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# THE NEED FOR WORKPLACE DEMOCRACY WITHIN THE CONTEXT OF SOUTH AFRICA'S DEVELOPING POLITICAL DEMOCRACY.

Presented by

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**ABSTRACT**

This research undertakes a theoretical investigation of concepts related to industrial democracy and examines the need for workplace democracy within South Africa's dynamic contemporary context. It looks at the history of labour relations in South Africa as well as current labour relations and new legalisation in order to identify relevant change that has occurred that may facilitate the realisation of a democratic working environment.

Labour relations in South Africa have always been conflictual, and currently, during South Africa's transition to democracy, they continue to pose many challenges. This dissertation examines these challenges and investigates ways and means of achieving successful and sustainable transformation within the workplace that reflects the broader ideals of an improved quality of life anticipated by a political democracy.

## **PREFACE**

The research described in this dissertation was carried out at the Centre for Industrial, Organisational and Labour Studies, at the University of Natal, Durban.

This dissertation represents the original work of the author and has not been submitted in any form to another university. Where use was made of the work of others, it has been duly acknowledged in the text.

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## **CHAPTER ONE**

### **INTRODUCTION**

#### **1.1 PURPOSE OF THE STUDY**

South Africa currently finds itself at an interesting, yet perplexing moment in history. Looking back one recalls the atrocities of apartheid, oppression and inhumane conditions of a society divided by race; at present there is talk of transformation, development, equality and racial harmony; and in considering the future one hopes that the injustices of the past can be overcome timeously in order for South Africa to heal its social, political and economic wounds and thereby offer future generations the opportunity to prosper. This research study reflects on the history of labour relations in South Africa in order to understand and locate the source of current inequalities. By highlighting these inequalities it becomes evident that within our current context of political democracy further effort is required within industry in order to ensure that the principles of democracy are upheld and adhered to and that industry gains awareness of its responsibility in addressing past inequalities and building South Africa's future.

Labour relations in South Africa have predominantly been conflictual due to ongoing tension based on opposing interests and the racialized system of industrial relations. The democratisation of South Africa's political arena alone is not sufficient to calm such conflict and channel it into a constructive force. Tangible results of this new found democracy, for example, in the form of improved material standards, are required in order for South Africans to acknowledge social, political and economic reform. It is evident that democratisation is demanded in all spheres of life in order to make the transition from apartheid to democracy a reality for all South Africans.

It is apparent that all spheres of life in South Africa are in need of democratisation. This becomes evident when considering the challenges presented to the government upon entering a new dispensation, including the need to address poverty, low economic growth,

unemployment and high inflation rates (Finnemore and van der Merwe). Workplace democracy, if intended as a means to providing a constructive medium through which conflict and resistance is to be managed, could be a vehicle through which South Africa's social and economic development may be addressed.

This research paper explores the concept of workplace democracy within the context of the transformation South Africa is undertaking in its development from apartheid to a political democracy. In so doing, this research sets out to explore the following issues. Firstly, to discuss various theoretical components of industrial democracy in order to develop a theoretical background and framework within which to place the analysis of the new government's initiatives. Secondly, to investigate theories of transformation in order to understand how South Africa may incorporate these initiatives in transforming labour relations. Thirdly, to explore the historical context of labour relations in South Africa in order to illustrate the inhumane, undemocratic, racist practices of the past that have created a void in current labour relations, thus indicating the need for a democratic initiative in the workplace. Fourthly, to discuss current initiatives to address past imbalances and unfair labour practices. And finally, to determine the extent to which the democratisation of the workplace aids and supports the broader ideals established by a political democracy.

Through exploring the above mentioned issues will allow this research will be in a position to test the hypothesis that in order for South Africa's political democracy to be considered legitimate by definition on both a local and on an international level, past discriminatory practices must be eliminated and the principles of democracy must be extended to and enjoyed by all employees at all levels of the workplace.

## **1.2 BACKGROUND TO THE STUDY**

South Africa's first democratic elections ushered a new political era which allowed South Africa to be considered a democracy by international standards for the first time. It is a disappointing realisation, however, that such a transition to democracy does not



immediately ensure equality and obliterate past injustices. In order for this to occur attention must be directly focused at deliberate steps toward change.

Such dramatic change to the socio-political system brings with it high expectations for a better quality of life within a fair and just system. The working environment in South Africa has always been an antagonistic environment where issues of race and class have violently clashed. Racial prejudices may be diminishing slowly, yet employees continue in their struggle against capital.

Workplace democracy is by no means a new concept considered within the South African context. Organised employees have been at the forefront of struggles for democracy in all spheres of life, including within the workplace. However, in the past, many attempts at workplace democracy, whether they may have been cosmetic or sincere, have achieved little success. It is necessary to identify where past attempts have fallen short in achieving their goal in order to suggest more efficient programmes that could be successfully implemented in contemporary South Africa.

Suspicion, and consequently resistance is the direct result of programmes formulated by management *for*, instead of *with* employees (Maller, 1991). In South Africa, employees had sufficient claim to be suspicious of managements' rationale for promoting programmes of change. The predominantly African workforce, in a country where racial tension has been rife, would undoubtedly question the intentions of predominantly white management, who in the past have enforced the unfair system of racial capitalism. Employees ought to be included in the democratisation process as their exclusion in either the planning or execution of workplace democracy renders the process undemocratic (Adams and Hansen, 1992). All too often management orchestrate programmes of change without consulting, negotiating, or communicating their intentions with employees.

A suggested means of confronting unfair practices and negative working relationships is through the introduction of workplace democracy. Workplace democracy forms one of the

components within the broader framework of industrial democracy. There are various theoretical debates surrounding the concepts of industrial democracy, participation and workplace democracy. Workplace democracy is defined within a continuum, where at one end it translates to "the government of employees by employees" (Bendix, 1993:129), and at the other end it is interpreted as employees' full participation in decision making and the accountability of management (Jones and Maree, 1989:5). Davies (1979:6) suggests that workplace democracy implies participation in an equal opportunity decision making process. Davies expands by emphasising the concept of "participatory democracy" which involves direct participation and is equated with the concept of the quality of working life. For Davies, participatory democracy increases the scope available to the employee for him or her to exercise his or her discretion whilst on the job. Ultimately this allows employees to assume higher degrees of autonomy and responsibility within the workplace. Examples of participatory democracy suggested by Davies include job rotation, job enlargement and job enrichment. These techniques are aimed at "countering the undesirable consequences of the extreme division of labour" (Davies, 1979:12). Both direct democracy, which can be used to improve the quality of working life, and indirect or representative democracy, demand equal consideration in the overall process of the democratisation of the workplace. Chapter four will expand on these ideas by developing a theoretical framework in which to place these concepts.

Another important distinction is drawn by Judy Maller (1991:10) who distinguishes between "task centred participation" and "power centred participation". Task centred participation involves management transferring a minimal, limited amount of power down the line to shopfloor employees without any structural power changes occurring within the organisation. Employees may participate in briefing groups, quality circles or autonomous working groups, for example, where the immediate working environment is controlled by employees. Power centred participation involves the empowerment of employees to the extent that they have power that is equated with managements' in terms of decision making. Examples of power centred participation are worker directors and collective bargaining.

Ginsburg and Webster (1995:2) argue that “South Africa’s democracy - if it is to be a democracy in more than just a name : must bring both material benefits and a better quality of life to all people of all classes, creeds and races”. Within the context of the workplace, democracy ought to translate in to the means by which a better quality of life as well as an opportunity to achieve material benefits can be attained.

South Africans have lived through decades of a political system slurred with racial bias which offered “democracy” to whites while denying political rights to others. Embarking on a political democracy through the 1994 elections saw a turning point in the governance of South Africa. A political democracy offers to its citizens a government that is derived from public opinion and is accountable to that opinion (Finer, 1970:65). For the first time in history all of South Africa’s citizens have had an opportunity to participate in the election of their leaders. This transformation brings with it expectations for change in all spheres of social and economic life.

### **1.3 STRUCTURE OF THE STUDY**

Chapter two will explore the theoretical components of industrial democracy and workplace democracy, as well as highlight the nature and impact of the capitalist labour process. In so doing the framework will be formed within which the current study may be conducted. These concepts will be defined and critically discussed in order to emphasise their role in creating, sustaining and succeeding with change in the South African working environment.

Chapter three will focus on theories of transformation in search of guidelines for implementing change successfully. This chapter will outline the notion of an interactionist approach to labour relations indicating the importance of involving all employees in all aspects of the organisation’s functioning. Included in this chapter will be an account of Peter Senge’s suggestions as to how organisations can transform their current, and often limited framework and become a learning organisation whereby day to day activities are influenced by the individual’s open-mindedness, encouraging employees to contribute their

individual inputs to the functioning of the organisation. Senge proposes the means for which organisations can learn to change and comfortably manage transformation issues.

Chapter four will outline the historical context of South African labour relations. In order to understand current dilemmas within labour relations it is important to understand where in the past these issues have developed. This chapter will deal with past labour legislation and their consequences. It will depict a legacy of unfair, biased prejudices within the workplace that served to manipulate and exploit black employees in the interest of capitalists. These earlier practices have resulted in a labour market that is currently divided along racial lines. A consequence of this is that a vast number of South Africans live in dire poverty as a direct result of institutionalised racial discrimination.

Chapter five will focus on contemporary South Africa and reflect on current labour relations emphasising both implemented and proposed transformation to labour legislation. This will highlight efforts to remove and compensate for unjust past practices. This chapter shall discuss contemporary challenges to labour relations, such as high unemployment rates and a deficit of highly skilled employees required for critical occupations. By highlighting these challenges the urgency for reform and recognition of the past become vital. Having acknowledged this, chapter <sup>five</sup> four shall define the theoretical parameters with which to deal with the above mentioned issues.

Chapter six will offer various concluding remarks specifically in linking various issues raised in previous chapters. It will illustrate how past experiences can be used as a learning tool when one considers the consequences of poor labour relations strategies. This chapter will explain the author's understanding of the role and function of workplace democracy within South Africa's political democracy drawing on lessons from past experiences and possibilities raised from contemporary interventions.

#### **1.4 CONCLUSION**

This research paper shall proceed to discuss the context in which current labour relations in South Africa is located. What will follow is a discussion of democratic theories in order to explain the relationship between the significant terms of political democracy, industrial democracy and workplace democracy, as well as to establish an understanding of the pressures that shape and govern the industrial context.

## **CHAPTER TWO**

### **DEMOCRATIC THEORIES**

#### **2.1 INTRODUCTION**

Since South Africa has embarked on a democracy, very little has been achieved in terms of empowering all South Africans, enabling them to fully participate in and enjoy their new found political status. In many instances one finds a significant degree of poverty, unemployment, illiteracy and apathy. In the workplace there is still a sense of disillusionment as the promises that were attached to the anticipation of democracy are yet to materialise. It is argued that if the new government is unable to deliver its electoral promises workers would resort to ongoing mass action until their demands have been met (Ginsburg and Webster, 1995:8). It is clear that democratisation is required within the workplace in order to address workers' expectations.

The concept of industrial democracy, however, needs to be placed within the context of the capitalist labour process, which to a large extent governs all working relationships (Buhlungu, 1994:6). The democratisation of the workplace seems to imply, in the broadest sense, that the principles of political democracy can be applied to industry. This ideal translates to the government of employees by employees (Bendix, 1993:129). However, it becomes apparent that capitalist social relations do not allow for such a blatant generalisation of this nature. This would suggest that the democratisation of the workplace rests within the confines of capitalism.

#### **2.2 THE CAPITALIST LABOUR PROCESS**

Capitalism as a social system ensures that the relationship between capital, represented by management, and employees are and will continue to remain unequal (Buhlungu, 1994:6). This inequality is the direct result of the means of production being owned and controlled by capitalists, thus leaving workers comparatively powerless in a social system that enforces their participation in order to sustain their livelihood (Cole, Cameron and

Edwards, 1991:180). Capitalism relies on combining workers' labour, skills and knowledge with capitalists' raw materials and technology (Martin, 1995:53).

Within this antagonistic relationship, however, Martin (1995:53) identifies a relationship of interdependence between management and workers as their collaboration is fundamental for the perpetuation of the capitalist social system. Workers, with no direct access to the means of production, are forced to labour for management, selling their skills and efforts in exchange for remuneration; and management, in order to transform the means of production into commodities, are dependant on the labour purchased from workers to attain this goal.

While management and workers form the links of an interdependent relationship, the scales are tilted more favourably towards management. Braverman (1974:56) indicates that workers produce goods that are of greater value to the remuneration that they receive in exchange for their labour. The surplus value created is retained by capitalists. In this instance workers are considered to be exploited by the capitalist labour process. The scales of power are thus tilted in favour of management who wield a greater degree of control and authority over the labour process. The process of deskilling and the fragmentation of tasks has further depleted workers' potential power as it has rendered workers interchangeable and easily replaceable (Martin, 1995:54, and Espinosa and Zimbalist, 1978:20). The division of labour ensures that workers are organised according to the needs of those who purchase labour rather than according to the individual worker's needs or demands (Braverman, 1974:82). Although workers have a degree of power through the threat of withholding their labour, Bendix (1996:256) argues that management have the upper hand as it is easier for management to withhold work from employees than it is for employees to withhold their labour, especially within the context of deskilled and fragmented tasks characteristic of the capitalist labour process.

Capitalism thus places constraint on the way in which the workplace is governed and arguably limits the scope for the democratisation of the workplace. Essentially democracy



and capitalism are uncomplimentary systems. Democracy promotes the exercise of liberty and ensures accountability on the basis of the exercise of personal rights, while capitalism places greater emphasis on property rights claiming that property rights are the basis for economic privilege in society (Bowles and Gintis, 1986:3). It is contradictory to pursue the two different goals of equality and liberty on the one hand and economic privilege on the other. The very concept of workplace democracy challenges management's prerogative to control the production process (Buhlungu, 1994:6). Within this framework there has been attempts to introduce the notion of workplace democracy aimed at levelling the balance of power between workers and management.

