge streamlines processes and achieves accelerated results.
- Decentralised vs centralised structures and tighter control vs more relaxed control are issues that vary based on the commitment by the people to goals and in some cases, the nature of the organisation. If people are committed to common goals and values and are accountable for their jobs, then self-control is exercised and less central control need be exercised.
- Management action through personal contact, follow up and encouragement ensures adherence to organisational policies.
- Common values and standards need to build in quality, thus the concept of self-checking or self-regulation, without the need for outsiders to check on quality.
- Learning from mistakes enables the ability to deal with change and complexity. Structural design should enable this to take place.
- There are three critical variables in determining structural design: (1) **Goals and mission** - what it is producing or servicing, for whom and with what objective. (2) The **complexity** of its internal and external environment, and (3) the **degree of change** the organisation is facing - internally and externally.

The second window provides a further view of the issue under investigation, but the whole system requires consideration before action is taken. Thus all four views need consideration - as the qualities of the parts add value to the understanding of the whole.

6.1.3 Window 3 - Systems of meaning.

An important element of **communication** is the underlying meaning (Flood, 1999: 110) of the message or the interpretation of the message by the receiver. This brings into play people's cognitive processes, which may be conceived in terms of values, norms, behaviours, and what they think based on perceptions. People act, behave and interpret information (the element of communication) based on what they think

their views and the 'value' they place on that information - ie the meaningfulness of that information. Flood defines a few useful elements of meaning as follows:

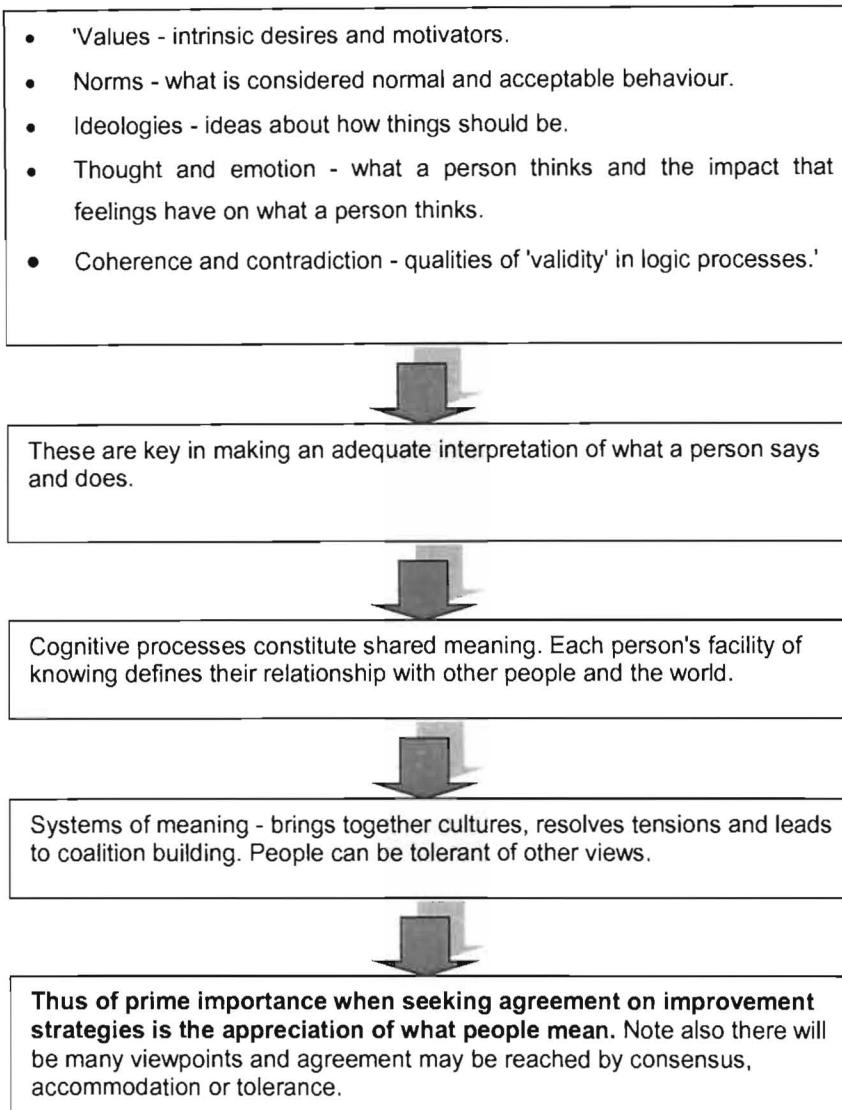


Figure 5. Elements of meaning of information. (Flood, 1999: 110) Adapted.

Strategies for improvement of meaning

Strategies for improvement need to take into account the fact that there are a range of views ranging from 'polarised' on the one extreme to 'plethora of views' (Flood, 1999:112) on the other side. This needs to be remembered when attempting to improve meaning, as a vital element of communication. Bohm (2000) describes dialogue as a process that enables one to suppress ones own view and enable the surfacing of other's views, allowing logic to override emotion, and thus surface a consented or debated view as being the most correct, given the prevailing

circumstances. People however, may fail to understand fully their own 'system of meaning' or the 'system of meaning' underpinning another persons viewpoint with which they disagree. Here emotion takes over and people talk past each other - each with apparent polarised views and no solution in sight. Table 7 below illustrates the views, with ideas for improvement of meaning, remembering that we are dealing with the polar ends of a range of views.



<p>Approach to handle viewpoints:</p> <p>Mason and Mitroff's - <u>Strategic assumption surfacing and testing (SAST)</u></p> <p>Clusters of views emerge - coalition building - and polarised views emerge. The groups understand different meanings and individuals meaning and other's views are also misunderstood. Clearly an unproductive situation. Meaningful communication not resulting in solutions or amicable consensus. Require then <u>meaningful engagement</u>.</p> <p>Polarised groups need to work together where each group surfaces and tests assumptions and look for the preferred view or strategy that is most likely to work. The key element is <i>surface</i> - ie allow otherwise hidden questions or assumptions to surface to enable the emergence of a strategic and best solution or strategy. Challenge each groups strategy, isolate unfounded assumptions and test the robustness of the strategy. Look for improvements. How will the strategy hold out if implemented.</p> <p>A similar process is seen with <u>Senge's mental models</u> where the model is 'challenged' for fit.</p>	<p>Ackoff's <u>Interactive planning (IP)</u> and Checkland's <u>Soft Systems Methodology (SSM)</u>.</p> <p>The approach is cycles of learning and understanding - with a systemic approach considering the environment in which the system or issue is present and the boundary of the issue.</p> <p>The cycles may be thought of as being in phases:</p> <p>(1) Learning about the real world. IP uses scenario building and SSM uses rich pictures.</p> <p>(2) Construct ideal systemic models. IP explores ideal visions and ideal systemic properties and SSM constructs a number of ideal conceptual models.</p> <p>(3) Compare ideal systemic models to the understanding of the real world in (1) above.</p> <p>IP looks at strategies to close the gap between what might happen and what needs to happen. SSM looks at an agenda for improvement through debate.</p> <p>Thus explore different mental models.</p> <p>Aim therefore - to explore different mental models - generate different and innovative ideas for improvement and thus an acceptable view .</p>
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Table 7. Ideas for improvement of meaning. (Flood, 1999:112) Adapted.

In summary.

The objective for improvement strategies is then to 'attain clear expression and transparency of thought in a process of learning and understanding.' (Flood, 1999:114). For action that is acceptable to all involved, agreement needs to be reached, and thus the individuals viewpoints and meaning needs understanding from each other's perspective. Different systems then attempt to surface viewpoints to enable learning and understanding. Flood says that a number of questions need to be raised namely:

- 'How clear and transparent are resulting expressions?
- On what basis is agreement achieved?
- Has there been genuine learning and understanding?'

The questions are addressed when 'problematizing forces' (intrapsychic, cultural and political) distorts the idea generation process before a consolidated strategy is achieved.

Intrapsychic forces described by Argyris and Schon in Flood (1999:23 and 114) are those used by people to defend themselves when embarrassed or threatened and are in many instances unconscious reactions. Or to avoid embarrassment or offence to another person, honest comment will be avoided. This was concerned with spontaneous 'tacit theories-in-use' which is used in discussions and dialogue as defensive routines. These actions are 'unilateral control, unilateral self-protection, and defensiveness, smoothing over and covering up'. A method used to address this is the 'left-hand column' where an attempt is made to surface the tacit assumptions that may be preventing the resolution or achievement of a successful outcome to an issue. This adds a complex dynamic to communication - people and their unsurfaced tacit behaviours or mental models - which inhibit the challenging of mental models - and therefore requires surfacing. The need is therefore to gain a better systemic understanding and avoid the missing of unsurfaced issues / elements which may be critical to a resolution or useful as high points of leverage.

Senge introduces here inquiry and specifically reflective inquiry as challenging the defensive routines and is also important in team learning and shared vision.

Cultural forces described by Flood (1999:114) influence people's mental models and essentially without being aware of its existence or its potential impact or potency of it. Thus people's viewpoints and underlying reason for their views could be the cultural influence. An important element to consider, especially in the South African context,

with the diversity of cultures, and the past baggage where integration was discouraged. The understanding of the cultural diversity in SA and the impact on integration and living and working together is new to most South African's and everyday issues emerge which require sensitivity in order to resolve. The strategies mentioned above are again useful in learning and understanding the reasons behind others viewpoints.

Political forces - 'there are always 'winners' and there are always 'losers' - people building power and people losing power.' (Senge, 1990:273). Sensitivity to political forces (ie power structures, alliances among people, who wants what done, rather than what is right) needs to be considered, as it is very difficult to surface the underlying dynamics. Also any surfacing of information could be used by the other party to further their own political end ie self-interest, wealth and power. Building shared vision, fostering openness in organisations where each person is continually looking out for himself is not an easy task. Trust is difficult to establish and serious commitment difficult to achieve. Specifically from a political point of view, the *risk* of giving up sensitive information may be overwhelming, and Senge (according to Flood, 1999: 115) does not consider this aspect to any great extent. However, an organisational value system and shared vision and goals can minimise the political agenda. To this end there will be a delay in achieving a generative learning process where the benefits for the whole are seen as greater than the individual's political ends.

The above three forces are worth consideration when looking for strategies in understanding peoples viewpoints. This assists in achieving a generative learning process that understands that different views are acceptable, but that shared visions and goals add value to the organisation as a whole.

6.1.4 Window 4 - Systems of Knowledge-power.

The premise here according to Flood is that people in a position of power determine what is 'valid knowledge and thus valid action.' (Flood,1999:116) The relationship to a power position then is who you know and not what you know. Dominant positions are prevalent in autocratic leadership environments where knowledge sharing is seen as a risk to the person wielding the power position. It is clear that we are also considering structure and processes when dealing with people and power, with the underlying concern being fairness. As seen with Enron and Worldcom, ethics also enters the scenario and begins to play a role. Power positions as discussed by Terry

in 'Lessons from Enron' (2002) can as in these instances play a role where privileged positions achieve success (wealth) at the expense of others (loss of share value, jobs, etc). Where there is no self-regulating participatory process (participatory leadership style) that allows people to freely criticise then the risk exists for unfair manipulation of the system design that benefits a privileged few. The question then is who benefits from efficiency of processes and effectiveness of structure? As indicated above, the leadership style may give a pointer as to the answer of the question. A look at the culture (closed, open and relaxed) and the communication channel (open, extensive use of grapevine, restricted) of the organisation will give an indication as to the existence or otherwise of fairness in the structure or process design. Centralised knowledge power would inevitably lead to less learning, creativity and transformation as a restriction is placed on the free movement of information. This would also compound the ability to survive particularly in poor economic conditions as the non-existence of the positive dynamics of teamwork could lead to poor decision making.

Flood advocates that problematising the knowledge-power dynamics and asking the ethical questions as to who benefits and who is affected helps sensitise people in making the correct choices.

Misselhorn diagrammatically depicts the above as follows:

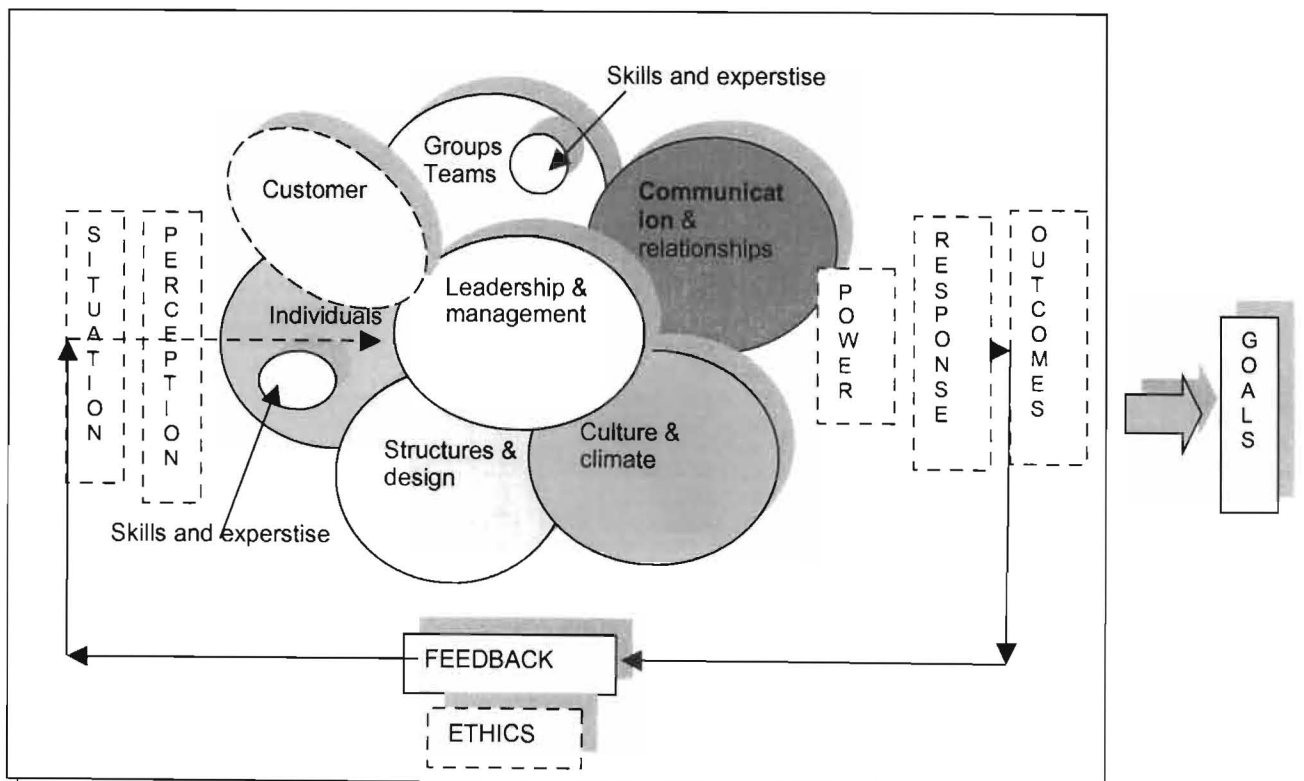


Figure 6. Management and leadership system. (Misselhorn, 1998:154 adapted)

Misselhorn says that an organisation typically exists with the management and leadership team centrally situated with the ability to influence either positively or negatively the elements around them. The organisation is in fact connected to this central core and the 'robustness' of this central core is paramount to the sustainability of the organisation. A further reason for being centrally situated is the fact that change and direction should also emanate from this position. Legitimate power is exercised in this position, but the organisation is dependent on the skills, knowledge and expertise of others. There is no reason to assume that the leader should know everything.

Questions then for consideration in a power position concerning fairness are (Flood, 1999: 118):

- 'What would be your reaction to the outcomes of decisions made in respect of decisions or designs that is being considered for implementation?
- Are you contributing to the kind of world that you would wish to live in?
- Could the decisions made today be considered at some time in the future to be unfair?
- How would you feel if a close family member was subject to these decisions or designs?
- Can you justify your power and money against what this costs in terms of other people's helplessness or poverty?
- Should you care?
- Do you have a will to act in a way that will contribute to social transformation?

These questions clearly sensitise leaders to the ethical nature of decisions and designs in relation to knowledge-power.

Improvement of fairness

Refer to table 8 below indicating a range of needs as regards fairness between privileged and vulnerable people.

Raising awareness of privileged people - Develop self-reliance of vulnerable people

Privileged people once aware what their ideologies and power structure is doing - allows them to participate in open dialogue.		The need to unlock underprivileged people from unfair influence /power of the dominant power structures. This involves development of self-reliance of vulnerable people.
Methodology: Collaborative inquiry. '... a way of training people and of developing the community towards a consciousness of future participation.' (Flood; 1999: 120). Enabling people to see that mutual cooperation with an ethical framework enables a more effective and efficient end product with mutual respect and a sense of achievement by both parties.	Dialogical intervention strategy (DIS) Knowledge power issues are dialogued and both privileged and unprivileged positions are debated to enable both positions to be exposed and understood - then to look for strategies of improvement of fairness.	Self-reliant participatory action research. (SPAR) The process is to strive for independence and social transformation - thus to grow in knowledge and self-confidence. People have the ability to grow and learn and take responsibility for their won future and reduce dependency on others.
Issues to consider: Are the people that are involved and not involved but affected willing to participate in dialogue? What needs to be done to ensure a 'safe' environment that allows debate to take place? If they do get involved, are they capable of making a contribution or are they capable of getting their point across? Issues may be raised which are perceived as being unethical - and from whose point of view? Also unrealistic expectations may be raised of some perceived outcome which cannot be guaranteed. There is also the possibility of failure. We are dealing with people and one group with a perceived loss and the other with a perceived gain. The process should ensure that fairness and ethics prevails.		

Criticism:

If people are threatened or in denial ('...the defense mechanism in which threatening information is blocked from conscious awareness' - Lahay, 1992: 378) then to achieve a process of change and fairness, especially from the point of view of the privileged person is almost impossible. If this is identified by a psychologist as being the state of mind of the person, then serious reconsideration needs to be given to the expected success of the intervention.

From my own experience, the ability to convince a person that his state of privileged position should be relinquished in the best interest of all parties, is heavily dependent on the personality of the person in that position. An autocratic command and control type leader will have extreme difficulty in undergoing a change in mindset and to look within themselves (Daft, 1999: 19) that allows him to feel compassion for those less privileged and concede to fairness.

We have also seen in current organisation crises (Enron - Terry (2002),) that personal greed has an overriding effect on ethics and compassion for others, to the extent of active manipulation of others for personal gain.

Table 8. Improvement of fairness - a range of needs. (Flood, 1999:119)

The four windows as discussed above enable or facilitate different views on organisational action areas, giving different perspectives or insights into issues or dilemmas. Refer to figure 3 Four window organisational view - the window is extended to the generative learning process - ie 'prismatic thought.'

6.2 Prismatic thought - creative and transformational thinking.

'Prismatic thought is a metaphor for creative and transformational thinking.' This is considered the transformation of what is seen through the four windows, 'realising bursts of colourful creation through stories, metaphor and diagrams.' (Flood, 1999:123) The light from the windows enters the prism and the prism provides a diversity of interpretations and generates a 'wide range of possible images.' The most plausible image is then used as the preferred choice for the improvement strategy.

The process above is one of dialogue, thinking through boundary judgements with deepening systemic understanding, and appreciation of the action area or system of interest. Generative learning takes place 'that challenges mental models' (Flood, 1999: 124) and allows the emergence of new thought and innovative ideas. Challenge would be the prime mover here - the traditional structure, leadership style and organisational assumptions need to be tested to enable solutions to be surfaced.

This process uses idea generation and image generation as methods or techniques for creatively generating ideas.

Idea generation (Flood, 1999: 124) is for example brain storming or brain writing where an environment is created that stimulates creative thinking.

Image generation (Flood, 1999: 125) is where key issues or dilemmas are graphically depicted in order to tell a story or make sense using metaphor. Thought and emotion is expressed in images and acts as a vehicle to creatively surface understanding and learning.

7.0 Conclusion: Learning within the unknowable.

According to Flood, Systemic understanding of organisational issues allows one to gain insights and meaning into issues which although are local in space and time, have never been challenged before. Boundary judgements, ethical considerations and systemic insights that facilitates inclusive insights into various view points, and enables all involved or who may be affected but not involved, to have meaningful input, is likely to yield organisational learning and transformation. This is 'learning within the unknowable.' (Flood, 1999:129)

CHAPTER 4: LITERARY REVIEW - COMMUNICATION THEORY

1.0 Introduction

If we are to get communication right or make it work, we need some theoretical knowledge of the communication process. This chapter serves to provide this understanding.

One would think that after thousands of years of practice, comprehensive, effective and efficient communication methods would be well developed. However, this is not the case - and the reasons are numerous and complex. In individuals, issues such as customs, beliefs, value systems, conflicts, language, and technology breakdowns and in organisations, leadership style, morale, structure, strategy, value system and culture restrict or inhibit effective communication and was evidenced through various surveys and discussions with staff in POGL.

I believe business communication skills are essential to the successful practice of management and leadership and more specifically in the diverse and multi-cultural society in South Africa.

Communication begins with listening and we need to listen and hear, not only to what others say, but to our own inner impulses, prejudices, opinions, and background. Once we are conscious of this background noise, then we are in a position to listen to others, and are in a position to respond without imposing our own voice on that of the other person. (Chatterjee, 1999:112). Being conscious is probably the essence to communication.

2.0 Definition of Communication

'Communication is the process of interaction and exchange (transmission) of meaning or intentions to others through verbal and non-verbal messages; those receiving the message, in turn have to interpret them so as to give meaning, and then respond.' (Misselhorn, 1998: 100).

3.0 Objectives of communication.

We communicate for a purpose and our basic objectives in communication are generally (Sigband, 1976:10):

- 'We like to be understood exactly as we intended
- We would like to secure a response to our message and we hope that where applicable, that response will be favorable.
- We would like to maintain favorable relations with those with whom we communicate.'

Sigband suggests that as we work and live with people, we generally attempt to maintain favorable relationships and avoid confusion or misunderstanding, although this does happen. The attempt is to secure all three objectives.

4.0 Leadership and communication

4.1 Leading consciously

Chatterjee (1999: 113) says that leaders should have the ability to listen simultaneously to three dimensions of language - the factual, the intentional and the transformational. The content of the message and the style of presentation give a clue as to the dimension of the message. Listening is therefore, not just gathering of information, but of transforming the information into intelligence. 'Deep listening facilitates the flow of intelligence in communication by removing the physical, physiologic and mental barriers that separate the speaker from the listener.' (Chatterjee, 1999: 113). For the information to have any value to the leader as 'intelligence', or in order to be effective it must be truthful or authentic and therefore, 'effective communication is authentic communication.' Similarly, when giving out information (intelligence), the same information that is delivered internally to all staff and senior management should be delivered externally. All organisations have an informal communications channel (grapevine) in place, and I have witnessed occasions where the grapevine has a story doing the rounds, simultaneously with senior management telling another story, and the staff has 'officially' been told a third. This will surely remove trust and respect from the leadership team. 'Authentic communication demands oneness of content and intent, synchronicity of speech and thought, and a simultaneous awareness of both sound and silence. The content of our communication comes from *what* we say, and the intent comes from *why* we say it.' (Chatterjee, 1999: 121) People have ulterior motives for what they say, and what is going on in their minds is different to what is actually said. For a leader, the mind

and what is said need to be synchronised - if not, trust and respect become the issues in the minds of staff and customers alike and credibility is lost. Chatterjee says that credibility comes from character, which he defines as consistency in conduct. Credibility is in terms of small actions and large actions and an ally of credibility is transparency of actions. Lack of transparency leads to lack of trust, and lowers the credibility of the leader. Secrecy is then an enemy of credibility and as a result, the '**power of communication**' is reduced in proportion to the extent a secret barrier exists within us.' From observations of leadership styles within my own organisation, it is safe to say fairness in the treatment of staff, information being withheld from staff, inconsistent actions, etc are identified very early as notable 'issues' surrounding the leader, and the immediate response is a loss of credibility and mistrust. Chatterjee further suggests that we do not give false encouragement to staff nor plunge them into despair with angry outbursts. A basic assumption of learning is that you learn from your mistakes - this may require constructive criticism, but outbursts could have a detrimental effect. 'Leaders learn to communicate with a consciousness that their words are capable of changing the destinies of the people with whom they are communicating.' (Chatterjee, 1999: 122)

Leaders according to Chatterjee need to listen to what is going on around them, however, they also need to provide information or to facilitate understanding to staff, other than instruction. People need to know what the future plan or vision for the organisation is and what the strategy is to achieve that vision. In fact a participatory process that, based on collective values, allows people to agree on a strategy to achieve the organisational vision, will achieve a greater degree of ownership. The staff job functions are then aligned to the agreed strategy and achievement has a greater chance of success. (This postulate is discussed in more detail in later chapters.)

4.2 Communication, conversation and dialogue

Dialogue as described by David Bohn is a 'deeper level of **communication** which has a serious commitment to cooperation and constructive thinking styles ... a means of bringing people together in communication that allows the surfacing of tacit assumptions and beliefs in a spirit of inquiry and respectful exploration.' (April, 2000: 70)

This definition surfaces the disciplines of the learning organisation (refer chapter three) as elements of dialogue, namely; mental models - deeply ingrained assumptions and

generalizations; shared vision - the unearthing of a shared picture of the future or in the case of dialogue, a shared understanding and commitment to resolution of all the issues under 'discussion' and thirdly team building - which starts with dialogue, ie the capacity of the team members to suspend assumptions and to think together in a creative and exploratory way. April says that the above process results in personal learning (mastery) and in a systemic understanding of 'interconnectedness' and 'interrelatedness' of complex issues. The essence of dialogue is summarized as follows: Table 1 below.

Four skills:

1. Suspending judgement. We defend our positions and our egos prohibit learning from others. Hold our position and listen to other points of view.
2. Identifying assumptions. Our opinions and judgements are based on assumptions or belief systems. This needs to be understood and explored to enable common ground and consensus to be achieved.
3. Listening. The way we listen impacts on how well we learn and understand. This impact on relationships and decisions made in the organisation.
4. Inquiring and reflecting. Learning to ask the questions that lead to greater understanding. Dig deep into matters of concern and look for solutions, inquire, reflect and understand.

Commit to a common set of guidelines:

1. Listening and speaking without judgement
2. Acknowledgement of each speaker
3. Respect for differences
4. Role and status suspension
5. Balancing inquiry and advocacy (pleading in support of)
6. Avoidance of cross-talk
7. A focus on learning
8. Seeking the next level of understanding
9. Releasing the need for specific outcomes
10. Speaking when 'moved'

Through dialogue and conversation, a community is created and culture transformed in three ways:

1. Behavioural transformation. Participants learn how to be with each other, how to participate and share ideas. This leads to a state of community or team building.
2. Experiential transformation. Individuals begin to learn what a culture based on community principles *feels* like. People intuitively like to belong – thus a community that suspends judgement and collectively seeks solutions, where attitudes and beliefs are surfaced – encourages a sense of belonging and achievement.
3. Attitudinal transformation. People's attitudes change – rigid individualism gives way to participation and collaboration. Beliefs strengthen around the 'value of the group as a whole.' As groups progress with their ability to use dialogue, they move to higher levels of problem solving and problem finding.

Table 1. The essence of dialogue. (April, 2000: 69)

Leaders that have more concern for the mission of creating, liberating and energizing people to achieve success, and less concern for their own ego's, results in people doing more and feeling freer to innovate and create. This process is not easy and requires special effort for leaders to actively be part of a process of open communication, conversation, dialogue and innovation, that is required to achieve the aims of the system. (April, 2000:73) This was evidenced in POGL with an autocratic leadership style and a personal ego of the leader to achieve change without the assistance or buy-in of all the staff. The current leadership style of participatory management now requires additional effort in creating and building trust in the leadership team, to facilitate the building of a community that works together without personal ego's limiting organisational and community learning. To achieve this, communication and conversation, starting slowly with informal and social 'meetings' that break down barriers and builds trust, is the starting point. People will begin to see that they are able to contribute to the building of an organisation that has a future and that the future includes them. People from a psychological and social point of view, desire to belong and feel part of a community. (Lahey, 1992:4 and 474) I believe that this process of 'belonging' then allows innovation and creativity to be encouraged, as the risk of reprisal no longer exists, and learning can take place.

As chapter six postulates, the process should start with leadership development (and personal transformation) followed by organisational transformation, and the development of a learning organisation. If personal agenda's are put aside, the goals and vision of the

organisation understood by all members of the organisational community, then the communication process has started - issues have been surfaced, barriers to communication understood, and other benefits achieved as described in chapter one section 6.0.

4.3 Communication and managing change

Notably in South Africa, change is a part of life, and change in the organisation is no exception. Change not only in relation to internal dynamics, but also coping with global markets and new complexities. Communication and conversation are then seen as tools for announcing and explaining change and preparing people for the positive or negative effects or understanding the complexities that change may bring. Change introduces in many cases confusion and therefore the need for effective communication to enhance understanding and commitment. (April, 2000:69).

When change is about to take place, it is important to consult and involve all staff and without limiting information to any particular group. The following is available online (www.flexibility.co.uk) on a site dedicated to organisations and people, and summarises the importance of communication and managing change.

Sharing the vision:

Staff relation issues are in many cases because of poor communication. Even if there are problems, share them with the staff at an early stage. This improves cooperation and limits difficulties at a future stage. The principle is that if all stakeholders' ambitions are aligned, then this promotes a more successful organisation - people then understand the direction that the organisation is taking and where energies should be directed.

Raising awareness:

Raising awareness of technology (or other important issue requiring communication) among senior managers and considerations as to how technology can leverage an organisation, with the underlying importance of communication of the knowledge and an understanding of the business needs and skills necessary to enhance the technology. In this information age, how can an organisation make more effective use of technology?

Consulting and involving staff:

Staff consultation needs to be genuine and to occur before there is a 'fait accompli.' This is to ensure that the staff feel involved and buy into the change. They may also have ideas, which could add value to the process, and they will also be possible leaders of the future. This is a consideration needing attention in POGL, which will add value to the communication process. This is a process of building a shared vision together, and being involved in any relevant change initiatives affecting that vision.

Building a shared agenda for change:

Where there is change, involve people in workshops, team meetings, face-to-face and structured meetings consultation. and translate change into a practical programme. Involve operations, facilities and technology in developing the strategy from identified options. Maintain staff involvement throughout the process and co-opt team members. Daily functions, especially with limited staff does have a negative impact on involvement, and needs to be addressed before involvement can be meaningful.

Training for flexible working:

Training requirements should come from a needs analysis, which should in turn result from a thorough understanding of what the change involved in respect of working practices and business communication processes and technologies. Training may not be directly related to the job, but certain levels of staff may require for example, life skill training, and other staff time management, team building, or coaching requirements etc.

The above suggestions are from the point of view of management communicating downwards. The culture change from a non-communicative community to a participative and communicative community requires the process to start from senior management. That is the invitation to communicate must be conveyed to the staff from senior management, and vehicles or opportunities created to facilitate the process. For example, social informal meetings, where hierarchy is eliminated. The authority and responsibility rest with management to make and initiate a change process, and the provision of a vehicle for communication is no different.

4.4 Effective leadership

The following is a table covering ideas of effective leadership (W.Bennis, (1986)), which summarises very effectively the qualities of an effective leader and the link to communication. It also serves to consolidate a participatory leadership style, which is an important element of a learning organisation.