Having acknowledged that the capitalist labour system is in principle incompatible with the concept of industrial democracy, one needs to consider the potential and significance of industrial democracy within a capitalist system and explore the extent to which traditional boundaries may be challenged.

### **2.3 THE CONTEXT OF INDUSTRIAL LIFE**

The capitalist labour process sets the boundaries of power relations which govern the individuals within an organisation. Capitalism is a predominant feature of contemporary industrial life. Before considering the extent to which these boundaries may be challenged one needs to consider the context of industrial life, in particular the production processes and managerial strategies that govern working relationships.

Kumar (1978:194) argues that we are living in a "post industrial" era which is characterised by features such as technological development, upgrading of skills, flexibility in production and intense global competition. He adds that this post industrial society is one in which the key players are scientists and technicians who have skills readily available to innovate, create and compete in this demanding context. Castells (1989) highlights the dynamism of global industrial relations arguing that the world's economic structure has become increasingly connected, thus intensifying competitive relations demanding flexibility, responsiveness and resilience in order to succeed. Porter (1990:107) reaffirms



this idea by arguing that nations should develop a competitive advantage at a local level by building their human, physical, knowledge and capital resources as well as developing their infrastructure as an organisation can only become internationally competitive once it has asserted itself as being locally competitive.

It is important to consider management and workers as two separate entities. They experience the affects of industrial life in different ways. For example, while the introduction of specialised technology may make the task of the manager easier through greater control and efficiency, it may affect the workforce in other ways, for example, by further alienating them from their working experience.

Managerial strategies of modern industrial societies have undergone considerable change in order to maintain a competitive advantage in the global environment in which they are embedded. By discussing the dynamics of managerial trends one may assess the extent to which these strategies permit for a democratic workplace to be realised. Kumar (1978:199) explains that managerial trends have become future oriented in that managers strive to secure a predictable industrial environment in which to operate. Managerial strategies have evolved somewhat in order to accommodate production processes.

Thompson (1983:14) explains how Fordism as a managerial strategy was adopted to accommodate the production technique of scientific management which focused on mass production, standardised products and a fragmented, deskilled workforce. Harvey (1989:125) argues that Taylor's principles of scientific management served to describe how labour productivity could be radically increased by breaking down each labour process into its simplest components and then organising the fragmented tasks according to time and motion studies. Thompson explains how this system of production assumed that workers could be treated as mechanisms who were extensions of the machinery which they operated and could be persuaded to work through payment systems without any reference made to their individual differences and social needs. Scientific management appeared to have set the content for future technological development which allowed for

the fragmentation of tasks within a deskilled workforce where both the conception and execution of tasks were separated, and manual and mental labour was divided. Workers were disempowered through the deskilling process and had little control over their working lives. Management's role was to co-ordinate the operation of tasks among a comparatively weak workforce. This enabled a hierarchical structure of managerial control to develop. These hardly describe the conditions required for a democratic working environment to thrive as workers had no control regarding the overall production and administration processes or over their immediate work environment which had become automated and routine.

Thompson (1983:15) describes the human relations movement of the late 1920's which confronted the dehumanising consequences of scientific management. An emphasis was placed on the social and psychological needs of the worker and attention was paid to the nature of the working environment and intrinsic qualities of work. For the first time issues of job satisfaction and individual needs were raised. Workers began to be perceived as social-psychological beings who needed more than mere monetary incentives in order to lead productive and fulfilled lives. The emphasis on human relations in South Africa has contributed towards the transformation of the authoritarian managerial approach to consider approaches that ensured workers would be more satisfied in their working environment (Sitas, 1983). Sitas explains that now the "soul" of the worker has gained importance in the struggle for legitimate working relations. Personnel departments serve to co-ordinate and rectify the problems encountered by workers on the shopfloor. Management have been forced to adopt a more holistic view of the worker perceiving the worker as a real person, with real problems, real grievances, and real power through collective action.

Harvey (1989:141) explains that flexible accumulation is the production process that directed managerial trends in the aftermath of scientific management. Flexible accumulation was implemented in order to confront the production and social rigidities that scientific management created in the workplace. This process entailed flexible

production requiring a flexible, multi-skilled workforce. Through their improved skills workers were now in a position to wield more power. Harvey adds that the labour market was radically restructured as workers become more flexible through the enskilling process. This was followed by a move away from “regular” employment trends towards part-time, temporary and subcontracted working arrangements. Harvey concludes that flexible accumulation indicates the elimination of job demarcation, the introduction of multiple tasks, on the job training, a horizontal labour organisation and more responsibility to be given to workers. This movement appears to have laid the foundation for the possibility of industrial democracy as now management were dealing with a labour force that had more control over their immediate working environment.

Managerial control appears to be inescapable as someone if not something must co-ordinate and organise the functioning of industry. The form of managerial control adopted impacts on the experiences of workers in the organisation. Two forms of managerial control which could be considered in order to promote industrial democracy are responsible autonomy and legitimation and consent. Responsible autonomy advocates the creative participation of shopfloor workers emphasising the need of management to share its control in order to maintain it (Thompson, 1983:133). Workers are given more responsibility over which management supervise. The system of legitimation and consent defines the worker as an “industrialised citizen” who has contractually defined rights and benefits (Burowoy, in Thompson, 1983:163). These two forms of managerial control allow space for workers to develop a sense of industrial democracy. Through responsible autonomy workers are given a certain degree of freedom in which to conduct their working tasks over which they assume responsibility. This degree of freedom allows for workers to make their own decisions in production processes. Legitimation and consent ensures that workers are embedded in a democratic framework whereby they have various institutionalised structures through which they are able to voice their concerns and problems and maintain their individual rights.

Production trends in contemporary industrial society are characterised by a dominant service economy, an increase in the amount of white-collar work, professionalisation and an emphasis on the importance of knowledge and technological development (Kumar, 1978:200). As a result, management have become more professional and the distinction between the skilled and the unskilled dramatically illustrated. Those without skills, expertise and flexibility are often disempowered and have little control in their work environment, while those meeting the new prerequisites demanded enjoy the benefits offered by these new times. In order to maximise efficiency management need to move away from restrictive, inflexible, limited labour practices and incorporate a more skilled and adaptable workforce.

It is thus evident that production processes dictate the necessary managerial strategies to be utilised, which in turn determine the degree of industrial democracy that can be accommodated within a particular organisation.

## **2.4 INDUSTRIAL DEMOCRACY**

Political democracy is defined as the direct or indirect government by all members of a society (Derber, 1970:13). By direct government, Derber refers to the fundamental principle of one-person-one-vote, while by indirect government he refers to the way in which the individual, through exercising his or her vote, elects a representative and accountable body responsible for governing society. Political democracy upholds the principles of majority rule, the protection of basic human rights, due process of the law, and free and regular elections (Nel and van Rooyen, 1989:22 and Patel, 1994:1). Political democracy therefore implies that individuals or groups of individuals are empowered in the sense that they have the opportunity to participate in societal decisions that affect their lives (Nel and van Rooyen, 1989:31).

Political democracy is considered to be the “*father*” of industrial democracy, and a prerequisite to the realisation of industrial democracy (Derber, 1970:16, and Nel and van Rooyen, 1989:5). This is supported by James and Horwitz (1992:5) who claim that

democratic structures and processes need to be established in society at large before the values, norms and structures of industrial democracy can be maintained. They add that due to South Africa's lack of political democracy, industrial democracy has been very slow to gain the recognition needed in order to develop.

If one were to directly translate the basic, underlying principles of political democracy and apply them to the industrial context, the result would be a system of worker self-management (Bendix, 1996:548), as industrial democracy would have to deliver equal rights for all involved in the organisation as well as allow the organisation to be governed by all involved in it. Bendix concludes that this would result in the government of employees by employees. This form of industrial democracy is seldom a reality in contemporary society under global capitalism. Bendix (1996:552) stresses that one needs to take account of the dominance of capitalism as a social system, especially in the Western world. In capitalist societies the nature of industrial democracy reflects the values of political democracy and usually surfaces in the form of institutionalised participative structures which serve to challenge the authority and prerogative of management.

A crude clarification distinguishing between the concepts of industrial democracy and workplace democracy can be offered as follows: the concept of industrial democracy refers to the broader policies, strategies and ideology an organisation assumes regarding its relationship with its employees. On a macro level it refers to the approach an organisation takes towards establishing a democratic working environment. Jones and Maree (1989:5) explain that it indicates an organisation's commitment to be accountable to its employees who have sufficient power to dismiss management. Employees thus have power exerted at the highest level of the organisation in order to protect and enhance their rights. The concept of workplace democracy refers to employees' limited exposure to democracy on the shopfloor, predominantly in the form of participatory schemes. It reflects the institutionalised arrangements used in order to arrive at decisions made in the workplace (Pateman, 1970:3). This chapter will explore the following potential applications of workplace democracy, that being worker participation and programmes

targeted at improving the quality of working life. In so doing, both past and current efforts at workplace democracy will be explored. The distinction between these two terms then lies in the difference between the strategy targeted at the organisation as a whole, and the implementation of specific programmes promoting and developing an egalitarian working environment.

Capitalism has brought with it an overwhelming emphasis placed on efficiency and productivity traditionally requiring hierarchical supervision, control and the division of labour (Davies, 1979:3). The primary function of workers is seen to be to contribute to capital growth. Workers become estranged from the products of their creation, experiencing a sense of powerlessness and alienation as work itself loses its intrinsic meaning and merely becomes a means to an end (Poole, 1986:2). Working life becomes dull and monotonous as Davies (1979:3) explains, it becomes the very antithesis to the concept of "freedom, equality, justice and humanitarianism." The capitalist labour process incorporates an acknowledged interdependence between capital and labour. It has become important to place emphasis on more intrinsic, qualitative goals, such as improving the quality of work life and improving working conditions thereby contributing towards the establishment of a working environment where workers can experience personal fulfilment and satisfaction (Davies, 1979:3-4).

Industrial democracy is defined as a system of governing the workplace that involves the notion of some proportion of sharing power between management and workers (Horwitz, 1988:35). It incorporates a fundamental understanding and acceptance of the respect for the dignity of each individual and thus necessitates the promotion of basic human rights within the workplace (Nel and van Rooyen, 1989:33). Industrial democracy thus refers to those policies, strategies or practices that an organisation adopts in order to promote and protect the basic rights of workers and ensure that the working environment reflects democratic ideals. The practicality of industrial democracy should ensure that workers have a greater opportunity to participate in the functioning of the organisation (Pateman, 1970:72).

The concept of industrial democracy lies within a continuum where extreme definitions lie on either side of the above general explanation. An example of extreme views is offered by Cressey and MacInnes (1980:25) who distinguish between the *incorporation approach* and the *advance of labour approach*. The incorporation approach advocates that industrial democracy is a mere gesture by management to lead workers to believe that they are involved in decision making whilst management retain their prerogative to manage. Workers have no influential power in decision making as market forces alone determine the outcome of decisions. The advance of labour approach claims that industrial democracy is a strategy that challenges and erodes management's control, ultimately resulting in workers controlling the workplace. In order to establish industrial democracy, Clegg (in Buhlungu, 1994:7) stresses two extreme approaches to consider. The first approach he identifies as the reformist approach which advocates the gradual and eventual transformation of the workplace from authoritarian to democratic which is achieved through the introduction of various participative schemes. The second approach is the revolutionary approach which advocates that industrial democracy can only become a reality once the capitalist system has been challenged and destroyed and a system of worker self-government is adopted. It is evident that theoretical views on industrial democracy vary vastly as extreme approaches are taken to ensure a fairer and more representative working environment.

The objectives of industrial democracy are diverse, yet once again, they do indicate common ground in the sense that they aim to improve working experiences. Bell (1979:218) claims that industrial democracy has two specific objectives. The first objective is to involve workers either directly or indirectly in decisions that affect their working lives to the extent that they become involved in determining the conditions of their working lives. Bell identifies the need for workers to actively and meaningfully participate in decisions made that will impact on their immediate working experiences. Secondly, the objective of industrial democracy is to improve the efficiency and productivity of the organisation. This is achieved by getting workers to identify with the organisation through improving their own interests. Bell claims that only once the organisation is productive



and efficient will the interests of employees be advanced. This assumption could however be challenged if one questions the logic behind it. Do satisfied workers make for a productive organisation, or does a productive organisation make for satisfied workers?

The likely outcome of the incorporation of industrial democracy is not a radical transformation of the labour process, but if one considers its values of social justice, fairness and respect, the outcome would perhaps reflect a qualitative improvement in the working experiences of all employees (Horwitz, 1988:31). The improvement of working conditions must be experienced at the lowest level of the organisation in order to have any positive impact and reduce the meaninglessness that has come to characterise capitalist production (Blumberg, 1969:3). It is vital that workers become involved in the pursuit of industrial democracy as Levine (1979:215) argues that industrial democracy cannot be imposed from above, it can only be achieved through the struggle of workers. Workers need to challenge and question management's <sup>^</sup>perogative before any significant gains are enjoyed.

Before industrial democracy can be appreciated by workers, workers need to be educated in order to understand the implications of the system. Due to the dominance and success of capitalism, workers have grown accustomed to its functioning and have become products of hierarchical, authoritarian relationships (Sanderson, 1979:177). A re-education is needed in order to gain workers' acceptance and understanding of the system, as well as to be in a position to check that their representatives are fulfilling their obligations. Without knowledge workers are unable to reap the benefits of industrial democracy and may be co-opted by management (La Berge, 1979:179). La Berge (1979:180) concludes that "knowledge is power - and power without knowledge is blind and dangerous." Workers need to learn how to utilise their position in order to maximise its effectiveness.

Industrial democracy is perceived by critics as an apparatus of managements used to manipulate workers as it offers hope that the system will be challenged, yet management retain power (Nel and van Rooyen, 1989:38). It is argued to be management's attempt to



regain control of a restless and disillusioned workforce by giving the impression that control is being shared (Cressey and MacInnes, 1980:21). In so doing management incorporate labour in dealing with the difficulties it faces in an environment of co-existence between the two parties.