Why people follow their leaders:

1. Leadership is essentially about helping people to achieve a better life.
2. Leaders have vision; they are not just for themselves, they set a common goal and give direction to their followers.
3. People are most willing to follow those who know what they are doing
4. In difficult situations, leadership flows to the person who knows what to do in a given situation ('situational leadership')

The Four Competencies That Leaders Need To Develop:

1. Forming a vision which provides people with a bridge to the future
2. Giving meaning to that vision through **communication**
3. Building trust, "the lubrication that makes it possible for organization to work"
4. Searching for self-knowledge and self-regard

Characteristics of an effective leader:

1. Gives direction, sets an example, and shares risks or hardship on an equal footing
2. Wins respect without courting popularity
3. Leads by example; practices what he or she preaches
4. Listens with understanding; willing to discuss and solves problems: open to ideas; gives time to listen
5. Supports and helps; backs you up; is on your side; remembers your problem
6. Uses team approach; helps group reach better decisions; facilitates cooperation
7. Avoids close supervision; does not overboss; does not dictate or rule by the book
8. Delegates authority; trusts group; relies on their judgment; permits group decision; has faith in the creativity of others
9. **Communicates** openly and honestly; tells you what he thinks; you can trust what he says
10. Brings out best in his men; has common touch with the workers

**An Effective Leader in a Hierarchical Organization
Needs Two Sets of Skills:**

1. Skills To Meet Organizational Needs

- Behavior that motivates productivity and the achievement of group goals
- Behavior that helps members reach goals: providing resources, planning, scheduling, coordinating, problem-solving

2. Skills To Meet Group Members' Needs

- Behavior that increases group members' self-esteem and personal worth
- Behavior that increases group cohesiveness and team spirit

An effective leader cannot be only a "human relations specialist" nor a "productivity specialist". He or she must be both.

Table 2. Effective Leadership. (W.Bennis , 1986)

5.0 Communication as a process

5.1 Steps in the communication process

Adey (1990) says that successful communication is not a one-way process, but usually requires a response and this is the essence of communication. People also need to understand each other and thus communication is also a matter of human relations, as much as a matter of conveying knowledge and information. This is probably the essence of the problem in organisations where communication is minimal. The reasons why people do not reciprocate when a message is received by them, is a complex issue, the solution of which will probably be found in a psychological intervention, and will not be found in this paper. This paper will however, consider issues such as leadership style, morale, organisation vision, strategy, structure, culture etc as factors contributing to a non communicative organizational community - and as observed in my two year research of this organisation. (See also barriers to communication below.)

The communication process has 4 steps (Adey, 1990:18):

- Attention - use the right tone of politeness and appreciation to get the attention of the other person and also be sensitive to the other person and his circumstances.
- Apprehension - gain the apprehension or understanding of the receiver. Ensure that the receiver of the information has understanding of the information.

- Assimilation - the receiver of the information must interpret, discuss and understand.
- Action - communication should result in some form of action. This may need the manager to involve himself in the execution of the action plan. Support and facilitation by the manager is important.

5.2 Barriers to communication.

These are cultural differences, personality, physical defect, differing perceptions, language, status, distrust, respect, emotions, credibility, apathy and resistance to change. (Adey, 1990: 26) This is collectively known as 'noise', which causes interference or disturbance that confuses the message or competes against the communication. In South Africa, culture and language must be two of the biggest barriers to communication. We have eleven official languages (and many other unofficial languages) plus an Indian, White, Black and Colored culture and variations within each, and a history of separate development where interracial mixing and socialising was discouraged. To compound the issue, an interpretation from one language into another will lose content and could well be misinterpreted. Even between two cultures that communicate normally in English, they could well interpret information differently. For example, to refer to a person as being late will to the White community mean that the person has been delayed and will arrive soon. To the Indian community, this means that the person is dead. Even within the same community information or instructions will be misinterpreted or could be vague. When I say 'as soon as possible' I may mean within the next 10 minutes, but I am trying to be polite. To the person receiving the instruction, the urgency of the matter is not seen and the message interpreted as being by the end of the day or in three hours time. Communication is further complicated by assumptions of understanding between people. For example, I assume that you understood that the information was required immediately, rather than at the end of the day. The assumption being made without verbal communication having been established, but rather body language or tone of voice, for example. To compound this, people sometimes use jargon that they assume is understood by all. Notably here between teenagers and adults - the jargon blurs the communication and the message is misunderstood.

These simple examples quite clearly indicate the complexity behind communication or misunderstandings between people and communities.

Adey (1999: 30) says that in organisations status can become a barrier to effective communication. The message could be distorted because it is no longer the message that is important, but rather the perceived status of the sender. This depends not only on position but also on the attributes that the person demonstrates in his / her dealings with others. Adey says that if the person acts in a way that is respected, then that person is shown respect and has therefore deserved their status. If staff see a person in a managerial position as being undeserved or a token position then the communication may be resisted even though the message is valid.

Adey (1999: 33) suggests the following as overcoming barriers to communication:

- Use face-to-face communication.
- Be sensitive to other peoples background
- Use direct unambiguous language
- Use frequent repetitions. Reinforcement through written communication following a face-to-face meeting. Then follow-up to see that the action takes place. In to-days modern world, one rarely has the time for frequent follow-up and assumes understanding and commitment to ensure action takes place. Leaders could reinforce this principle as being the norm of the leadership style and communicate the fact that instructions are given once and following confirmation as to the understanding of the content, action will follow.
- Be supportive to counteract defensiveness. Where a message is not totally understood a supportive approach rather than a judgemental approach should be adopted. Trust is established and specifically where communication is based on equality rather than superiority. A leadership style that encourages participation and allows suggestions for improvement will help overcome defensive attitudes.
- Be a good listener. Two-way communication involves listening and understanding the other person. Too often in organisations we see hierarchy interfering in the learning and listening process and especially with an autocratic leadership style. The leader is assumed to have the knowledge-power (refer chapter 2 section 6 for theoretical discussion) purely as a result of his position in the organisation, even though the person below him is a specialist in his field. Listening is part of the learning process - and to listen to another person is a sign of respect. The other person also appreciates it if they feel that they have been in a position to contribute

and added value to the organisation. This is from my point of view, an important aspect of a participative management style.

5.3 Effective communication

Adey says that for communication to have any relevance, it needs to be effective. The table below covers the goals of communication and what effective communication is. Other than the principles below, an underlying important assumption is that the message communicated is truthful and honest. Ethics plays an important part in communication, and especially in organisations. Communication is one of the vehicles conveying ethical business practices. Any element of distrust on behalf of the person communicating reduces the effectiveness of the message, even although it could be valid.

The Four Main Goals of Communication

- | |
|---|
| <ol style="list-style-type: none">1. To inform - you are providing information for use in decision making, but aren't necessarily advocating a course of action2. To request for a specific action by the receiver3. To persuade - to reinforce or change a receiver's belief about a topic and, possibly, act on the belief4. To build relationships - some messages you send may have the simple goal of building good-will between you and the receiver |
|---|

Effective Communication:

- | |
|--|
| <ol style="list-style-type: none">1. Achieves shared understanding2. Directs the flow of information3. Helps people overcome barriers to open discussion4. Stimulates others to take action to achieve goals5. Channels information to encourage people to think in new ways and to act more effectively6. Helps anticipate problems; make decisions; coordinate workflow; supervise others; develop relationships and promote products and services. |
|--|

The 10 Essentials of Effective Communication

1. Know your audience.
2. Respect your audience and suspend judgments.
3. Know exactly what you want to achieve.
4. Think and organize before you proceed.
5. Think from your audience point of view.
6. Be mindful of what your face and body are conveying nonverbally.
7. Listen carefully to all responses.
8. Be willing to share what you know and hear what you don't know.
9. Stay focused on what you want to achieve and don't get distracted.
10. Find a way to get your audience to explain what they think you said. Discuss differences until you hear a satisfactory version of the message you wanted to convey.

Table 3. Effective communication. (Webster (2000) and Ribbens (2000)

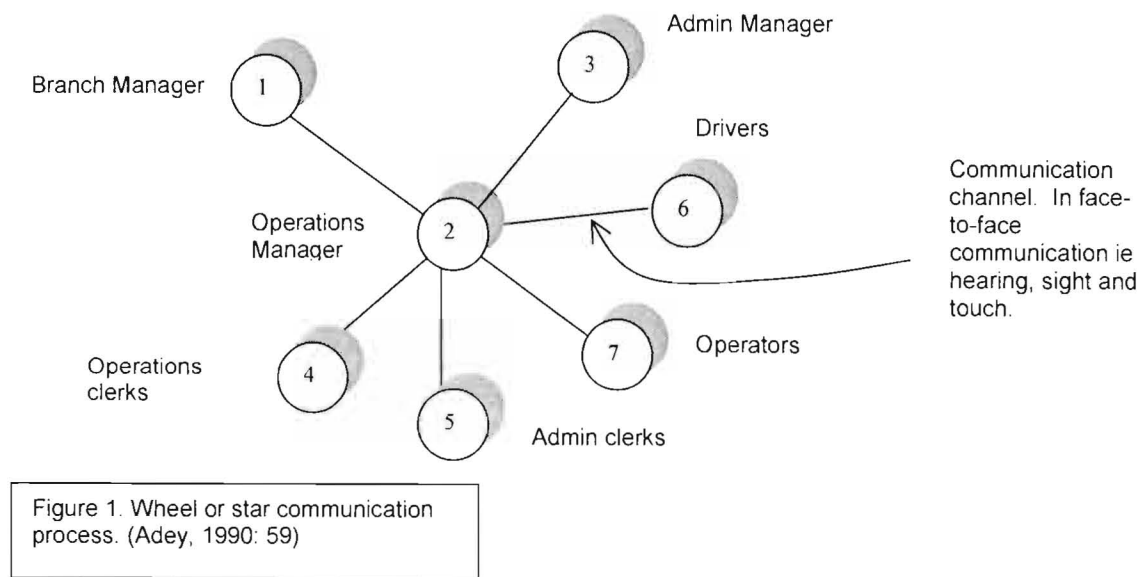
5.4 Group Communication:

Adey (1999: 54) says that in organisations group communication, whether formally or informally constituted is very important, specifically enabling understanding of problem issues and achievement of common goals and objectives. Each group or department needs to understand the usefulness and purpose of the other in the overall plan to achieve a common goal or strategy.

Informal work groups are important in business. Adey defines these, 'as groups that meet frequently, without formal convening, and have shared perceptions, goals and norms'. Management should involve itself in a participative rather than a status role. (Adey, 1990: 53) A person from a hierarchical position should not place restrictions on the free flow of communication in the informal group. Relaxed interaction is what is required to facilitate innovation and creativity. A tool to enable a more relaxed group meeting in an organisation is to bring all levels of staff together socially, where there is no hierarchical structure to interfere with what people say. This also takes practice and requires encouragement from management to enable people to speak without the fear of reprisal.

Small group structure. Adey (1990: 57) describes 4 aspects to help analyse communication in small groups, namely: (1) Communication networks (2) Affective relations structure (3) Power structures (4) Leadership structures.

(1) Communication networks or channel. (a) A single strand type of communication where a message is passed down from one person to the next is very ineffective, as by the time the message gets to the last person, it has lost it's meaning. Thus for example report backs by a branch manager to operations manager to admin manager to admin clerks to floor manager to clerk to driver to labourer – has lost meaning along the way – and ends up as garbage at the end. In South Africa the cultural dynamics and language further complicates this. Meaning may be lost due to translation or inappropriate jargon, for example. (b) A probability chain is where information is passed on without any plan at all. The process is random and not all people are informed. For example, the branch manager is expected to report back after a meeting. He passes the message to the operations manager who passes the message onto the operations clerks and the message stops. The filtering process either stops the message or it gets distorted. (c) A wheel or star process as below is more effective.



This process involves the Branch manager communicating to the Operations manager who then collectively reports back to all other staff at the same time. (Refer to number sequence in figure 1 above) Adey says that a more effective variation to this would be

for the Branch manager to communicate to all staff at one meeting. This process also facilitates the process of feedback from the members or clarifies issues as they arise, but still does not permit discussion to take place, especially among the members of the group. It will however ensure that the content of the message is received uniformly by all involved. See figure 2 below.

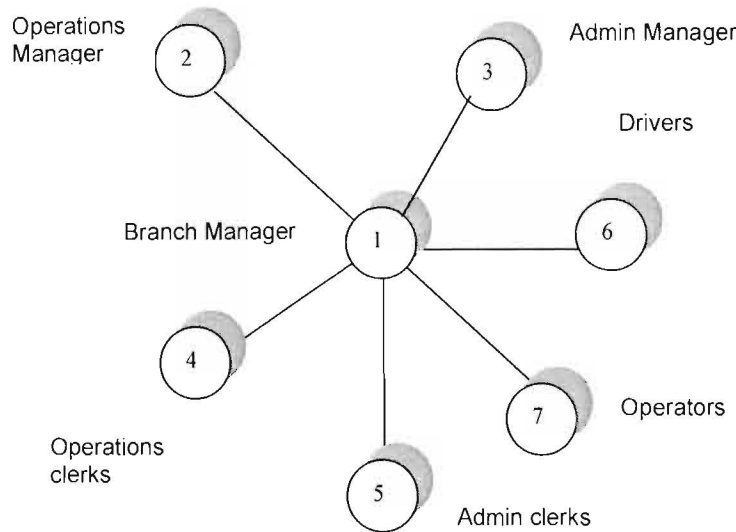


Figure 2. Wheel or star communication process - variation. (Adey 1990 Adapted, by inserting POGL Branch structure)

(d) An open channel where any member of the communication team is able to discuss the message with other members. Adey says that this is the most participative of all the methods and the most effective in business as it encourages participation and innovation. It allows immediate feedback and discussion. See figure 3 below: As the process can start anywhere and is not limited by hierarchy, there is no number sequence.

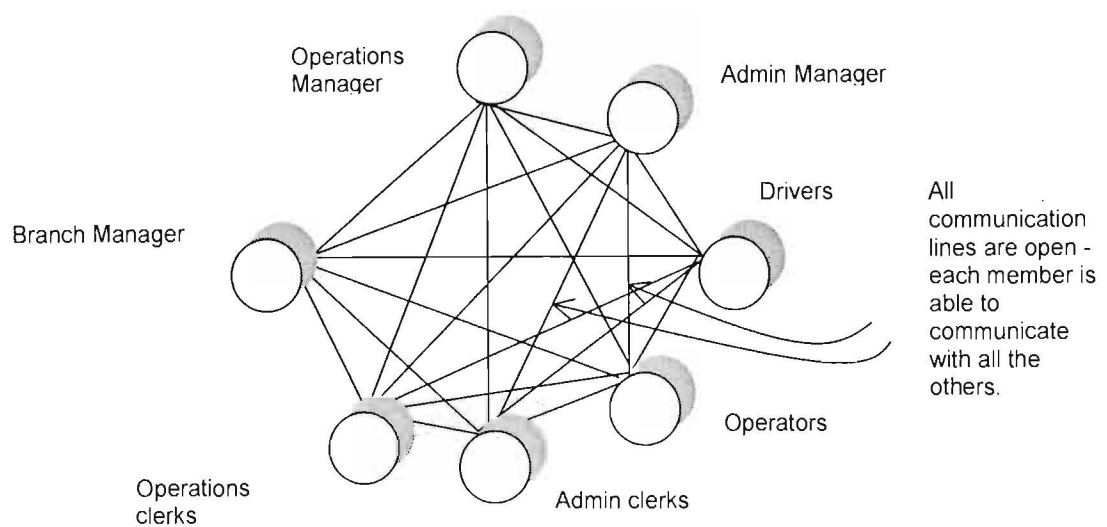


Figure 3. Participative communication structure or decentralised communication. (Adey 1990: Adapted)

In the open channel process everybody is encouraged to have his or her say – and any ideas are accepted without judgment. Creative problem solving can be achieved in this manner. There is no fear of reprisal, and people are willing to learn from each other and share knowledge. People from different departments share and experience each other's problems and experiences and find solutions together.

As indicated above, Adey says those informal dialogue sessions, where hierarchy is excluded, and free discussion is encouraged, allows innovative solutions to emerge. It enables people to feel part of the system and able to add value.

Thus for simple messages, the wheel or star is effective in disseminating information. However, the centralized structure causes dissatisfaction among members as they resent the central control. They feel that their contributions are not appreciated. In the open channel, there is no domination and everyone has an equal say. Adey says that this is the most democratic and likely to achieve results in terms of participation and personal and organisational learning. One however, needs to be aware of different personalities in the group. A dominating person may tend to hold the floor without allowing others to participate. The facilitator needs to encourage participation without limiting creativity and innovation.

As has been indicated, the type of structure depends on the message and is up to the manager as to which structure to use. It depends if the message is simple or complex or toward task performance or discussion requiring problem resolution. Member satisfaction may be a further issue, in which case open discussion may be relevant. The point however is that communication does take place and all members understand the message.

(2) Affective Relations Structures (Adey, 1990: 61)

Adey says that when we speak of participation and member-satisfaction, we are dealing with structures that affect relations within the group. It is thus important for managers to be aware of affective relations, ie the likes and dislikes of the members of the group or how members treat and relate to each other. A 'disaffected member' may cause damage because he is resentful or is resented in the group. Certain members of a group may play a dominant role either as a result of knowledge they have, their popularity or their contribution to group discussion. Popularity may be an asset and a liability. Popularity is a subjective matter and a person may be afforded a status that is not warranted or that does not serve the task or the group.

(3) Power structures. (Adey, 1990:63)

Groups are dynamic - leaders change, members change and the cohesion of the group changes. Power structures evolve and members gain power positions as a result of popularity, or an outcast may attempt to emulate the person in that position in an attempt to identify with him as the most powerful. Other reasons are because he is an expert in a particular field that is relevant to the group task, or he may have the required information. One needs to be aware of power structures as these often move into centralised structures and participation becomes minimal, and thus problem solving less effective. One needs to encourage a more relaxed participation - this process maximises individual contribution and a more comprehensive achievement of tasks.

(4) Leadership structures / Group dynamics Adey (1990: 65) says that in a group setting, a leader emerges and has the following general personality characteristics:

- Above average intelligence
- Ability to apply knowledge to the particular situation.
- Able to communicate

- Able to participate in a social context.
- Will be prepared to co-operate.
- Considers all participants points of view and critically analyses them.
- Will be popular among his associates
- Self motivated
- Shows initiative and perseverance.

As indicated above, the leadership position could change according to the situation or task at hand. Thus leadership could be a response to a situation within a group (or organisation). One of the personality characteristics of a leader is communication. It is clear that an organisation survives on information and the mechanism to acquire the information is communication. As indicated above, when trust is created and other barriers broken down, the staff will respond with their 'stories' and contributions to organisational learning. This is one view of leadership. Refer chapter two section 5 where transformational leadership is discussed. Where the needs of leaders and followers revolve around relationships and trust. (April, 2000: 46). This is in contrast to transactional leadership where the leader offers the employees pay or promotion or other valued reward for output. (April, 2000: 46)

Bawden (1998: 12) summarises the core concept of leadership 'as the facilitation of development and understanding through learning.' He expands this by developing the image of an organisation or community as 'a system' and is further expanded by Senge's learning organisation and discussed in chapter three section 3.

Bawden explains that the leader would require an understanding of:

- Matters facing the organisation
- The nature and dynamics of the organisation
- Environmental forces impacting on the organisation
- And the processes of development and learning themselves.

Thus the concept of shared learning of the members and the building of a sustainable future. Bawden expands this as a 'process of development' ie seeking a new goal or dealing with situations or issues.

The above views would indicate that POGL would benefit by a leadership style that was participative. Where debate (dialogue) and personal learning was encouraged in an attempt to build a future together - ie the goals and strategy to achieve the goals are communicated and all members have input to the development process. Current systems and leadership theories indicate then that in order to deal with organisational complexities and the design of a future, the leaders and employees need to work closer together rather than as separate elements within the organisation. Chapter six is a proposal in achieving this.

6.0 Conclusion

Communication, leadership and change are important elements in modern business. The theory of communication and an understanding of leadership have been covered in this chapter, in an attempt to provide a background to the next chapter, which is a review of communication in POGL.

CHAPTER 5: INVESTIGATION INTO ISSUES OF CORPORATE COMMUNICATION WITHIN POGL

1.0 Introduction

Considering the various conversations within the organisation and the two year research undertaken which enabled a systemic appreciation of organisational issues, this chapter seeks to contextualise communication within the organisation and in relation to the theory chapters on systems thinking and communication. The previous chapters have the foundation in the theory. I now apply this to the organisation as researched and attempt to make sense of the emergent issues. The research is based on questionnaires at appendix 2 and informal day to day discussions with colleagues.

The chapter applies the principles of the learning organisation, systems thinking and leadership theories, in the main, as the basis for an understanding of POGL and the impact of leadership styles on the organisation.

As I was engaging in the change process in the organisation by virtue of the fact that this Master of commerce degree required an understanding of emerging organisational and leadership issues, I was to a certain extent seen by staff as a conduit that would allow their frustrations to emerge. This was evidenced by people questioning the organisation direction or apparent lack thereof; the removal of authority at operational level by limiting decision making to executive level; people retrenched without considering the knowledge value of the people lost, and other issues discussed in this chapter. There was the unspoken hope that meaningful change would result that would enable people to be part of the solution rather than being the problem.

This is an important point, as due to the poor performance of the organisation, change was required to redirect and refocus the organisation. If the organisation was seen as a community with common goals, with open debate surrounding the issues and concerns, the resulting solutions may have been more beneficial. Theory suggests this to be the case, and more specifically, with a systemic understanding of the organisation and it's components. Organisations are however, complex and dynamic, and this should not be underestimated, but rather seek to be understood, by ensuring all data and information is synthesized and sense made of the emergent results.

2.0 The implications for communication in POGL

2.1 The disciplines of the Learning Organisation

The five disciplines (Senge,1990) have implications for the kinds of conversations in the organisation. For personal mastery, people have the desire to improve their own lives, and therefore need to converse with people of similar desires. Management needs to provide the necessary feedback to enable personal growth by recognising such people then allowing them to take responsibility and exercise innovation. The management style prior to July 2002 has however limited to a large extent personal growth by excluding people from contributing to organisational growth or exercising initiative. This was evidenced by the fact that operational decision making was to a large extent made by the executives, rather than at the level where the data was or where the decision was normally made. (Refer research undertaken in appendix 2.1.) The executives were apparently more involved in operational activities than strategic direction planning. This was probably born out by the fact that the worldview of the executive was influenced by a different culture based on UK procedures and thus the need to influence or teach these processes to the POGL staff. A participative approach based on discussion of pro's and con's of the proposed change or reason for the decision would have ensured personal growth and contribution to improved processes.

From a systemic point of view, and based on the findings of the research undertaken - refer appendix 2, the following queries and comments emerged:

Does the organisation have a strategy and a future vision that fits within and adds value to the Grindrod Group? What are the market needs and are we listening to the market? Are we communicating back to the market what we hear the needs are, to confirm the requirements? How can we improve processes to enable us to provide the needs of the market and create our own future? Can the current structure and resources of the organisation carry the organisation into the desired future? We need to create our own future, but to be critically aware of what the market requirements are. We also need to understand how the business will behave in that proposed future that we are attempting to create.. A formal strategy plan, with participation from all staff would add value to this process as it formally indicates to the staff that the leader knows where he is going. (Refer to chapter 4 section 4.4 effective leadership.) We need to use **communication** to create or remove barriers and establish boundaries - to seek information and a deeper understanding of emergent issues that may add value or hinder the future of the organisation. (Refer the discussion in chapter 3 figure 3 and 6 relating to a systemic

understanding of worldviews and organisations - ie the need to see organisations as systems.) At present the language of the organisation is more of 'blocking' or 'stinting' growth. It neither builds the organisation nor adds value to personal mastery, and to a large extent leaves people feeling that they do not belong. The new participatory leadership style (since July 2002) is creating awareness of the need for involvement and participation, but needs formal communication to all staff. The communication patterns within the organisation need to move from that of limited concern for others to that of shared concern for others and the future of the organisation. The introduction of a shared value system that enhances the shared vision would facilitate this process. The following table briefly describes where the organisation would like to move to, considering the participative management style, and the changes facing management that require communication to all staff.

Aspects that have dominated:	To be replaced with:
The 'machine' ethic with concrete hierarchical structures, and strategies known only to top management.	The 'organic' ethic (able to think, responds to change, etc) with pliable structures, strategies to match values, and 'soft' systems (feelings, emotions, intelligence) which include the people element.
Managers think, workers do.	Managers are facilitators and workers empowered to think, plan and initiate change.
Military model of obedience.	Co-operative model of commitment.
Content and outcomes: narrow use of tools and techniques. Solutions are achieved without understanding or learning taking place.	The 'how' processes overall use of tools and techniques. Actively using resources to solve problems and sharing ideas. Asking questions and not passively accepting solutions without understanding.
Taught solutions.	Seeking out problems and issues and working out solutions which harmonise.
'Truth' based on organisational 'laws' and proven principles.	Interpreting 'reality' to embrace realities of others. I.e. suppressing your own solutions /opinions to consider the solutions / opinions of others - dialogue. Find the right solution based on discussion and understanding of the issue, not the solution based on hierarchy ie knowledge-power.

Table 1. Changes facing management of POGL. (Whiteley, 1995: 4 - Adapted)

To achieve the above change, the shared vision requires genuine commitment. For this to happen, all staff needs to be part of and see the future picture. Communication needs to be open and responsive to the needs and values of the staff. In this regard, the staff

has built up mental models, which has restricted their learning and limited their conversations to that of problems only. Appreciative Inquiry (AI) (Cooperrider and Watkins, 2000:2) was used as a tool to convert the 'negative' energy into 'positive' energy with positive results. However, at the time that this tool was used, the possibility of extracting any meaningful positive energy from the organisation was remote, as the leadership style, being autocratic did not permit participation in any shared vision. Typically as discussed by Boak (1998 :82) the autocratic leader tells rather than consults, negotiates or allows participation.

People's value sets were seen as different to that as perceived of the executive team and communication responds to a value set. Ethical business practices were seen to be suspect and the conversations were in these contexts. Attitudes and cultures responded to the change in value sets and the exclusion of most staff from participatory management. The response was to limit communication to that required to facilitate an informal channel of communication, where 'stories' were told as to the 'goings on' in the organisation. In most instances, where information from the executive team became available, it was regarded with suspicion, and invariably a different source had already provided the message.

The above process impacted negatively on organisational and personal learning as was evidenced by the research at appendix 2.1. The result was continued retrenchments, as short-term profitability had not returned. There is now insufficient staff to support current volumes and mistakes are being made. This vicious cycle of alienation and low performance, with compliance culture (see causal loop diagram, figure one chapter one) would have degenerated further had there not been the change in leadership, which has provided the conduit for meaningful change. The challenge now for the organisation is to change this into a virtuous cycle, remove the negativity and allowing people to start engaging with their minds and hearts - thus the slow process of creating a learning organisation.

2.2 The use of metaphor

A critical outcome of the process analysed in this organization is commitment by all staff and management to a continual learning process (individual and organizational) through

commitment, encouragement, resource management, and individual concern and understanding for cultural (and other) differences and meanings.

This process is in response to a management and leadership system (see chapter three figure 6) that embraces the principles of the learning organisation as summarized in chapter three section 3. In the light of the above, I will look at the system of interest and organizational life using metaphors – as discussed in chapter three section 5 - to provide a further dynamic of the issues under consideration.

Based on discussion with colleagues and the research undertaken, the organisation was noted as moving toward an organic metaphor. Passive adaptability, limited goal seeking and learning, limited communication and a 'stunned' response to the change that the organisation was undergoing, evidenced this. The change process, to a command control leadership style, tended to a large extent to ignore the 'social' aspect of the organisation. Thus, participation, democracy and job enrichment strategies were replaced with policies to reduce costs and retrench staff, in an attempt to return profitability to the organisation. (Refer to the causal loop diagram at chapter one figure one and the rich picture at chapter one figure two describing the degenerating reinforcing loops.) At this point, the machine metaphor may be more applicable - people's fear of reprisal limited any form of creativity or innovation, emphasis placed on control, and a little emphasis on the environment - and thus a 'mindless contribution' (Flood and Jackson, 1991) that will not lead to organisational sustainability.

Considering the aforementioned and the research, which indicated that the response to change by the organisation was to create a culture of very limited communication, the neurocybernetic metaphor would not provide an acceptable 'worldview' of this organisation. The neurocybernetic metaphor emphasises active learning and the ability to communicate rather than passive adaptability (Flood and Jackson, 1991) and thus focus on information processing and viability - also known as viable systems view. The importance of this metaphor will add value to POGL by considering the following qualities (Food and Jackson; 1991:11):

- The importance of 'learning to learn'
- Promote self-enquiry and self-criticism - therefore goal seeking based on learning
- Useful when high degree of uncertainty

- Encourages creativity

However, a leadership style that limits involvement and self-criticism would not readily encourage these qualities, as the style is limited to telling with low levels of participation.

From an organizational culture metaphorical view, the culture changed from that of participatory where there was some understanding of an organisation vision, strategy and value system, to one of 'confused' culture. Confused to the extent that it was difficult to define – it had the appearance of an amoeba – changing shape, but no apparent identifiable structure. Value systems were under threat as was evidenced by the manner in which staff were treated by senior management, the handling of staff retrenchments and clients were not always treated as valued contributors to organisational growth. Refer ethics survey at appendix 2.4 and summary of module 12 on ethics at appendix 1. The command type leadership style did not allow for emotions and consequently the low leadership scores in the effective teams and ethics survey. See appendix 2. Organizational and people development was thus inhibited during this process. The control being vested in a hierarchy resulted in distrust, resentment, low staff morale and the consequent continued loss situation in the organisation.

The most apt metaphor in these circumstances is the political metaphor. (See chapter three table 2.) The organisation displays the following, as emerged through research at appendix 2 and summaries of research modules at appendix 1:

- Knowledge-power position of the autocratic styled management.
- Issues around conflict and power – people excluded from meaningful participation and learning.
- Certain managers appear to align themselves to the new leadership style, to the exclusion of the rest of the team
- Communication and involvement is limited to a select few
- The organizational structure changed, including elimination of service departments (HR) and outsourcing of others, namely IT. This negatively impacted on the decision-making processes and communication channels. Channels that existed and were fairly efficient no longer existed and were not replaced. Staff that was previously empowered now had to wait for decisions to be made up the line. The knowledge-power aspect of the leadership style limited decision making to the executive team.

- The executive team makes relatively low level operational decisions and little scope for staff empowerment.
- Meetings very rarely take place – and only between executive and branch managers. Meetings never take place between staff and executive. Consequently limited information flow.
- Staff do not trust executive team
- The organisation is not in a position to deal with market changes (staff reductions, lost knowledge through retrenchments, etc)
- Relationships are exploited – people were coerced into actions which they would not have normally done – for example the concealing of claims against the organisation, processing unearned revenue, and not recording purchases.

2.3 Critical system heuristics (Boundary critique)

From a systemic point of view, Ulrich, Churchman and others note that identifying who should be involved or who is not involved but is affected, is critical to understanding the problem and designing an intervention. To facilitate the process, a worldview ‘window’ was used of learning, thinking, planning and action and described in chapter three figure 2, in conjunction with table 3 in the same chapter.

The selection and identification process of participants below was based on the ‘is’ and ‘ought’ mode of questions as per Ulrich (1983, 1996) as follows:

- ‘the source of motivation – who are the actual ‘clients’ of the system design, and whose interests are being served,
- the source of control – who are actually the decision makers and who is in the position to change the system design,
- the source of knowledge – who is actually involved as a ‘planner’ or ‘expert’ and who is considered to be competent and what expertise counts.’
- And the source of legitimation – who are those affected but not involved – the role of ‘witness.’

Those who will benefit from the improvement (the client) in an organisation that communicates effectively must be first of all be the managing director (MD). He is in the position that requires useful information timeously in order to make critical business decisions; to be able to pass on information to staff that requires action and to get

feedback on the action taken. As he (the democratically styled director) has specifically given me the mandate to proceed with this project, and has expressed his commitment to a change process (intervention) that is sustainable, I would class him as the 'strong client'. I, with the task of project management am also a client and will gain benefit from the improvement. My personal interests are also served, as this dissertation will be the culmination of a two-year research study of the organisation. Further, the executive team and the staff will benefit through improved information and understanding of the business and interdepartmental requirements. Business information needs to be complemented with resource information to enable the management team to plan and utilize the resources more efficiently. As resource I refer specifically to people, their knowledge, skills, desires and aspirations.

The MD would have the role of decision taker as he has the power to decide. However, as buy-in is required for the project to be successful, all staff (including myself) needs to be involved and share in the decision. This group will be affected by the decision made and their experiences and commitment is vital to success. I do note that participation in projects by most staff is normally difficult to achieve, however, the MD specifically initiated this project and his commitment is anticipated as is that of the rest of the staff.