Industrial democracy thus presents a broad framework promoting the principles of fairness and equity, emphasising the need for workers to be involved in decisions that have the potential to affect their working life. This chapter will proceed to discuss the concept of workplace democracy, which is directly related to industrial democracy, in order to illustrate how the ideals of industrial democracy may be delivered, all be it in a comparatively limited manner, through initiatives of workplace democracy.

## **2.5 WORKPLACE DEMOCRACY**

Worker participation programmes and efforts targeted at improving the quality of working life are suggested as initiatives of workplace democracy. Participation offers a transformation of power relations as power balances are challenged. Quality of working life programmes, whilst offering no real scope for democratisation, do offer qualitative improvements to the workplace as workers contribute to the creation of a working environment of their preference.

### **A. WORKER PARTICIPATION**

Participation may be perceived as a means through which workers may confront power relations in the workplace. Depending on the level and intensity of participation, worker participation could have the potential to establish an institutionalised voice for workers in the organisation's decision making processes.

Generally defined, worker participation refers to those processes established in order to enable workers to influence decisions that affect them (Pateman, 1970:67). It is however, a concept that may take on many forms. There are three characteristics of worker participation that are common to many author's definitions of the concept. Nel and van

Rooyen(1989:36) claim that these common features include **influence**, **interaction**, and **information sharing**. This framework offered by Nel and van Rooyen will be revisited in chapter five in order to illustrate how contemporary initiatives fair in light of these three prerequisites.

By **influence**, James and Horwitz (1992:4) refer to the acknowledgement of employees' needs and rights, either collectively or individually, to be involved in the management of the organisation as a whole. Bendix (in James and Horwitz, 1992:5) argues that this influence should extend to the planning of work processes, establishing procedures and processes of work, decision making and general management. The degree of influence exerted by employees varies according to management's intentions behind the implementation of worker participation programmes. Nel and van Rooyen (1989:3) explain that the degree of influence may vary between management and employees exerting equal influence in decision making to influence being retained by management who simply entertain the idea of employee participation whilst maintaining their prerogative to final decision making. The greater the degree of influence in decision making experienced by workers, the greater the potential for the realisation of a democratic workplace.

Worker participation requires **interaction** between employer and employee. Nel and van Rooyen (1989:36) indicate that participation occurs when both workers and management make an effort to reach consensus over negotiated issues. The amount of time spent and the intensity of interaction ultimately influence the quality of the participation process. Once participation programmes have been established management and workers need to identify their interests and search for common ground in order to further their own needs as well as ensure that the organisation continues to prosper. Interaction may occur between management and workers, or between management and elected worker representatives.

Finally, by **information sharing**, Nel and van Rooyen (1989:36) point out that in order for worker participation to succeed, two-way communication is required. The emphasis on information sharing challenges management's traditional prerogative as it advocates that workers have access to all information required in order to make participation meaningful (Maller, 1995:75).

Worker participation, depending on the extent and nature of influence, interaction and information sharing involved, can be placed under one of three categories identified by Carole Pateman. Pateman (1970:70) argues that worker participation can be categorised as either pseudo, partial or full participation.

When workers are involved in discussion regarding decisions that are to be implemented, but have no influence in the actual decision making process, Pateman (1980:69) argues that participation is of a **pseudo** nature. Pateman suggests that this form of participation has the potential to be manipulative as techniques are employed to persuade workers to accept decisions in which they had no influence in establishing. Maller (1995:76) offers the example of briefing groups as a form of pseudo participation. She argues that the purpose of briefing groups ultimately is to communicate decisions from management to workers in an interactive manner. She stresses that decisions are merely communicated, not negotiated, resulting in workers simply receiving a decision that has already been determined without involving consideration of their input. Workers' participation in programmes of this nature are established in order to win over workers to the ideas or intentions of management (Jones and Maree, 1989:3).

**Partial** participation is defined as "a process in which two or more parties influence each other in the making of decisions but the final power to decide rests with one party only" (Jones and Maree, 1989:3). Due to the subordinate position that workers assume in the capitalist social system, the ultimate influence is retained by management. Maller (1995:76) offers the example of quality circles and acknowledges that whilst workers are encouraged to contribute proposals to solving various problems regarding their immediate

working environment, final decisions are made by management, after having considered the input forwarded by members of the quality circle.

**Full participation**, by definition, is rare. It involves workers being in a position to influence managerial decisions, as well as having sufficient influence to determine the outcome of any decisions (Jones and Maree, 1989:3). This would require all members involved in decision making to have equal power in determining the outcome of decisions. Maller (1995:76) argues that examples of full participation are rare due to the nature of capitalist social relations which are contradictory to the notion of full participation, or equal power.

A further distinction can be made between participation that is representative or indirect which has the potential to be power centred participation, and participation that is direct and task centred (Anstey, 1990:5). Different degrees of influence are exerted depending on the nature of the participation.

**Direct participation** entails employees being involved in decisions that relate to their own immediate working environment and does not extend any higher in the organisational hierarchy (Jain, 1980:4). Anstey (1990:5) argues that this form of participation lies at the lowest level of the organisational hierarchy as it does little to challenge managerial prerogative. Participation at this level involves programme focusing on job enrichment and job enlargement which aim at changing the nature and depth of work whilst limiting an employee's influence to his or her own working environment (Nel and van Rooyen, 1989:38). Employees may, in this instance, be involved in briefing groups, attitude surveys and quality circles, for example, which are primarily directed at improving the quality of working life (Jones and Maree, 1989:4). Jain (1980:175) argues that direct participation is a necessary means of ensuring participation among the rank-and-file worker as he or she is directly involved in decisions that affect his or her immediate working environment, and it serves as a back up when representative participation fails to deliver democracy to the shopfloor.

Direct participation is considered as **task-centred** participation as it involves participation at the actual work site, giving employees a greater degree of freedom to use their initiative and discretion in functioning in their own working environment (Macnamara, 1995:33). Participation is limited to the employees' immediate tasks and extends no further beyond that.

**Indirect** participation involves workers electing representatives to participate on their behalf in decision making activities (Jones and Maree, 1989:4). Types of participation programmes possible at an indirect level include collective bargaining, joint decision making and works councils. Indirect or representative participation is argued to be **power centred** as it enables workers to participate in decisions that had traditionally been considered to be the prerogative of management (Anstey, 1990:5).

In order to ensure a democratic working environment it appears necessary to include both direct and indirect forms of participation so that participation becomes a process that workers are involved in from the bottom up as well as from the top down.

Jones and Maree (1989:4) argue that the reason for implementing participation programmes may be ethical or moral, socio-political, or economic. Ethical or moral concerns address the demands of workers for a better quality of working life as well as their demands for involvement in the governing of their working environment. Workers are no longer prepared to tolerate poor conditions and an unaccommodating working environment (Jair, 1980:3). Socio-political concerns seek to "implement participatory systems which bring about democracy in the workplace or in the broader social context" (Jones and Maree, 1989:4). Reasons for implementing participatory programmes may be economic, whereby employers believe that workers will be more motivated through participatory incentives and will therefore produce goods of greater quantity and quality.

Provided an appropriate blend of participation is introduced, it has the capacity to create a workforce that is satisfied and motivated, which should result in a more efficient and

productive organisation (Lynas and O'Neill, 1987:49). Lynas and O'Neill add that the implementation of participation programmes will result in an environment where power is more fairly distributed. There are however, limitations to participation. Rather than sharing power, participation does the exact opposite by deceiving workers and co-opting them into complying with managerial prerogative (Jones and Maree, 1989:5). Management, due to their experience and knowledge may be in a position to manipulate workers ensuring that the outcome of their pseudo participation is improved productivity and efficiency (Lynas and O'Neill, 1987:49). Unless management are sincere in their approach to adopting a participative work environment and include, at the very least, pseudo and partial participation, participation will be ineffective and meaningless. Participation only gains significance in the workplace once management and workers are aware of its benefits and fully accept and support its processes (Lynas and O'Neill, 1987:48). A further argument against participation is that it leads to a loss of control and is time-consuming due to the extensive discussion required (Bendix, 1996:560). Bendix claims that this may be so, however, the quality of decisions reached and the degree to which these decisions are accepted, thus avoiding industrial action, is much greater and more than compensates for the delay in time.

While participation programmes have been introduced in South Africa, they have been predominantly task centred offering pseudo, and to an extent, partial participation (Maller, 1995:78). Thus the effort has failed as tangible change has not been the end result of their introduction. Management's attention has been preoccupied with the organisation's efficiency (Lynas and O'Neill, 1987:50). At best, management have supported the notion of "employee involvement", which involves workers in a pseudo manner, rather than worker participation as a means of gaining favour (Macnamara, 1995:32). The reluctance of management to support participation in South Africa has been accounted for due to their fear of labour overexerting its control beyond participation to overwhelm managerial prerogative (Maller, 1992:9). The end result is participation in its narrowest sense, giving workers slightly more discretion in managing their immediate working environment.

By considering the case study of worker participation employed in Volkswagen South Africa (VWSA) as an example reflection will be given of past efforts taken to creating and implementing a participative working environment in South Africa.

Smith (1990:226) calls VWSA's approach to participation "holistic" claiming that all facets of the organisation as well as people dynamics are taken into account. This approach may be considered holistic in a cosmetic sense as the only form of participation that it truly offers is pseudo in nature with vague promises that it would like to go further and offer something more substantial, if trade unions requested. Smith offers a brief profile of VWSA claiming it to have approximately eight thousand employees, over half of which are black workers, and two representative trade unions being the National Union of Metalworkers of South Africa (NUMSA) and the South African Iron, Steel and Allied Industries Unions coupled with a high level of shop steward involvement. Smith (1990:235-238) outlines some of the projects that VWSA have introduced in the pursuit of "worker empowerment". The underlying philosophy being that empowerment strengthens individuals to become more self sufficient in the workplace. Their empowerment programmes include *information centres* which give workers information about the people, products and production at the plant; *achievement groups* which are problem solving groups that select and solve problems in the workplace; *recognition events and awards* which recognise, celebrate and share individual achievement of employees; the *Jidoka approach to quality control* which gives workers for the first time permission to halt the production line should they encounter any fault in product quality; *feedback* which gives workers information regarding individual performance as well as information about company promotions, *team talks in the morning* which unites workers with their foreman at the start of the day in order to set daily targets and discuss any personal or work related problems; *the year end show* which is a Christmas party of a cross-cultural nature aimed at breaking down racial barriers and creating a familial environment; and finally, their *black/white interface* which is aimed at bridging racial prejudices and fears. From the above list of programmes, the interpretation VWSA has of "empowerment" is somewhat questionable. Ultimately these programmes serve to improve

the quality of worklife to a very limited degree with the predominant goal being improving the quality and quantity of production. The concept of empowerment translates to giving power to workers, not merely creating an environment where employees get to know colleagues, supervisors and promotional information.

In addition to the above mentioned “empowerment” programmes, Smith (1990:239-241) lists VWSA’s committees which aim at bringing managers and shop stewards together to discuss various work related issues. These councils, however, do not function as negotiating forums. They are simply a means for shop stewards to interact with management and discuss, voicing their opinions and concerns, work related issues. The first is the *Joint Union Management Executive Committee* which meets quarterly to discuss corporate strategic issues. A second committee is the *Human Resources Committee* which comprises human resource managers and shop stewards who discuss a range of human resource issues including training, recruitment and health and safety in the workplace. Thirdly, the *Joint Union Management Department Committee* is comprised of departmental heads and shop stewards who discuss issues affecting the worker such as hours of work, production problems and production targets. The final committee is the *VW Community Trust* who gather to discuss the organisation’s community and social responsibility projects.

These committees offer little participation in any significant form. They merely represent forums which invite worker representatives to share their ideas and input with management with no guarantee that their interests will be enhanced or that they will gain any negotiating power. This results in collective bargaining being VWSA’s single means of participation offered to workers.

This case study reflects an example of past trends of South African organisations and their attitudes to participation. Whilst pseudo participation, which bore no threat to managerial prerogative, was advocated, no effort was made to establish participation at a partial or full level that would have challenged the adversarial and racial governance of the workplace.



## B. THE QUALITY OF WORKING LIFE

Worker participation illustrates the power dimension of workplace democracy as it suggests the framework through which workers may participate in influencing organisational decisions. A second dimension to consider is the way in which workers may become involved in contributing towards the improvement of the quality of their working lives by reforming their immediate experiences of work. Although workers gain no direct control per se regarding the management of the organisation, they may be in a position to exert influence over their own working environment through quality of working life initiatives.

Interest in the quality of work life (QWL) stems from research into the human resources approach which emphasises the importance of the employee's psychological well being which may be negatively affected by an alienating and disempowering working environment. It acknowledges that employees are not sufficiently fulfilled by the extrinsic rewards offered by employment such as income or benefits, but rather that their appreciation stems from intrinsic factors such as a challenging and varied occupation; the ability to continuously improve themselves through training and education and recognition and support from significant others in the workplace (Trist, 1979:36). QWL reflects a way of thinking about individuals in the working environment, about how work impacts on the individual and how those experiences may be improved (Nel and van Dyk, 1987:285). In order to improve the QWL, Nel and van Dyk argue that it is the role of management to determine the necessary steps to create an environment in which employees feel both fulfilled and motivated. Boredom, isolation and stress need to be eradicated in order for the employee to experience a more satisfying work life (Sanderson, 1979:63).

It is suggested by Nel and van Dyk (1987:285) that there are several components to consider in order to improve the QWL. Some of these components include sufficient and fair compensation, safe and healthy working conditions, the development of human resources, security and growth in the organisation, social interaction and the social relevance of the job. These components reflect the meaning that a particular job has for an

individual. It refers to the factors other than remuneration that an individual seeks to attain through his or her employment. Taddeo and Lefebvre (1979:117) argue that these components can be further simplified to include security, equity, individuation and democracy. By security they refer to the individual being free from anxiety concerning his or her health and safety as well as his or her future employment security and income. Equity refers to the individual's sense that he or she is being fairly treated in relation to other employees in the workplace. It also refers to the employee's sense that he or she is being treated fairly in terms of being given the opportunity to develop his or her potential. Individuation refers to the establishment of an environment in which each individual feels they have an opportunity to understand their relationship to the organisation as a whole, to see how their efforts contribute to the functioning of the organisation. It also includes the opportunity to exercise a greater degree of autonomy in determining the way in which individual tasks are performed. Democracy would require individuals to perceive their ability to contribute to the organisation as more than a mere passive cog in the production process, but as an individual with opinions and contributions that can benefit the organisation. Fundamentally QWL requires that workers play a more interactive role in establishing the nature and content of the functions they perform at work.