As I have done the investigative work, as evidenced in chapter one, I am in the position of planner or designer. This position has been difficult, as engaging people in the organisation in dialogue in an attempt to surface issues around behaviours has been difficult. Note also the fact that surveys directed to the executive were not responded to, thus their points of view or experiences are not included. (Please note that this has changed subsequent to July 2002, as discussed in chapter one paragraph two)

A further group of stakeholders that will benefit (in the role as 'client') are our clients. Communication to clients in respect of rate changes, operational information, marketing initiatives, claim information, administrative information or the organisation's revised value system or strategy, all serve to keep the client informed, primarily before 'invalid' information is heard via a third party. Timely information serves to secure the third objective of communication, namely to maintain favorable relations with those with whom we communicate. (See chapter four section 3 on communications theory). This group would not fit into the role of decision taker or planner or designer. Clearly they are not in

a position to make decisions (specific to this system of concern), but may have expertise or could offer information that may be useful in the system of concern or to the organisation. During the course of the two-year research, a sample of clients was interviewed. This is a very important group of people as this organisation and most organisations exist solely as a result of the service or products that they supply to their client base. Thus this group requires consideration and could prove to be a useful source of knowledge or information. This group could also take the role of witness as decisions made or opportunities lost by POGL could result in costs or side effects being borne by the customer.

The business is a partnership (as stated) and as such both P & O Trans European and Grindrod (Pty) Ltd as owners and investors would benefit from improved communication and as such would have a strong role in the position of 'client' of the system of concern. Formal reporting structures and directors meetings do take place, and the efficiencies of these have not been the subject of investigation in this paper. I am concerned here with information that may be of a critical nature, but possibly due to the present culture of limited communication, is not brought to the attention of management and thus not communicated at formal board meetings. This group would gain value from an organisation with efficient communications mechanisms. This is more important with the holding companies having invested funds either for capital growth or working capital. Timeous information that affects investor decision-making is critical. An important consideration in this regard is the MD of the organisation, and the extent to which his reporting is considered true and fair.

This group has no control or power to decide regarding the system of concern, nor would they take the role of planner or designer, as they are not involved in the day-to-day issues within the organisation. However, they could take the role of witness as there would certainly be costs and side effects through inappropriate decision making on the part of the executive team.

Those organisations that provide services to us would benefit from improved communication, as it is important to their credit assessment of POGL and could have an impact on their sustainability and future growth and commitments. If they are small organisations depending on POGL as a large client, any default on the part of POGL could mean the liquidation of the creditor. Thus, in respect of any trading partners,

information is important to enable planning for action to mitigate credit defaults. This group would also include local authorities, various government bodies including tax authorities, provident and pension funds, and very importantly banks, specifically with overdraft or loan facilities. This group, however, do not take the role of decision taker nor planner, as their involvement is limited to providing goods or services only. In respect of the role of witness, there is the possibility that this group could be affected as regards the context of the system of interest as misinformation or lack of information could have costs or side effects attached to them.

The community at large, ie those organisations and people in the immediate vicinity of POGL, (that are neither customers or service providers) would not have any measure of involvement in the organisation and the organisation does not serve any of their purposes directly or indirectly. They would not exist in any of the social roles of the boundary critique questions and would not be impacted upon by the system of interest.

2.4 A deeper understanding of issues relevant to the system of interest.

Following the above understanding of boundaries, metaphors and systems, the aim now is to understand further issues which may have a bearing on the system of interest and provide more relevant information for decision making. The four-window metaphor and prismatic view as discussed in chapter three section six will be applied to the system of interest.

The system of processes, both operational and management support would benefit from increased efficiency and reliability. Radical improvements in the form of process reengineering (BPR) has the risk of being a 'big bang' approach, and when the 'fad' has passed, people and processes tend to return close to where they started. There is however, an important need for improvement in quality, as evidenced through the large number of claims of poor performance. The change process has to a large extent eroded the value system to which the people and the organisation subscribed. A value system designed by all staff complemented with a vision and strategy will enhance participation and improve organisational and individual learning. If people are part of the design process and themselves subscribe to the fact that enhanced quality results in an efficient process, then the road to a learning organisation is that much shorter. A communication process that serves to include staff in a value driven and visionary intervention process

at all levels of operation and management, will add value to the way that work gets done. The resultant outcome being a more engaged and innovative staff - which should have a positive impact on the clients. An intervention that empowers staff to make their own processes more efficient, with an underlying goal being client service, serves as an additional marketing tool. Service departments within an organisation are not excluded. They are also in a position to add value to their 'clients', and systemically offer a better end product or service.

From a system of organisational structural, (refer chapter three, table six) point of view, the two year research covered an organisation with highly bureaucratic structures, but inefficient in that lines of communication were unclear or did not function at all. This was evidenced based on discussions with staff who indicated that they occasionally received conflicting commands from various members of the executive team and were unsure as to whom they in fact reported to. Control was hierarchical and eliminated almost completely participation and the exact tasks to be performed was unclear in many cases. This was mainly as regards authority levels. Staff had little scope for decision making as authority, even for operational decisions, now vested in a knowledge-power hierarchy. Other aspects of a bureaucracy were also not clearly defined, namely, policies, procedures and limits of authority were not clear. The management team used either the Grindrod or the P & O Trans European procedures, depending on which was the most favorable in the circumstances under consideration, as was evidenced by a member of the Group HR department.

An intervention would ideally move the organisation toward the adhocracy end of the continuum (see chapter three, table six) which promotes participation, allows coordination, control and communication within an organisation that allows innovation and creativity. Note that there are elements close to the bureaucratic end of the continuum that are worth retaining - an organisation does require policies and procedures, job descriptions do require alignment to organisational goals. Organisations do require formality, otherwise there is ambiguity. Provide decentralisation and less control through restructuring - but build in closer cooperation and coordination between units. If people are committed to common goals and values, and accountable for their 'own' jobs, less control is necessary as more self control is exercised. (Misselhorn,

1998:133) Management need personal contact and encouragement to build a culture of participation and team work.

An important element of **communication**, are systems of meaning. (See chapter three, figure five and table seven.) To a large extent, the values, behaviours and norms in the organisation have been negatively affected by the autocratic leadership style. Negative in the extent that the values, behaviours and norms of the previous management style were considered very different to that of the average person in the organisation. (Refer to appendix 2 for detail) The leadership style impacted negatively upon communication - people were not included in decision-making and dialogue was not necessary due to the knowledge-power style. Since the replacement of the previous autocratic management style, communication is still an issue, although there is some positive progress, and change is evident, through the more relaxed style and willingness to share information and socialise with all staff of the more democratic management style.

Peter Tones, (2002) Creative Director of Business Presentation Group says that if you accelerate communication, you accelerate performance. '96% of the clients we work with are convinced that their single biggest performance stumbling block is communication.' It is also the general opinion of the Executive team that if we communicated better, people's knowledge would improve, we would have useful information leading to better decision making and ultimately, a positive impact on organisational performance.

Based on my two year research, and the issues noted, an intervention strategy, needs a holistic approach, covering issues such as morale, performance, team building, tolerance, time management and include the use of psychology in an attempt to surface thoughts and emotions which are hidden. An understanding of the communication process (see chapter four) and how to deal with and break down the barriers to communication, which includes respect, distrust, culture, language, emotions, apathy and resistance to change (Adey, 1990:26),, would add value to the intervention process. This could be followed by:

- how to communicate at all levels of the organisation and techniques on how to present one's ideas with conviction and persuasion;
- presentation skills ensuring clarity and understanding and not only for marketing people;

- interpersonal relationships;
- written skills; effective use of meetings, etc.

The complexity of this process requires the skills of a professional facilitator.

From the point of view of meetings, Peter Thomes (2002) made the following useful observations:

- 'How many people are really participating?
- Is it the same few people dominating the session?
- Are the same old issues coming up again and again?
- Why?
- Weren't these handled in the last meeting?
- Do the people talk past each other?
- How many people have hidden agenda's?
- How many prejudge ideas and concepts and rarely reach consensus on the actions to be taken?

If I reflect on meetings at POGL, the above questions are very relevant. A skilled use of dialogue as a tool would help turn around meetings and surface people viewpoints and understanding of issues on the table, without allowing emotion or one-sided views to dominate. Accelerating communication in meetings requires facilitation skills and a well-defined process. (Thomes, 2002)

POGL and typical of South Africa, has varied cultures, ethnic groups and languages. This adds a further dimension and element of complexity in designing systems of meaning that bring together these elements and allows tolerance of others views. Thus an improvement strategy requires also understanding and appreciating what other people mean, to enable consensus to be reached and to accommodate tolerance. This will become more of an issue as the racial mix in the organisation moves to mirror the demographics of the region.

In many of the surveys undertaken by myself and specifically in regards to the issues around communication, where an attempt was made to surface reasons for non-communication, I found it difficult to surface any real meanings. This could have been as a result of survey design and implementation or people avoided honest comment, or

some other underlying reason. The left-hand column method of surfacing tacit assumptions may have helped, but was not employed.

The last window to be considered (chapter three figure six and table 8) is the system of knowledge-power. This has been discussed previously. A dominant autocratic leadership style management would appear to result in a knowledge-power position, due to the command control nature of this style of management. In this instance there is always the risk of unfair manipulation where people are not allowed to criticise or participate in any meaningful manner. Thus, being in a position to problematise and ask ethical questions as to who benefits or who is affected by the knowledge-power position, was not a reality for any person in the organisation. Leadership and management typically exist at the center of an organisation (see chapter three figure 6) and therefore have the ability to influence either positively or negatively, the elements around them.

This paper now serves as the conduit in asking the knowledge-power position questions and raises the awareness issues of those in a privileged position and those at the other end of the spectrum, namely those vulnerable or in an underprivileged position. (See chapter three table eight.) This paper and vehicles already in place (namely a communications forum) will serve to propose an intervention that will begin to build people in a learning process that results in involvement, creativity and enhanced communication - to grow in knowledge and self-confidence and take responsibility for their future.

3.0 Conclusion

This chapter looks at communication at POGL and attempts to interpret the reasons for non-communication in terms of systems and communication theory.

One of the reasons or barriers to communication within the organization was attributed to the autocratic leadership style and the fear of reprisal from the staff. The major consequence was then mistrust in the leadership team. Applying the theory provides useful insights into organizational life, with a specific emphasis on people, leadership and interpersonal relations. Research into leadership styles (April, Boak, Chatterjee, De Pree and others) and the particular personalities of the various styles, serve as useful interpretations of leadership in POGL. This provides a brief insight into the fact that

people interpret issues differently, are subject to different paradigms or world views and look at problem solving differently. The theory also suggests that particular styles have different outcomes and certain styles achieve more sustained positive results, in certain circumstances, than other styles in the same circumstances.

CHAPTER 6: PLANNING AND INTERVENTION

1.0 Introduction

The intervention process started with the arrival of the participatory styled MD in July 2002. Progress has been made toward creating a culture of participation and improved values, from an authoritarian to a transformational and inspirational leadership style. We now talk about teams, about sharing and communicating, about motivating groups to talk and share problems and look for solutions. This has started to break down the mistrust - the staff wants to believe in the executive team. The executive must now walk the talk, and inspire the people. A group process (to break down the barriers, to remove the group politics, to enable people to feel free to talk - to each other and the executive team) would be a further intervention to get people communicating and learning from each other. See system 4.1 below.

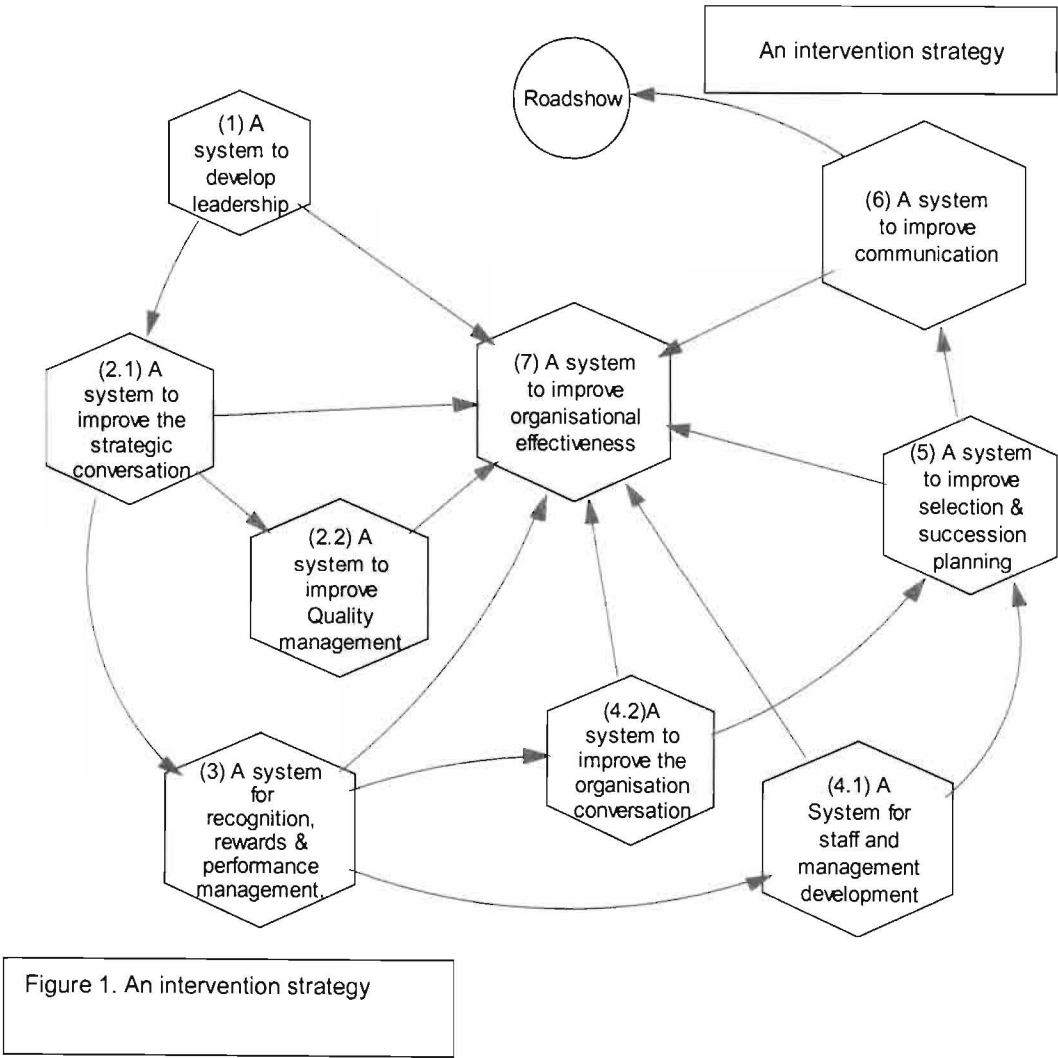
This chapter will propose a change process that has the objective of enhancing the organisation's ability to create and innovate, for people to be part of a process that builds transformational learning and **enhances communication**. This process is in line with figure two below, the fundamentals of organisational transformation, and the objectives of a learning organisation.

The review of the organisation over the two year period highlighted a number of issues which contributed to the organisation not communicating (see chapter one figure 2, a rich picture of events over the last three years.) These were briefly, leadership style and value system of the leader, people development, vision and value system, culture and commitment as the main issues. These are also noted in figure 2 below as the areas for highest leverage for transformation as suggested by Van der Merwe, (2001). It will be these areas that will be concentrated upon in this chapter as the intervention enhancing communication. Note also that the process is in terms of the management and leadership model of the organisation, embedded with personal and organisational transformation as a reinforcing system aligned with a quality dialogue and thinking process that enhances the quality of conversation and engagement. (See figure 2 below, the two reinforcing causal loops). These personal, organisational and quality aspects need to be part of the culture of a transformed organisation, where people consciously develop (grow in knowledge), build relationships, innovate and add value to the service

provided to the customer. The feedback mechanism will only be effective if people listen and act upon the responses from customers. The process is active as staff (not only marketing staff) need to enquire of the customer's needs or problems encountered. (Refer to feedback system in figure 2 below and in more detail in chapter three figure 6, the management and leadership system.)

The intervention strategy is simplified as systems of improvement in figure one below and explained in Section two of this chapter.

To reinforce the need for change that filters through all aspects of organisational life, our Deputy MD introduced a high-level plan (see figure 3 below, operational improvement / focus) clearly introducing aspects such as quality, people development, performance appraisals and productivity, etc. The intervention strategy below is intended to expand on this model.



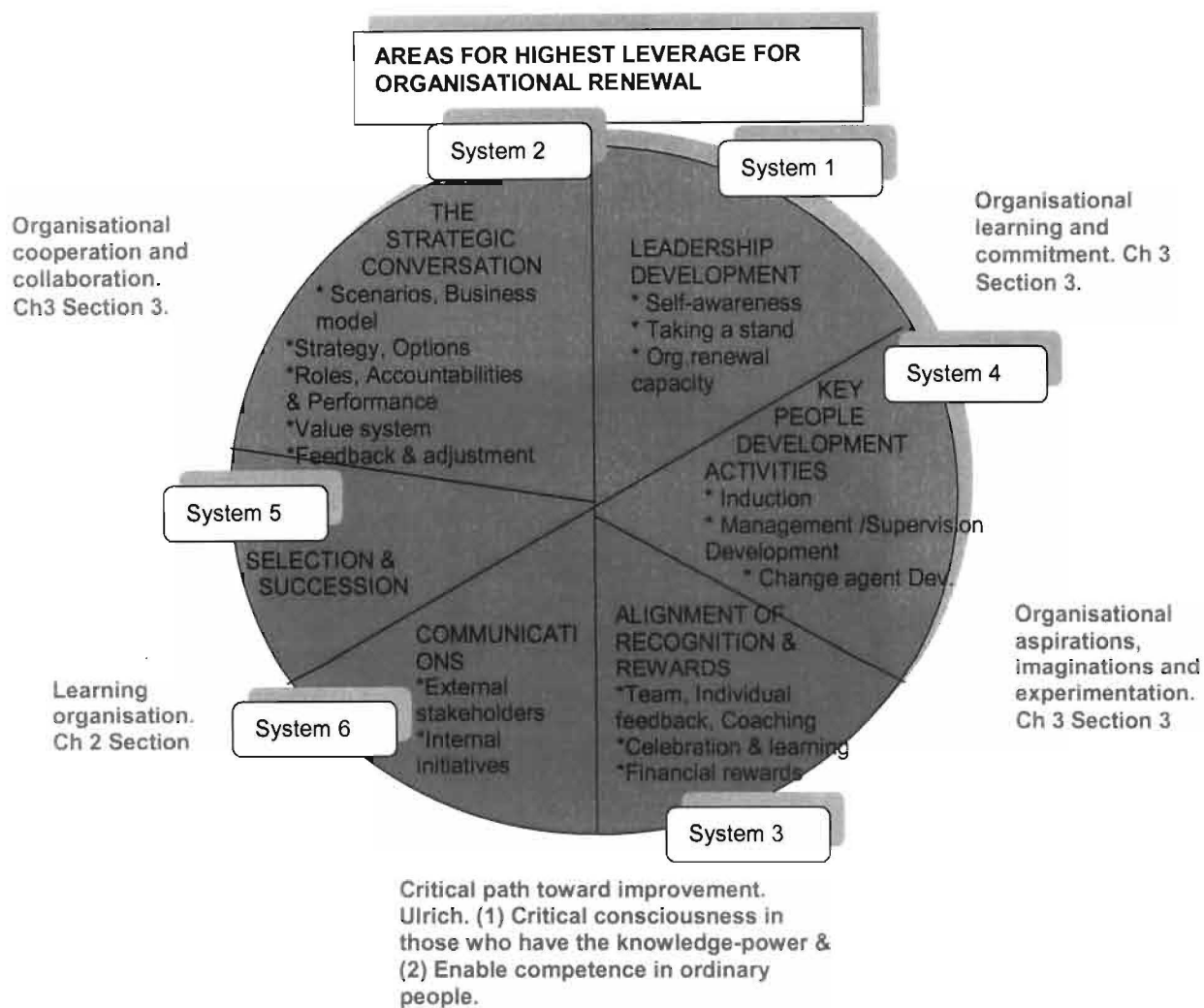
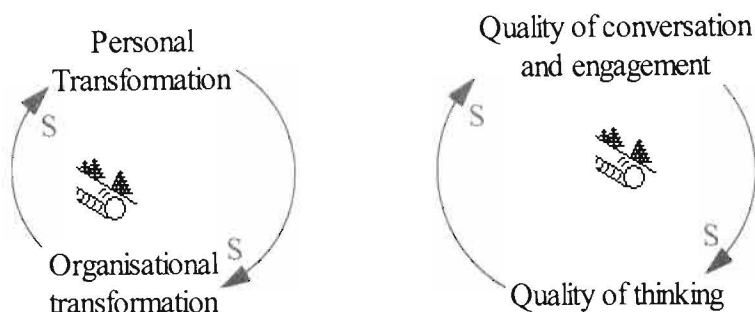
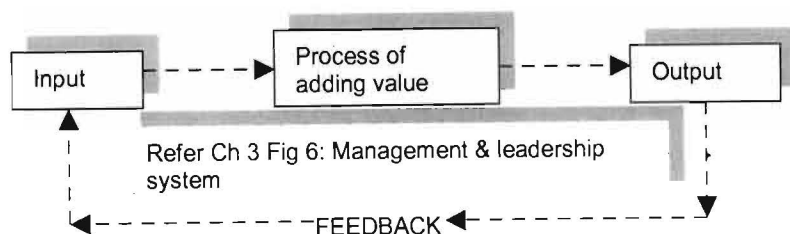


Figure 2. Fundamentals of Organisational Transformation. (CIL Ltd. Louis van der Merwe. 2001 Notes to Scenario Planning module) Adapted.

Operational Improvement/Focus

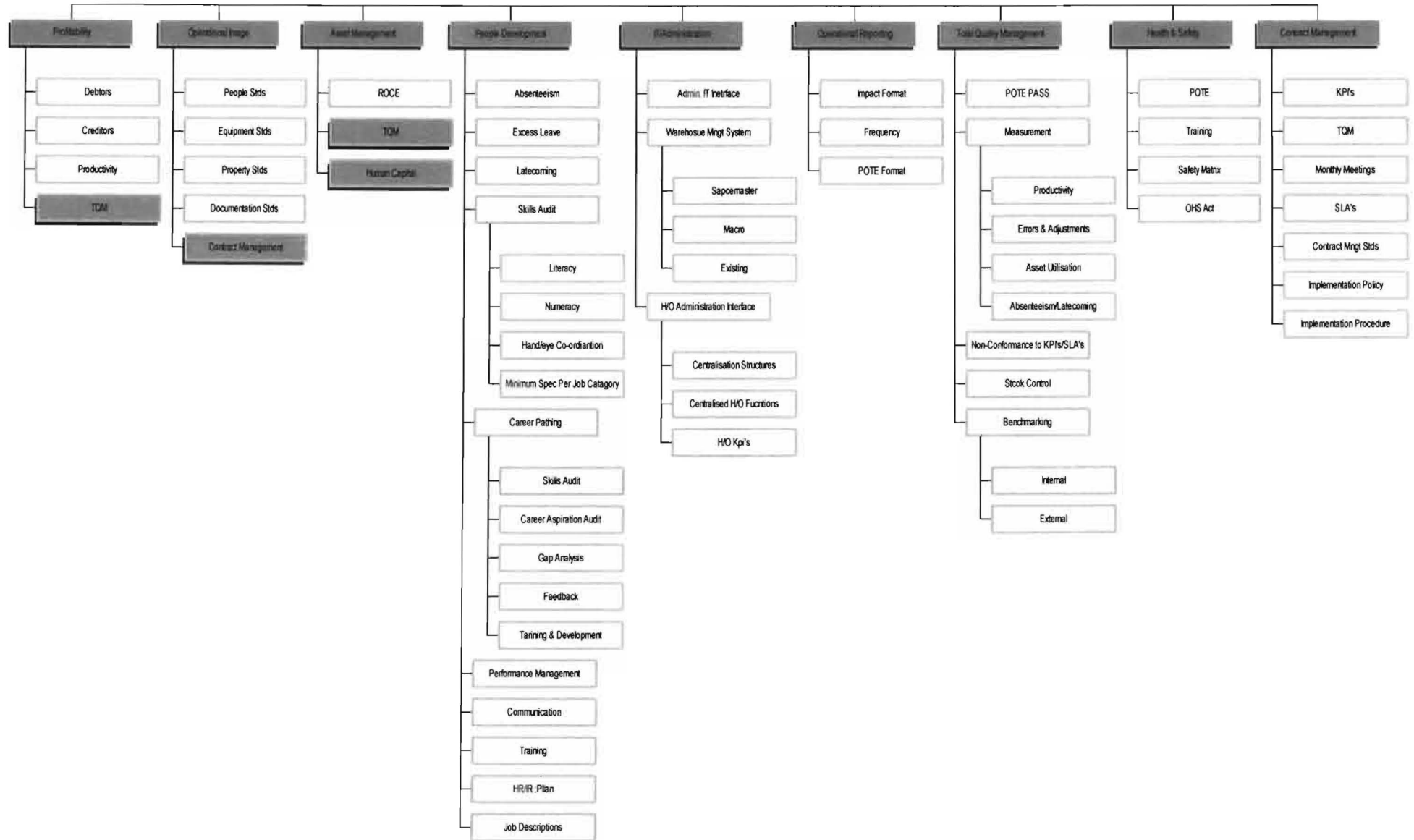


Figure 3. Operational Improvement / Focus (Richards.S, Deputy MD, POGL)

Figure one is intended to be a summary of systems designed to progressively move the organisation toward a learning organisation, reflecting on theory and practical issues as covered in the first five chapters. The arrows are not intended to indicate any causal relationship, but rather a direction for a planned intervention. Three aspects of organisational life enhance the intervention process and is expanded upon in figure two. The first aspect is a simple process model of an organisation indicating that management and leadership manage a process of adding value to inputs to provide a product or service to customers. The products or services are enhanced by the personal growth of the staff, which has the complementary effect of enhancing organisational growth. There is further a causal relationship as expanded by Van der Merwe (2001) in the quality of thinking of the staff and the conversation in the organisation. If people feel that they are part of an organisation that has direction and they are valued, the conversation of the staff is likely to be of a strategic nature. Each person understands that he adds value to the service or product, ie the output, even although he may not be directly involved with the final product.

Organisations are however, complex communities, which need to be able to deal with dynamic problems on a daily basis, if sustainability is a long-term goal. Van der Merwe (2001) identifies areas in an organisation, which he believes provide high leverage for organisational growth. Certain of these areas were noted as issues during the two-year research and have been discussed in previous chapters. This chapter now expands upon this in providing a holistic intervention strategy for renewal in this organisation.

Figure three provides further evidence from an independent analysis done by the Deputy MD, as regards areas for organisational renewal, and covering very similar areas as identified during my two-year research. A further confirmation that change is required to enhance organisational growth with strategic direction.

1.1 Leadership and management.

The success of organisations has a lot to do with leadership and management. The following is intended to be a very brief distinction between the two. (Leadership is covered in chapter four section 4 above.)

For years the dominant view was that leadership was a part of a managers role, - the manager leading the immediate team and motivating them. This model is changing - leadership is about setting direction and initiating change. (Boak, 1998:75). Bennis and Nanus in Boak (1998:75) describe the role of the effective leader as: (See also chapter four section 4.4)

- Establishing a vision and goal
- Communicating the vision effectively to others, and win support and co-operation.

And John Kotter (in Boak, 1998:75) saw leadership as:

- Establishing direction - ie a vision and future strategy.
- Aligning people - ie communicating the vision and influencing the creation of teams and coalitions that support the vision.
- Motivating and inspiring - ie energising people to overcome barriers to change.

The above idea is built on McGregor's ideas of transformational leader - ie inspires others to higher purpose, and higher levels of motivation and morality.

Management is aligned more with planning, budgeting, organising, staffing, controlling and problem solving. (Boak, 1998:77). The following skills are therefore required:

- Communication (presentation, writing, conversation)
- Leadership (teamwork, delegation, people)
- Organisation (time management, quality, planning).

An organisation needs both leaders and managers, and managers need leadership qualities, specifically the people and value aspects in the modern leadership model. Management is concerned more with controlling, keeping policies, and drives the organisation. A leader is more visionary, looks at the future and how the organisation can achieve new heights. A high-level leadership model is proposed below, which focuses on the current relational aspects - followship, empowerment, leader accessibility, ethics and morals, information sharing, values, vision and culture. (April, 2000:33). This is the leadership model leaders should aspire toward, as I believe it has the ability to develop people, inspire pride and build an organisation. This is therefore the first system to develop.

2.0 Systems of improvement.

Each proposed system below is a high level view of the system, and is intended to provide an understanding of the basic principles only. Each system covers an area of organisational transformation as per figure 2 above. Specialist facilitators either from within the group or outside are required to provide training services as indicated below.

2.1 System 1: A model to develop leadership

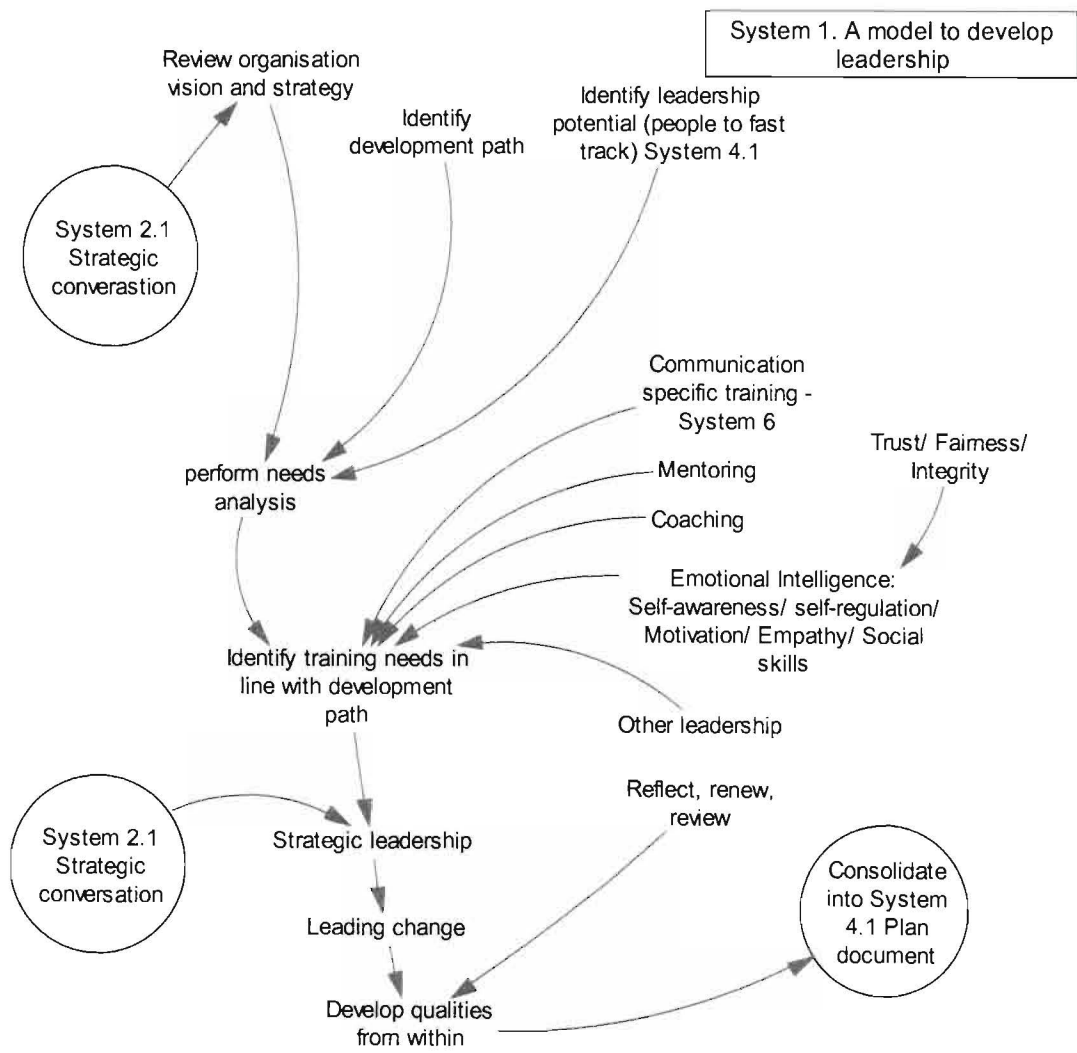


Figure 4. System 1. A model to develop leadership

The need for a system to develop leadership - Leadership and lack of trust in the executive team, were noted as a major problem in the organisation, and which contributed negatively to people and organisation development. The fear of reprisal, autocratic leadership style, etc consequently negatively affected communication, and informal channels were established.