The QWL can be improved through task centred participation in the workplace whereby employees are able to impact on their immediate working environment in order to develop a more meaningful context. By giving the worker more variety in his or her immediate work content, more information to conduct his or her task, more decision making ability and more autonomy, the worker is in a position to alter the traditional boundaries of his or her job and mould so as to give it significant meaning (Trist, 1979:37). This very process is advocated through task centred participation whereby the employee is granted a greater degree of freedom to use his or her discretion and initiative (Macnamara, 1995:33). Whilst pseudo participation may not result in any fundamental power changes, it has the capacity to deliver a qualitative change in the employees experience of work by actively involving the employee in the construction or redefinition of his or her tasks. By considering employees' input regarding the nature of the working environment they would prefer

management and employees could work together in creating an environment in which workers feel more satisfied and will be more productive.

In South Africa CWL issues have been granted significant attention and may be sought through workplace forums. Workplace forums allow for discussion and negotiation of qualitative issues such as the structuring of work tasks and training and education programmes and may be extended to include additional issues should both workers and management support it.

## **2. 6 CONCLUSION**

This chapter has undertaken to investigate theoretical components of industrial and workplace democracy within the restrictions of the capitalist labour process which influences the required production processes that to a large extent govern and predetermine working relations. Outlines have been offered on how to deliver workplace democracy through participation programmes as well as through improving the quality of working life. Current labour legislation promotes a greater degree of participation and emphasises workers' involvement in attaining a qualitatively richer working environment. These outlines represent the goals of transformation that South African organisations must undertake. Change, however, is never easy, especially when considering South Africa's volatile historical context. The following chapter will examine the concept of transformation offering guidelines for South African organisations to follow in order to achieve the above mentioned goals.

## CHAPTER THREE

### TRANSFORMATION THEORIES

#### 3.1 INTRODUCTION

Transformation is certainly on South Africa's agenda as the country moves away from its apartheid past towards its democratic future. Fundamental change is required in order to achieve the proposed ideals of a democratic working environment. Through legislation such as the LRA and the EEB, the "what" required to change is evident. South African organisations need to determine "how" these changes can be achieved and successfully sustained. Organisations may be required to undergo transformation for a number of reasons, for example, adapting to an economic recession, to technological advancement, or to socio-political change. Irrespective of what initiates change, the organisation must learn to adapt to and accommodate a new environment or situation in order to survive.

Bridges (1991:3-6) distinguishes between the concepts of change and transition. Change, he argues, is the end product or outcome of an intervention of some form. Examples of change include the new office site or the new organisational policy. Transition, on the other hand, refers to the psychological processes that each individual must undergo in order to accept or come to terms with the new situation. It involves the psychological reorientation that an individual must undergo in order to identify with the change that has been made in the organisation. Change cannot be maintained and succeed in an organisation unless it is accommodated by transition (Bridges, 1991:4). Bridges explains that first people have to learn to accept the change process before they can accept the outcome of that process. Referring back to South African organisations, the transformation required is to represent an equitable and fair working environment, whilst the transition process sets the demands for gaining the acceptance, understanding and support of each worker in order to ensure that once a fair and equitable working environment has been achieved, it will be successfully maintained. The prerequisites for organisational transformation then lie in determining both the outcome or goal of the change as well as the process through which the outcome will be attained.

This chapter will explore the nature of transformation through the views of three

approaches, that being, Kemp's interactionist approach, Allen and Krafts' cultural approach, and Senge's learning approach, highlighting recommendations for an eclectic approach that South African organisations may consider. These three approaches outline recommendations for management to follow in order to initiate and sustain transformation. It is not the opinion of the author that workers are mere passive recipients of the transformation process. Rather, these theories have been selected in order to illustrate how management can embark on transformation with and through the participation of workers at all levels of the organisation. The role of management is fundamentally seen as facilitators rather than the controllers of transformation.

### **3.2 KEMP'S INTERACTIONIST APPROACH**

Norman Kemp's approach is entitled the "*interactionist approach*" as it promotes the notion of management developing the necessary skills that will enable them to motivate workers to become integrated into the organisation through their individual involvement in order to achieve a sense of belonging within the organisation and a sense of meaningfulness within their working experience (Kemp, 1992:1).

His focus is on the individual rather than on the collective as he understands the process of integration being an effort directed at one individual at a time in order to personalise the effort and make it most effective. The onus, however, lies with management who must learn the necessary skills to facilitate each individual's interaction with the organisation as a whole. An effective manager, that being one with good interpersonal skills, will be in a position to develop constructive relationships within and through employees, encourage positive feelings and attitudes, motivate workers and promote a productive industrial relations climate (Kemp, 1992:5).

Kemp's approach makes a number of key assumptions regarding the prerequisites for the success of the interactionist approach to labour relations. These prerequisites include the need for interpersonal skills as well as a democratic leadership style.

Kemp (1992:32) stresses the importance of interactional skills required by management. There are three specific types of skills that managers must acquire in order to facilitate an

interactive environment. The first skill is an awareness of the impact that the manager has on the behaviour of others as well as the impact that the behaviour of others has on the manager. Kemp explains that it is only once an individual understands how he or she affects and is affected by interpersonal interaction that he or she can guide this interaction in order to achieve the desired results. For example, if a manager understands what specifically in his or her approach to workers elicits a hostile or indifferent response from workers, he or she may then reconsider this approach. Secondly, Kemp refers to the relationship skills of empathy, objectivity, genuineness and sincerity. These skills enable the manager to approach employees from a humanistic perspective and establish a constructive relationship through their insight and understanding. Finally, Kemp argues that management needs to have sound communication skills in order to facilitate interpersonal relationships. To summarise, the interactionist manager has an awareness of him or herself and of others, maintains good relationships and communicates well with others. These skills, Kemp (1992:33) argues, will enable the manager to boost employees' self-esteem, morale, dignity, sense of worth and belonging which is achieved by establishing a positive psychological climate. The greater, or more developed the interactional skills of management, the more effective management will be in integrating with and managing their employees (Kemp, 1992:29).

A second prerequisite is a democratic leadership style. Kemp (1992:18) explains that a democratic personality incorporating the following personality characteristics. The democratic manager is flexible and open-minded in order to understand and adapt to change. By change, Kemp refers to dealing with both a dynamic working environment as well as the ability to work with a diverse, multicultural workforce. By being open-minded the manager does not always assume to be right acknowledging his or her own fallibility and does not primarily look for fault in subordinates. The democratic manager negotiates and consults with others. This requires the encouragement of individual involvement and management listening to and appreciating the views that are put forward to management. In addition, the democratic leader places trust in employees granting greater discretion and freedom in the workplace. And finally, democratic leaders believe in integration, making every effort to include all employees irrespective of race, gender, culture, or any

other distinguishing determinants.

Kemp (1992:9) explains that a democratic style of management supports negotiation and consultation regarding issues supported by a genuine commitment to listening to and incorporating suggestions and concerns of workers. Kemp contrasts this to an authoritarian style of management where managers themselves determine and dictate policies. Kemp proceeds to explore the difference in managerial styles, arguing that while both approaches are similar in efficiency, the behaviour of the employees under each approach differs dramatically. Employees managed autocratically are said to display hostility, aggression and scape-goating, while employees managed democratically have shown greater cohesion, friendliness, support and a willingness to take risks (Kemp, 1992:10).

There are specific steps managers need to undertake in order to achieve an interactive working environment. These steps are listed as managing relationships, securing a sound communication framework, reducing excessive control and managing conflict.

The aim of managing relationships is to establish and maintain a relationship with each individual employee which will allow that individual to develop a sense of belonging promoting his or her integration in the organisation (Kemp, 1992:39). Kemp explains that there are three approaches a manager could choose from when forging relationships. The approaches are the combative relationship, the competitive relationship and the collaborative relationship. The combative relationship is one in which the authoritarian manager rules with an iron fist keeping workers under tight control, reluctant to share power in any form which results in a frustrated workforce that have no outlet express their needs or concerns. At the other extreme lies the collaborative relationship, which Kemp claims is the ideal type of relationship for an interactionist approach to succeed. A collaborative relationship emphasises the importance of cooperation between parties, mutual understanding on issues, joint problem solving and a sincere effort to improve relationships (Kemp, 1992:44-45). It implies that each employees' individuality will be accepted and respected. The interactionist approach depends on a collaborative

relationship style stressing the importance of encouraging dialogue and cooperation between workers and management.

In order to develop collaborative relationships, Kemp (1992:45) explains that managers must develop facilitative skills. These skills are empathy, congruence and acceptance without prejudice. This requires an enormous amount of effort and commitment on the part of managers. By empathy, Kemp refers to the effort management must make in order to understand each individual. It requires comprehension of the intent communicated by employees, awareness of the context in which communication occurs, cultural awareness, as well as an understanding of the individual's emotional state. Kemp explains that this is achieved when managers actively listen to their employees and are able to reflect the individual's feelings back to him or her. Congruence refers to the sincerity expected of management's behaviour. Kemp (1992:48) argues that managers' promises to workers should be matched by their actions. This will result in workers perceiving the manager as someone who is reliable, dependable and genuine - someone who means what he or she says and does not offer more than he or she is able to deliver. This skill is crucial for developing a trusting relationship. And finally, acceptance implies that the manager accepts the employee as he or she is with respect to individual differences and refrains from prejudicial treatment of any employee. Kemp explains that when an employee experiences acceptance, his or her sense of security, and in turn, loyalty to the organisation improves. Kemp (1992:50) distinguishes between the behaviour of an accepting manager and one who rejects his or her workers. The accepting manager takes interest in his or her workers by talking to them and listening to them, encouraging, supporting and guiding them. The rejecting manager, on the other hand, is perceived as being cold, aloof and unfriendly, criticising and putting down workers, displaying little or no respect for their regard. In order to achieve a collaborative relationship both management and workers must feel comfortable and secure and be willing to engage in a relationship with the other party.

It is essential for management to secure a sound communication framework with employees as a lack of communication may inhibit the relationship between management



and workers thus negatively affecting the collaborative ideal. Kemp (1992:53) argues that good communication skills are vital in order for management to motivate, guide and organise employees, adding that it is management's responsibility to ensure that all communication issued is clearly understood by all employees and that management understand all communication from employees.

Kemp (1992:55-54) warns, however,<sup>1</sup> that there are potential barriers to effective communication which must be understood and overcome. The first barrier is management's tendency to switch off sources of information which occurs when they refuse to listen to employees assuming that they know all that there is to know. This may inhibit employees from voluntarily communicating with management and rather opting to keep their concerns and ideas to themselves. A second barrier is management's failure to listen properly. Due to their busy work schedules and obligations management may not pay close attention to what is being said to them. Management need to actively listen to employees and ensure that they have a clear understanding of the message employees are communicating. Another barrier occurs when a manager refuses to see the other person's point of view. Employees come from all walks of life, having different cultural, religious and social beliefs and practices. A manager who refuses to acknowledge this diversity will never be in a position to meaningfully communicate with his or her employees. If the manager were to become irrational and over-emotional when communication with an employee, that communication would be meaningless. Irrationality is considered by Kemp to be a barrier to the communication process. The manager must maintain control over his or her emotions, especially when dealing with potentially volatile situations that could evoke emotional responses. Being narrow minded is a further barrier to the communication process, the manager who lacks empathy and is unable to experience the views of others and understand their perspective will be an ineffective communicator. Kemp regards dishonesty as a fatal barrier to the communication process as it annihilates the credibility of management and completely breaks down the communication process. Kemp advocates that the best response from workers is elicited when management are honest, genuine and sincere. He warns that once mistrust enters the relationship it may be irrecoverably damaged.

A third step for management to consider is the reduction of control in the workplace in order to give workers more freedom and discretion in their work life. Excessive control results in workers who Kemp (1992:71) describes as being “shackled” and unwilling to participate which ultimately debilitates integration. Within the work environment, Kemp (1992:72-75) explains that workers experience two forms of control. They are controlled by the very system of the organisation as well as by their managers. Control by the system restricts employees through the rules, regulations, procedures and bureaucratic implications that affect and predetermine the activities of each working day. Kemp warns that if an employee experiences this form of control to be excessive, he or she will become immobilised, giving little effort, lacking initiative and motivation as the organisation has instilled the unspoken rule of “don’t think, we’ll think for you” (Kemp, 1992:72).

If workers perceive control by management to be excessive it may be interpreted by employees as interference indicating that management do not trust employees to perform their allocated tasks. Ultimately, excessive managerial control debilitates the worker. Kemp (1992:73) adds that when management respond to workers in a negative manner, for example, by continuously passing negative comments, the employee is likely to respond by reducing the quality of his or her effort, believing that making an effort will be unrewarded. Kemp explains that an employee who is treated in this negative manner may become passive and dependent, frustrated and aggressive, or simply disinterested in his or her work ultimately withdrawing and showing no initiative.

Kemp (1992:75) suggests three remedies for dealing with excessive forms of control. The first remedy is for managers to understand employees as individuals who have worth rather than as mere objects. Kemp claims that once this has been established managers will understand that their role is not to “treat” workers in any particular way through various control functions, but rather their focus should be on interacting with employees. It becomes a matter of learning how to manage the employer-employee relationship rather than simply resorting to power to settle any differences. Secondly, Kemp (1992:76)

advocates the empowerment of workers. This is achieved by removing all excessive controls that restrict workers. Empowered workers are involved in decision making and problem solving which gives them more control in the work environment which in turn has positive implications for their self-worth, motivation and willingness to participate. Kemp stresses that empowerment gives workers a sense of ownership of their individual jobs. This ownership, he argues, results in workers willingly accepting responsibility for their own performance rather than assuming the scape-goat route and blaming management for all problems experienced. Finally, Kemp argues that management must develop positive expectations of their workers. This implies that management must show their appreciation when workers perform well and must show workers that their efforts are both noticed and welcomed. This praise and recognition, Kemp claims, inspires workers to maintain their effort.