Identify development path - The path is specifically leadership skills that enhance 'leading in the new millennium' (April, 2000: xiii) and provides leaders with the ability to be effective leaders. Every organisation is led by a leader who may or may not have a degree in the arts, sciences or finance, etc. but very rarely in the management sciences and specifically, in leadership. Leadership is generally taught on the job or by experience - I believe that this is not the platform for effective leadership training - it is only a small part of the process of building character and quality leadership development. Knowledge, understanding and learning require conscious effort and this also applies to leading an organisation to new heights. Studies and research indicates that dealing with a global economy is becoming more 'complex, unpredictable and uncertain' and leaders require more 'relational qualities' such as 'followership, empowerment, leader accessibility, ethics and morals, information sharing, values, vision and culture.' (April, 2000:33). Take advantage of those that have done the research - analyse, synthesise and reflect on it - it will have a praxiological value and improve decision making.

An organisation undergoing transformation requires a leader with the capacity to trust in others, be trusted and build relationships. Building relationships requires information to be shared - communication trust. (April, 2000: 47) April says that transformational leaders have the following components:

(1) Idealised influence - ie clear vision & sense of purpose. (2) Individual consideration - development of individuals (3) Intellectual stimulation - actively soliciting new ideas and ways of doing things (4) Inspiration - motivating people, generating enthusiasm, setting an example, and being seen to share the load.

And the following characteristics:

See themselves as change agents / they are courageous / believe in people ie unlimited human potential / strong set of values / they are life long learners / able to handle complexity, uncertainty, and ambiguity / they are visionaries.

The path suggested is clearly a leadership style of participation, encouraging involvement and inspiration as opposed to command and control, which in the case of POGL did not encourage these qualities. This is a difficult process as it involves motivating and inspiring people that have been subject to a command style of leadership.

Review organisation vision and strategy. - The development needs to be in line with the organisation development and growth. Leadership skills will certainly add value to this process as it provides the tools and skills to lead with conviction.

Identify leadership potential - People within the organisation need to be identified as having potential for leadership, and specifically in terms of employment equity. See system 4.1 below, a system to develop leadership, management and staff skills. The needs analysis of this model would also identify leadership potential or people worth career pathing. Note also the questions in system 5 below, the assessment phase, which are used to identify leaders or define leadership requirements.

Hirsh (1984) suggests the following is important as regards leaders specifically:

- 'Is the executive a leader?
- What kind of style of a leader is the executive?
- Is the executive a skilful leader?
- Is the executive a solid business executive?'

Perform needs analysis and identify training needs - The needs analysis may identify specific leadership skills, which could be provided by the Leadership Centre of the Natal University, (or any other institution of learning), or more general in the form of an MBA. (The service provider offerings are considered as part of system 4.1 below). I believe that critical to leadership training is how to deal effectively with people and being able to motivate and communicate. General leadership skills as discussed above under the heading 'Identify development path', are I believe, very important. One of the main jobs of a leader is to develop leadership talent that is capable of taking the organisation to new heights. The leaders develops therefore a leadership team - all who have the potential to lead but with different specific qualities. A single person cannot be expected to have all the talent or skills required, but a carefully selected and developed team has

a better chance of success. A needs analysis is to look for specific leadership qualities, identify people that have these qualities or can be trained, or look outside the organisation.

Coaching, mentoring, communication and emotional intelligence skills (amongst others) would add value to leading and dealing effectively with people.

Strategic leadership - Develop capabilities, attitudes and motivations that create and develop great managers into great leaders. (Chimento, 2003) Other than knowing where the organisation is going (system 2.1 strategic conversation), but critical to this, is to develop qualities in leaders that provide the platform for organisational strategic growth. The major motivation is the self-realisation of the personal need to develop and change. Personal growth may take the form of various training needs, as discussed above. I believe that organisational growth, performance and sustainability is a factor of leadership and management skill, not only from a business and operational understanding point of view, but also skills in how to deal with and interact with people and an underlying ethical value system. This is evident in April (2000), Bawden (1998), Chatterjee (1999) and others and more recently with the management frauds in Enron, WorldCom and others.

Strategic leadership is not only restricted to personal leadership and organisational growth, but Maxwell (2003) in his research reveals that staff at various levels in the organisation can take on strategic leadership qualities. These are individuals in the organisation that are closest to the customer and have the best understanding of the industry dynamics. The systemic principle then applies, that it is a team effort to make meaning of complex information and champion strategic change. There is then the need for organisational effectiveness (system 7) where structure, culture, processes, individual abilities, and teams need development to enable strategic thinking. The challenge is to develop the organisation with a holistic approach (and thus a reason for applying systemic principles to this research) where compensation and reward systems encourage risk taking in individuals and teams, a culture of sharing information and knowledge and where people help each other toward shared goals.

Leading change - 'Leadership is about change. If you need no change, you need no leader. In times of change, people seek out more and better leaders. Leaders should then embrace the following thought - the best leaders the world has ever known are those who began with themselves.' (Maxwell, 2003)

Personal change is relevant, as you cannot change people. (Maxwell, 2003). Maxwell says that the reason for this is that 'I am responsible to you' for your development and for sharing things that develop you and add value to your life, but 'I am not responsible for you'. You are the only one that can take responsibility for yourself. Maxwell continues to say that 'the only time things will change for me, is when I change.' This is very relevant when considering personal growth and self-development. People live in hope of a better future for themselves, but the reality is, you need to go and get it. Being in the right place at the right time does benefit some, but not all of us.

A corollary to this is organisational change. POGL as with many other organisations is in a state of change, and 'leaders must take on more of a facilitative role, as competencies in change management become critical to creating and sustaining effective organisations.' (Felkins and Chakiris 1993). An understanding of change management is an important element for the leader in this organisation as we are dealing with structural changes, people changes and specifically the executive team, redesigning work (new systems), changing relationships, transforming cultures, new roles for managers, teams and employees. A leader needs to be sensitive to this and be able to co-ordinate resources and performance, and support learning within a dynamic system. An understanding of the learning organisation and the interconnectedness of systems enhance an understanding of change management. Direction, performance, goals and value systems, etc are all interactive processes and part of change management. (Felkins and Chakiris 1993).

Qualities to live by - Leadership is a conscious developmental process over time. Conscious in that each day you need to check progress on your development and those of your team and organisation. Developments in credibility, respect, trust, truth, commitment to serve and continually learning and growing. Chatterjee (1999: xiii) in his work 'leading consciously' says that development is 'de-enveloping' as 'people open up their awareness and expand to embrace more and more of the complexities of life, the

realities of their organisations and the principles of nature.' Chatterjee (1999:39) says that 'organisations are not merely inert structures of units and departments, but living fields of collective intelligence of the people who constitute the organisation.' These 'collective field of intelligence' is what he defines as 'consciousness'.

These concepts are also embraced in Senge's (1990) five disciplines as discussed in chapter three section 3. Being a leader is thus a 'quality' process, and Maxwell (1999) after examining leaders that impacted on history identified '21 qualities possessed by all great leaders.' Because of their praxiological value, I have summarised all 21 below in the following table.

1. Character	'Action is the real indicator of character, and determines who you are.'
2. Charisma	'Focus on others not yourself. Love life; expect the best of others; give people hope and share yourself'.
3. Commitment	'It separates doers from dreamers. It inspires and attracts people. It starts in the heart, is tested by action and opens doors to achievement.'
4. Communication	'Developing excellent communication skills is absolutely essential to effective leadership. The leader must be able to share knowledge and ideas, to transmit a sense of urgency to others. If a leader can't get a message across clearly and motivate others to act on it, then having a message does not matter.'
5. Competence	'Persevere; keep improving; follow through with excellence; accomplish more than expected; inspire others.'
6. Courage	'You gain strength, courage and confidence by every experience in which you really stop to look fear in the face. You are able to say to yourself, 'I lived through this horror. I can take the next thing that comes along.' You must do the thing you think you cannot do.'
7. Discernment	'Discernment can be described as the ability to find the root of the matter, and it relies on intuition as well as rational thought. It helps to enhance problem solving; evaluate options for maximum impact and multiply opportunities.'
8. Focus	'The keys are priorities and concentration. A leader who knows his priorities but lacks concentration knows what to do but never gets it done. If he has the concentration without priorities, he has excellence without progress.'
9. Generosity	'Honor has been the reward for what he gives. Be grateful for whatever you have. Put people first. Don't allow the desire for possessions to control you. Regard money as a resource. Develop the habit of giving.'

10. Initiative	'Look for opportunities and be ready to take action. Know what you want. Motivate yourself to act. Be willing to take risks. Don't let failure bother you. Failures allow you to gain information and learn.'
11. Listening	'Learn about how other people feel and think - and in the process, learn about yourself. Listen to your people and their ideas. There are two purposes of listening - to connect with people and to learn. Listen then to your followers; your customers; your competitors, and your mentors.'
12. Passion	'Concentrate on what you do well, and do it better than anybody else. Passion is what makes ordinary people achieve great things. Passion is the first step to achievement. Your desire determines your destiny. Passion increases your willpower, it changes you and makes the impossible possible.'
13. Positive attitude	'The greatest discovery of my generation is that human beings can alter their lives by altering their attitude of mind.' <i>William James - Psychologist</i> . To learn more about what it is to be positive consider these things: your attitude is a choice; your attitude determines your actions; attitude is the criterion for success; your people are a mirror of your attitude - who you are is who you attract.'
14. Problem solving	'The measure of success is not whether you have a tough problem to deal with, but whether it is the same problem you had last year. Leaders with good problem-solving abilities demonstrate five qualities: They anticipate problems; they accept the truth; they see the big picture; they handle one thing at a time and they don't give up a major goal when they are down.'
15. Relationships	'The most important single ingredient in the formula of success is knowing how to get along with people.' <i>Theodore Roosevelt</i> . Three things are required to cultivate good relationships as a leader. Understand people - how they feel and think; have empathy for others and a keen ability to find the best in people... not the worst ... by truly caring for others and focus on what you can put into people, not on what you can get out - they'll love and respect you - and these create a foundation for building relationships.'
16. Responsibility	'The following are characteristics of people who embrace responsibility. Get the job done. You need to do more than the minimum to reach your maximum potential. Be willing to go the extra mile. Be driven by excellence and this is a great motivator. Follow through to the final detail - effectively and conscientiously completed.'
17. Security	'No man will make a great leader who wants to do it all himself or get all the credit for doing it.' <i>Andrew Carnegie</i> . A leadership position amplifies personal flaws. Insecure leaders have the following common traits: They don't provide security for others - you need to make your followers feel good about themselves, not dismiss them as being insignificant; they take more from the people than they give - takers do not make good leaders; they continually limit their best people. An insecure leader hoards the power and takes personal credit for the teams victories; the entire organisation suffers - when followers are undermined and receive no recognition, they become discouraged and eventually stop performing at their potential.'

18. Self-discipline	<p>'This is key to leadership that lasts. The following points will help with self-discipline.</p> <p>Develop and follow through on what's important - determine the priority (plan) and release yourself from everything else. Self-discipline must become a life-style. For example, to remain healthy, exercise every day. Challenge and eliminate any tendency to make excuses. Remove rewards until the job is done and don't focus on the difficulty of the work, but instead on the results or rewards.</p>
19. Servanthood	<p>'The true leader serves. Serves people and their best interests and in so doing will not always be popular, may not always impress. But loving concern rather than a desire for personal glory motivates true leaders, they are willing to pay the price. <i>Eugene B. Habecker, Author.</i></p> <p>A true servant leader:</p> <p>Puts others ahead of his own agenda. It means intentionally being aware of your people's needs, available to help them, and able to accept their desires as important.</p> <p>Possesses the confidence to serve - how we treat others is a reflection of how we think about ourselves.</p> <p>See the need, seize the opportunity, and serve without expecting anything in return.</p> <p>Servanthood is not motivated by manipulation or self-promotion, but fuelled by love - ie the depth of concern for others.'</p>
20. Teachability	<p>'You need to be on a continuous course of learning and self-improvement. Your growth determines who you are.</p> <p>Who you are determines who you attract.</p> <p>Who you attract determines the success of your organisation.</p> <p>Teachability requires us to admit we do not know everything, and that can make us look bad.'</p>
21. Vision	<p>'The future belongs to those who see possibilities before they become obvious.</p> <p>Vision leads the leader, and draws him forward. It paints the target and sparks the fire within - it is the fire lighter for those who follow the leader.</p> <p>Share and communicate the vision.</p> <p>Vision comes from within - the creativity and desire for excellence.'</p>

Table 1. The 21 indispensable qualities of a leader. (Maxwell,J. 1999)

These are not only leadership qualities, but also basic principles that any person should be living by. We need to be leaders of our own lives, before we can become a leader.

Reflect, review, renew - Take each quality, one at a time, and live that quality. If you are weak in a particular quality, spend more time addressing it before you move onto the next. Repeat this, cementing the process into your character. (Maxwell, 1999:xi)

Develop plan with timeline - This development plan should dovetail into the overall organisation development plan in System 4.1.

2.2 System 2.1: A model to improve the strategic conversation.

The need for a strategic plan – Does the organisation reflect a competitive, progressive structure, with commitment by all and a clearly understood future plan? (Alt, 2000:1) Based on the two year research as covered in this paper, this is clearly not the case, and is then a reason (amongst others) for a strategic planning exercise as a tool to enhance organisational success. There needs to be the understanding that time and resources are required to be committed for the formation of the strategic plan. Note that I do not propose a scenario based strategic plan at this point in the life of the organisation. I believe the model is too complex which may then negatively affect the buy in of the end result and the involvement required to achieve a successful plan.

The process should invite as many people as possible to get involved and to be part of the process of understanding the organisation and designing a future. This builds commitment and limits the need to sell to the staff at a later stage.

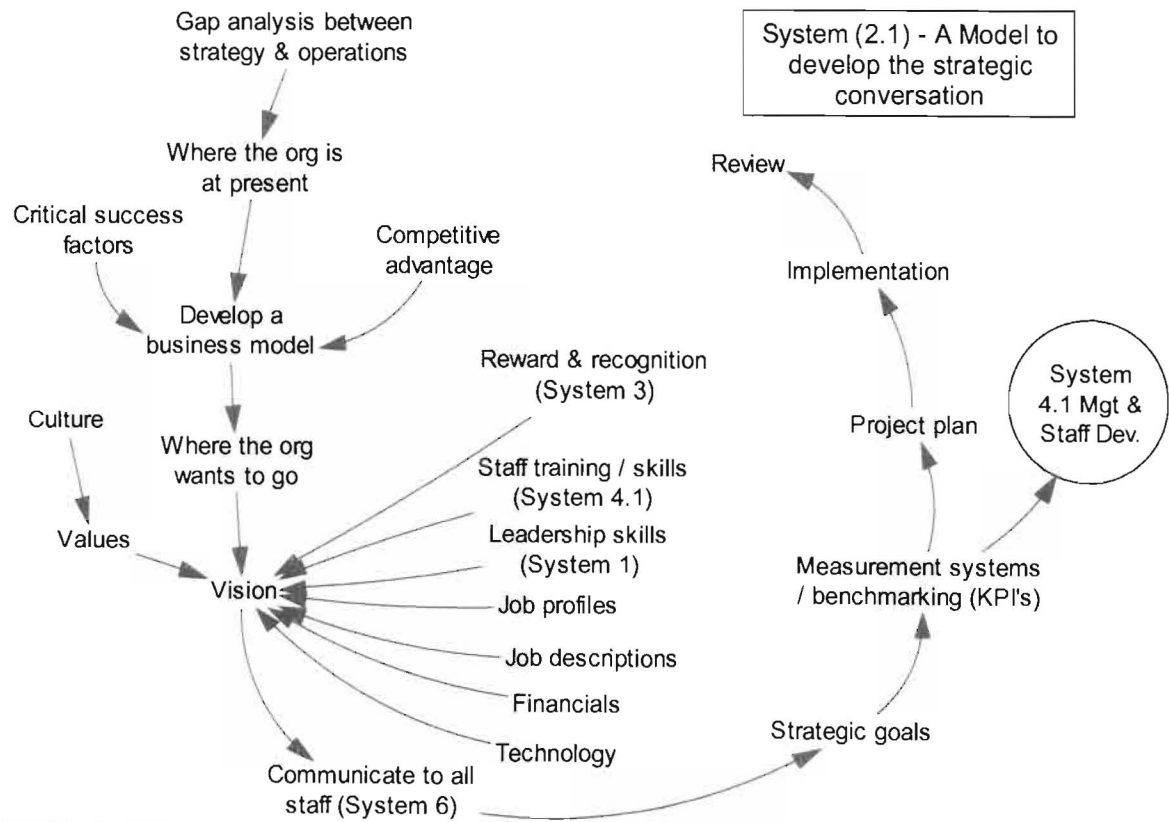


Figure 5. A model to develop the strategic conversation. (Howe, 2002 Adapted)

Gap analysis – A dialogue process involving all management in analysing where the business is at present and what the long-term focus is. Discuss commitment to a future – where are the opposition headed – where are we headed? A passion for success. The need to align daily activities with long-term focus. (Howe, 2002:2) Is there a clear sense of purpose shared by all employees? Do they become distracted by issues of the moment and lose focus of the future goal? Do all the processes of the organisation focus on achieving the same long-term goal? Do the departments within the organisations communicate, and add value to each other with an understanding of a shared long-term goal?

Where the organisation is at present – Do a Strength, Weakness, Opportunities and Threat (SWOT) analysis. Paint a broad picture of the current environment. Consult suppliers, staff, associates and customers to get a feel for the market and perceptions. Get people to work in groups. Address the SWOT analysis in terms of Concept, Competencies and Commitment. (Howe, 2002:7).

'Concept represents understanding and clarity of focus, knowledge and the sharing of the knowledge within the organisation.

Competencies represent the skills and abilities within the organisation – the talents of the people and abilities within the organisation.

Commitment represents the passion and involvement of the staff.'

Client profile – determine the nature of the client to be served and opportunities to expand and build relationships.

The service profile – the range of services currently offered and how they can be incorporated into the sort of services the target clients will be seeking in the future.

The core competencies – identifies and enhances the blend of technology, knowledge and professional skills that are unique to this organisation. (Alisa, 2000:1) Or to consider what resource is required or to be developed in-house to create a unique competence.

At this point, I believe there is merit in developing the business model. This will give an understanding of what the business is, it's competitive qualities and what the barriers to entry may be. It clearly defines who and what POGL is before the vision and strategy can be defined.

Business model – Using the causal loop diagram as a tool, and the generic business model below - figure 6, (van der Merwe, 2001) the management team need to dialogue the organisation's distinctive competencies, it's competitive advantage and consider any barriers to entry. The process should enhance generative learning of the organisation and self in an holistic manner and in line with the principles of systemic understanding as discussed in chapter three. (Refer to glossary of terms for an understanding of the terms business model, competitive advantage and distinctive competence, as applied to the model below.)

Once the business model has been developed, communicate this to all staff, so that they gain an understanding of what values lie within the organisation and that their contribution enhances the system. That is, personal and organisational growth in line with a learning organisation.

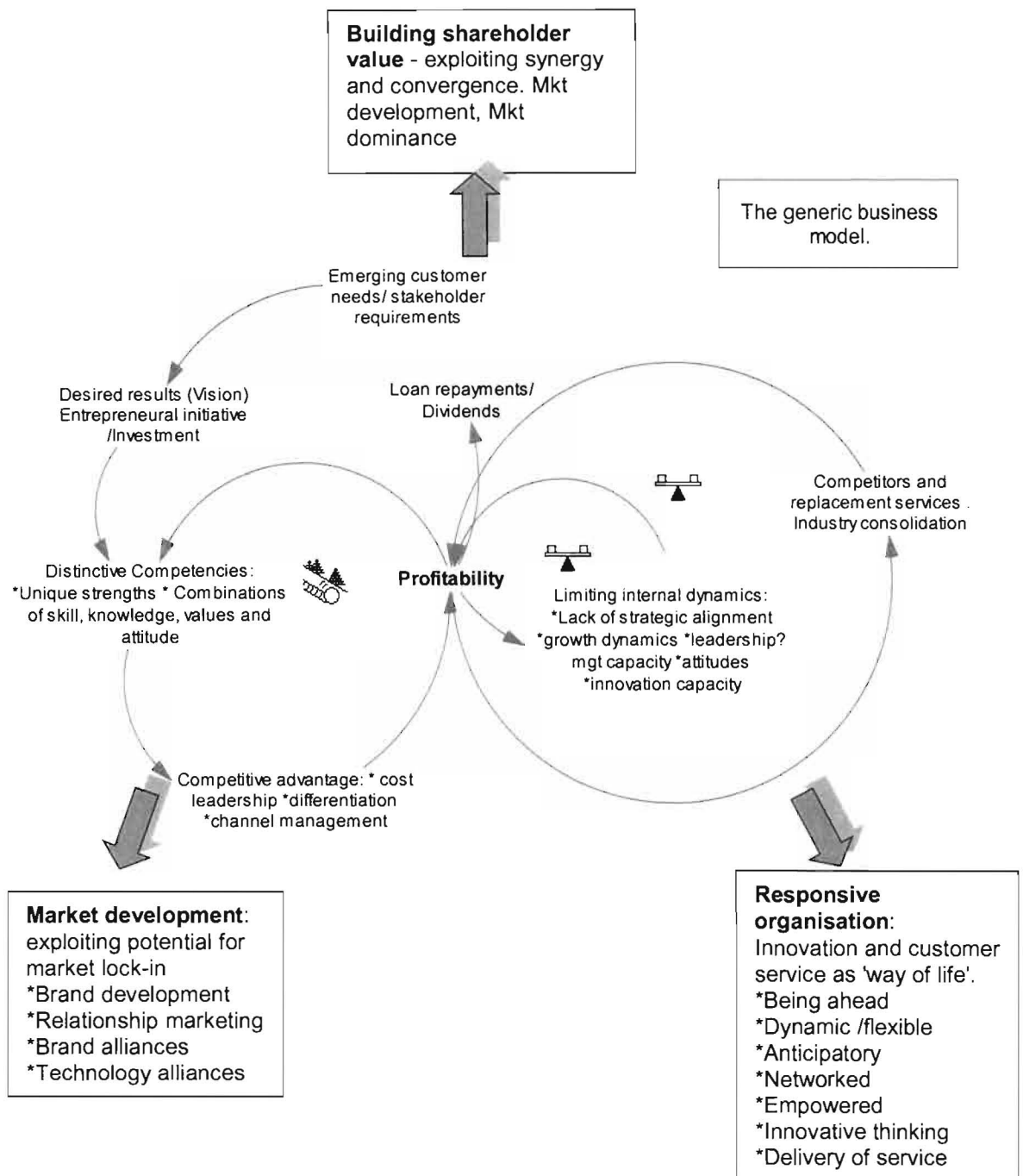


Figure 6. Generic business model. (van der Merwe, 2001)

Where the organisation wants to go – Vision, values and critical success factors should enable the involvement of staff to such an extent that they can 'see' where the organisation is headed – and they know where they fit in and how they can add value to the process. (System 4.1, Staff and management development; system 4.2, organisation conversation.)

Vision – A vision that is not shared is worthless. (Worthington Brighton Press 1995b). Get people to think outside the box. Look for a unique distinctive element to the vision statement. (Howe, 2002:19) Each person must be able to commit and contribute to the vision process and it should reflect the organisations future state of being. It must be understandable to the entire organisation so that each person can see what he or she must do differently to achieve the vision. It must focus on operations and be measurable.

April (2000:123) says that 'leaders of the future need to relinquish the illusion of control. ... by trusting in their workers, being sincere and walking their talk, that is, by living the values that they espouse, they establish their credibility and are able to lead from values and vision, rather than from formal authority.' Considering the change that POGL is presently undergoing, the building of relationships and trust is important - and to complement this a direction is required in the form of a vision and value system.

The vision will be enhanced by training staff, management and leadership in various areas of proficiency, which are job related and complemented with skills such as team building, coaching, time management, marketing, interpersonal relations etc. This would be further enhanced with an understanding of the people resource - ie job descriptions, profiles, skills and knowledge that each person has. (See system 4.1 - A model to develop management and staff skills)

Values and culture – Values have already emerged in discussions with staff and management around communication. In the surveys done for the Action Research module and at appendix 2, ethics were noted as lacking in the organisation. Ethics and a value system is part of the culture of the organisation and this was negatively impacted by the autocratic leadership style. This is therefore critical in building teams and respect for colleagues - a value culture that the staff have created, can share and relate to, and most importantly, must live by. The system should also allow those who do not live the

values (irrespective of position in the hierarchy) to be reprimanded or called to account by the team - this will allow for learning and understanding of what a lived value system truly is. Howe (2002:25) says that non-conformance or abuse of a value system has a negative effect on commitment of staff. The process requires formalisation with a structured change process, as this chapter describes. It should be noted that change of this nature is a slow process, as it needs to be instilled as part of the culture of the organisation, and needs to be communicated to all staff by a committed management team. The managers need to lead by example, as the staff take their cue from the managers.

Critical success factors - Howe (2002:30) describes the critical success factors (CSFs) as 'those things that if removed or not done would inhibit the success of the organisation's achievement of the vision. They should cover the main business principles of marketing, human resources, finance and operations.' They should therefore 'support the vision and link directly to what is required to be achieved. ... strategy is then required to flow from this.' Howe (2002:30) gives examples as follows:

- 'To retain, attract and develop world-class talent
- To identify, attract, satisfy, and retain a sound customer base.
- To partner with world-class players.
- To achieve financial targets and manage working capital.'

An important part of the process is then how to achieve the success factors, and this leads to the strategic goals.

Communicate to all staff - Develop creative ways to communicate to all staff. Howe (2002:36) gives examples - a one-day program of exercises, activities and discussions to develop a presentation. Managers are then chosen and put through a facilitation course that then gives them the tools to conduct further one-day programs, so that all staff has an opportunity to be part of the process. A further example used by another company was to get all staff together, after closing the business for the afternoon. The people were divided into groups and given exercises involving discussion, drawings and games around the vision, values and critical success factors. This led to the staff formally defining each value and commitment to them. These should then be made visible so that they can be referred to. For example, mouse pads, posters, a signed commitment document for each department, etc.

Note that the details, ie strategy has not yet been discussed. The reason given by Howe is that most of the staff do not need nor want to know the detail, but rather they want understanding of the bigger picture, with the rider that when detail is required to be known by people, that this is timeously communicated.

Strategic goals - are those objectives within each function of the business that the organisation wishes to achieve over the next few years. (Howe,2002:46). Howe suggests that rather than concentrating on business functions, a more holistic approach is to look at the business using the balanced scorecard approach, as it is more holistic and gets people out of thinking in silos. For example, the functions are:

- Marketing
- Administration
- IT
- Operations

And the balanced scorecard approach would be (for example):

- Customer service
- Business practices
- Learning and innovation
- Staff development
- Team building
- Financial performance.

The strategic process then is to consider what has been learned above about the business, value systems, etc and using the functions or rather, the scorecard approach as the headings, look for strategic goals to be achieved in respect of each. This process then facilitates each department building their own strategic plan along the lines of customer performance, and business practices that then consolidates into a master plan. The need therefore, of all the departments being involved in the process and ensuring that they have representative strategic goals as part of the master plan. Once the goals are in place, then each department can develop the detail as to what will be done by whom and when, to enable achievement of the goals and fulfillment of the vision.

The thinking process needs to be in line with creative and transformational thinking (chapter three section 6, prismatic thought) and use dialogue as the vehicle to enhance the management and leadership system - chapter three figure 6. At all times, communicate to staff the progress and the results of the strategic process.

Measurement systems / Key Performance Indicator's (KPI's) - the KPI's should express the measures required for each balanced scorecard aspect to achieve the vision. (Howe, 2002:56). They should be focussed and measurable.

Project plan - as the timing and resources have been considered (in the strategy above) formalise the process into a project plan with milestones and deadlines. Then monitor and review progress and measure to performance indicators.

Managing the process - All staff now understands the process and begins to live the value systems. Manage the process with management meetings with the staff in groups or one-on-one sessions every month. This is complemented with the executive meeting with branch managers, discussing progress, tactics, and results of actions taken. Adjustments are made and proposals for further action. The process needs to be kept alive with reviews and revision of the action plans as information becomes available. Howe (2002:84) says that to ensure focus and to ensure that the system is working, meetings with 'to-the-point discussions' are vital. Keep a culture of continuous improvement alive.

2.3 System 2.2: A model to improve quality management

As POGL is emerging from a process of radical change, which resulted in large staff retrenchments, management changes, etc as previously explained, the quality of the service, and how staff and clients are treated, has been negatively affected.

A quality product or service and the process in the organisation in achieving the quality is desirable. It builds pride and trust within the organisation and a client base that knows that they can trust the product and the people that take care in making the product.

All the models suggested in this intervention add to the quality aspect of people and organisational improvement. For example, empowering staff has the objective of adding quality to the service and improving the well being of the people.

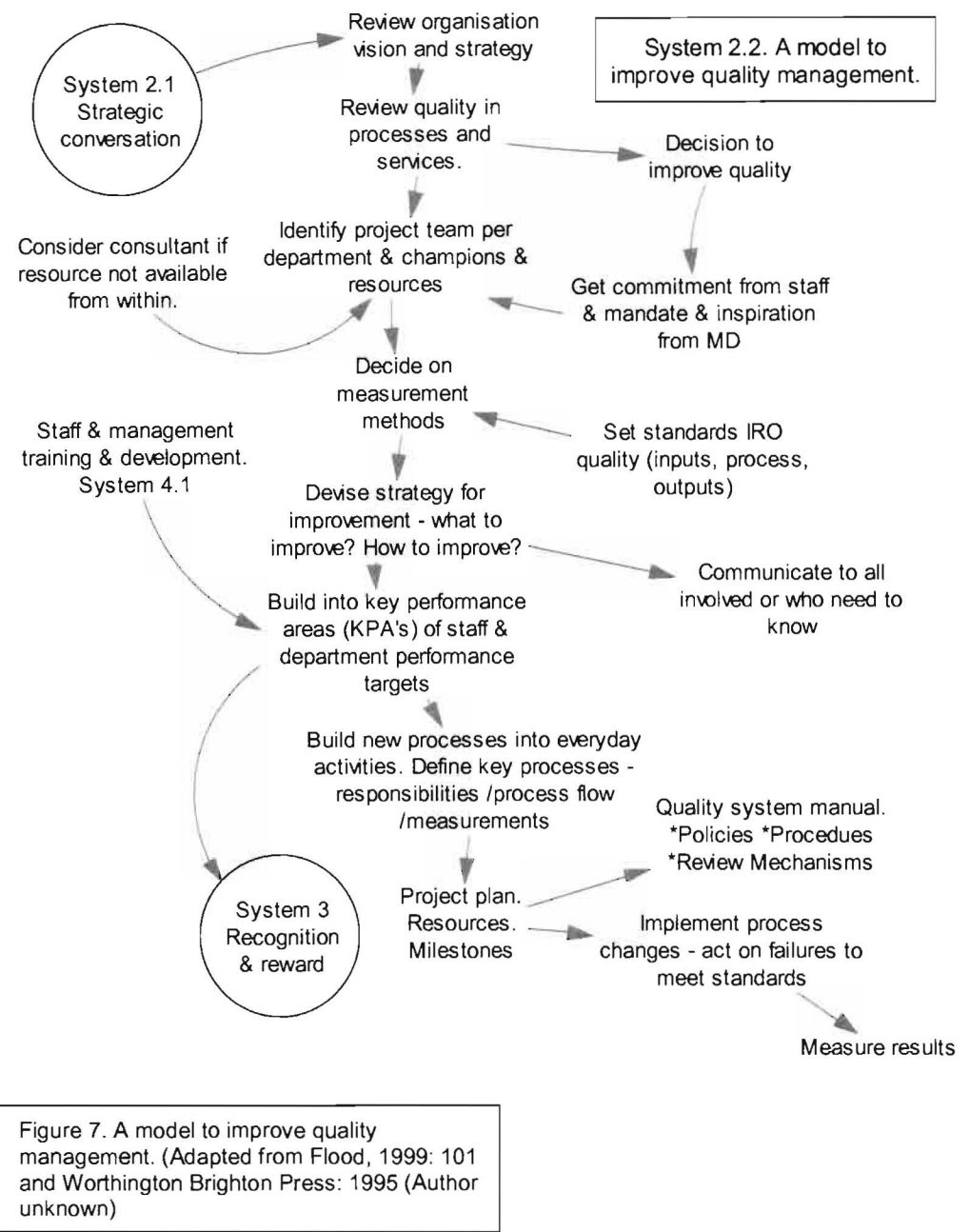


Figure 7. A model to improve quality management. (Adapted from Flood, 1999: 101 and Worthington Brighton Press: 1995 (Author unknown))

Review organisation vision and strategy - a quality improvement strategy should be at the heart of the goals and vision of the organisation, as without quality, the vision and

goals are at risk of achievement. A vision of a profitable organisation requires that the services should be of a high quality and at a reasonable price to ensure sustainability.