A final step to consider is the management of conflict. Management's approach to conflict must be proactive rather than reactive, emphasising the necessity to prevent rather than attempt to dissipate conflictual situations (Kemp, 1992:99). Kemp suggests that the root to building a collaborative relationship and avoiding conflict is for management to encourage their workers to be both assertive and cooperative. Assertiveness is needed in order to encourage workers to express their opinions and feelings and to make suggestion. This is essential for a proactive approach as workers are made to feel comfortable expressing their grievances and relating issues to management. In order for workers to assert themselves, Kemp (1992:102) explains that there must be a safe psychological climate which is characterised by mutual credibility, warmth, acceptance, mutual understanding and sincerity. In an environment that is psychologically safe, the individual will feel invited to offer his or her input. Encouraging cooperation is achieved through management promoting reciprocity. Kemp (1992:107) explains that if management set and maintain an example of being helpful and cooperative, it is likely that employees will reciprocate the effort and in turn become helpful and co-operative. Management in this instance lead by example, demonstrating the required behaviour to their subordinates. Kemp reiterates the importance of management being aware of the way in which their behaviour influences and is received

by workers. Kemp proceeds to explain the importance of managing one's anger in averting conflictual outbursts. If anger is managed it reduces the chance of an individual's response becoming confrontational. Kemp (1992:112) argues that managers must take responsibility for their anger and look for its cause within themselves rather than within the employees. In addition management can take steps to manage the anger and negative feelings of employees. This can be done by listening and understanding employees in a non-evaluative manner, once again calling on the manager's empathic awareness. The manager needs to get to the root of conflict in order to deal with problems that arise. Respect and acceptance of the employee's feelings are needed as employees should feel free to express their anger, anxiety or fear knowing that management will remain open-minded in order to facilitate the communication of these expressions. The manager must allow an open and comfortable climate through which employees feel ease at approaching them with their concerns.

It is clear that establishing a collaborative relationship demands a great deal of effort from management as management needs to take every precaution to ensure a safe and comfortable psychological climate disallowing their own behaviour to become irrational. Bearing in mind that management too are human, it calls for a great deal of effort and determination to create and maintain the necessary climate.

Kemp (1992:137) stresses that there are two considerations necessary to ensure the success of the interactionist approach. The first is an understanding of organisational dynamics from a systems frame of reference, and the second, directly related to the systems approach, involves an understanding of the circular causality of relationships.

A systems approach affords the manager with an understanding of how each individual interacts with and interconnects with the organisation as well as what the organisation needs to undertake in order to ensure that this interaction is meaningful so as to enhance the individual's qualitative experience within the organisation. Kemp (1992:137-138) explains that there are seven subsystems within the organisation that management must focus on in order to improve individual experiences. These include the subsystems of the biological, the intra-psychological, the physical, the interpersonal, the social

psychological, the sociological and the suprasystem. Management need to focus their attention on and enhance each subsystem within the organisation.

The biological subsystem is concerned with the individual employee's physical well being. Within this subsystem it is management's responsibility to enhance the health and safety of workers and protect their physical state. Specific policies, procedures and practices must be instated that protect and promote a healthy and safe working environment (Kemp, 1992:139). The intra-psychological subsystem stresses an awareness by management of each individual's personality characteristics enabling management to understand the needs of each individual. As each employee is unique, his or her needs are bound to differ from that of their colleagues. Through effective communication management can learn what each employee's needs are and thereby make an effort to enable the satisfaction of those needs within the organisation (Kemp, 1992:140). The physical subsystem examines the physical working environment of the employee ensuring that it is sufficient for the employee to perform his or her task and that the employee is comfortable within that environment. It requires management to ensure, among other things, that there is adequate lighting and ventilation and that noise levels are bearable (Kemp, 1992:141). The interpersonal subsystem requires an awareness of interpersonal relationships and interactions within the workplace. Management are required to understand each individual's interactional and communication style. Attention needs to be focused on hierarchical relationships as in order to develop the democratic leadership style of all leaders within the organisation promoting fairness throughout the organisation's subdivisions ensuring consistency for all workers (Kemp, 1992:142). The social psychological subsystem investigates the social stimuli that affect employees. The effect of interactions between people as well as the consequences of an individual's behaviour must be addressed. It is management's responsibility to be aware of the potential consequences of their actions and statements and should strive for positive consequences when interacting with employees (Kemp, 1992:143). Within the sociological subsystem awareness is required of the norms, morals and values that affect individuals which are impacted by the experiences individuals have beyond the work environment, with their families, friends and other social interactions. This understanding



allows management to appreciate the context from which employees emerge which may affect their attitudes and performance at work (Kemp, 1992:144). The supra-system acknowledges the presence of each individual's religious beliefs that should be respected by management (Kemp, 1992:145).

Kemp suggests that if an organisation pays close attention to all the above mentioned subsystems and facilitates the development of each subsystem, it will ensure a working environment with sound labour relations characterised by employees who willingly embark on a healthy interactive relationship with management.

Related to the systems framework, Kemp (1992:121) argues, is a need for management to be aware of the circular causality of relationships which emphasises the cause and effect determinants of relationships. Kemp (1992:123) adds that management need to understand the relationship between action and the reaction it evokes. Relationships become circular in nature as once there is an action it is followed by a reaction which again provokes an action. If the reaction is negative, it may result in problematic relationships if left unchecked. If an employee reacts in a negative way, and management follow up with negative actions the cycle of negativity which ultimately results in conflict will be perpetuated. The actions and reactions of management must be carefully managed in order to avoid a negative outcome of the interaction. By denying the negative action and assuming that the problem will manage itself, or by forcefully reacting to change the undesirable reaction, management will encourage a negative response. Management need to consider effective change management in order to deal with unwanted reactions in the workplace.

Dealing with change in the workplace is always difficult as change challenges the status quo to which workers and management have grown accustomed. Kemp (1992:127) suggests that change does not need to develop into a vicious circle of causality resulting in confrontation and hostility if management approach change in a sincere and meaningful manner. Kemp (1992:128) distinguishes between first and second order change. First order change, he argues, is merely cosmetic and has little significance,

whereas second order change indicates a genuine commitment to meaningful change. He adds that often management have opted for first order change in an attempt to alleviate pressure whilst no concrete changes occurred. A barrier to successful change is often the fear of the unknown that accompanies approaching something new or unknown. Both management and workers fear change when they are not sure how the consequences of the change will affect them (Kemp, 1992:130). Kemp explains that is management's responsibility to calm these fears by clearly communicating their intentions as well as incorporating the input of employees when embarking on change in the workplace.

Kemp's interactionist approach offers many valuable suggestions on the maintenance of an industrial relations system. Emphasising the importance of a humanistic perspective. Management are given a great deal of responsibility in delivering these goals but can only do so if their approach to employees is directed by a democratic leadership style. The onus lies with management to acquire the necessary skills to manage human beings in the workplace with an awareness of their social and psychological needs. The individuality of each employee must be both accepted and respected as employees are given more control over their working environments. The most striking feature of Kemp's approach is his emphasis on the importance of a collaborative relationship. This stresses that without the collaborative effort of all stakeholders, transformation will not succeed. All stakeholders are thus seen as wielding significant influence over the outcome of initiatives established in the workplace.

### **3.3 ALLEN AND KRAFT'S CULTURAL APPROACH**

Allen and Kraft's approach has been influenced by many sources. They have taken Freud's concept of the unconscious and adapted it to explain the patterns of social behaviour and normative expectations that are characteristic of, yet somewhat hidden within the organisation. They call this the organisational unconscious (Allen and Kraft, 1986:4). Allen and Kraft (1986:10) list the following theorist's contributions as vital to the development of their approach. From Kurt Lewin that have learnt that the process of learning is a progressive discovery undertaken in many interrelated stages. Abraham Maslow's hierarchy of needs has given them a greater understanding of the nature of individual motivation. And Eric Fromm has indicated the power of cultural forces in

individual interaction. The cultural approach uses these contributions in an effort to understand how one may gain an awareness of the underlying obstacles that one may confront within an organisation, especially when dealing with change. The approach encourages an understanding of the organisation as a culture comprised of real human beings (Allen and Kraft, 1986:5). The culture of an organisation is defined by Allen and Kraft (1986:6) as the enduring forces within the organisation that causes the members of the organisation to respond in specific ways to any defined entity. This culture is founded upon norms which Allen and Kraft (1986:7) define as “those expected, accepted, and supported ways of behaving”. The organisation’s culture then refers to the common understanding that organisational members have regarding the way things are done in that organisation.

The basis of the cultural approach is the understanding of the importance of the organisational unconscious. Allen and Kraft (1986:4) argue that were an organisation to impose change without dealing with the organisational unconscious, the change imposed would succeed temporarily and then fail. Long term, sustainable change demands recognition of and effort invested in understanding the organisational unconscious.

Allen and Kraft (1986:15-21) outline four steps for management to take when implementing change in the organisation. The first step is “discovery” which requires management to do research into the organisation in order to learn of and understand the organisational unconscious and the influence that it has on the workforce. A clear understanding of the organisational culture must be obtained in order to bring unconscious patterns of behaviour into awareness. During this stage management need to convey the goals regarding the intended change and explain to workers the organisation’s long term vision. The second step is “involving people”. Allen and Kraft stress the necessity of involving employees in the change process as they are ultimately the ones to be affected by the outcome of the change. They promote the notion of high-involvement workshops which actively involve all employees enabling them to grasp a clearer understanding of the change process. The third step involves “bringing about change” which seeks to transform the organisational culture by focusing on individual



development, peer group development, leadership development and the development of organisational policies and procedures. Individual development focuses in developing the creativity and independence of each employee thus enabling the individual to cope with day to day change. Peer group development deals with small work groups in an effort to understand and come to terms with the various subcultures that influence behaviour. Leadership development focuses on the necessary skills that leaders must attain in order to promote motivation, involvement and responsibility in workers as well as to learn how to manage confrontational situations. Policy development focuses on the removal of any potential obstacles that may hinder the attainment of new organisational goals. The final step involves evaluating and renewing the change programme stressing the importance of regularly evaluating the effectiveness of the programme and offering relevant feedback to those involved in the change process.

Allen and Kraft (1986:28-36) list a set of requirements for the cultural approach to succeed. It is essential that employees are actively involved in dealing with change programmes that affect them. Exclusion will ultimately result in their resistance to change. Involvement empowers workers as it gives them a sense of meaningfulness through their contribution. Allen and Kraft add that managers should avoid blame-placing. Rather than trying to find fault with employees when set backs are experienced, management must consider their own shortcomings. Every effort should be focused on managing the process collectively rather than having one party blaming the other for problems that emerge. All goals and tasks must be clearly communicated to employees as it is management's responsibility to ensure that each employee understands his or her role and function within the process.

Allen and Kraft's approach equips management with an understanding of how to approach hidden emotional, internal dynamics, which if left unchecked, could hamper the development of organisational change and growth. It is an humanistic approach to dealing with the individual's internal state as recognition is paid to the values, norms and beliefs of the individual as well as of the organisational climate as a whole. It is clear that managing change in an organisation demands attention to be paid on how each individual

feels about and copes with their changing environment. Allen and Kraft stress the importance of meaningfully involving all employees in the change process and securing a sound communication framework so as to keep employees well informed of how change may effect them and to keep management well informed of the effects employees experience.

### **3.4 SENGE'S LEARNING APPROACH**

Peter Senge offers the model of the learning organisation which can be used to understand the process of organisational transformation. The learning organisation is defined by Senge (1990:3) as an organisation "where people continually expand their capacity to create the results that they truly desire". Desired results are attained through the organisation's members learning *together* how to achieve common goals. Senge stresses the importance of teamwork claiming that in contemporary industrial society top-down approaches to organisational maintenance have become redundant. Instead a collective effort is required whereby the insights of all employees are pooled and worked through.

There are five component technologies or interrelated disciplines to Senge's learning approach. These disciplines emphasise the overall intention of Senge's ideal organisation. The disciplines are systems thinking, personal mastery, mental models, shared vision and team learning. The "Fifth Discipline", as Senge's approach is referred to, involves the integration of the above mentioned five disciplines. Together the five disciplines lay the foundation upon which the learning organisation can be built. Each of these disciplines will be discussed in more detail.

The first discipline of *systems thinking* provides the overall framework for understanding the organisation from a systems frame of reference (Senge, 1990:7). Senge perceives the organisation as a system bound together by the numerous interrelated actions of all of its members. His focus is on the organisation as a whole rather than on its individual components as he explains that by breaking down the problem one tends to develop a fragmented outlook that no longer enables an understanding of the consequences of the

organisation as a whole (Senge, 1990:3). When examining an organisation Senge stresses the importance of looking at the multiplicity of interrelated forces that together create the organisation. This is not to say that Senge disregards the individual focus over the collective focus. Rather his explanation of individual factors develops from an understanding of the many dynamic forces that interact with and influence the individual within the organisation.