Review quality in processes and services - Do we pride ourselves on differentiation through creativity? Can we innovate and improve on the existing concept? Can we re-engineer and rebuild from the ground up to ensure the perfect integration of all aspects of an effective logistics service? Do we encourage, empower and develop our staff? Are we committed to best practice and high levels of performance? (P & O Trans European Quality standards.) A dialogue process involving management, operations and administration staff answering these questions and seriously looking at the service provided, looking for enhanced quality and improved service – to internal and external clients.

Decision to improve quality - The decision to improve may be followed by the extent of improvement required. This may range from incremental improvement to radical redesign, depending on the degree of perceived improvement required. (Refer also to chapter three table 5, the improvement of efficiency and reliability continuum).

Identify project team and get commitment from staff - the MD needs to inspire all staff and give the mandate and commitment to proceed. Choose a project team capable of developing a sustained quality system or get an external consultant to assist.

Decide on measurement methods - Consider benchmarking, and continuous improvement program measures. Establish monitoring of quality processes and identify these processes. Remove complexity, and use methods that the staff can easily relate to.

Devise strategy for improvement - With the involvement of all staff, the 'what to improve' and 'how to improve' questions can be established and a strategy and plan considered on how to make the improvements.

Build into key performance areas - For the quality to be sustained, it needs to be part of everyday life of the people. They need to consciously strive to do better, to innovate and

provide a better service. This is also part of management and staff development and a reward and recognition system (system 3).

Staff training and development. - In line with quality is the need to train staff to perform their job functions effectively and efficiently, to allow them to identify quality in what they do and to introduce self and peer monitoring.

Build new processes into everyday activities. - All activities require a quality standard with responsibilities and measurements. Process flows require definition and documentation. Involve the people in this process, and allow them to understand the implication of deviation from the standards and the consequences. A culture change requires that the people think quality, notice deviations and initiate recommendations for improvement.

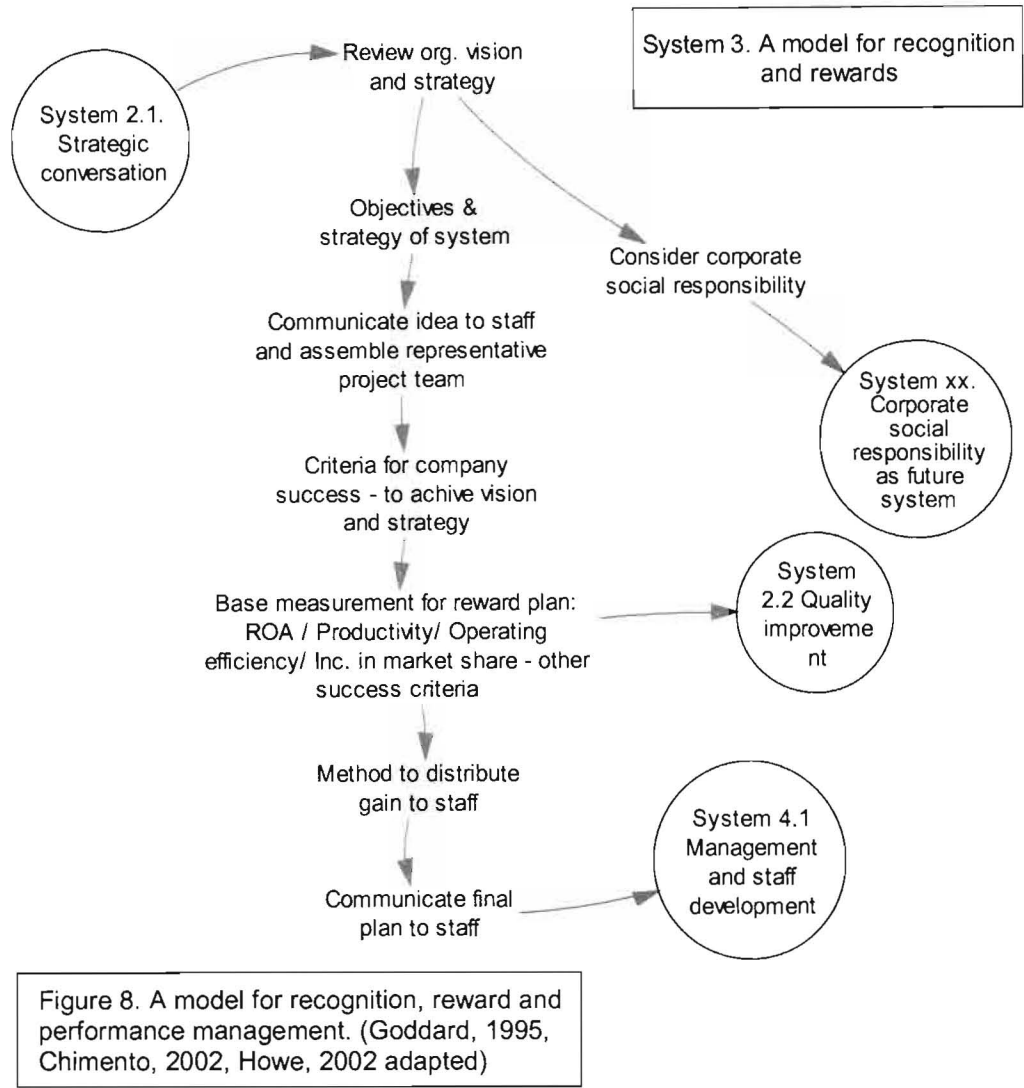
Implement and act on failures to meet standards - the monitoring process must ensure that levels of quality are achieved. If underachievement, then investigate the reasons, and revise the plan. Operations and department managers will need to be involved, and communication is essential. Problems need attention and solutions need to be implemented.

Measure results - Compare to base measures and again look for improvement.

From an employee point of view, quality standards should have the following benefits: (Investors in people, 2002)

- Quality training as needed.
- Improved job satisfaction
- Better communication. Communication integral to success.
- Skill and career development opportunities.
- Increased responsibilities and involvement
- A better working environment.
- Health and safety improvements.

2.4 System 3: A model to develop a reward, recognition and performance management system



Review organisation vision and strategy - Incentives for employees encourage the search for productivity and other improvements. (Goddard, 1995:69) This I believe will operate more effectively in participatory management style organisations where the staff have been involved and contributed toward the development of organisational goals. Employees need to trust the management and have confidence in its future. A system that conveys the message (system 6, a system to improve communication) verbally and non-verbally (through executive action) that staff are empowered to act and be responsible for their personal growth and that of their job functions (ownership) will build

an atmosphere that fosters talent, teamwork and contribution rather than power and status. (Goddard1995: 26)

Objectives and strategy of system - To enhance organisational performance, people need to share in the fruits of that performance. A performance management system should be an empowering vehicle fuelled by focus and flexibility that drives strategic direction and change. Personal performance criteria should align to that of the organisation complemented with the responsibility to perform. People need to take control of their own development needs as identified in appraisal discussions, and request specific training. It should be noted that some people perform adequately in the positions in which they work and do not aspire to anything more. These people are also needed and need recognition and reward for a job well done. A simple 'thankyou', or small monetary reward or meal for the family at a restaurant enables the employee to be recognised and appreciated for his effort. It improves morale, team building, and productivity and in all probability adds significantly more value to the organisation in terms of people development and improved productivity, than the cost of the reward.

'A reward strategy needs to motivate employees to higher levels of performance and support retention.' (Chimento, 2002) The organisation needs to develop a reward mix that supports the overall business objectives, and is intended here as an important element of organisational growth.

Chimento (2002) provides the following table linking motivation and reward from an employee's perspective.

PAY	BENEFITS	RECOGNITION	PERFORMANCE ENHANCEMENT	INNOVATIONS	LEARNING & DEVELOPMENT
Base salary Allowances Shares Bonus Incentives Commission	Statutory enhanced Core benefits Flexible	Non-cash Financial Promotion Succession	Performance reviews Peer reviews Link to pay progression Focus on behaviour & increased employability Personal development Work/life balance	Personal goals & innovations	Operational learning Conventional learning Enhanced learning Internal people development Internal coaching & mentoring

Table 2. Reward and motivation. (Chimento, 2002)

The above table indicates that people involvement in the organisation and their own development is an element of a reward and recognition system. As indicated above, it is not only a monetary reward, but also part of the value system of the organisation where people's efforts in organisational and personal innovations are recognised. Recognition may be in the form of a thankyou, a promotion, commission, a car allowance, etc.

Project team - Share the idea with the staff and request representatives for a project team to review the possibility, feasibility and criteria to introduce a successful plan.

Criteria for company success - The objective is to share the gains in productivity with the staff. There is the need to develop appropriate criteria to ensure success. These could be return on assets (ROA), a productivity measurement, operating efficiency, and market share measure, etc. POGL previously introduced a reward system and the criterion was based on a share of the improvement of actual over budget net profit. Smaller rewards on a monthly or quarterly basis may be better as it shows the improvement and the resultant reward on a more regular basis.

Base measurement for reward plan and method to distribute gain to staff - Determine the base measure from criteria chosen and the method that will be used to determine the measure. For example if the criteria is ROA, determine how this will be calculated, and what percentage from this base will be allocated to staff. For example, 40% of any increase from the base to be shared equally (or based on salary package) to all

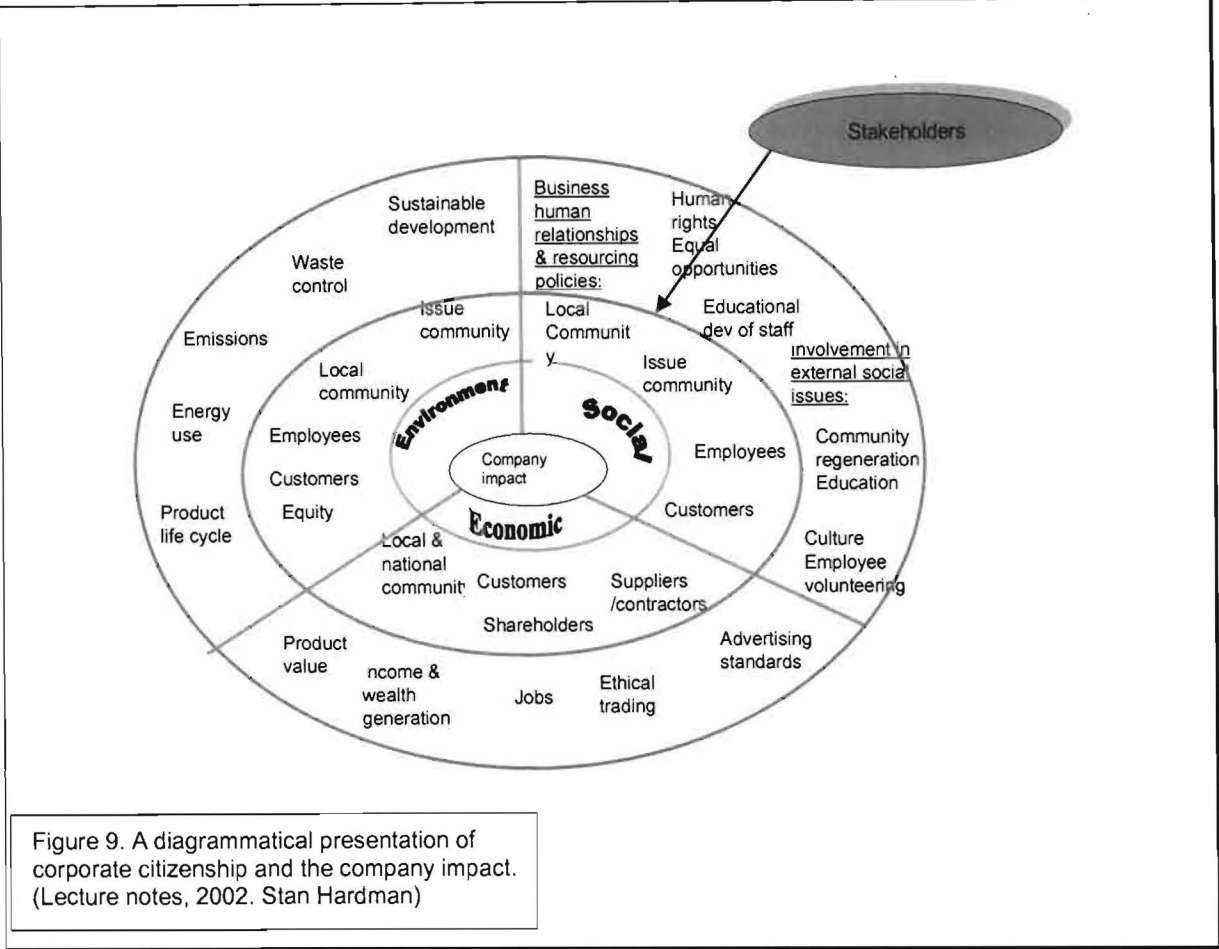
employees. The base should then be adjusted upward annually to ensure continual improvement. The adjustment should be challenging but not impossible.

Communicate final plan to staff - As communication and participation is important, keep staff informed of the process and outcome and recommendations of the project. Go live date and plan to implement should be announced. Managers should present a detailed plan to staff and invite comment. Note, as with all the systems, the staff should be involved (or informed of progress) on a continuous basis.

Consider corporate social responsibility (corporate citizenship (CC)) - The MD has indicated that he believes that business does have a social role beyond that of profit to shareholders. I believe that this is a vital system that requires consideration in the future - as there is a large volume of work to be done now in changing the organisational culture and paving the way toward a learning organisation. Refer appendix 1 for a brief review of module 13 covering corporate citizenship. To further understand the systemic nature of CC, the following explanation and figure is presented:

Corporate citizenship (CC) could be referred to as an all-encompassing concept that relates to people, environment, and relationship with workers and sensitivity to the needs of the community in the running of a business. This has to do with the core business, the relationships of the business with its customers, workers and the role it plays in the social upliftment of the communities and the impact on the environment. A better understanding of what the business stands for regarding these issues can be seen in its vision (where the business wants to be), mission statement (what the business wants to achieve) and strategy (how the business intends to achieve its mission). It could be simply said that corporate citizenship is largely about the image of the company/business in both its internal and external environment in particular the interest it has in social development and upholding of set standards.

This can best be described diagrammatically, by the company's triple effect on society. (Class notes 2002, Stan Hardman)



2.5 System 4.1: A model to develop management and staff skills

Top management would appear not to work together and is evidenced by the monthly management meetings, where little input is given and contributions are limited to a few people. The platform is intended (amongst others) to provide the vehicle for branch managers to assist with problem solving and idea generation to improve branch efficiency and effectiveness, but no problems or solutions have been tabled. However, issues appear to emerge, after the fact, when talking (communicating, dialogue, etc) may have resolved the issue without any major cost. For example, spending money repairing equipment, when another branch has spare equipment. It is also noted that requests to provide information or reports, either does not get done, or they arrive late, without any communication to the contrary. The above would indicate teambuilding and dialogue skills are required. The management team need to be accountable for their actions or inactions and to take responsibility. A group process to break down barriers

and get people talking and taking responsibility would assist with this problem. This system addresses these needs.

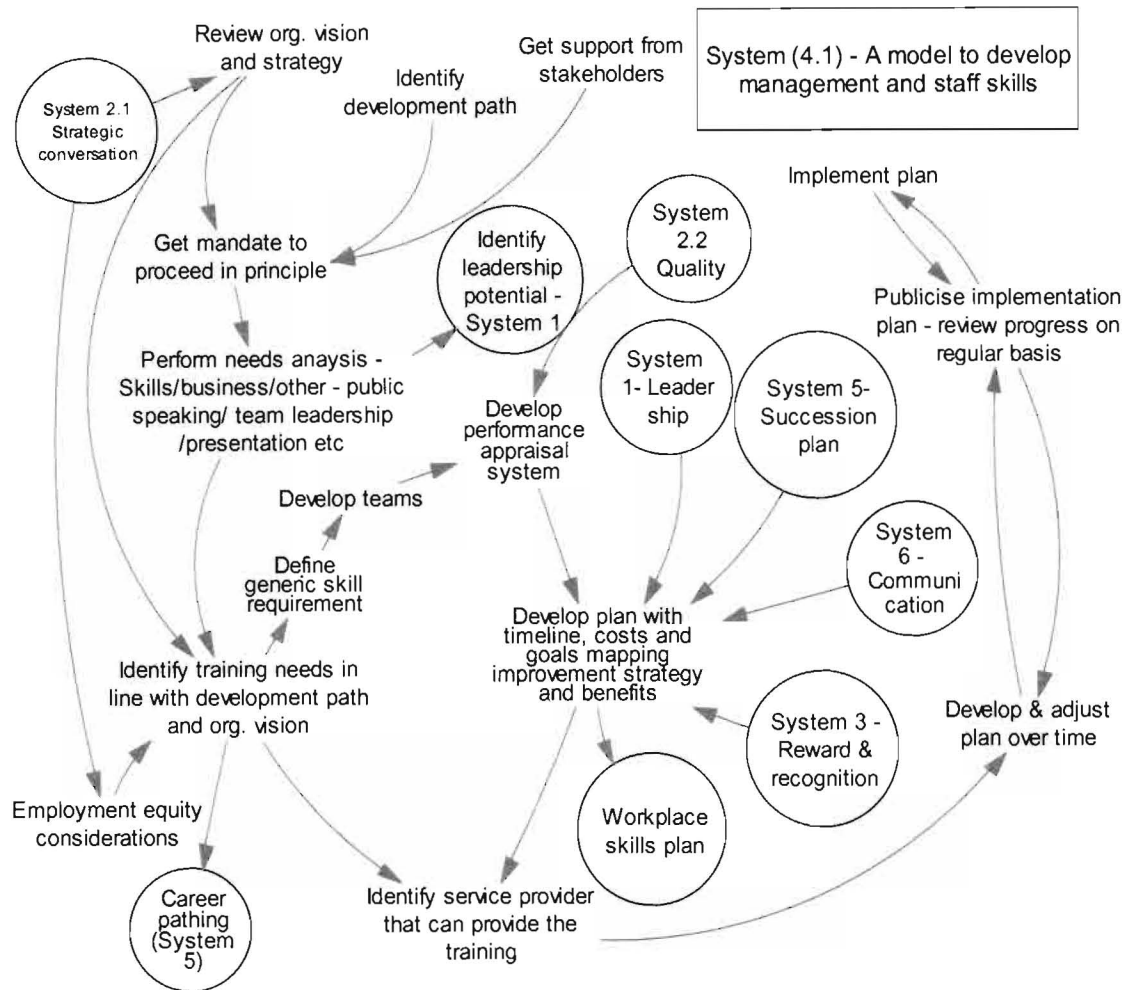


Figure 10. A model to develop management and staff skills. (Howe, 2002, Investors in People, 2002, Van der Merwe, 2001, Lafeira, 2003)

The need to develop staff - Little staff development has taken place in the last four years. If people have not been developed, then the organisation has not developed either. An investment in the people is an investment in the future of the business. Skill enhancement allows people to take ownership of their job functions and for those that want to advance within the organisation, (or outside) assists in mapping a succession plan, or identifying capable people. The objectives of this system would be:

- Staff and management development
- Establish training needs

- Improve management and staff effectiveness
- Diagnosing the managerial and staff strengths and weaknesses.

Identify development path - based on vision and strategy, the business direction provides an understanding of what the people skill requirements are. A business strategy may include (for example) proposals to clients to outsource their warehouse infrastructures to POGL. The development path as a high level plan could be:

- High level feasibility study
- Identify a team capable of managing outsourced facilities
- Warehouse specific training for this team
- General logistics training
- Outsourcing specific training - how and when to use it, effective outsourcing principles and how to profit from it.

The model will develop the detail.

Review organisational vision and strategy - There is the need to develop people in line with the needs of the organisation and where the organisation sees itself as a future player in this market - or possibly some allied or different market.

Get support from stakeholders - It is not possible to move forward with this exercise unless all stakeholders see the need to spend time and effort on developing people. The following four principles from Investors in People (www.iipuk.co.za) outlines the learning and development process and enhances the understanding for support.

- 'Commitment - to invest in people to achieve business growth.
- Planning - how skills, individuals and teams are to be developed to achieve these goals.
- Action - to develop and use necessary skills in a well defined and continuing program directly tied to business objectives.
- Evaluating - outcomes of training and development for individuals' progress toward goals, the value achieved and future needs.'

Get mandate to proceed in principle - A mandate is required to ensure that there is a level of authority that allows action to be taken in the event necessary and to enhance commitment from the highest level.

Perform needs analysis and identify training needs - this process will document the current skills either formally learnt or on the job skills. To clarify the learning process, the level of proficiency and needs analysis is undertaken and reviewed with the person's superior. The needs may be job specific, life skills, leadership, team building etc.

Based on the surveys undertaken (appendix 2), teambuilding, coaching, time management, and communication skill needs (amongst others) have emerged. As discussed in the first paragraph, a group process facilitated by an expert would help break down barriers, identify expectations, get people talking, and removing the group politics in the organisation. These needs plus the administrative needs need to be assessed in terms of the development path and organisation vision and strategy.

Language is a further issue which needs addressing. The MD has expressed the desire to learn Zulu, and there are black staff that need to learn English in order to advance within the organisation. However, with integration taking place, and black advancement into managerial positions, the black languages may become increasingly important. It is also noted that the black staff appreciate it if a white person has taken the trouble to learn one of their languages.

Employment equity considerations - The objective of the people training plan needs to maximise the requirements of the Employment Equity Act, 55 of 1998, the Skills Development Act, 97 of 1999 and maximise the recovery of levies paid. All training should create equal opportunity for all employees, promote the previously disadvantaged community, improve employee's quality of life and prospects for work and promote productivity in the workplace. The equity plan should align with the organisational strategic direction (system 2.1) and to the South African economy.

The acts also encourage the following:

- To use the workplace as an active learning environment
- To provide the employees with the opportunities to acquire new skills
- To provide opportunities for new entrants to enter the labour market.
- To encourage workers to participate in leadership and other training programs.

Define generic skill requirements - these are skills specific to the business sector of the economy - ie warehousing and logistics, or specific to the needs of a department, for example, creditor or financial reporting, etc.

Develop teams - The change process in POGL has disrupted the teams. This is evidenced by the fact that the people no longer share information and tend not to assist each other in finding solutions to problems. As has been mentioned, the monthly management meetings did not have the desired effect, however, the communications forums have had successes. (See system 6, the section headed communication channels.) People need to be challenged, motivated, empowered and encouraged to work in teams. I believe empowered is an operative word, as the command control style leadership removed responsibility and innovation. A concerted effort is required to return trust and enable the staff to feel free to offer their ideas and encourage group work and creative thinking and risk taking.

A teambuilding intervention using an external facilitator would add value in this regard. The objective would be to (Laferia, 2003):

- Understand what teamwork is all about.
- Build relationships and appreciate each other. Be able to make constructive use of others ideas and share knowledge.
- Explore the dynamics of effective interpersonal communication. (System 6)
- Identify impediments that stand in the way of team effectiveness.
- Strategies and group synergy to enhance group decision-making. (People's knowledge base, different cultures and backgrounds adds value to this process.)

Develop performance appraisal system - Staff performance requires monitoring in terms of a set of standards, that has an objective of improved motivation and enhanced performance. (System 3 above)

Develop plan - the plan will be the comprehensive document, aligned to the organisation vision and strategy that takes the organisation forward. Typical paragraph headings would be:

- Training objective
- Training approach

- Strengths and weaknesses of plan
- Who will benefit from the plan
- Where does the success of the plan lie
- Proposed methods to measures success.
- Performance appraisal system
- Schedule of service providers
- Schedule of proposed courses
- Schedule of costs
- Conclusion

Identify service providers - Following the needs analysis, the needs are grouped together, and service providers interviewed that can provide the needs. These are included in the plan above.

Develop and adjust plan over time - As needs and requirements change, adjust the plan. In line with the Employment Equity process, staff development is over a period of time. The plan will prioritise skills over a period, and undertake firstly, the most critical or those that add the most value to the people and the organisation, and the balance in an orderly and phased approach.

Publicise implementation plan - It is proposed that this document will be delivered to all staff in a roadshow to all branches, which includes the organisation vision and strategy. The MD and deputy MD would do this, thus explaining first hand the organisation culture and inviting all staff to participate in the growth and development of the business. This would enhance the commitment process and buy-in from all staff.

Implement the plan - The communication process has ensured that all staff are aware of the training program and they have all been interviewed regarding their needs. The training must now take place.

2.6 System 4.2: A model to improve the organisation conversation

'Creating positive change in an organisation requires **communication**. Interaction fuels action. That is the power of the law of communication. Only with good communication can a team succeed - it doesn't matter if that team is a company, a family, a ministry,

etc. Effective teams have teammates who are constantly talking to one another. Communication increases commitment and connection; they in turn fuel action. If you want your team to *perform* at its highest level, the people on it need to be able to talk and listen to one another.' (Maxwell, 2001:197)

'In healthy organisations people talk to one another. They learn from one another in ongoing dialogue as they do their work. People tell stories and ask questions. They exchange jokes and 'hang out' together as they discuss their problems. People get advice and coaching from a colleague. They ask for help with sticky problems. They make unique contributions and commit to action because they are connected to each other in relationships they value. These informal threads of conversation are as much a core business process as the distribution process or the marketing plan or the product development process. Good leaders know that good conversations around questions that matter is a core process for building the organisational intelligence which enables the other business processes to create results.' (April, 2000:121)

It is within the context of the above two quotations that this system intends to build a model that enables organisational conversation to be productive and useful. To create a culture where people relate to one another and share knowledge and ideas.

The model below is a 'structured, intensive exploration of challenging skills for a lifetime of better communication in work, family, friendship and community.' (Rivers, 2001)

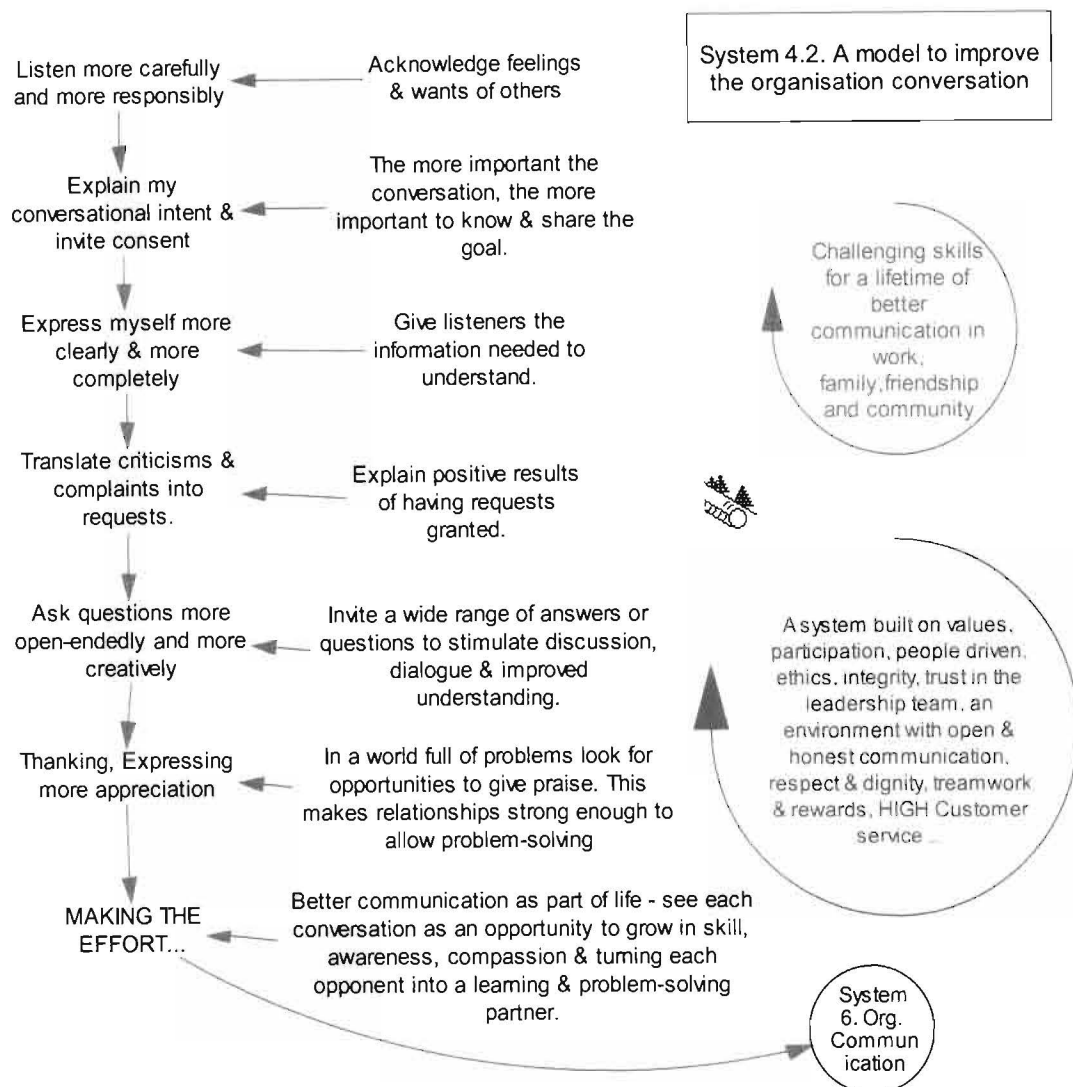


Figure 11. A model to improve the organisation conversation. (Rivers.D. (2001))

'Listen more carefully and responsively.' 'Listen first and acknowledge what you hear, even if you don't agree with it, before expressing your experience or point of view. In order to get more of your conversation partner's attention in tense situations, pay attention first: listen and give a brief restatement of what you have heard (especially feelings) before you express your own needs or position. The kind of listening recommended here separates acknowledging from approving or agreeing. Acknowledging another person's thoughts and feelings **does not have to mean** that

you **approve of** or **agree with** that person's actions or way of experiencing, or that you will do whatever someone asks.

Some of the deeper levels of this first step include learning to listen to your own heart, and learning to encounter identities and integrities quite different from your own, while still remaining centered in your own sense of self.

Explain your conversational intent and invite consent. In order to help your conversation partner cooperate with you and to reduce possible misunderstandings, start important conversations by inviting your conversation partner to join you in the specific kind of conversation you want to have. The more the conversation is going to mean to you, the more important it is for your conversation partner to understand the big picture. Many successful communicators begin special conversations with a preface that goes something like: *"I would like to talk with you for a few minutes about [subject matter]. When would be a good time?"* The exercise for this step will encourage you to expand your list of possible conversations and to practice starting a wide variety of them.

Some deeper levels of this second step include learning to be more aware of and honest about your intentions, gradually giving up intentions to injure, demean or punish, and learning to treat other people as consenting equals whose participation in conversation with us is a gift and not an obligation.

Express yourself more clearly and completely. Slow down and give your listeners more information about what you are experiencing by using a wide range of "I-statements." One way to help get more of your listener's empathy is to express more of the five basic dimensions of your experience: Here is an example using the five main "I-messages" identified by various researchers over the past half century: (Please read down the columns.)