*Personal mastery* refers to the ability of seeing reality objectively (Senge, 1990:7). This requires a continuous effort in developing personal vision within the organisation. Personal mastery begins with management ensuring both the material and spiritual welfare of all employees (Senge, 1990:140). This indicates a movement away from the traditional role of managers as merely planning, co-ordinating and controlling workers toward facilitating conditions in which employees can experience an enriching work life through personal growth and learning. By learning, Senge (1990:142) does not merely refer to the acquisition of more knowledge, but rather to the improved application and utilisation of the knowledge. Management should be committed to enhancing the individual's personal mastery as Senge (1990:143) explains that only once individuals are totally developed can they contribute to the achievement of corporate goals. An organisation promoting the individual's personal mastery will boast a workforce who are committed to organisational goals, show initiative and take responsibility for their performance. Senge (1990:147) explains that there are a number of interrelated principles comprising the end result of personal mastery. The first principle he calls personal vision which refers to the individual's goal for the future that is desired for its intrinsic value (Senge, 1990:149). The individual must understand what his or her personal goals are within the organisational context. The second principle requires holding creative tension. This refers to the gap found between an individual's current reality and the vision they have of their future, between where they are now and where they are going. This tension propels the individual to persevere toward the attainment of his or her personal vision (Senge, 1990:154). The third principle is of structural conflict. This examines the inherent obstacles that an individual may encounter when pursuing his or her vision including the individual's fears about his or her inability to achieve the vision (Senge,

1990:158). Commitment to the truth is the fourth principle of personal mastery. It requires individuals to acknowledge ways in which they limit themselves from reaching their full potential (Senge, 1990:159). The final principle is to understand the subconscious. Senge (1990:162) explains that the individual must be made aware of his or her subconscious which he argues is that part of the mind that enables the individual to deal with complexity. It emphasises the need for the individual to explore his or her mental capabilities and explore them to the full rather than abandoning their potential. It requires the individual to re-examine those parts of his or her potential that are taken for granted.

The discipline of personal mastery calls for the individual to develop profound insight into his or her potential, goals and direction within the organisation through integrating both reason and intuition. If each individual in the organisation develops this sense of awareness of themselves in relation to the organisation, the organisation will be characterised by individuals who are goal directed and driven.

The third discipline requires the development of *mental models*. Senge (1990:8) explains that this refers to the individual's assumptions that influence how the individual understands the world and takes action therein. Mental models affect the way that one interprets the world around them based on one's beliefs, assumptions and values (Senge, 1990:175). These models need to be brought to the individual's awareness in order to understand their impact on daily living. Managing mental models requires bringing these assumptions to the surface in order to challenge thinking patterns (Senge, 1990:187). By doing this one introduces alternatives that may facilitate adjustment to the changing context of the organisation. Senge (1990:191) explains this may be achieved at the individual level by promoting the skills of reflection and skills of inquiry. Reflection allows the individual to become more aware of how mental models are formed and how they influence action. Inquiry skills examine how these mental models affect the individual's interactions with others. Fundamentally, mental models challenge the individual's way of thinking and introduces the individual to previously unexplored alternatives which may enable the individual to grasp a more holistic understanding of

the organisation and his or her function therein.

The fourth discipline is to *build a shared vision*. The members of an organisation need to understand and accept the common goals, values and mission of the organisation (Senge, 1990:9). Senge (1990:206) equates a shared vision to a force in people's hearts that inspire them to achieve common objectives. This gives cohesiveness to the efforts of individuals striving for a common end result giving direction and purpose to their individual effort. A common goal pulls employees toward something they want to achieve, and the greater the challenge, the stronger the inspiration to develop new ways of thinking and acting as risk taking and experimentation become the tools for attaining the shared vision (Senge, 1990:209). Senge (1990:211) explains that shared vision has its roots in personal vision. The shared goal must have some relation to the individual's personal goal in order to gain commitment from the individual. For this to occur the individual must be able to integrate his or her vision within the common shared vision of the organisation. In order for vision to succeed, Senge (1990:219) explains that there must be commitment from all employees who are required to "enrol" in the project of change, wanting to do all they can to achieve the desired objective. Management who themselves are committed and enrolled in the programme, who deal with problems as they arise, and encourage workers to choose their own path to goal attainment, will set the required context within which goal achievement is likely (Senge, 1990:223).

The final discipline is that of *team learning*. This begins with the initiation of a dialogue which indicates the capacity of team members to think and learn together (Senge, 1990:10). This presupposes that members of the organisation consider themselves as members of a team, ultimately striving for common objectives. Team work is achieved when the efforts of members are co-ordinated and harmonised toward the achievement of a shared vision (Senge, 1990:234). Senge adds that individuals should not be made to sacrifice their personal interests for the sake of the team's vision, but rather should be an extension of their personal vision. Thus by becoming committed to the team's goals, the individual is bound to satisfy his or her own needs. Senge (1990:236) explains that there are three dimensions to team learning. Firstly the insightful thinking about complex

issues requires the potential of many individuals to be explored. Each individual has a valued contribution to make which should be utilised. Secondly team learning requires innovative and co-ordinated action which is demands that members share trust and respect. Finally team members need to work collectively sharing their practices and skills with each other. To achieve team learning, dialogue and discussion among members is crucial. Senge (1990:240) explains that discussion refers to the conversations between individuals, while dialogue goes beyond merely conversing where individuals strive for the development of common meaning through exploring and challenging complex points of view. In order for dialogue to be meaningful Senge (1990:245) stresses the importance of participants viewing one another as colleagues. He claims that thinking of each other as colleagues initiates individuals to behave like colleagues, that is as individuals who are on the same side, trying to benefit each other by attaining common goals, rather than as antagonists competing for recognition.

Senge offers a comprehensive framework for understanding the individual amid a complex web of interactions within the organisation. His approach stresses the importance of encouraging individuals to unlock their potential and search for their own goals based on their personal vision. Individuals are prompted to become open-minded, challenging their assumptions and gaining awareness of how their personal views influence their behaviour in the organisation. Fundamental to the success of change, Senge explains how team work and common understanding are needed in order to transform the organisation.

### **3.5 CONCLUSION**

In chapter five, a number of challenges are discussed in more detail that could potentially delay or inhibit the transformation of South African organisations towards embracing democratic principles. The above mentioned transformation theories may be useful in addressing some of South Africa's obstacles to change.

The first challenge listed is the negative reactions of individuals at the realisation that their expectations of democracy are not being delivered. One means of dealing with this



challenge advocated by all three approaches is to intensify the communication process between workers and management. Management need to clearly explain that democratic transformation is a long term goal that requires an enormous amount of effort. Expectations would not be prematurely raised were there to be constructive dialogue between the two parties. In addition, Kemp would advise management to utilise their relationship skill of empathy and sincerity in an attempt to understand how the failure to deliver on expectations affects the motivation of workers.

A second challenge is dealing with individuals' fear regarding change. This fear results from the uncertainty of the consequences of change and how those consequences will directly impact the individual. Once again communication is the starting point to explain to workers the nature of the impending change and how it is likely to affect them, as well as allow workers a platform to voice their concerns, offer suggestions, and become involved in the process. Kemp's emphasis on management being honest is advisable to further employee-employer relations. By being honest no false expectations will be raised and workers will be in a position to start preparing resourcefully for the changes that they will experience. Workers should be given an opportunity to communicate their fears, uncertainties and anxieties to management so that management can understand how these fears affect the individual. Drawing on Allen and Kraft's approach, management should involve all workers in problem-solving. Together management and workers could determine ways of addressing these fears. Fears may take root in the individual's assumptions and presuppositions, which according to Senge's discipline of mental models, may themselves need to be challenged and redefined through the introduction of alternatives.

A third challenge is industrial action. It is considered as a challenge as industrial action indicates that labour relations have been disrupted to the extreme where action replaces collaboration. Management need to assume a holistic view in order to address this problem. Kemp advocates a democratic leadership style directed at forging collaboration between management and workers. This promotes negotiation and consultation on related issues and also suggests that management should go out of their way to promote smooth

labour relations, dealing with conflict in a constructive manner before it escalates out of control. Kemp suggests a proactive approach to conflict which he believes requires investment in a safe psychological climate as well as through empowering workers. Allen and Kraft emphasise the importance of understanding the organisational culture. Management need to be aware of the accepted ways of doing things in the organisation and must ensure that their intervention does not go against the grain. Senge promotes the disciplines of shared vision and team work. If individual's are given the opportunity to determine their own goals that can be achieved through the organisation's goals, Senge suggests that conflict is unlikely to arise.

A final challenge is dealing with negative attitudes which may be directed from employee to employer or from employee to employee. Senge's discipline of mental models serves to challenge the individual's preconceived assumptions, were they to be regarding sexist or racist beliefs, for example. Senge stresses the importance of pushing the individual to be more open minded and accepting of alternative ways of dealing with one's assumptions. Through his disciplines of shared vision and team learning Senge argues that individuals are required to put aside their individual differences and learn to function as a collective in order to achieve their individual as well as collective goals. Allen and Kraft's understanding of the organisational unconscious emphasises the importance of understanding the hidden assumptions and attitudes held by employees. Only once these assumptions are brought to the fore can they be dealt with and improved. They challenge the worker to be open minded and accepting of diversity, which is, to an extent inspired by management leading by example.

These three approaches establish a humanistic outlook that challenges traditional approaches to managing human resources. When managing individual an effective and sincere leader is required, it is the effort of management's interaction with workers that is reflected in the outcome or performance of the workforce. Management's complex role resides in delivering the potential of all workers, helping them to explore their possibilities and maintaining an organisational environment that promotes collaboration and problems solving.



This research will proceed to discuss the context in which current labour relations in South Africa are located. What will follow is an historical account in order to develop a background from which contemporary labour relations can be better understood.

## CHAPTER FOUR

### AN HISTORICAL OVERVIEW OF LABOUR RELATIONS IN SOUTH AFRICA

#### 4.1 INTRODUCTION

The history of labour relations in South Africa has predominantly been shaped by the forces of industry and has unquestionably favoured and promoted the interests of white employees at the expense of black employees (Finnemore and van der Merwe, 1996:21). During the apartheid era various legislative measures were established and enforced which set out to achieve two specific objectives, these being firstly to secure and perpetuate the capitalist labour system, and secondly to maintain the assumed position of status white employees took for granted (Barling, Fullagar and Bluen, 1983:594).

When examining South Africa's past, one needs to bear in mind that the narrative of South African history is all too often biased and subjective due to varied interests being promoted (Finnermore and van der Merwe, 1996:21). Between the ideological influences of both the apartheid government and the opposing political interests fighting for liberation, the history of South African labour relations has taken many different forms and is subject to wide interpretation. Literature on this subject matter has lacked objectivity and a critical viewpoint.

Chapter four focuses on delivering an objective outline of the history of South African labour relations dating from the early 1990's to the late 1990's. Relevant legislation, as well as its consequences, shall be discussed. This chapter will explain how and why unfair labour practices emerged, and will conclude with a discussion regarding the impetus for change from apartheid legislation towards democracy.

By discussing labour relations within this specific time frame, it is hoped that a clearer understanding will be established of contemporary labour relations. One needs to understand from where South African labour relations has developed and what challenges have been confronted in the past in order to appreciate the dynamics of contemporary

labour relations. Contemporary challenges are rooted in decades of conflictual and unfair labour practices issued by industry and supported by a racist government.

#### **4.2 THE INDUSTRIALISATION OF SOUTH AFRICA [1880 - 1924]**

Industrialisation began in South Africa in the late 1800's with the discovery of valuable minerals such as diamonds and gold. Prior to the discovery of these resources South Africa had been dominated by small craft based industries that had supported an agrarian society (Finnemore and van der Merwe, 1996:22). South Africa had discovered a resource that was considered valuable in established international markets, however the technical skills required to mine these resources were lacking. Skilled employees were recruited from Europe and Australia and brought with them their skills and expertise, as well as their knowledge and experience of trade unions (Barling et al., 1983:594). This knowledge was used to secure their position as an "elite" workforce commanding wages higher than those offered to other race groups.

Due to their possession of skills that were in great demand, these employees immediately occupied a privileged position of high status within the labour market (Bendix, 1996:78). Having filled the position of skilled labour, capitalists sought a pool of cheaper unskilled labour to work on the mines. For this purpose black employees were approached. The government was quick to introduce legislation that would force black people into industry rather than face criminal punishment. This can be noted, for example, the Glen Grey Act of 1894 which ensured that black employees would seek employment in industrial centres in order to pay the taxes imposed upon them by the government (Barling et al., 1983:597). This legislation required blacks to pay their taxes in cash, which could only be attained by selling one's labour to capitalists, and not in cattle as was the previous arrangement (Webster et al., 1995:87).

Crush, Jeeves and Yudelman (1991:1) argue that the ore found in South Africa was of low-grade quality. They add that if this particular quality of ore had been found at this time in other countries, such as, Australia, Canada or Europe, it probably would not have been

mined as these other countries did not have access to the right type of work force, in other words a labour force from which labour could be cheaply purchased. Because the ore was of such poor quality, it would only prove to be financially viable to mine if labour could be purchased at its lowest possible price (Liebenberg and Spies, 1993:4). This reinforces the importance of the government's partnership with capitalists in order to coerce, mobilise and secure a massive pool of unskilled labour.

Webster (1974:11) offers a quote by G. H. Stevens, made on 21 March 1891, illustrating capitalists reliance on government intervention on their behalf:

"At present there is no guarantee that tomorrow the Rand will not be boyless. That must be remedied in the interests of the capitalist: there should be some system under which the supply is certain and cannot fail. Such a system would have to be on a colossal scale and administered either by government or some institution under its sanction."

Industrialisation developed on the basis of an unequal relationship among employees which was based solely upon the individual's skin colour. Highly paid skilled jobs were reserved for and occupied by whites, while poorly paid and often dangerous unskilled jobs were occupied by blacks. It is estimated that in the late 1880's black employees were paid eight to ten times less than their white colleagues (Barling et al., 1983:594). Not only did black employees receive less pay than white employees, but the conditions under which they were required to work were of lower standard too. The state, through legislative action, interfered in the formation of class in the newly developing industrialised South Africa by granting privileges and economic concessions to white employees and by marginalising black employees from similar privileges and denying them participation in both the economic and political sphere (Davis, 1979:1).

Finnemore and van der Merwe (1996:23) and Barling et al. (1983:597) outline additional pressures exerted by the government in the quest for securing cheap labour. Blacks, in

order to pay taxes, were contracted to mines. Mine owners were able to manipulate the terms of these contracts without interference from the government. The 1913 Land Act served to restrict 75% of the land to 13% of the population. The remaining land was offered to blacks. As this land became over-crowded, subsistence farming became increasingly difficult thus forcing adults to leave their homes in search of employment to support their families. The impact of this Act, according to Cameron (1986:235) "made the South African black not actually a slave, but a pariah in the land of his birth". Pass laws were introduced as early as 1896 and served to control labour on the mines stipulating "that Natives on the Rand must be in the employ of a Master and wear a metal plate or badge on the arm in token of such employ" (Webster, 1974:10). These laws ensured that black people would look for jobs only in areas where their labour was most needed by industry (Finnemore and van der Merwe, 1996:23). This was ensured as the Act would not permit black people to purchase or lease land from a white person if that land was outside the land scheduled for black occupancy (Liebenberg and Spies, 1993:58).

Industrialisation brought about the introduction of the migrant labour and the compound systems. Migrants were predominantly black people who had been sent by their chief to mining centres in search of employment in order to earn wages to pay taxes and thus support the rural community (Callinicos, 1995:94). The migrant labour system was established through demands initiated by taxation, as well as the passing of the Land Act of 1913 which left blacks no choice but to enter the mining industry in order to sustain the lives of their families (Finnemore and van der Merwe, 1996:23). The pressures of taxation, land dispossession, population increase and ecological decay were responsible for vast amounts of blacks seeking employment in industrial centres (Crush et al., 1991:5).

Migrants were housed in compounds near the mines. Housing employees near to the workplace served to reduce incidents of desertion and enforce tighter control over employees both when at work and after working hours (Saunderson, 1988:169). These compounds housed only the single male, forcing him to leave behind his wife and children, if he had any (Callinicos, 1995:96). The effects of this were twofold. Firstly, as the men



were forced to leave their families for extended periods of time because pass laws would not permit families following them into urban areas, the family unit began to decay. Crush et al. (1991:3) argue that while many households were destroyed by the absence of their men, others were saved by the income sent back to them. Township residents referred to migrants in derogative terms such as “amaoveralls”, meaning *the overall wearers*, and saw migrants as being culturally different to them (Webster, 1985:208). The social fabric of township life had been irrecoverably altered by the imposed migrant system. Secondly, being housed as a single male allowed mine owners to pay each employee as a single male rather than as a person with a family to support. It was cheaper for mine owners to house and feed a single worker rather than paying wages to support his entire family (Callinicos, 1995:97). The migrant labour system allowed capitalists to lower the value of the labour power of blacks to the cost of reproducing the individual labourer from day to day (Davis, 1979: 56). Thus the perpetuation of the migrant labour system was to be seen as vital to the continued attainment of profit within the mining industry (Crush et al., 1991:1). The migrant labour system, through contracting employees only for a limited period of time, ensured that a constant supply of unskilled labour was regularly fed to employers in need. Through the system imposed, migrants had little opportunity to obtain skills and their ability to mobilise collectively and resist conditions was severely curtailed (Harris, 1988:17). The migrant labour and compound system thus, by reducing the value of black labour and exerting excessive control over black labour, enabled management to wield tighter control over that labour who had little opportunity for improving their circumstances and were forced to bear with conditions in order to retain their employment.

Labour relations has a long history of being conflictual and antagonistic as the interests between capitalists and employees often contradict one another. In South Africa, labour relations became conflictual almost as soon as the industrialisation process began. The source of conflict can be identified by examining the interests of the distinctive groups involved, that being of capitalists and employees - both black and white, whose working class identity was tainted by the emphasis placed on race. The interests of capitalists was to make sufficient profit in order to maintain and support their business concern (Webster,

1974:12). In order to increase profits mine owners sought to employ workers for the lowest possible wages. This was undoubtedly a source of contention among employees. The interests of white employees was to protect their status as highly paid skilled employees and prevent black employees and indentured Indian and Chinese labour from impinging on their "reserved" elitist rank in the employment hierarchy (Finnemore and van der Merwe, 1996:24). The interests of black employees was of opposition to unfair labour practices, poor working conditions, and the denial of political rights (Finnemore and van der Merwe, 1996:24). Thus the direct working experience of black and white South Africans was considerably different with black workers having to endure an oppressive and unfair working environment that was oblivious to their individual needs and rights.

South Africa's past reflects a rich history of protest action undertaken by employees, coupled with the responses initiated by the government. Employees realised their potential power of withholding their labour in order to negotiate to their benefit at an early stage of the industrialisation process. Over time labour developed an understanding of how this potential power could be utilised to the employees' advantage through collective action offered by trade unions.

Webster (1974:13) argues that the earliest strike recorded took place in 1879 as white workers on the gold mines protested against proposed wage reductions. Soon after, in 1884 white employees went on strike on the Kimberly diamond field in protest of being strip searched for illegal possession of diamonds (Barling et al., 1983:594). Although white miners won their grounds over this particular issue, the procedure of strip searchers still applied to black employees. Double standards as irrational or unjustifiable as they may have been continued to apply to employees on the basis of their race. Bendix (1996:80) claims that the first strike recorded that black employees participated in occurred in 1896 in protest against the low wages paid to them.

In 1897 white miners at Randfontein went on strike when management suggested a drop in their wages in relation to a drop in the wages of black employees (Finnemore and van

der Merwe, 1996:24). According to Webster (1974:13) the underlying reason for this strike was an effort by white employees to stop the employment of black workers and indentured labour being employed in skilled positions. In response to the industrial action the "Job Colour Bar" was instituted which fundamentally served to reserve specific jobs for white employees only (Bendix, 1996:78). This practice was later legislated in the 1926 Mines and Workers Amendment Act as part of Hertzog's "civilised labour policy" (Harris, 1988:31, and Liebenberg and Spies, 1993:182). Thus skilled, highly paid positions were reserved exclusively for white labour, while subordinate positions were reserved for black labour and indentured labour. By reserving the most prestigious jobs for whites, whether it be based on income, status or professionalism, and allowing black workers to only occupy low level positions, the Job Colour Bar served to entrench racial inequalities in the workplace by reaffirming one's allocated "lot" within an organisation which was dependent on one's race. One's position in an organisation was thus predetermined and entrenched on the basis of one's race.

Davenport (1991:505) interprets the job colour bar as part of a much larger "exploitation colour bar" which comprise the many discriminatory laws that served to destroy the black person's power, those laws including constitutional arrangements that removed the black person's political leverage, as well as industrial laws that denied black people the right to bargain collectively against an unjust system. Davenport adds that these Acts collectively, made the black person "ultra-exploitable", which within the industrial context became perceived as a threat by white employees.

Warwick (1981:23) outlines various instances of early resistance by black employees. The most frequent forms of resistance included desertions and boycotting. Some of these earlier incidences include that which occurred in 1901 when sixty Sotho workers deserted their place of employment as mine owners had failed to deliver the promises offered by recruiters. Whilst trying to cross the Vaal River, nine were shot dead and fifteen were injured. In April 1901 one-hundred and sixteen out of one-hundred and eighty-three workers at the Consolidated Main Reef Mine went on strike over wages. Those who



refused to return to work were arrested. Resistance during this period was generally in opposition to low wages, the unfulfilled promises of recruitment agencies, and unsafe and unsatisfactory working conditions

The period between 1907 and 1922 is described as being a turbulent era for labour relations (Barling et al., 1983:594). Once the Anglo-Boer war had ended, Afrikaans families needed a means to support themselves. Many sought to enter the mining industry. These Afrikaans employees, who lacked technical skills posed a threat to skilled white workers, who in 1907 went on strike in protest to their incorporation to the industry (Bendix, 1996:78)

In response to a strike in 1914 by white employees, the government declared Martial Law, as it did before in 1913 and again in 1922. This declaration ensured the government was protected by indemnity for unlawful action against citizens (Barling et al., 1983:595).

In 1919 the Industrial and Commercial Workers' Union (ICU) was formed. The ICU was developed as an expression of black resistance and demonstrated a sense of solidarity among black employees (Callinicos, 1995:161). It was, however, not entirely successful at meeting its objectives of improving labour conditions at work, increasing wages, eliminating discriminatory legislation, and redistributing economic and political power (Bonner, 1981:115). Bonner adds that the ICU's weaknesses lay in its financial instability, personal conflicts and weaknesses in central organisation. Added to these defaults, the ICU failed to gain sufficient respect as a bargaining partner in industry. This can be noted in a statement made by Prime Minister General Hertzog, in 1926, who claimed that the government was not prepared "to allow a native body like that to come and represent to us what wages should be paid to employees in our service" (quoted in Callinicos, 1995:160). While the ICU may have failed, it made black workers aware of the strength of their unified power and led them to be more confrontational in response to the discriminatory practices they encountered. Callinicos (1995:168) offers the following quote illustrating what membership to the ICU meant for one black employee:

“Although the initials stood for a fancy title, to us Bantu it meant basically: when you ill-treat the African people, I See You: if you kick them off the pavements and say that they must go together with the cars, I See You; I See You when you do not protect the Bantu ... I See You when you kick my brother, I See You”.

The trade union movement supported by black employees has a long history of trying to improve wages, conditions of employment, unfair management practices and discriminatory legislation (Liebenberg and Spies, 1993:78). Although legislation prohibited black employees from joining or forming trade unions, their efforts continued (Bendix, 1997:84). Barling et al. (1983:599) explain the conditions under which this effort later had to survive when the Suppression of Communism Act of 1950 defined communism, which was punishable through imprisonment, as “any doctrine or scheme aimed at bringing about any political, industrial, social or economic change in the country.” This left little room for black employees to act legally, forcing their efforts underground. A number of trade unions supported by black employees emerged in defiance of legislation and aimed at protecting the rights of employees. These efforts focused on strong shopfloor representation and collective mobilisation (Bendix, 1997:198).

During 1920, over sixty strikes were reported (Barling et al., 1983:595). The largest strike occurred when approximately 71 000 black miners went on strike for better wages and against the job colour bar (Webster, 1974:15). Finnemore and van der Merwe (1996:26) argue that the mobilisation of black employees was difficult due to the restrictions imposed by the compound system which ensured that black employees were isolated.

The 1922 Rand Rebellion, in which 22 000 white workers went on strike, is described as being a turning point for labour relations in South Africa (Barling et al., 1983:595). The strike lasted seventy-six days, resulting in two hundred and forty-seven deaths and over one thousand injuries, with forty-six people being charged with either treason or murder (Bendix, 1996:79). Dispute regarding the job colour bar is argued to be the source of the

strike. Mine owners wished to ~~eradicate~~<sup>eradicate</sup> the job colour bar as it would benefit them economically to hire black employees who could be paid lower wages and place them in skilled positions instead of white employees; while white employees placed their interests in the maintenance of the job colour bar in order to maintain the system of racial domination (Johnstone, 1985:116). The South African government realised that changes had to be made in the industrial relations system as the response to the rebellion had been inadequate and costly to the economy. This realisation laid the ground for fundamental changes in labour relations (Barling et al., 1983:595).

#### **4.3 A DUAL SYSTEM OF LABOUR RELATIONS**

In order to ensure that the correct channels were addressed in instances of industrial dispute the government passed the Industrial Conciliation Act (ICA) in 1924. The purpose of the ICA was to provide the machinery for collective bargaining and conciliation in the instance of dispute in order to prevent further industrial unrest (Bendix, 1996:61). The ICA established industrial councils and conciliation boards through which issues could be mediated and arbitrated before reaching a destructive level. The employee's right to strike was curtailed by the limits imposed by the Industrial Council (Finnemore and van der Merwe, 1996:27). Resultant strikes that failed to pass through the stipulated channels were deemed to be criminal. The ICA established a sound foundation for more procedural labour relations that would continue for the following fifty-five years (Barling et al., 1983:597).

The ICA, however, excluded "pass-bearing blacks" from the definition of employee immediately excluding blacks from all provisions of the Act thus perpetuating the legacy of unfair and undemocratic labour practices for black workers (Finnemore and van der Merwe, 1996:27). From this point on a dual system of labour relations was institutionalised. White, Asian and coloured employees were protected by the ICA while black employees were deliberately excluded. Black employees were still forced to comply with the Native Labour Regulations Act of 1911 which served predominately to regulate and standardise the contracts under which black employees entered into white industry,

allowed for criminal sanctions in the instance of a <sup>6</sup>breach of contract, and allowed government inspectors to control the treatment and housing of black employees under contracts (Lever, 1981:72). The ICA thus demonstrated and supported exclusionist tendencies that would play a fundamental role in South African labour history (Lever, 1981:104). The message that dual labour legislation sent to the workplace was clear. White workers, who were afforded better jobs, also benefited from the state's legislation that served to protect their rights in the workplace, while black workers, who occupied <sup>jobs</sup> deemed undesirable by whites, had few or no rights worth protecting in the eyes of the law.

Although separate legislation governed the labour relations of white and black employees, the Wage Act did not distinguish between employees on racial grounds regarding the establishment of minimum wages allowing unilateral decisions to be made (Lewis, 1981:103). This allowed for minimum wage rates to be established in those areas not covered by the ICA (Bendix, 1996:81).

During the late 1920's manufacturing and service industries grew rapidly. The introduction of mass production technology created a need for semi-skilled workers who would perform at lower wages (Finnemore and van der Merwe, 1996:27). Deskilling and fragmentation of tasks occurred as craft and highly skilled positions become eroded. Finnemore and van der Merwe argue that for a brief period in South African labour history a sense of unity among all employees of all races emerged as blacks, whites, coloureds and Asians realised that they needed to unite in their opposition to the onslaught of capitalism that threatened all employees alike with its innovations to the working environment. This resulted in a step towards non-racial trade unionism as the labour movement constituted various heterogeneous groups fighting for a similar purpose - the need to remain employed (Bendix, 1996:82).



Despite being disallowed to form trade unions by the provisions of the ICA, black employees continued to organise themselves. They had found that in their collective strength lay the power to initiate change.