The Five I-Messages = Five dimensions of experience	Example of a "Five I-Message" communication
<div>1. What are you seeing, hearing or otherwise sensing?</div> <div>2. What emotions are you feeling?</div> <div>3. What interpretations or wants <u>of yours</u> that support those feelings?</div> <div>4. What action, information or commitment you want to request now?</div> <div>5. What positive results will receiving that action, information or commitment lead to in the future?</div>	<div>"When I saw the dishes in the sink...</div> <div>...I felt irritated and impatient...</div> <div>...because I want to start cooking dinner right away...</div> <div>...and I want to ask you to help me do the dishes right now...</div> <div>...so that dinner will be ready by the time Mike and Joe get here."</div>

Table 3. Using the 5 I-Messages. (Rivers, 2001)

Anytime one person sincerely listens to another, a very creative process is going on in which the listener mentally reconstructs the speaker's experience. The more facets or dimensions of your experience you share with easy-to-grasp "I statements," the easier it will be for your conversation partner to reconstruct your experience accurately and understand what you are feeling. This is equally worthwhile whether you are trying to solve a problem with someone or trying to express appreciation for them. Expressing yourself this carefully might appear to take longer than your usual quick style of communication. But if you include all the time it takes to unscramble everyday misunderstandings, and to work through the feelings that usually accompany not being understood, expressing yourself more completely can actually take a lot less time.

Some deeper levels of this third step include developing the courage to tell the truth, growing beyond blame in understanding painful experiences, and learning to make friends with feelings, your own and other people's, too.

Translate your (and other people's) complaints and criticisms into specific requests, and explain your requests. In order to get more cooperation from others, whenever possible ask for what you want by using specific, action-oriented, positive language rather than by using generalizations, "why's," "don'ts" or "somebody should's." Help your listeners comply by explaining your requests with a "so that...", "it would help me

to... if you would..." or "in order to... ." Also, when you are receiving criticism and complaints from others, translate and restate the complaints as action requests.").

Some of the deeper levels of this fourth step include developing a strong enough sense of self-esteem that you can accept being turned down, and learning how to imagine creative solutions to problems, solutions in which everyone gets at least some of their needs met.

Ask questions more "open-endedly" and more creatively. **"Open-endedly...":** In order to coordinate our life and work with the lives and work of other people, we all need to know more of what other people are feeling and thinking, wanting and planning. But our usual "yes/no" questions actually tend to shut people up rather than opening them up. In order to encourage your conversation partners to share more of their thoughts and feelings, ask "open-ended" rather than "yes/no" questions. Open-ended questions allow for a wide range of responses. For example, asking "How did you like that food/movie /speech/doctor/etc.?" will evoke a more detailed response than "Did you like it?" (which could be answered with a simple "yes" or "no"). In this part we explore asking a wide range of open-ended questions.

"and more creatively..." When we ask questions we are using a powerful language tool to *focus conversational attention* and *guide our interaction with others*. But many of the questions we have learned to ask are totally fruitless and self-defeating (such as, parents to a pregnant teen, "Why????!! Why have you done this to us????!!"). In general it will be more fruitful to ask "how" questions about the future rather than "why" questions about the past, but there are many more creative possibilities as well. Of the billions of questions we might ask, not all are equally fruitful or illuminating; not all are equally helpful in solving problems together. In this part we explore asking powerfully creative questions from many areas of life.

Deeper levels of this fifth step include developing the courage to hear the answers to our questions, to face the truth of what other people are feeling. Also, learning to be comfortable with the process of looking at a situation from different perspectives, and learning to accept that people often have needs, views and tastes different from your own (I am not a bad person if you love eggplant and I can't stand it).

Express more appreciation. To build more satisfying relationships with the people around you, express more appreciation, delight, affirmation, encouragement and gratitude. Because life continually requires us to attend to problems and breakdowns, it gets very easy to see in life only what is broken and needs fixing. But satisfying relationships (and a happy life) require us to notice and respond to what is delightful, excellent, enjoyable, to work well done, to food well cooked, etc. It is appreciation that makes a relationship strong enough to accommodate differences and disagreements. Thinkers and researchers in several different fields have reached similar conclusions about this: healthy relationships need a core of mutual appreciation.

One deeper level of this step is in how you might shift your overall level of appreciation and gratitude, toward other people, toward nature, and toward life and/or a "Higher Power."

Make better communication an important part of your everyday life. In order to have your new communication skills available in a wide variety of situations, you will need to practice them in as wide a variety of situations as possible, until, like driving or bicycling, they become "second nature." The challenge is to practice your evolving communication skills in everyday life, solving problems together, giving emotional support to the important people in your life, and enjoying how you are becoming a positive influence in your world. This challenge includes learning to see each conversation as an opportunity to grow in skill and awareness, each encounter as an opportunity to express more appreciation, each argument as an opportunity to translate your complaints into requests, and so on.

One deeper level of this step concerns learning to separate yourself from the current culture of violence, insult and injury, and learning how to create little islands of cooperation and mutuality.' (Rivers, 2001:4 – 7)

You can single handedly change the quality of your conversation and improve communication. The above system is from the introduction section to the 'Seven challenges Workbook' by Dennis Rivers and is available for free use from the web site of the Cooperative Communication Skills Extended Learning Community (www.coopcomm.org).

I propose that this workbook be used as the basis to improve the organisational conversation.

Because conversations are a bringing together of both persons' contributions, when you initiate a positive change in your way of talking and listening, you can single-handedly begin to change the quality of all your conversations. The actions described above are examples of "being the change you want to see" (Mahatma Gandhi, quoted in Rivers, 2001:4) which can be used to model the behaviour you want to evoke from other people. 'Communicating more awarely and compassionately can be satisfying ends in themselves, both emotionally and spiritually. They also build happier families and more successful businesses.' (Rivers, 2001:4)

2.7 System 5: A model to improve selection and succession planning

Investments in people can pay rich benefits - the company invests time in recruiting, screening, interviewing hiring and training the employee. The employee invests time in receiving training, and how the company works, it's strengths and weaknesses. The employees also bring their knowledge from previous jobs and academic experience, plus potential and creative ideas. (Goddard1995: 73) A system that can enhance the selection process or retain staff and develop them for future positions will add value to the organisation and save costs. The cost of creating the knowledge above is never considered when retrenching staff, as has been previously mentioned in chapter five section 2.1. Succession planning suggested here should cover all staff as without knowledge of the available resource obtained from system 4.1 in terms of needs analysis and skills assessment, it is difficult to identify potential staff worthy of investment to develop into specific career areas. This also needs to be in line with the individual career aspirations.

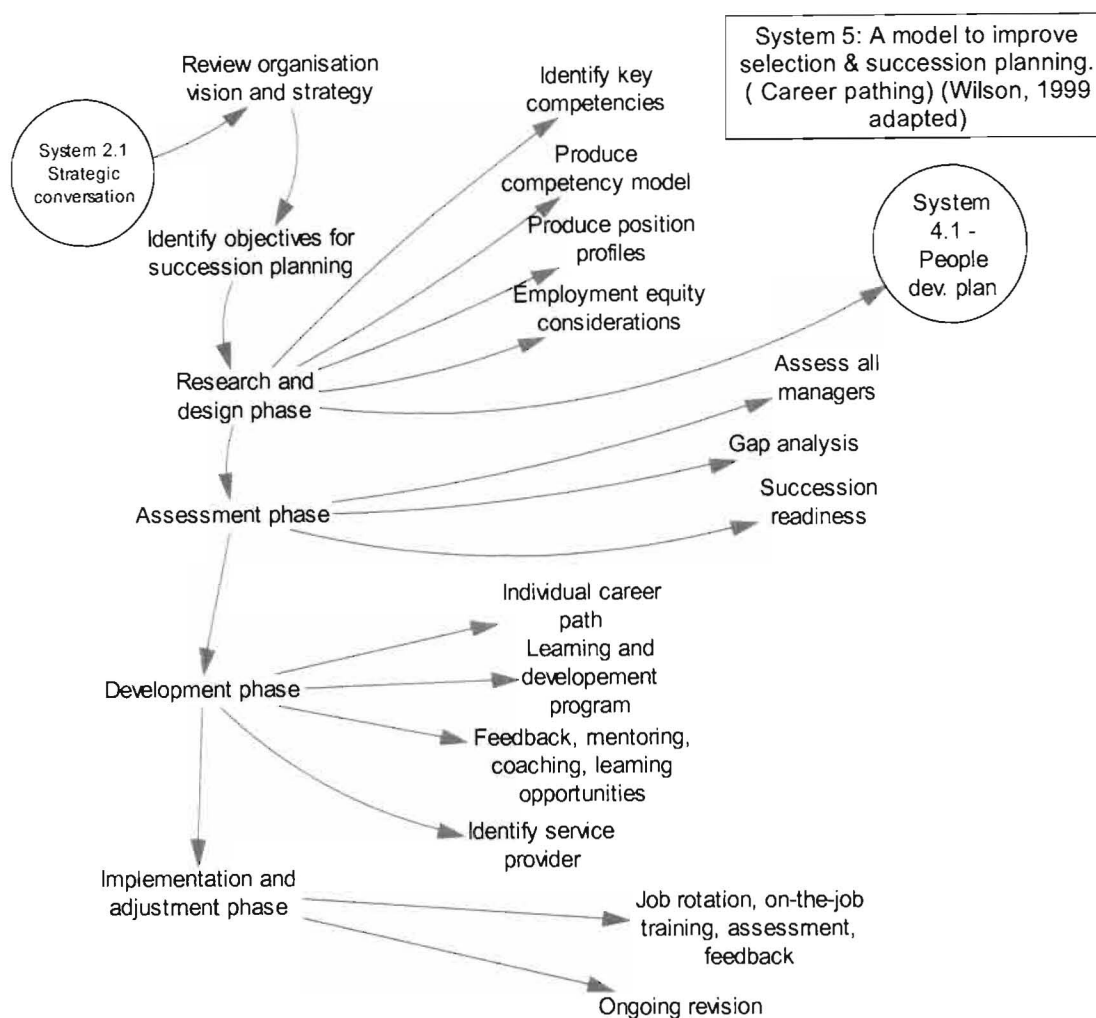


Figure 12. A model to improve selection and succession planning. (Wilson, 1999, Guest, 1999, Meiring, 1999 Adapted)

Review organisation goals - People and career development are an important ingredient in organisation development. If people are not developed, the organisation is not developed. The process therefore needs alignment - the vision and strategy of the organisation needs to be understood to enable career pathing, competence requirement, and learning development etc for the future people needs to be understood.

I agree with Meiring's (1999) view that succession planning needs to be implemented as part of a people strategy that contributes to business needs and objectives. I would further add that a performance system needs to be part of that same strategy, as there needs to be monitoring in terms of achievement of people and thus the contribution to organisation strategy. (See system 3, recognition and rewards.)

Meiring (1999) provides the following as reasons for the above:

- To ensure long term staffing of managerial and other key positions.
- To co-ordinate cost center, functional and divisional movement.
- To monitor the ongoing development of managers, and
- To ensure state-of-the art managerial development processes.
- To advance bottom line objectives. For example, specific skills to develop a new market sector.
- Motivating an effective workforce by giving direction through career planning.
- To avoid giving false expectations to employees who assume the next level position is theirs.

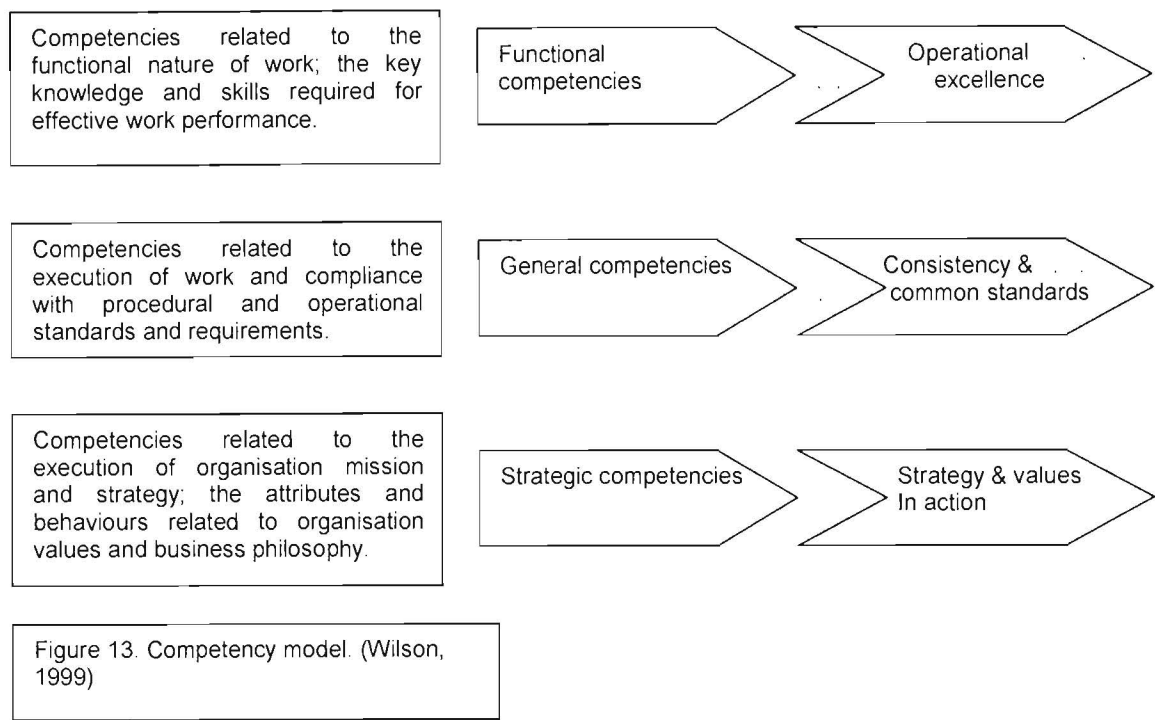
Identify objectives for succession planning - The executive team needs to identify the goals and objectives of succession planning and they must be fair and equitable. The process does require a HR person to co-ordinate and drive the program. (Mahler and Drotter, 1986) The Grindrod Group HR department would be able to assist here.

Further to the organisational goals above, the following broad objectives have relevance to this system:

- Positions can be filled without delay and from within the organisation.
- People see a personal development path and this enhances motivation and productivity.
- Talented people don't leave as personal development is taking place.
- Negates employee perception that advancement is based on personal and subjective criteria.
- Adds value to the organisation strategic direction as people and career pathing is integral to it.

Research and design phase - Competencies refer to behaviours as opposed to task outcomes, and are discrete dimensions of behaviour relevant to job performance. The level of performance will be affected by how easily and effectively an individual can carry out the necessary behaviours. (Guest, 1999). Competencies are clustered around observable behaviours and actions, which include knowledge, personality, ability, interest and motivation. (Guest, 1999).

The next process would be to build a competency model. Without going into the detail the following diagram summarises the process. (Wilson, 1999)



From the competency model follows the position profile, which should also reflect the organisational culture change in terms of the employment equity report and the skill development needs as reflected therein. This is required to increase the sense of ownership and commitment to a process that involves all staff and their development.

Assessment phase - Managers to review and discuss the personnel situation and develop plans for movement and people development. The analysis is in terms of where people are now and what is required in terms of learning and skills to develop them to the next level - gap analysis. Plus, what gaps exist within the organisation that could be filled by a specific person. A further consideration is the succession readiness of the person and what action to take.

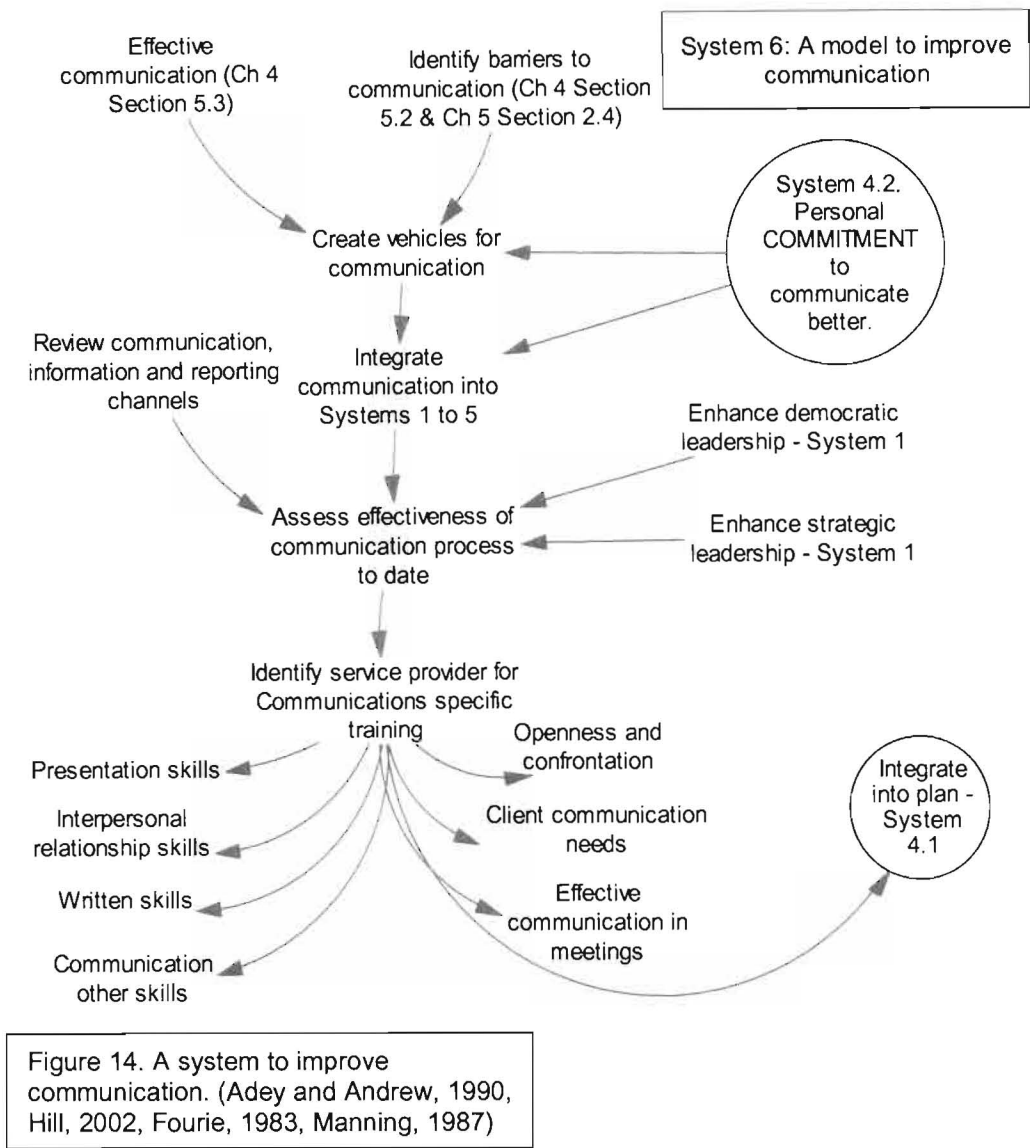
Brush and Nardoni (1992) suggest the following questions in respect of leadership and management succession planning candidates:

- 'What are the key leadership requirements that are also linked to future business strategy?
- How are successors evaluated?
- Who is qualified to move into a given position?
- Are managerial skills and talents enterprise-wide adequate for the needs of new business strategies in a given business unit or for a specific position?
- What are the current gaps between training, skills, experience or other factors, and the requirements of leadership positions?
- What are the career aspirations of the person under consideration?
- What is the ultimate potential of the person under consideration?
- What are the negative and positives of that person?'

Development phase - The career path is understood and the learning programs identified. Feedback and monitoring systems need consideration to ensure the process is successful and in terms of identified goals - personal and organisational. Identify service providers to supply specific training needs

Implementation and adjustment phase - Introduce the training needs as identified above; rotate staff as per the plan; introduce assessment criteria and feedback mechanisms to ensure the succession system adds value to the organisation and people development process.

2.8 **System 6: A model to improve communication**



'Only one in four people actually receive a message correctly.

The greatest danger in communication is the assumption that it has taken place.' (Hill, Denise, 2002)

All the previous models have had an element of communication - ie the vehicle enabling information to be conveyed to the staff. It is important to ensure that all staff are part of the process and are involved. Approval and commitment needs to come from the top (MD and executive team) and it is critical that they are seen to communicate - not only business information, but on a social level as well. Make use of the secretary to rally

people together, or arrange informal 'pizza lunches' or just arrive for tea with the operational staff or admin etc. Visibility is important - be seen to be out with the staff and chat informally with them. I am aware that the whole process is a culture change and as a result will take time. However, I also believe that the push needs to come from the top - the staff need to see evidence of the commitment and that change is in progress - which needs to be kick started with a road show, where the whole plan can be explained. This needs then to be followed with action.

This section will also note progress to date as regard communication development in the organisation.

Effective communication - This has been covered in chapter four section 5.3.

Identify barriers to communication - This has been covered in chapter four section 5.2 and chapter five section 2.4.

Create vehicles for communication - The Deputy MD suggested the creation of a communications forum. This has now been setup in Durban and will be rolled out to the branches. The forum is representative of all staff departments, (operations and administration) and includes the Deputy MD and management. A chairman (other than management representatives) is chosen. The agenda covers operational and financial issues, or any relevant topic. The purpose is to provide a platform where problems can be solved holistically, as all departments are represented. This also provides the vehicle to enable each department to solve problems amongst each other, which are normally not attended to. The cycle of blaming admin or marketing etc continues without dialogue and the formulation of a solution. This communication forum solves this problem, and also allows each department to see the value of the other departments and how they collectively add value to the organisation. The service departments now have a relationship with their 'clients' - and relationships is what it is all about. (See system 1, section headed 'identify development path' and system 2.1 section headed 'where the organisation is at present', above regarding relationships).

A further reason for the vehicle is to provide a platform for information sharing - whether organisation specific, market, industry or Group related, or of a general nature. The

department representatives then reports back to their people, and they are required to bring to the table questions or queries from their constituencies.

Further vehicles of note, were:

The entering of five teams in the Durban Business Relay, with teams comprising all levels staff and management. Staff and their families then attended the braai afterwards. This was a huge success and assisted the communications cause through providing the platform for in-formal socialising of all races, cultures and hierarchy. A suggestion was made by one of the staff that next year, a few client teams be entered to share the social spirit of the day.

The administration office invited the MD for tea. This was well accepted by all present and provided the MD with a platform to chat informally over tea with the staff.

The MD arranged for a Christmas braai for all staff on a Friday afternoon. This was well attended and afforded the MD the opportunity to chat informally with all levels of staff.

The Administration team arranged a Christmas lunch and invited the Executive team to join them. Again allowing social interaction and informal communication.

One of the branches has introduced a forklift driver of the month. He is then presented with a badge to wear and R200 spending money. This builds a community and also has the objective of cutting down on maintenance costs, as condition, cleanliness, maintenance of vehicle and driver care is some of the criteria.

The MD re-introduced branch managers meetings on a regular monthly basis. These meetings had not taken place on a regular basis for more than three years. The agenda is to review the monthly financial results, IT, HR, marketing, other relevant issues, and to provide a platform where information can be shared and branch problems resolved. The meetings to date have not been very effective - but Geutzknow and Simon in Tubbs (1981:243) 'believe that once a group has established a procedure for working together, it can perform efficiently regardless of its type of network' or channel of communication. Tubbs continues to point out that this type of decentralised network (refer chapter four figure 3 for diagrammatic view of participative communication structure) is better able to

deal with complex problems, and as people are able to speak to anyone in the group, it creates high morale. These observations are still to be proved in the case of these meetings. (This was discussed in system 4.1 above – a model to develop management and staff skills.)

I have discussed communication at all branch managers meetings - either by breaking the people into teams with communications issues to discuss or general round table discussion. I have noted that many of the people are reluctant to participate and allow one of their members to do the talking. I found it very difficult to get people to talk and discuss the topic on the table - it required people to surface their inner feelings (see chapter three, systems of meaning) and is very difficult to achieve without facilitation experience in this field. An intervention from a professional facilitator would improve this process.

I have e-mailed communications specific mails from a communications newsletter to which I subscribe. This was followed by a document with the objective of discussing ideas to improve communication, giving the objective of communication, communication problem areas noted, and some theoretical background. However, in both instances, only one or two people responded, even although I specifically requested feedback. It would appear that the barriers to communication have molded a culture and change is going to take time. Another factor is possibly time pressure (time and stress management skills required), the ability to share tasks and work in teams (team building and communication skills required) and the fact that retrenchments have reduced staff to such a level, that people are now overworked. This latter point has been noted by branch managers and requires approval to source additional resources to alleviate the problem. The above points again indicate the need for an intervention from a professional facilitator in communications, team building and time management facilitation.

Review communication, information and reporting channels - A channel is opened as soon as one person starts to speak, thus the channel in this instance is face-to-face (hearing, sight and touch) communication. Channel is thus the route the communication has to travel. (Fourie.H.P, 1983:111) As the leadership style has been to suppress communication, reporting and information channels has to some extent 'closed' or do not

function effectively. In discussions and surveys it was noted that staff felt that they could not talk openly to their branch managers or MD. (Refer above to vehicles of communication.) Channels have opened in respect of monthly branch managers meetings and the communications forum. These have provided the vehicle to 'limit the channel distance' and improve effectiveness and efficiency for information throughput. (Channels are also discussed in chapter four section 5.4 Group communication)

Channels are to a large extent not formalised and require review. Branch manager monthly reports (for example) should be detailed formalised documents to the MD followed up with discussion sessions and plans for the next month. Variance reporting to budget and to estimate is important, as it requires up to date information regarding branch performance. The contents of these reports should then form the backup for the MD's quarterly report to Group.

Integrate communication into systems 1 to 5 - As indicated in the introductory paragraph to communication, it needs to be included into all the systems, to ensure the processes are understood by all staff, and that participation and action results.

Enhance democratic leadership - Democratic leadership enhances systems one to five as this style promotes participation, improves morale and adds value to the learning organisation. This is covered in detail in chapter three and system one above.

Enhance strategic leadership - leadership development in line with organisational strategy and growth, need to be communicated as a new 'culture' of personal development that also adds value to organisational development. The two questions are: What can I do for the organisation to improve performance, efficiency and value add? And what can the organisation do to develop me personally? The latter ultimately adds value to the former. (System 1)

Assess effectiveness of communication ideas to date - Some significant steps have been made, the notable one being the change in leadership style from autocratic to participative. At this stage management are able to gauge progress to date and consider the use of a professional facilitator to fast track the process.

Identify service provider - There are service providers skilled in addressing organisation communication issues who would be in a position to add value to this process. Refer to figure 14 a system to improve communication above indicating a sample of desirable communication skills such as presentation, interpersonal, written, confrontation, meetings, etc. The process requires personal commitment and each person can add value to this process and personal development - see system 4.2 a system to improve the organisational conversation.

Integrate into plan Section 4.1 - The plan in section 4.1 is designed to include all aspects of personal learning and development.

2.9 System 7. A model to improve organisational effectiveness.

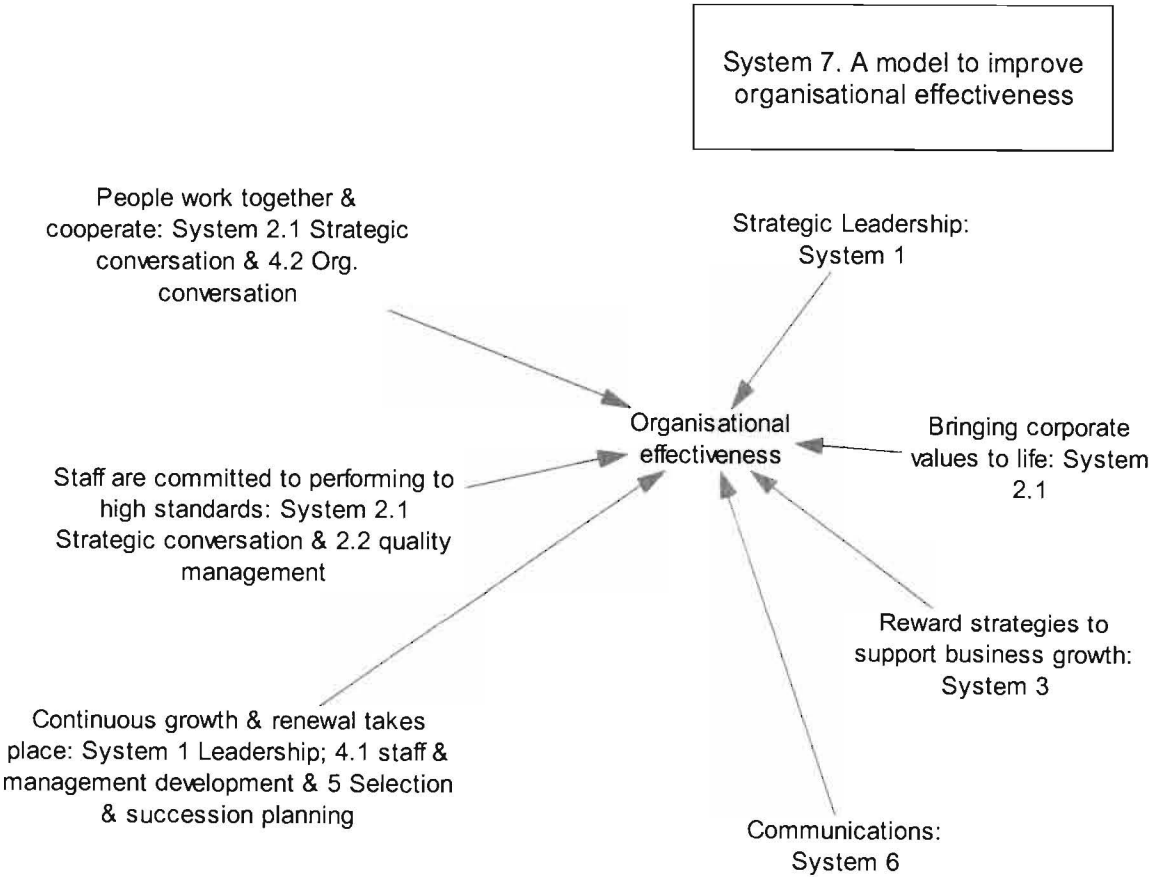


Figure 15. A model to improve organisational effectiveness. (Laferia, 2003 Adapted)

The purpose of the intervention process is a system of models designed to improve organisational effectiveness. This is a process of successfully achieving POGL's strategic goals, through a clearly led process that values people's contributions and provides opportunities to learn and develop, complemented with a fair reward system. Excellence is required in leadership, productivity, adaptation to change, process improvement, improvement in communications, capacity building in knowledge, skills, abilities and competencies. Dr Laferia (2003) defines an effective company as one where people work together and cooperate with one another, staff are committed to performing to high standards, and continuous growth and renewal takes place. This process is summarised in figure 15 above.

It is clear that I am proposing a complex process of change, people involvement, job-enrichment, reward, learning and participative management. Manning (1987:72) concluded in his research, that participative management could not be 'plugged in' and would solve all the organisation problems. It is one aspect of improving organisational effectiveness. Manning points out further that in a job-enrichment study, the conclusion was:

- 'Involving employees and increasing their motivation doesn't guarantee better performance. Many other variables play a part.
- People must be involved in decisions to change the work itself if they are to be turned on.
- Changing one thing at a time usually changes nothing. Performance changes only when the whole organisation changes.
- The greatest barrier to high performance is often not employee reluctance, but *managerial resistance* to creating a high-performance environment.'

David McClelland a Harvard psychologist, quoted in Manning (1987:73), said that participative management created the feeling of personal mastery and a sense of belonging for the staff. But he said that it only made a 'significant difference when it is implemented a just one measure in an organisation-wide process to improve **communications** and foster individual growth. Bottom-line results will be seen only when all other organisational factors are aligned behind the human factor.'

The conclusion above aligns closely to the research undertaken in POGL and supported by the literary research. See appendix 2 and chapter three. Ulrich's boundary questions and C.West-Churchman's critical system thinking and the systems approach of seeing the world through the eyes of another, ensuring that those affected are included and their ethical considerations. Thus, the system of interest meeting the nine conditions of teleology (purposefulness) (Flood,1999:63) and Senge's (1990:14) five disciplines of the learning organisation and system archetypes, was a conscious process of 'sweeping in', 'unfolding' and making sense of things. Summarised as follows:

Condition to be met:	Applied:
<ol style="list-style-type: none"> 1. A system is (teleological) purposeful 2. The system has a measure of performance 3. There is a client whose interests are served 4. There are purposeful components 5. The system is within an environment 6. A decision maker can produce changes in performance 7. A designer whose design of the system influences the decision-maker, leading to changes in performance 8. The designer aims to maximize the systems value to the client 9. There is a built-in guarantee that the purpose of the system defined by the measure of performance can be achieved and secured. 	<p>To achieve organisational effectiveness. Organisational profitability; KPI; bench marking, assessments, feedback, quality standards, etc.</p> <p>The staff and management, clients, investors, creditors, local authorities, etc.</p> <p>People within and outside POGL, their feelings, needs, wisdom (thought combined with a concern for ethics (Flood, 1999:65)) and hope (belief in an ethical future. (Flood, 1999:65))</p> <p>POGL is a 50/50 partnership of Grindrod (Pty) Ltd, a South African Listed company, and P & O Trans European a UK based organisation. POGL is within the logistics industry.</p> <p>The MD of POGL.</p> <p>I, in undertaking the research of POGL and producing this report, am the designer.</p> <p>A sustained and effective POGL. People and organisational growth and learning.</p> <p><u>Commitment</u> from (1) the MD, (2) Executive team, (3) Branch manager team, (3) staff teams and working groups.</p>

Table 4. Nine conditions of teleology applied. (Flood, 1999:63)

The five disciplines (plus the 6 th):	Applied:
<ol style="list-style-type: none"> 1. Systems thinking 2. Personal mastery. 3. Mental models 4. Shared vision. 5. Team building. 6. Master the above five to establish a foundation for the future. 	<p>Considered the organisation as a whole including interconnectedness, emerging issues, boundary judgements, people, etc. The system of interest (communication) is a complex issue in a system of patterns of relationships involving people, feelings, structures, surfaced understandings and learnings, etc.</p> <p>Personal learning, vision, focus, patience, commitment as a system of improvement. For POGL to grow the people must expand their personal abilities. The intervention is thus a process of personal learning.</p> <p>Deep seated notions and assumptions need to be surfaced and dealt with to allow learning and creation of a future. The research has done this - leadership style, knowledge-power, etc. Interventions intended to further surface notions and assumptions through a structured learning process.</p> <p>System 2.1 proposes a model to develop the strategic conversation. All further models propose a review of the vision and strategy as integral to further learning.</p> <p>Teams through discussion and dialogue have the knowledge, capacity and dynamics to find creative and innovative solutions. All the systems discuss teams and specifically system 4.1, staff and management development and 4.2 organisational conversation.</p> <p>The future is likely to be more complex. Build on the current research and understanding, create continual awareness, renewal and growth. Share knowledge and make effective use of resources.</p>

Table 5. The five disciplines applied. (Senge, 1990:5-12, 363)

In respect to the above, refer to chapter three figure 1 representing the complex system of interest and figure 4, the generative learning process leading to idea and image generation, and the development of this chapter as the intervention strategy - ie a learning organisation.

2.10 Roadshow.

The proposal is to communicate a broad plan to all staff. The detail is not critical to the staff, but what is important is that the process should start. There needs to be evidence that there is to be change and that the staff will be involved in a process that is designed to enhance organisational life. The process will take time - a culture change always does - and the end product should be a community of people that are proud to be associated with POGL.

The roadshow will be a PowerPoint presentation making use of graphics and presented to all staff at each branch by the Executive Team. Some form of social interaction (braai or finger lunch, etc) to give the staff the opportunity to mix with the executive team and informally talk through the process would follow the presentation.

2.11 Project plan and team.

On final acceptance of this strategy, constitute a representative project team, with a clearly defined mandate and authority to enable change to be implemented. The team needs to be representative of the executive, management and staff levels. Consideration needs to be given to boundary critique, and thus other members of the stakeholder group, their representation on this committee and the wider implication of the committee's actions and proposals. For example, communication specific proposals with external stakeholders (clients, local authorities, etc.) or staff training in cargo management specific to the client needs of the client cargo - steel, paper, lignin, etc. For example, the staff handling lignin will receive general cargo management training plus a visit to the Lignotech mill with specific training on how to handle that product. Thus future deviation from these guidelines and damage to product can be dealt with in terms of reward and recognition, performance management, productivity, succession planning, etc.

3.0 Conclusion

This chapter has dealt with the organisation as a holistic system where boundary critique has been a prime consideration in an attempt to ensure that the principles of the learning organisation are met. As has been mentioned, the change process has begun - we now look for a structured approach to continue.

The objective of this chapter is two-fold: one to provide direction for the organisation by making available a discussion document to identify the area for change that will provide the most leverage in terms of organisational growth. The second objective is an attempt to motivate people to participate, take control of their own lives and seek to develop, grow and learn more about themselves, the people around them and the organisation. The underlying principle thus, is to **communicate** share knowledge and participate in the change in the organisation.

In respect of each system above, communication is seen as an active process of doing and seeking understanding, and not a passive process of assuming that it has taken place. It therefore requires commitment from all staff, to ensure that it is built into the organizational culture.

CHAPTER 7: CONCLUSION

1.0 Introduction

'The culture of many organisations does not facilitate a highly motivated and committed workforce, no matter how much management would like to believe otherwise. Employees either do not trust the organisation, or do not feel that they are being treated fairly, or are confused about the company's goals and objectives, for creativity or innovation to be truly unleashed.

Human beings under the right circumstances have the potential to achieve levels of productivity and creativity that are often surprising - even to themselves.' (Goddard, 1995: 25)

The purpose of this dissertation has been to promote thinking toward a culture of sharing and learning, to enable people to be more creative and enrich their own lives. The process will be reflective and dialogical, encouraging people to consider personal growth and development, and enhancing organisational growth. In summary the following objectives underlie the process. (Goddard, 1995: 91):

- **'Provide employee information** - about the companies goals and progress toward those goals.
- **Develop an open culture** - abandon traditional management practices that stifle creativity and enthusiasm, treat employees with respect, and involve employees - as individuals and in teams - in planning and decision making.
- **Create incentives** - reward employees who energetically search for creative ways to do things better and who embark on self-development programmes.
- **Be sensitive** - Always consider employees' needs to advance themselves; the insecurity of corporate life; and the problems from frequent changes in direction.
- **Exercise patience and diligence** - select employees who are well suited to the task asked of them.
- **Communicate with a conscious effort** - personally develop a strategy for getting the right information to the right stakeholders at the right time.
- **Build a value driven organisation** - an organisation that staff can be proud to associated with, where integrity and honesty are upheld.
- **Client service is important** - look for strategic solutions that add value to the client operations. The client can trust the staff and management to provide an efficient

service and have mechanisms in place to limit and remedy stock shrinkage or damage.

A colleague of mine quite correctly pointed out that we cannot change people – change must come from within plus the desire to change, or see the need that a change in ones behaviour will benefit self and those around you. If you cannot change others, and it is not desirable to change yourself, then it may be time to move on. The point is, this paper is an attempt at motivating change in the organization and in the people within the organization. However, it will be a long-term process and it also requires a change in the culture of the organization, and the change must start with self. I believe that change in terms of the intervention, ie adopting the principles of the learning organisation, and the development of leaders and committed staff with organisational direction, will be beneficial to the organization and enhance sustainability. People want to belong to a community, where they are able to make a contribution and be recognised.

Communication is a complex process and requires the surfacing of issues which may otherwise be hidden. A professional facilitator with experience in dealing with people issues and change management, is an essential ingredient in the intervention process. This will assist the process of surfacing hidden issues and enable the understanding that it is acceptable that people do have different solutions to issues or different worldviews about issues.

Systems thinking and an understanding of communications theory enhanced the research process by enabling an analysis of issues at the structural layer of the system of interest, looking at drivers, key variables and sub-system assumptions. The conclusion as to the reason for a lack of communication within POGL is thus complex. The intervention is thus a process of organisational and people renewal, building trust based on a value system and creating an effective and efficient organisation.

CHAPTER 8: EPILOGUE

1.0 Introduction

The executive team accepted the intervention chapter (chapter six) as the way forward for change for the organisation. The brief was to introduce the systems to the organisation in a manner that was understandable to all the staff.

As the organisation is culturally and ethnically mixed, the process needs to ensure that all staff are included to ensure a holistic conclusion to the change process, ie an informed staff that communicate, and add value to personal and organisational growth.

Various options were considered, including introducing the change process via an internal project team. However, it was agreed that an external facilitator would achieve a more sustained change, by bringing in experiences and learnings from similar interventions in other organisations, and a look at issues from a different perspective. It was also a requirement that the facilitator was conversant in all the languages used by the staff to ensure that the shortfalls experienced in this regard during the two-year research, be overcome.

2.0 Plan

Certain aspects of the intervention chapter were prioritised and the following plan was set out as a dynamic change process for the organisation. As the process evolves, change in direction will occur, and this needs to be noted during the process. The following is an approximate 12-month segment of the intervention timetable. Reassessment and a further plan for the balance of the suggested interventions will follow this.

2.1 The Turnaround Group (TG) was selected to facilitate part of the intervention, their objective being 'creating world class organisations rooted in Africa.' The intervention process will be delivered in English, isiZulu or a combination of English / isiZulu as required. The outcomes as per their proposal was '...to expedite the establishment of a new organisational culture that is motivated to achieve short, medium and long term goals. More particularly, the intervention will seek to develop amongst employees:

- A sense of involvement towards a better way of working
- Common ambitions and work goals achieved through partnerships

- Ownership and control of the company's and individuals own destiny
- Leadership at every level.'

The approach is:

- Data gathering. Build an understanding of the dynamics at play within the organisation so that issues, needs and perceptions may be understood.
- Executive team strategy workshop. Review the issues identified during the data gathering session, analyse and debate the organisation strategy and sustainability, and propose a way forward.
- Imbizo. This is a gathering of all staff at which they are invited to share their problems or suggestions in a structured forum. It is a facilitated process where issues are raised and recorded with action plans, and is an integral part of winning the trust of all staff.
- Globalisation workshops. Having 'cleared the baggage' at the Imbizo, the workshops are designed to change mindsets and attitudes towards work and life. Delegates are exposed to a range of issues which include issues of globalisation, the forces driving change, challenges for South Africa as a developing nation, organisational change and the new world of work, and industry specific issues.
- Leadership development. This is specifically for Executive, Senior and Middle Management, and Shop Floor Leadership. The outcomes are:
 - Develop leadership in the African context and deal with challenges of diversity.
 - Cope with the demands of the changing world of work.
 - Handle conflict.
 - Participate in constructive engagement with all levels of staff.

2.2 Introduce Performance Management to all staff levels.

2.3 Identify staff skill requirements and plan staff training.

2.4 Introduce Total Quality Management (TQM) or a similar quality system to all processes and departments. Include balanced scorecards, benchmarking, productivity measures and an induction program. Included here is the need for a permanent Health, Safety and Quality portfolio.

2.5 Develop a Human Resource / Industrial Relations plan.

2.6 Research the feasibility of introducing a customer relations management system (CRM) and how this will add value to the service levels delivered.

2.7 On an ongoing basis, consider change management needs and organisational culture change issues. Deal with these in line with the theory on change management. The TG will be in a position to practically assist in this area.

3.0 Interventions to date

The following is a brief description of the intervention process to date. As has been noted in previous chapters, a culture change will not happen overnight and there will be obstacles and challenges to deal with along the way.

- A performance management (PM) system was introduced for all staff of supervisor, operations manager and branch manager levels. I facilitated a workshop with the branch managers and executive team, to discuss the merits and demerits of the introduction of the proposed system. It was agreed that there would be a benefit to personal and organisational growth if job objectives were more organised and specific achievable targets were formalised. The key result area's, measures and expectations were discussed and agreed upon. The branch managers were to facilitate a similar discussion with their operational managers and supervisors, and roll the process out in their areas. The process is to roll out to all staff during 2004 and a reward and recognition system is to follow PM.
- A draft people development strategy, including selection and succession planning, has been documented. The 'how' to implement the strategy is still under development.
- A colleague is presently undergoing training as a skill development facilitator (SDF). Her job function is to manage people development, Employment Equity and assist with the Communications forum. The following people development initiatives have taken place:
 - She has interviewed all staff as regards their training requirements, where they see themselves developing within the organisation, and the training requirements to achieve the proposed personal growth. This has been documented and

discussed with each person's superior, to confirm the development path and learning needs.

- Based on the above training needs analysis, all branches included for the first time, training costs in their department budgets.
 - Two staff members and two unemployed people have been placed on NQF 5 learnerships in freight handling. This is a post Matric management level course.
 - In order to meet the planned requirements of the Employment Equity skills development plan a number of people have been identified for career pathing, fast tracking and succession planning. These people will undergo further training in order to achieve these goals, and thus ensure an accumulation of knowledge within the organisation and the management team.
 - 55 people are to start the Adult Basic Education and Training (ABET) course.
 - 14 Supervisor level staff will start a first line management level course.
 - A further group still be identified, is to start the certificate in freight handling, level three, which is just below Matric level.
 - 5 Executive and management level staff to do a Key Account Management course, to enable better management of key customer accounts.
 - Certain executives and management level staff are also considering MBA courses for the near future.
-
- A permanent Occupational Health and Safety (OHS) person was employed during the year. A consultant formally performed this function, however, monthly visits to branches were insufficient to ensure that a health and safety culture developed among the staff. The objective was:
 - Training of staff and managers – re awareness / minimum standards, etc. Build a culture of health & safety consciousness on the shop floor. A strategy to:
 - Improve policy & awareness of legislation
 - Communication
 - Skill development.
- With the objective of:
- Raising the profile of OHS
 - Provide support to stakeholders
 - Ensure effective & efficient OHS inspection services

- To develop policies to enable compliance & integrate into business processes and strategies
 - Make OHS a way of life.
- The TG traveled to all branches and independently interviewed the executive team, administrative staff, all management level staff, shop stewards and a sample of all other staff at each branch. TG randomly selected the sample from a list supplied by the salaries department. The approach was:
- To review the POGL vision, values and mission.
 - Review attitudes, perceptions and mindsets
 - To use McKinsey's 7-S model - ie strategy, structure, systems, staff, skills and style as the basis for interviews and discussions.
 - Report back on findings and suggest a way forward.
- The above process was followed by a two-day strategy session for the executive team facilitated by TG. The objective was to agree a way forward to ensure that the company can take advantage of opportunities in the industry. The expectations of the session were agreed to be:
- A plan that leads to a better business
 - Foundations for commonality of thought and clear organisational goals
 - How to be more focussed and work smarter
 - Team understanding
 - Strategy to link the executive team to the rest of the organisation
 - Clearly defined responsibilities and accountability from top to bottom.
- The workshop covered:
- A report back on the interview process as discussed above.
 - Organisation vision, strategy and core competence
 - Structure, systems, staff, styles, communication and teams.
- Total Quality Management and Six Sigma are presently being researched as quality systems for the organisation. To facilitate an understanding of quality, the company has joined the South African Quality Institute (SAQI). As a first step, systems and processes are being documented and flowcharted. This will assist in identifying

areas of inefficiency and area's where change is required to add value to the service levels to customers.

4.0 Conclusion

The change process is progressing at a slower pace than planned, however, there is acceptance and an understanding of the need for change at all levels.

Many staff members met the use of 'consultants' with skepticism. However, the TG, and the surveys and strategy sessions facilitated by them has been very well accepted by all staff and in particular, the Executive Team. The staff and management look forward to further planned interventions that will enable them to deal with issues and be in a position to be part of the future of the organisation.

The roll out of strategy and communication to all staff members is still to take place, and this is also to be a facilitated process to ensure that all staff understand and are part of the vision of the organisation.

Due to management and branch manager change in all branches, the performance management system has met with a setback. However, this is expected to continue once these changes have settled down.

As very little staff training had been done in the past, the estimated cost amounts to many millions of Rands, and this then requires prioritizing, planning and proper management. Those staff members selected for training has enthusiastically embarked upon their studies. The remainder of the staff look forward to their training sessions when they too will be in a position to add value to personal and organisational growth.

The health and safety person is getting involved in related issues, and has a plan to make H & S a part of the culture of the organisation.

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GLOSSARY OF TERMS

Appreciative Inquiry (AI) - AI as a system of thought is based on social science research that affirms the trends & movements (as seen in Learning Organisations) by demonstrating the power of generative images to create a world of hope & possibility. This is not about denying the negative & destructive. It is rather about focussing on the positive & creative as a force for building a more positive future. AI is about freeing ourselves to explore beyond what we already know & understand. (David Cooperrider and Jane Watkins, 2000:2)

Boundary - in relation to systems - Separates systems from other systems and from the environment in which it exists which dictates its structural and functional limits and from which properties emerge. (Bawden, 1998: 16)

Business model - a diagram of causal relationships between key variables which map the logic of how the business creates a sustainable livelihood system. (van der Merwe, 2001)

Communication is the process of interaction and exchange (transmission) of meaning or intentions to others through verbal and non-verbal messages; those receiving the message, in turn have to interpret them so as to give meaning, and then respond. (Misselhorn, 1998: 100).

Competitive advantage - Balancing the interactive forces of new entrants, substitute products, customer demand and supplier bargaining to the sustainable advantage of the business through cost leadership, differentiation and distribution channel management. (van der Merwe, 2001)

Culture - An organisational culture exists, ie a shared value system (or pattern of basic assumptions) which is influenced by other value systems that interact with it and includes thought, actions, behaviour, beliefs, norms etc. (Cummings, 2001: 502). The shared meanings enable members to make sense of life within the organisation and signals how work is to be done, evaluated and how employees relate to each other and customers, suppliers etc. For example a company may have a very caring and customer service culture or visa versa. Culture is presumed to have an impact on organisational

effectiveness and thus its ability to achieve high levels of performance. (Cummings, 2001: 503)

Dialogue - as described by David Bohm is a 'deeper level of **communication** which has a serious commitment to cooperation and constructive thinking styles ... a means of bringing people together in communication that allows the surfacing of tacit assumptions and beliefs in a spirit of inquiry and respectful exploration.' (April, 2000: 70)

Distinctive competencies - are those strengths within the organisation that are difficult to emulate. They exist or are useful within a particular market. They are the features of the organisation that underpin long-term success. These knowledge, skills, attitude and values, feed on each other to give a distinctive strength.

Emotional Intelligence (EI) - is the ability to work with others & effectiveness in leading change. The components are self-awareness, self-regulation, motivation, empathy and social skills. (Daniel Goleman, 1996)

Empowerment- the process of allowing employees to have a significant degree of say in determining how their work will be performed. (Goddard and Brown, The turbocharged company. 1995)

Epistemology – the possibilities of and limitations on our knowledge of the world. (Mingers.J and Brocklersby.J. (1997) *Multimethodology: Towards a framework for critical pluralism*. In *The theory and practice of combining management science methodology*. J.Mingers and A.Gill. Wiley and Chichester.

Incommensurable – for example mixing methodologies from different paradigms in a multimethodology. What then is the extent to which paradigms are incommensurable, ie completely mutually exclusive, unable to be combined or linked. (Mingers.J and Brocklersby.J. (1997) *Multimethodology: Towards a framework for critical pluralism*. In *The theory and practice of combining management science methodology*. J.Mingers and A.Gill. Wiley and Chichester. Page 104)

Learning organisation - An organisation that learns and encourages learning among its people. It promotes exchange of information between employees hence creating a more knowledgeable workforce. This produces a very flexible organisation where people will accept and adapt to new ideas and change through a shared vision. (www.see.ed.ac.uk)

- An organisation that purposefully constructs structures and strategies so as to enhance and maximise organisational learning. The way firms build, supplement, and organise knowledge and routines around their activities and within their culture and adapt and develop organisational efficiency by improving the use of broad skills of their workforce. (Doggson, 1993 quoted in April, 2000:48)

- Where people continually expand their capacity to create the results they truly desire, where new and expansive patterns of thinking are nurtured, where collective aspiration is set free and where people are continually learning how to learn together. (Senge, P. (1990) *The fifth discipline. The art and practice of the learning organisation*. Random House.) Senge suggested the use of five component technologies: systems thinking, personal mastery, mental models, shared vision and team learning.

Methodology – a structured set of guidelines or activities to assist an individual in undertaking research or interventions. Generally, a methodology will develop, either implicitly or explicitly, within a particular paradigm and will embody the philosophical assumptions and principles of the paradigm. There may be more than one methodology within a paradigm. (Mingers.J and Brocklersby.J. (1997) *Multimethodology: Towards a framework for critical pluralism*. In *The theory and practice of combining management science methodology*. J.Mingers and A.Gill. Wiley and Chichester. Page 104)

Ontology – the types of entities assumed to exist and the nature of that existence. (Mingers.J and Brocklersby.J. (1997) *Multimethodology: Towards a framework for critical pluralism*. In *The theory and practice of combining management science methodology*. J.Mingers and A.Gill. Wiley and Chichester. Page 103)

Organisational effectiveness - Dr Laferia (2003) defines an effective company as one where people work together and cooperate with one another, staff are committed to performing to high standards, and continuous growth and renewal takes place.

Paradigm – a very general worldview based on a set of fundamental philosophical assumptions that define the nature of possible research and intervention. Can distinguish between three main paradigms – (1) empirical-analytic (positivist, objectivist, functionalist, hard). (2) Interpretive (subjectivist, constructivist, soft) and (3) critical-realist (critical) (Mingers.J and Brocklersby.J. (1997) *Multimethodology: Towards a framework for critical pluralism*. In *The theory and practice of combining management science methodology*. J.Mingers and A.Gill. Wiley and Chichester. Page 103)

Praxiology – how we should act in an informed and reflexive manner. Of particular importance in management science which is primarily concerned with intervention and action. It can be further sub-divided, drawing on Habermas, into three aspects: effectiveness, questions about the extent to which desired ends are achieved; ethics, questions about the value and desirability of courses of action for individuals and communities; and morals, questions about the effects of actions on other people. (Mingers.J and Brocklersby.J. (1997) *Multimethodology: Towards a framework for critical pluralism*. In *The theory and practice of combining management science methodology*. J.Mingers and A.Gill. Wiley and Chichester. Page 103)

Strategy - A plan of action defining how an organisation utilises resources to gain competitive advantage. This consists of a vision statement, goals and objectives and a strategy on how the organisation is to achieve the goals and objectives. (Cummings, 2001: 676)

- 'The framework which guides those choices that determine the nature and direction of an organisation. Those choices relate to the scope of an organisation's products or services, markets, key capabilities (competencies), growth, return and allocation of resources.' (Tregoe, 1983)

Structure - Organisational functions and forms of coordination, communication and control. A set of rules and procedures that organize management support around operational and within the operational activities themselves (what work will be done, where, by whom and how) and that span the action area defined by boundary judgment. Flood (2000:104)

System archetypes - One of the ten tools of system thinking. System archetypes are the 'classic stories' in system thinking - common patterns and structures that occur repeatedly in different settings. Each archetype depicts characteristic causal loop structures and this assists in digging below the surface- ie once a pattern has been identified as similar to a particular archetype, then the principles of that archetype can be applied to the system of interest. Anderson (1997: 130)

Systemic - All pervasive and interconnected. (Bawden, 1998: 15)

Technique – is a specific activity that has a clear and well-defined purpose within the context of a methodology. Example, undertaking statistical analysis, producing root definitions in conceptual models in SSM. (Mingers.J and Brocklersby.J. (1997) *Multimethodology: Towards a framework for critical pluralism*. In *The theory and practice of combining management science methodology*. J.Mingers and A.Gill. Wiley and Chichester. Page 104)

Values - What we prize and treat as important, and underlie and shape our choices. (Prozesky, 2002). Values may be good and bad and are for example, love, competence, integrity, honesty, truthful, freedom, responsibility, compassion, respect, justice, etc.

Vision - The mission of the organisation and to clarify desired values and valued outcomes and conditions. (Cummings, 2001: 676). 'The vision provides the purpose and direction for cultural change and serves as a yardstick for defining the firm's existing culture and for deciding whether proposed changes are consistent with core values of the organisation... thus a statement of corporate purpose.' (Cummings, 2001: 509)

Abbreviations

SSM - Soft Systems Methodology

CSH - Critical Systems Heuristics

VSM - Viable System Method.

MD – Managing Director

POGL – P & O Grindrod Logistics (Pty) Ltd

APPENDIX 1

Brief summary of my learning in relation to POGL

The following is a brief summary of the research and emergent learning and issues noted over the two-year period. Each module relates to a different aspect of organisational understanding and research, using different tools and techniques, all related to leadership and a systemic understanding of organisational dynamics.

Module 1: Systemic learning and participatory research.

Research topic: To identify the cause of processing delays at month end for financial and operational users.

Research method: Systems theories were used to define the problem and identify a solution. A metaphor was used to re-frame the problem and brainwriting 6-3-5 to gather information from a representative sample of stakeholders. The results were then analysed using affinity diagrams and interrelationship digraph. The SCQARE framework (Ryan, 1995) was used as an approach to conceptualise and make sense of the issues involved. This methodology was complemented with Handy's Theory (Handy.C 1989) of question, theory, test and reflection in a cyclical double loop learning process - an attempt to engage the stakeholders to take ownership of a problem situation in which they have a vested interest in solving.

Emergent issues: The research method required teamwork, cooperation and **communication** to reach a satisfactory conclusion. This was difficult to achieve, mainly as a result of most of the users of the systems were in remote branches and thus the process was done via e-mails. Commitment to the project by all involved was difficult to achieve. The process of involvement by all in an attempt to quantify and resolve issues, was a concept new to the staff. Explanations were required as to the need to involve people in quantifying boundary judgements and systemic understanding of issues to facilitate problem solving. A small percentage of staff involved themselves and were eager to learn and gain knowledge. Many, even with the aid of a graphical metaphor, were not motivated to be actively part of the learning process.

Conclusion: No satisfactory conclusion was reached and additional close monitoring of the network was suggested. Budgetary constraints did not allow the installation of network probes, which the engineers were of the opinion would add value to the resolution of the issue under investigation. The issue analysed in this module was

developed further in module 2 and gave some insight into the soft issues affecting teamwork, cooperation and communication, which were noted above.

Module 2: Systems theories and practices.

Research topic: Develop an intervention so as to improve a problem situation - locate the project within a system. The problem situation is a further development of the processing delays over the Wide Area Network (WAN) as discussed in module 1.

Research method: The problem was reframed using boundary judgements and critical heuristics 'giving people a new understanding in competence in matters of social change' (Ulrich, 1996: 6) to ensure a holistic approach to the issue and gain some understanding of the emergent issues noted in module 1.

Emergent issues: Staff morale has been affected as a result of retrenchments in an attempt to reduce costs as an apparent solution to the low profitability. This approach by the Management has also had a negative impact on productivity and consequently teamwork and **communication** (amongst others) has been negatively affected. A more systemic and inclusive approach by the Management where all staff could participate in attempting to find solutions to business issues, would most likely result in buy-in and support from all stakeholders. The non-participative process has a negative impact on the organisational culture and is limiting the sharing of knowledge and personal and organisational growth.

Conclusion: Although the issue under analysis was of an information technology (IT) nature, the systemic and holistic approach revealed issues of concern, which affected the working environment of the people. Two issues were identified as key, one being a symptomatic issue ie the network speed and the other a fundamental issue, ie the business in a state of conflict and a leader having extreme difficulty dealing with the complexity of it. The leader, being in a knowledge-power position had a 'solution' that he was implementing and this did not allow open dialogue with other members of staff who were affected. Any attempt by other members of the management team to change this perception was not welcomed. The issue of fairness (Flood: 1999: 116) was not a consideration by management and the response to this by the staff was to minimise effort and input in their job functions. Thus a further possible reason for reduced profitability and an increase in claims due to negligence. This cycle is represented in the causal loop diagram at figure 1 above. It is clear that in this case if people are not able to be part of the solution and can add value and be valued, then they become part of the

problem. I presume that this is human nature - we like to be valued, to share and be part of a team.

The network speed issue was however inadvertently resolved by management taking a decision to replace the financial application with a new product on a new platform. The decision was taken not as a result of the speed issue of the users, but rather the fact that he was not familiar with the application and preferred the application used by a sister company. No requirement analysis or estimation of fit was undertaken in arriving at the decision.

Module 3: Leadership theories and practices.

Research topic: A review of project initiation and structure within the organisation and of contemporary thinking on leadership and the role of leadership in project and organisational context.

Research method: The first part of the question was a reflection on how projects are handled within the organisation, detailing the phases from initiation to implementation. A review of leadership styles and models followed this, starting from the 17th century mechanical process, through the leader as manager, action-centred leadership, autocratic / democratic continuum, situational leadership, theory X and theory Y and concluding with 're-thinking leadership' as discussed by April (2000).

Emergent issues: The current leadership styles discussed by April (2000) and Chatterjee embrace a systemic view in line with Senge's (1990) five disciplines and are close to the neurocybernetic metaphor or 'value system' view of Flood and Jackson, (1991: 10), save the omission of the social aspect in organisations. These views embrace active learning, self-enquiry, criticism, goal seeking, encourages creativity and able to deal with and embrace uncertainty. This leadership style was not present in POGL, but rather an autocratic style.

This was followed by a brief analysis of the leadership style in Rainbow Chickens an organisation that was turned around from one of loss making to that of a profit. This was compared to the leadership style in POGL, which is presently attempting to achieve the same objective, namely turn a loss making organisation into a sustainable profit. The leadership style of Yannick Lakhnati at Rainbow was to include people and to continue to train and develop people in conjunction with improving efficiencies, marketing

effectiveness and consumer service - a holistic and multifaceted approach. This is in contrast to the POGL leadership style, which excludes all staff, is autocratic and will in all probability not achieve the intended outcome of a sustained and profitable organisation.

Thus issues noted were leadership quality, inability to deal effectively with people and change. The staff was unaware of a plan or strategy to achieve the sustained profitable change, and if there was one, it apparently did not require input from the staff. As a result, information flow and **communication** was minimal. Meetings where managers are brought together to debate issues and strategy were rare. The knowledge-power position is again noted. Trust, empowerment, self-worth, and integrity ie - value systems and ethical considerations were issues.

Conclusion: An organisation consists of people and as a result the development of people to add value to themselves (personal mastery) and to the organisation in the creation of a 'learning organisation' has a high chance of success. 'Leaders must take the role in developing, expressing and defending civility and values.' (de Pree, 1989: 22)

Module 4: Systems Dynamics

Research topic: Technical understanding of Stella modeling software.

Conclusion: As this developed a technical understanding of the Stella modeling tool, the assignment was not based on the organisation.

Module 5: Project management 1.

Research topic: A proposal to introduce a knowledge management (KM) system in the organisation, including indigenous knowledge considerations. The environmental factors that may influence the solution need to be researched.

Research method: Knowledge management as a tool to enhance and consolidate knowledge within the organisation was researched using the Internet to gain an understanding of the concept and what benefits (and possible pitfalls) this may have for the organisation. This was followed by a comprehensive project plan including objectives, costings, risk analysis and implementation plan. To assist in gathering data, a questionnaire was sent to all branches asking questions concerning the value of a KM system to the users and the organisation; possible constraints and solutions on introducing such as system; possible solution to these constraints and how the organisation could make use of indigenous knowledge.

Emergent issues: Leadership noted as autocratic. As this style appears to limit the flow of information, it would negatively affect a KM project. The leadership style appears to have created a culture of non-sharing, and the **communication** vehicle that has been developed is the 'grape vine.' An intervention, such as team building and culture change exercise for all the staff and a collaborative inquiry (Flood, 1999: 120) exercise for the Management in an attempt to problematise the knowledge-power ideology and create awareness of the unfairness of the situation, would assist the change process creating awareness and surfacing of the issues.

Leadership skills specifically as regards change management were seen as lacking, however, operational skills and experience were considered excellent. This was specifically from the point of view of diversity of people in the organisation with many years of service, different ethnic backgrounds and the fact that the MD coming from the UK would have much to offer. His style however, was to 'demand ' processes be changed to operate his way, rather than debate the merits or demerits and find a solution that has value for the organisation and the clients. First world methods may not always be the solution for operations in South Africa, and to think otherwise is rather short sighted. Thus a change of mindset with a participatory style leadership would facilitate a KM and Indigenous KM system and reap benefits for the organisation in terms of personal and organisational learning. Personal mastery and a systemic understanding of different cultures and organisational issues and problem solving are likely to be enhanced.

Any project needs commitment. Due to the profitability issue, a KM project at this point in time would not get the commitment required to proceed, but was seen as having merit once this obstacle had been overcome. Resources are thus also limited, however, an improvement in external factors such as the Rand and an improved economy is sure to see a turn-around in this business.

Staff retrenchments continue to have a negative effect on morale. People are under pressure as job functions are extended and more mistakes are made. The cycle as in figure 1 above is noted. This also adversely affects customer service, by delivering a service not of the required standard.

The Management would appear to have a plan or vision however, the staff appears not to be part of the solution, and thus strategy and goals do not exist. This limits team building and information flow as the staff is not working together for a common goal.

The value system of trust, honesty and integrity appears to have been negatively affected by the leadership style. Staff does not have trust in the leaders, which is serious and will affect the growth and performance of the organisation. The leaders are seen to be emotionally unintelligent.

The organisation structure was seen as hierarchical with information (or commands) only flowing downwards and feedback or information flow upward as not appreciated. This would require an intervention to enable a KM system to be successful, as it inhibits effective communication.

Little staff training has taken place. Skill enhancement and succession planning would enhance morale and allow the staff to see a future for them in the organisation and add value to a KM system.

Conclusion: The challenge was seen, as a change that would have the objective of creating a learning organisation. This would be highly complex and would require a significant change from the point of view of Management, specifically as regards their leadership style and secondly, the way they perceive and work with people. Real commitment would be required from all staff to support an intervention that changes cultures and mental models of people. A change in organisational life is required to enable a generative learning (Flood, 1999: 94) process to take place. This is further discussed in the prismatic view (Flood, 1999) in chapter 2.

Module 6: Project Management 2.

Research topic: Project risk analysis, resource leveling, project program and budget. This as applied to the Knowledge Management proposal in Project Management 1.

Research method: An in depth risk analysis broken into two broad categories - namely general risk and specific risk. General risks covered business, user, technological, and project management considerations, training, documentation and support. The specific

risk was that risk specific to the project. In respect of each risk, the consequence, rating, abatement plans resource, cost, schedule and technical evaluation was performed.

A template was designed and a sample of staff from administration and operations was interviewed and requested to brainstorm probable risk and cost related issues.

A risk probability / impact matrix was used to analyse risk and an application known as Project Risk Analysis version 2.1 from Katmar Software 2001.

Emergent issues: Commitment from staff and management to ensure a successful project was noted as an issue. The leadership style that does not promote participation and sharing of ideas would make the success of a project specifically aimed at this difficult to attain without the changes as indicated in Project Management 1 above. Without commitment, the specification of an application could be flawed, thus the process from design through planning and implementation would have limited success. Unless the users have bought into the process and have been part of the process of adding value to the application, they will not use it, and project failure would be the end result.

New technology always means change, which would need to be properly managed. People could see technology as a threat, as there is the apparent risk that technology replaces people. Again a reason for buy in.

Not all staff are literate. A need assessment is required to identify training needs, which may also be life skills, team building, literacy plus specific skills for the job. This has a negative effect on **communication** and would require innovative ways to overcome this in a KM project.

Pressure on staff as a result of retrenchments would make it difficult to cope with additional complexities. However, a KM system, once installed would probably improve efficiencies, as the purpose of this is to make knowledge accessible and avoid duplication of processes.

The changed culture of non-sharing of information and lack of communication requires an intervention prior to the introduction of a KM system. When talking change it is 'critical

to engage the commitment of employees in the context of shared values and vision'. (April, 2000: 46). Staff need to share a value system that they can identify with, where there is trust between management and staff. This will improve the viability of a KM project and the sustainability of the organisation.

Conclusion: Comprehensive risk considerations are critical to the success of a project. One needs also to consider the soft issues of an organisation as having a bearing on the viability or sustainability of the organisation. Thus aside from the project and associated risks, leadership style, organisation culture, vision and value systems could adversely affect not only the project success, but also the profitability of the organisation. An intervention in this area may be proposed prior to the project proceeding.

Module 7: Scenario based strategy planning

Research topic: Provide a scenario plan and business model for the Group IT department.

Research method: A method facilitated by Louis van der Merwe formerly of Escom and now President of the Centre for Innovative Leadership in the Netherlands, which proposes developing a business model, then placing this model into possible future scenarios, and to see how the business behaves in those futures. Each scenario presents different operating conditions - test the business strategy and decisions for robustness - to see what risks and opportunities are presented. The objective is not to predict the future, but to enable better decision-making and to be prepared should one of the futures pan out. Thus leaders need to think the unthinkable and test assumptions about the future. As tools, interviews are used to gather information. The information is analysed and an impact / predictability digraph is used. Scenarios are presented using metaphors. A systemic approach is used, which looks at the business unit (the Group IT department) within the organisation, then within South Africa, the economy, then globally.

Emergent issues: As this assignment was based on the Group IT department, the issues were of that department and not relevant to POGL.

Conclusion: Scenario planning has complemented what the previous modules have alluded to and that is that self and corporate learning is critical to the future success of oneself and the organisation. Tools that enable future planning based on systemic understanding of local and global issues that are likely to influence the unknown will

concretise the dynamics of the scenarios. Scenarios based on mental models are now *relevant, challenging and plausible*.

Module 8: Action Research

Research topic: A learning exercise in management and leadership based on the POGL partnership.

Research method: Action research is defined as 'a form of self-reflective enquiry undertaken by participants in a social situations in order to improve the rationality & justice of (a) their own social or educational practices, (b) their understanding of those practices, & (c) the situation in which these practices are carried out. It is most rationally empowering when undertaken by individuals & sometimes in collaboration with outsiders.' (Kemmis 1983) It is a double loop learning cycle of planning, acting, observing, reflecting and problematising issues and adapting the process to fit the needs of the particular situation but also ensuring sense making of the situation under research. To facilitate information gathering, the process started with a set of questions concerning the organisation concerning peoples feelings of the change over the last two years, and what actions or policies benefited or did not benefit the people and the organisation. From this formal questionnaires were developed covering the areas indicated below.

Emergent issues: This assignment was based on a number of surveys covering management and leadership, staff empowerment, decision making and control, morale, participation and involvement, communication and feedback, creativity and innovation, reward and recognition, organisational structure, emotional strength, ethics, culture, team leadership and very briefly our clients perceptions of our service. To ensure sustainability of an organisation, people need to be part of the solution. Many people have skills that have been untapped and skills have been lost through retrenchments. People have however, due to the prevailing management style, been excluded from participation and sharing in problem resolution or in any way adding value to the organisation or individual learning.

The results of the surveys revealed that the staff morale was very low. Decision making and control was removed from the level at which these types of decisions are most efficiently made and **communication** was virtually non-existent, other than the 'grape vine' where stories were heard from various sources. The staff felt unrewarded and

unrecognized, in most instances. Moral values, ethics and team leadership also scored very low. It is interesting to note though that the score for the individuals' emotional intelligence – ie their abilities to deal with their own emotions and the people around them – was high.

Conclusion: This assignment has to a large extent concentrated on people issues, with proposed interventions being the creation of a learning organisation, where people are encouraged to develop and be part of a change process that leads to an engaged and innovative organisation. If people are creatively involved in finding solutions together, then profitability has a chance of being the end result.

Module 9: Sustainable development

Research topic: Perform an environmental management audit on the organisation.

Research method: An audit questionnaire was developed for the organisation covering sustainable living and development issues, the key principles being:

- Respect and care for people and community life
- Improvement of quality of life
- Conserve resources
- Minimise depletion of non-renewable resources
- Change in personal attitudes and practices
- Enable communities to care for environment
- A global awareness of sustainability issues.

The questions covered the three components of sustainable development, namely, economic, ecological and community development.

Emergent issues: Large number of retrenchments without consideration of:

- the impact on the people involved - ie little chance of finding another job, families to feed, etc
- the larger effect on the economy - unemployed people, social grants, crime etc.
- the long term implication for the organisation - need to reemploy when economic upturn
- the immediate loss of knowledge - people retrenched based on last in first out, rather than retaining the best people in terms of knowledge, work effort, skills, etc.
- the cost to retrain new staff when needed in the future.

- the cost invested in people in the past - salaries and training
- the loss of trust in management with the remaining staff
- the negative impact on productivity as a result of low staff morale and the additional tasks that people now have to perform.

The employment equity (EE) progress is very slow and no apparent commitment from management. Meetings take place but the EE committee has no mandate to act on issues. Requests for comment by management on issues or irregularities go unanswered. The staff sees the committee as a token gesture only and not in the interests of employment equity.

The organisation has no apparent vision or goal in respect of sustainability and environmental issues are very low on management agenda. Ecological or social upliftment policies are not a consideration. People development does not take place. Learning from each other is also limited due mainly to the low morale and emergent culture of non-sharing and caring, especially the staff perspective of management.

People are not encouraged to be involved in the organisation and participation is limited to a small select management team. The staff does not trust the management to do the right things. **Communication** at all levels is lacking and in particular from management. People do not feel part of the organisation - real and effective teams are not evident.

Conclusion: In tough economic times, the goal is to reduce costs and the future implication of these actions is rarely considered. However, the environment is a serious issue - the bottom line is continued survival of life on earth. People are an integral part of the environment, their well being and future existence hinges on how organisations and governments handle environmental issues now. Environmental reporting (triple bottom line approach) and auditing is emerging as a future requirement for organisations - those that start the change process early will start reaping the benefits of for example lower taxes for adhering to environmental sustainable principles.

This organisation requires a change of mindset (mental model) to enable participation by all staff to solve the immediate issues of profitability and start planning for a sustainable organisation that can add value to the economy, the ecology and the community. It is suggested that the systemic approach in developing a learning organisation, although

long term in implementation, has all the qualities to ensure sustainability. The five principles of the learning organisation, namely, systems thinking, mental models, personal mastery, shared vision and team building will be demonstrated in this paper as having merit in this regard.

Module 10: Project evaluation.

Research topic: Evaluate the installation of the Impact Financial Accounting System recently installed in the organisation. The evaluation considers the process from conceptualisation, through planning, implementation and final delivery, plus quality criteria at each stage. Performance criteria and user expectations are also considered.

Research method: The method used was a two pronged approach. The first was a data gathering exercise based on:

- minutes from meetings
- an evaluation questionnaire sent to all users
- e-mails and telephone calls with users and consultants
- consultant interviews
- formal training sessions
- user practice in test environment
- discussion with other organisations that use the product

and the evaluation criteria were:

- knowledge and skills learned by trainees
- attitudes and ideas formed by the trainees
- the consultants knowledge of Impact
- the application fit to business
- stakeholder communication
- timing and scheduling issues / problems
- the objectives of the project met
- the management of the project.

The second approach was a reflection on the project from my (the project manager's) point of view describing my own needs in terms of project evaluation and whether or not personal learning requirements had been met.

Emergent issues: It was noted by the users that this application was a downgrade from what we had, but was warranted in terms of running cost, upgrade cost, path and platform in respect of the previous product and the decline in number of users. The product growth in terms of number of users will in the future be able to support our needs. Thus overall impressions were satisfactory, with specific issues relating to an asset system that did not fit our needs, but a work around was developed.

User testing was noted as insufficient. The reason noted by users was that as a result of staff retrenchments, there was insufficient staff to perform existing tasks, without the added complexity of learning and testing a new product. A further issue noted and not initially understood by the users was the additional complexity of the processes of the application compared to the previous application which had highly integrated processes, and thus little user involvement was previously necessary. From my point of view, the low staff morale as noted in modules above, compounded by low organisation communication, little team building, and lack of inclusion by management of the staff in organisational issues, low management trust, negatively impacted the user effort in learning, understanding and testing the new application. After all, the user views were not asked for when a new application was under consideration.

Conclusion: Overall a successful implementation, but notable soft issues regarding teambuilding, management trust, staff morale etc and on the application side, the asset module does not fit adequately. This report was sent to suppliers of the product, which should be of benefit in considering changes that could add value to the application.

Module 11: Organisational development.

Research topic: Perform an organisational development diagnosis on the organisation, draw conclusions and make recommendations.

Research method: The method was to follow a process of data collection, diagnosis, action planning, intervention and evaluation aimed at understanding organisation structures, processes, strategy, people and culture. A large amount of the required data had been collected in surveys in the action research assignment, and was further developed in this assignment based on discussion with staff and management. This was compared to value driven organisations that had achieved growth through an organisational structure and strategy that included people at all levels in a participative process. It should be noted that organisations that do not practice value systems or

participative styles also succeed; however, based on systems theories (Senge, 1990) that a participative style leads to sustainability.

Emergent issues: Staff empowerment, team building, **communication**, morale, and productivity were noted as issues limiting organisational growth and development. An intervention is required to limit the negative impact that this has on the organisation, by for example, enabling a communications mechanism and team building exercise that facilitates the inclusion of all staff in a participatory management process.

The people interviewed verbally or by means of questionnaires (executive, general management, operations and administration) were not aware of an organisational strategy or formal vision statement. A suggested intervention would be for all management, executive and staff to participate in an initiative to develop a strategy derived from shared values, construct a vision statement and goals to achieve the vision.

A further issue noted was that the organisational structure ie functions and forms of coordination, communication and control were not clear. People were not clear as to whom they reported to in the hierarchy. This caused confusion and made effective communication difficult. A proposal would be to design a structure that moves away from functional self-contained units (branches) to a more flexible 'flatter' form that promotes participation and coordinated task completion. The exact nature of this would require debate by all parties concerned and possibly a facilitator with experience in the field of organisational development.

Culture and value system was again noted as an issue and was seen as a contributing factor (amongst others) in the low level of communication.

Conclusions: Dealing with people and organisational change, compounded with the need to turn an organisation from a loss making position to that of a profit, is a complex and daunting task. This requires skills not normally present in management and leadership - skills that can build relationships, promote team work and enables people to participate and actively innovate and share personal and organisational learning. The proposal of a holistic approach starting from values systems, collectively deciding on a vision statement and goals to achieve the vision, followed by a strategy and plan. This process in conjunction with developing and training the people with skills that enables personal and organisational growth, plus an intervention to build teams, promote

communication and create a culture of caring and sharing. This is a long-term plan, but if acceptable to all staff and management, should be the direction to proceed.

Module 12: Ethics

Research topic: Present a learning journal where ethical issues in the work environment and society are recorded, explored, interpreted and evaluated.

Research method: An ethical survey was done as part of the action research assignment. This was reflectively revisited in the learning journal. Ethical issues in the news were debated including Enron, Worldcom and others. These were considered in the light of the King report on corporate governance and ethical issues noted within POGL. An ethical newsletter was subscribed to, namely 'Business Ethics Direct' available at www.ethicssa.org.

Emergent issues: Core values such as honesty, fairness, responsibility, respect and compassion was noted in previous assignments as being issues. Similar issues have recently emerged with devastating consequences in major organisations throughout the western economy. Leaders have emerged with low moral and ethical values resulting in the monetary values of organisations plummeting. It would appear that leadership styles that restrict participation allows abnormal control which leaves the way open for personal gain at the expense of others - fairness and compassion for others is overridden by personal greed. These leadership styles limit information flow and **communication** as this inhibits the control aspect of this style of leadership.

Conclusion: Ethics and moral values, helpfulness and honesty empower other's creativity and helps people to be the best that they can be. It leads to satisfaction and enjoyment, evokes enthusiasm, energy and cooperation. People treated with respect respond positively, and productivity improves, as people are part of the solution. Leaders that promote these values have everything to win and nothing to lose.

Module 13: Corporate citizenship.

Research topic: Present a rationale for a corporate citizenship strategy and set of recommendations for POGL.

Research method: Soft Systems Methodology was used to analyse the client operation. Ideas were then brain stormed and discussed in terms of the industry in general and the company specifically. Causal loop diagrams were used to present themes. Practical

organisational involvement in corporate citizenship projects was reviewed noting benefits for the organisation and the community.

Emergent issues: Organisations are being seen as having more than just a responsibility to shareholders, but also a social responsibility to the community in which they operate. It is also noted that the systemic implication of this is an improved organisation and an improved community. If people from the organisation plus funding is used to assist for example in a school upgrading program, the school will be in a position to provide more capable and competent staff to serve the future needs of the organisation. Corporate social responsibility is seen to enhance the image of the organisation in the eyes of its customers and has a positive influence on the people internally. The organisation is seen to be caring - socially, environmentally and economically.

This concept however, is very new and as a result not considered by POGL. Critical issues in corporate citizenship have been noted in earlier modules and include corporate governance, human rights in the workplace, economic, social and ecological awareness and upliftment programs, fair trade and ethical business considerations.

The following organisational issues emerged from the rich pictures, which would restrict the effectiveness of a corporate social responsibility role in the organisation:

Low staff morale, high insurance claims, low customer satisfaction, autocratic leadership style, **communication** within and outside the organisation restricted, the staff are unaware of a vision or strategy for the company, poor ethical standards, poor sustainability principles, etc.

Conclusion: It is suggested that corporate citizenship be integrated into the core business activities and become part of the growth of the organisation. A business case can be built for this and would be enhanced by an intervention designed also to change the culture and promote participation and communication within the organisation. This process aligned to staff skill enhancement and the employment equity process will add value to a holistic intervention process.

The conclusion here is the same as reached in the other modules, namely the creation of a learning organisation has merit in ensuring a sustainable organisation, as the five

disciplines of the learning organisation comprehensively covers all the issues noted in the modules above.

APPENDIX 2.1

How empowered is your organisation?

(With acknowledgement to Denise Hill & Associates. Melden@global.co.za)

The purpose of this questionnaire is for you to gauge how Empowered you are in this Organisation. Your answers are confidential and no respondent’s names will be recorded. The answers will be used to assist me in my Action Research Assignment toward my M.Com degree.

Checklist

- Use the checklist on the following pages to assess the level of empowerment in your organisation
- Consider each statement and circle the score which best reflects the degree to which you agree each statement is true for your own work group.
- Rate your agreement with each statement using the following scale:

1	2	3	4	5
Not at all	To a small extent	To a moderate extent	To a great extent	To a very great extent

- When you have completed the checklist total your score.

MORALE					
People are enthusiastic about their work	5	4	3	2	1
People have a positive attitude toward the organisation	5	4	3	2	1
People feel their input is vital to the success of the organisation	5	4	3	2	1
People feel they are treated with respect	5	4	3	2	1
People are able to manage the pressure of the job	5	4	3	2	1

Total:

DECISION MAKING & CONTROL					
People have the authority to make decisions regarding their job	5	4	3	2	1
People have the authority to solve customer problems as they see fit.	5	4	3	2	1
People take personal responsibility for the results of their work and learn from their mistakes.	5	4	3	2	1
People believe the organisation is making best use of their talents.	5	4	3	2	1
The majority of decisions affecting the customers are made at a local level ie by you or your team.	5	4	3	2	1

Total:

PARTICIPATION & INVOLVEMENT					
People feel able to express their honest opinions	5	4	3	2	1
People believe they can enhance the content of their work and are free to innovate.	5	4	3	2	1
People get the resources they need to do their jobs	5	4	3	2	1
People are involved in decisions	5	4	3	2	1
People are consulted on a regular basis	5	4	3	2	1

Total:

CO-OPERATION, TEAM WORK & SUPPORT					
People work well together	5	4	3	2	1
There is good co-operation between work groups	5	4	3	2	1
People are prepared to help each other out	5	4	3	2	1
Problems are shared and solved jointly	5	4	3	2	1
People care about each other	5	4	3	2	1

Total:

COMMUNICATION & FEEDBACK					
People are clear about what is expected of them	5	4	3	2	1
People share a joint vision of the future of the organisation	5	4	3	2	1
People are kept informed about what is happening in the organisation	5	4	3	2	1
People throughout the organisation actively seek and act on others suggestions	5	4	3	2	1
Communication is upward as well as downward	5	4	3	2	1

Total:

CREATIVITY & INNOVATION					
People take initiatives in their own jobs	5	4	3	2	1
People challenge the way things are done	5	4	3	2	1
People are encouraged to strive for continuous improvement	5	4	3	2	1
The organisation invests in the development of innovative ideas	5	4	3	2	1
People are encouraged to be entrepreneurial and to take risks	5	4	3	2	1

Total:

THE ROLE OF MANAGERS IN THE ORGANISATION					
People see their manager as an enabler rather than a controller of their work	5	4	3	2	1
Managers encourage learning and self-development in their subordinates.	5	4	3	2	1
Managers delegate authority and responsibility	5	4	3	2	1
Managers share information with their subordinates	5	4	3	2	1
Managers provide positive role models for their subordinates	5	4	3	2	1

Total:

CUSTOMER SATISFACTION					
It is clear to everyone who the customer is	5	4	3	2	1
People have a good understanding of the needs of the marketplace	5	4	3	2	1
Customer satisfaction is an important part of the organisation's performance review	5	4	3	2	1
This organisation actively attempts to add value to the customer	5	4	3	2	1
Customer satisfaction is seen as everyone's responsibility	5	4	3	2	1

Total:

REWARD & RECOGNITION					
People feel they are rewarded fairly for the quality of their work	5	4	3	2	1
People are given recognition as a result of their efforts rather than their position	5	4	3	2	1
There is more praise than criticism given throughout the organisation and we learn from our mistakes	5	4	3	2	1
The organisation expects the best from people	5	4	3	2	1
People are treated fairly and are seen as part of the solution to a successful organisation	5	4	3	2	1

Total:

ORGANISATIONAL STRUCTURE					
People believe that the way the organisation is structured helps them to be effective in their jobs	5	4	3	2	1
People believe they are part of a team	5	4	3	2	1
People perceive change as critical to the development of the organisation	5	4	3	2	1
People believe the systems and procedures are adequate	5	4	3	2	1
There are opportunities for career development throughout the organisation	5	4	3	2	1

Total:

Total Score

Understanding your scores:

- Write down the scores for each section of the empowerment checklist that you have just completed in the table below
- Rank the scores for each section on a scale of 1 to 10, where 1 = your highest score and 10 = your lowest score.
- Compare your scores with those of your fellow team members to arrive at a team average.
- Finally, agree the areas most in need of improvement in your organisation / department.

Empowerment score results:

Maximum score	Team average	%	Rank
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Morale	25	7	28	4
Decision making & control	25	9	36	2
Participation & development	25	6	24	5
Co-operation, teamwork & support	25	10	40	1
Communication & feedback	25	7	28	4
Creativity & innovation	25	7	28	4
The role of managers in the organisation	25	8	32	3
Customer satisfaction	25	8	32	3
Reward & recognition	25	6	24	5
Organisational structure	25	7	28	4
Total score:	250	73	29	

How to interpret your Total Score:

200 - 250	Your organisation gives its employees a high degree of autonomy and empowerment is encouraged.
150 - 199	Your organisation demonstrates many of the aspects of an empowered organisation.
100 - 149	Your organisation has made only moderate progress in creating an empowering environment.
25 - 99	Your organisation has considerable work to do to engender empowerment in its employees

The questionnaire allowed the respondents to gauge the level of empowerment they had in the organisation. A maximum score for each section is 25 and a minimum is 5. Very low scores were achieved in each section with a total score of 73 which indicates '**your organisation has considerable work to do to engender empowerment in its employees**'.

Sample

The questionnaire was sent to a cross sectional staff of Middle Management, Administrative and Supervisory level staff. A sample of 54 of a staff compliment of 289 - ie 18%. A 70% response was received.

APPENDIX 2.2

How's my emotional strength at this organisation?

(With acknowledgement to Loretta Outram van Schalkwyk of Olive ODT.)

The purpose of this questionnaire is for you to gauge your Emotional Intelligence in this Organisation. Your answers are confidential and no respondent's names will be recorded. The answers will be used to assist me in my Action Research Assignment toward my M.Com degree.

Emotional Intelligence (EI) - is the ability to work with others & effectiveness in leading change. The components are self-awareness, self-regulation, motivation, empathy and social skills. (Daniel Goleman, 1996)

On a scale of 1(lowest) to 5 (highest), fill in your responses to the following questions:

←Lowest Highest→

SELF-AWARENESS					
1. My ability to accurately read & understand the impact of my emotions on work performance?	1	2	3	4	5
2. My ability to accurately read and understand the impact of my emotions on work place relationships?	1	2	3	4	5
3. My ability to realistically evaluate areas of improvement, learning from experience and demonstrating a positive sense of self worth?	1	2	3	4	5
SELF REGULATION					
4. My level of self control and trustworthiness (demonstrated through a consistent display of honesty and taking responsibility for personal performance)?	1	2	3	4	5
5. My ability to take educated risks?	1	2	3	4	5
MOTIVATION					
6. My ability to realistically set goals for my work?	1	2	3	4	5
6.1 And for myself?	1	2	3	4	5
7. My ability to identify with the goals of the organisation and to give commitment to innovation?	1	2	3	4	5
8. My ability to adapt to agreed change?	1	2	3	4	5

SOCIAL & CULTURAL AWARENESS					
9. My ability to accurately read and interpret with sensitivity issues of diversity ie cultural / social groups in SA etc?	1	2	3	4	5
10. My ability to deal honestly with issues of diversity?	1	2	3	4	5
11. My ability to realistically read and interpret a group's political and social currents?	1	2	3	4	5
12. My ability to confront and deal honestly with a group's political and social currents?	1	2	3	4	5

SOCIAL SKILLS					
13. My ability to inspire and mobilize others to:					
13.1 Effectively complete a task to deadline?	1	2	3	4	5
13.2 Act with accountability and responsibility?	1	2	3	4	5
14. My ability to build strategic alliances within the organisation?	1	2	3	4	5
15. My ability to give clear and convincing messages?	1	2	3	4	5
16. My ability to surface and to deal with conflict?	1	2	3	4	5
17. My ability to give and receive constructive feedback?	1	2	3	4	5
18. My ability to lead others with guidance?	1	2	3	4	5

Results of emotional strength survey:

This survey required the respondents to gauge their own level of Emotional Intelligence (EI) and then get feed back from their staff.

		Possible score	Average score	%
1	<u>Self – awareness</u>	15	10.6	71
2	<u>Self regulation</u>	10	7.6	76
3	<u>Motivation</u>	20	14	70
4	<u>Social & Cultural awareness</u>	20	12.6	63
5	<u>Social Skills</u>	35	26	74

I had expected high scores (although not this high) in this area as the teams within the organisation apparently operated as a unit, with communication flows, team spirit and a sense of accomplishment. This I thought was unusual, as the perception from staff was that the executive team did not function as a unit and was evidenced by the survey above entitled 'does your enterprise have a real and effective team.'

As the MD and GM did not respond to this survey, I do not have the results of how they saw themselves in respect of the five categories of EI.

Sample size

The questionnaire was sent to a cross sectional staff of Middle Management, administrative, operational, supervisory level staff and the MD, GM, Financial Director and Marketing Manager. A sample of 68 of a staff compliment of 289 - ie 23.5%. A 62% response was received.

APPENDIX 2.3

Does your enterprise have a real and effective team at the top?

<http://ei.haygroup.com/resources/topteams/default.asp>

The purpose of this questionnaire is for you to gauge the Effectiveness of the leadership Team in this Organisation. Your answers are confidential and no respondent's names will be recorded. The answers will be used to assist me in my Action Research Assignment toward my M.Com degree.

Step 1. Please Read the Instructions.

The following 15 statements relate to an organization's leadership team.
How strongly do you agree or disagree with each statement as it applies to the top leadership team in *your* organization?
Rate each statement on a scale of 1 (strongly disagree) to 6 (strongly agree).

Step 2. Complete the Survey.

	← Disagree			Agree →		
1. Our leadership team provides effective leadership for the organization.	1	2	3	4	5	6
2. The leadership team focuses cohesively, is motivational & directional.	1	2	3	4	5	6
3. At least one person on our top team will do the right thing, no matter what	1	2	3	4	5	6
4. There are highly effective information systems to support our team.	1	2	3	4	5	6
5. Our team gets better at its job year after year.	1	2	3	4	5	6
6. Each member of our team contributes to achieving a shared team goal.	1	2	3	4	5	6
7. Team members depend heavily on each another in striving for the team goal.	1	2	3	4	5	6
8. Top team members act consistently with what they say.	1	2	3	4	5	6

9. Our team has the resources (motivated staff, equipment, finances) it needs to do its job well.	1	2	3	4	5	6
10. The team is dedicated to learning continuously and sharing new things.	1	2	3	4	5	6
11. The team has goals that are distinct from the day-to-day operation of the business. The goals and strategy are known & supported by the staff.	1	2	3	4	5	6
12. Standards or "norms" of behavior help the team to take constructive, coordinated action. Ethical behavior is entrenched in the team.	1	2	3	4	5	6
13. Top team members work well together and are mutually supportive. Team work flows down through the organisation.	1	2	3	4	5	6
14. Team members are rewarded for team performance as well as for personal achievement. Reward and performance flows down through the organisation.	1	2	3	4	5	6
15. Team members have ready access to the consultants or coaches they need to ensure continued learning and dynamic team development.	1	2	3	4	5	6

Sample size

The questionnaire was sent to a cross sectional staff of Middle Management, administrative and supervisory level staff. A sample size of 54 of a staff compliment of 289 - ie 22.5%. A 58% response was received.

Results of the effective team questionnaire:

Your top team conditions: →	Attention!	Opportunity	Strength
Critical success factors: ↓	Your team needs help in this area	Further development would Improve your team	This is an asset of your top team

Direction		
Structure		
People		
Support		
Development		

The above diagram and the following commentary are from the online survey from the Hay Group.

Feedback on Your Top Team.

Based on your responses to the survey.

As the world becomes more complex and interdependent, so does executive leadership. Business leaders today cannot lead in isolation, but instead must tap into the collective knowledge and expertise of their colleagues.

Therefore, real teamwork at top levels of the organization is a fundamental requirement for competing successfully in the 21st century.

During the past year, the Hay Group and Dr. Richard Hackman of Harvard University have jointly conducted research on what differentiates outstanding teams of top executives. The research identified five conditions under which executive teams do their work.

The quick survey you have just taken reflects your perceptions of the top team in your organization. It is no substitute for an in-depth developmental survey *within* your top team. However, your feedback report will give you a general sense of where your top team stands relative to the five conditions.

Conditions 1, 2 and 3: Primary Success Factors

To launch a high-performing leadership team--or to re-energize an existing one---a leader must focus on three conditions:

1. How clear, compelling and mutually shared is the team's *direction*?

Outstanding leadership teams have a crystal-clear sense of direction: they know exactly where they are going as a team, and why. This allows them to stay focused, not on day-to-day operations of the business, but on the real job of the top team: configuring strategy and resources. With this focus, they are able to keep moving forward despite changes in the company or the industry.

2. How well does the team's *structure* help it to perform effectively?

Outstanding leadership teams are structured to support the accomplishment of their *collective* task. A small group size for the team is a key aspect of structure. Even more important is having helpful norms or standards of behavior. Norm clarity allows the team to focus cohesively on their shared task rather than on the conflicts that inevitably occur among individual viewpoints.

3. How effective are the *people* in their role as team members?

Leaders of outstanding teams select members who will enable the team to function at its peak: not necessarily the smartest individuals, but those who will strengthen and improve the team. Then the key is to keep them engaged by involving them fully in the mutually supportive work of the team. This also frees the team leader from the burden of being the best and the brightest.

Conditions 4 and 5: Ongoing Success Factors

Once the three primary success factors are in place, leaders of outstanding teams focus on two further conditions that enable the team to function well over time:

4. How well does the organization *support* the top team's collective job?

Outstanding leadership teams get more support from the organisation than typical teams. Systems are arranged to provide them with more "information" and less "data." Also, great teams are rewarded as a team, not just as individual executives: they are held jointly accountable for success. The leader plays a key role in determining what kind of support the team needs and where it can be found in the organisation.

5. How much *development* does the executive team receive as a group?

Finally, outstanding leadership teams receive organized developmental experiences. Access to coaches or consultants, when needed, allows teams to learn from their experiences and improve over time. They discuss how best to approach a problem or issue together and, once the impact of their decision or action is known, they debrief the lessons they have learned. The leader ensures that these discussions occur, creating a climate that supports *team* learning.

6. Summary

The survey confirms perceptions from staff in discussions and conversations that the leadership team is not functioning in a manner where clear goals and identifiable organisational direction is evident. Structures are uncertain, support and personal & organisational development is low on the agenda of the Executive team. These perceptions support the need to build leadership, develop staff and encourage all people to participate in a sustainable future.