#### **4.4 THE INSTITUTIONALISATION OF APARTHEID**

The term “apartheid”, introduced in 1948 was a new term used for an old relationship that symbolised a system of legalised and institutionalised racial discrimination and segregation (Webster et al., 1995:185). These intentions were acknowledged as early as 1887 in a speech made by Cecil John Rhodes:

“The native is to be treated as a child and denied the franchise ....  
we must adopt the system of despotism such as works so well in  
India in our relations with the barbarians of South Africa”  
(quoted in Dubula, 1965:5)

The means through which apartheid became institutionalised was by the passing of a range of legislation that specifically aimed at separating race groups and enforcing different standards of living through each group’s access to economic power. Legislation included the Suppression of Communism Act of 1950 which prohibited any challenge to the current political system; the Population Registration Act of 1950 which classified all South Africa’s into four race groups; the Immorality Act of 1950 which among other things deemed interracial marriages to be criminal; the Natives Act of 1952 which forced black people to carry pass books while present in urban “white” areas; the 1953 Bantu Education Act which forced a separate education system for different race groups with different qualities of education and different levels of government expenditure according to race group; and the Natives Resettlement Act of 1954 which forcibly removed black people off their land and resettled them in demarcated townships away from “white” urban areas (Pampallis, 1995:206). Other legislation that pertained to the system of labour relations includes the Natives Settlement of Disputes Act of 1953 which effectively banned blacks from belonging to registered trade unions (Terreblanche and Nattrass, 1995:197).

The Bantu Labour Act of 1953, which became known as the Black Labour Relations Regulations Act, aimed at dissuading blacks from wanting to form trade unions, by giving them the alternative of forming workers' committees (Bendix, 1996:86). Bendix adds that these committees were chaired by a white man, lacked representivity, and merely voiced grievances rather than taking action, which accounts for their lack of popularity.

The 1956 amendment to the ICA which became known as the Labour Relations Act of 1956, further polarised the working class as now all "Bantu", including women, were excluded from the definition of employee (Bendix, 1996:87). This amendment added further impetus to the system of job reservation whereby particular occupations were legally reserved for a particular race group.

In response to restrictive government legislation, the 1950's is described by Finnemore and van der Merwe (1996:29) as a period characterised by intensive political mobilisation against the apartheid government with participation by the oppressed in the Defiance Campaign, and with political opposition parties gaining support, such as the African National Congress. It was a time of resistance to unfair legislation that was soon to gain world-wide attention.

#### **4.5 THE WIEHAHN COMMISSION**

Resistance to unfair labour practices continued and culminated in the 1973 strikes in Durban which spread throughout South Africa, demonstrating the power of black employees to influence labour issues and forcing the government to reconsider labour legislation which distinctively lacked the infrastructure required for negotiating (Finnemore and van der Merwe, 1996:30). The impact of the 1976 Soweto uprisings placed further pressure on the government to respond to the issues and concerns raised by black South Africans.

In response to the active resistance of black employees the government appointed two commissions in 1977 to investigate and report on labour issues (van der Ross, 1986:332).

These two commissions were the Wiehahn Commission and the Riekert Commission, of which discussion shall focus on the Wiehahn Commission under the chairmanship of Professor N. E. Wiehahn. The Riekert Commission involved an inquiry into the legislation that affected the utilisation of employees in an effort to determine if apartheid laws had any detrimental effects on the functioning of black employees (Liebenberg and Spies, 1993:469). Van der Ross (1986:22) explains that the Wiehahn Commission was instructed to “inquire into, report upon and make recommendations in connection with the existing legislation administered by the Departments of Labour and mines, with specific reference to modernising the existing system for the regulation of labour relations and prevention and settlement of disputes” (van der Ross, 1986:322).

Finnemore and van der Merwe (1996:31) as well as van der Ross (1986:333) outline the recommendations made by the Wiehahn Commission, along with the government’s response to those recommendations.

The Wiehahn commission urged the government to grant freedom of association to all employees irrespective of their race or their status as migrants or commuters. The government accepted the principle of the freedom of association with regard to trade union membership. The government, in response, extended the definition of “employee” to all employees irrespective of race - except for those who were migrants or commuters that did not have permanent residence in South Africa.

The Wiehahn Commission argued that trade unions should have autonomy in selecting the criteria for their membership without government’s involvement. In response trade unions were given authority to decide on their membership, however, the registrar had the discretion to withdraw registration without giving any reason. The registration of mixed trade unions was only allowed for in specific circumstances.

The Wiehahn Commission suggested that apprenticeships should be open to all race groups, implying that the industrial colour bar should be dismantled. The government's response was to allow for all race groups to train for apprenticeships.

The Wiehahn Commission suggested the appointment of a National Manpower Commission that would serve as an ongoing monitor of labour relations and would objectively intervene where appropriate. This recommendation was adopted by the government.

A final proposal to be discussed is that of The Wiehahn Commission regarding the restructuring of the Industrial Tribunal into an Industrial Labour Court which would function in the capacity of adjudicator on disputes of rights or interests brought to its attention. This was followed up by the government.

The recommendations of the Wiehahn Commission were clearly targeted at the abolition of legislation that enforced racial exclusion within the labour relations system (van der Ross, 1986:333). The government is said to have accepted more than 90% of the recommendations put forward by the Wiehahn Commission which it incorporated into an amendment of the ICA in 1979.

Although some of the discriminatory legislation relating to labour relations had been dismantled, apartheid legislation such as influx control and pass laws were still firmly in place, ultimately restricting the rights of blacks (van der Ross, 1986:334). While black employees gained some ground within the workplace, they were still treated as second rate citizens by the government as they continued to be denied political participation.

Later changes to labour legislation occurred in 1981 with amendments to the Labour Relations Act of 1956. These changes included the acknowledgement of the right of freedom of association extended to all workers irrespective of his or her origin, and the



scrapping of the Bantu Labour Relations Regulation Act (Finnemore and van der Merwe, 1996:32).

#### **4.6 FORCES OF CHANGE**

Forces of change can be noted both within the South African context and beyond, in the international context. These forces, most effective collectively, set out to challenge the abuse of human rights under the apartheid government.

Forces of change within South Africa include those of trade unions and political organisations in opposition to apartheid. Although trade union activity had decreased during the 1960's it emerged once again in the 1970's with sufficient force to have a dramatic impact on labour relations (Bendix, 1996:75). Webster et al. (1995:237) attribute this re-emergence to the political and economic climate which was volatile and placed pressure on employees to take action in order to overcome repressive conditions. The growth of trade union activity in the 1970's, according to Webster et al. (1995:238), is attributed to three factors. Firstly, as manufacturing and service industries grew, employees began to concentrate in the cities on long-term rather than short-term contractual periods. This offered stability to the movement in opposition to apartheid legislation. Secondly, as the size of each workplace grew, greater unity among employees at the same organisation developed. And, thirdly, the black Consciousness Movement dramatically influenced the sense of unity experienced among black South Africans, encouraging a collective challenge to the government of the day. During the first three months of 1973 over 61 000 employees had gone on strike (Baskin, 1995:252). Baskin explains that this strike action began in Durban and spread rapidly throughout South Africa, gaining momentum as it spread. Trade unions and political parties together appealed to the international community to assist them in applying pressure against the apartheid government (Ginwala, 1988:95). Their plea for support exposed a violation of human rights that clearly went against the Universal Declaration of Human Rights (Ginwala, 1988:98).

Other pressures forcing the government to rethink its strategy are outlined by Finnemore and van der Merwe (1996:36) who argue that the laws supporting the apartheid system, such as the Group Areas Act and Influx Control, had begun to collapse due to the pressures of market forces which demanded more rapid and sustained urbanisation. They add that the cost of enforcing apartheid through maintaining a police state amounted to a financial burden that the government could no longer afford. Due to the many pressures exerted, it became evident by the mid 1970's that tension had emerged between labour market regulations enforced by the apartheid government and the requirements for economic stability in South Africa which ultimately forced the government to reconsider its approach (Nattass and Seekings, 1996:1).

Forces for change also emerged from the international context. This pressure mounted in response to calls for help from the oppressed people of South Africa as well as anti-apartheid campaigners. The ANC, for example, had called for "the cessation of financial and trading links, oil and arms embargoes, the denial to South Africa of air and maritime facilities, and the ending of any nuclear cooperation" (Lodge, 1989:38). Sanctions against South Africa took the form of sporting, cultural, academic and economic exclusions as well as disinvestment and the ceasing of foreign loans (Lodge, 1989:2). By 1963 sixty-seven countries had severed all trade and political relations with South Africa (Dubula, 1965:29). This pressure placed South Africa in an isolated and somewhat crippled position in which political reform appeared to be the only action to be considered.

The pressures for change exerted both internally and externally, collectively paved the way for South Africa's transformation to political reform.

#### **4.7 CONCLUSION**

From the very onset of industrialisation black employees have borne the brunt of the goals of both capitalists and racists. The relationship between employees has never, throughout South Africa's history, been an equal one, and to this day the consequences of such early practices can be identified.

Clearly South Africa's history illustrates a blatant neglect for human rights. From the experience of the past, current government efforts include emphasis on the protection of human rights as well as legislation protecting the rights of all employees. The following chapter will examine current government efforts at ensuring equality and fairness as well as highlighting contemporary problems that have resulted from our apartheid past.

## **CHAPTER FIVE**

### **CONTEMPORARY LABOUR RELATIONS IN SOUTH AFRICA**

#### **5.1 INTRODUCTION**

South Africa has clawed its way from abusive, manipulative authoritarianism toward an approach nearer to a global understanding of democracy. Embracing basic principles of democracy alone is insufficient, as the challenges that await South Africa require the results of tangible transformation to be experienced by all. If labour relations prior to political democracy in South Africa were to be described as racist, unjust and inhumane, labour relations having attained democracy could be described as cautious, liberating, and somewhat experimental as every effort is made to redress past discriminatory practices, deal with the consequences of the past and contribute towards sound and productive future labour relations.

This chapter will outline key features that have promoted South Africa's transformation to democracy and examine the meaning of democracy in South Africa. Contemporary challenges resulting from past separatist practices will be discussed as well as suggested corrective action to be considered. Recently passed labour legislation will be considered in order to determine if these changes will further enable the democratisation of the workplace.

Labour legislation has undergone dramatic change as past laws have been considerably tailored to deliver the demands of a democracy. Legislation such as the Labour Relations Act (LRA), the Basic Conditions of Employment Act, and the Employment Equity Bill (EEB) clearly indicate a new emphasis on the protection of workers in line with the ideals of a political democracy.

#### **5.2 TRANSITION TO A POLITICAL DEMOCRACY**

Finnemore and van der Merwe (1996:38-39) outline the sequence of historical events that preceded South Africa's achievement of political democracy and the changes in labour relations. They highlight the significant events that have altered the course of South Africa's history. They begin with February 1990 which saw the release of Nelson Mandela, the unbanning of political parties including the African National Congress, Pan African Congress and United Democratic Front, as well as a genuine commitment by government to negotiate with opposition leaders. In May of 1990 the South African Employers Consultative Committee on Labour Affairs (SACCOLA), the Congress of South African Trade Unions (COSATU), National Council of Trade Unions (NACTU) (SCN) ACCORD occurred which brought employers and trade unions together to negotiate and transform the LRA of 1956. The LRA was later amended in February 1991 to include SCN accord provisions. This acknowledged the importance of involving all stakeholders in negotiating legislation affecting the workplace. In moving away from adversarial governance, the input from all stakeholders had to be considered. The National Peace Accord, supported by twenty-three political parties, was signed in September 1991. The intentions of the Peace Accord were reinforced in December 1991 at CODESA where collective efforts to create a unified and undivided South Africa were made. In March 1992 a referendum was called among voting white South Africans in order to assess their support for future political negotiations aimed at democratising the state. The result of the referendum indicated that sixty-nine percent of the voters were in favour of ensuing continued negotiations aimed at democracy. Shortly after, negotiations were disrupted in June by the Boipatong massacre, in August by a general strike, and again in September by the catastrophic outcome of the Bisho march. It was only in March 1993 that the multi-party negotiation process re-emerged. The negotiation process culminated in the 27 April 1994 elections where the Government of National Unity, the National Assembly, the Senate and nine provincial governments were established. Schlemmer and Hirschfeld (1994:1) offer a quote taken from the Times on 14 June 1993 which reflects the understanding of the public to the political changes taking place:

"In Johannesburg black and white political leaders announced that at last every citizen of South Africa will be able to choose

his or her own government. After centuries of oppression and bloodshed, a free election will be held .....

South Africa thus began the process of liberating its authoritarian rule and abandoning policies of racial separation in pursuit of a more acceptable economic and social system and a democratic government (Tucker and Scott, 1992:12). The path toward democracy was by no means unproblematic. At almost every corner a challenge that threatened the process was encountered. It was evident from the start that such change was certainly not easy and not accepted by those objecting to a new political dispensation. Coupled with change comes uncertainty and fear which has proved to make transformation a difficult process (Finnemore and van der Merwe, 1996:39).

The African continent as a whole has a legacy of indifference to democracy that was initiated in the colonial era where the acquisition of land and dominance was sought at the expense of individual human rights (Ake, 1991:32). Political oppression was a prerequisite for colonial rule. This has been clearly illustrated in retracing South Africa's historical development.

The concept of "democracy" can be defined as the institutionalisation of political freedom which in turn guarantees each individual the opportunity to improve his or her life ensured by the occurrence of free and regular elections, pluralism, rule of the majority, protection for all citizens and free discussion (Patel, 1994:1). Democracy is thus the framework through which the individuals of a society aspire to achieve liberty and equality (van Heerden, 1994:95). South Africa's transition to democracy therefore brought with it the assumption that every individual would have an opportunity to embark on a life protected by the principles of fairness, equality and liberty - indeed an ideal alternative to the realities of apartheid. This new political approach is expected to deliver tangible and idealistic rewards to those supporting democracy as supporters await the promises that initially secured their votes to transform (Schlemmer and Hirschfeld, 1994:46). The ideals established by the concept of a political democracy then constitute the principles of representative and accountable leadership that uphold and protect the liberty and equality

of its citizens (Stirk and Weigall, 1995:290). Having encountered such dramatic change in the political arena it is likely that this transformation and the ideals upon which it is based, will have an effect on all aspects of life.

### **5.3. CONTEMPORARY CHALLENGES**

Although South Africa has made dramatic changes towards healing the burdens of the past, there are vast obstacles that may hinder or delay the realities of a democratic South Africa. Before any significant progress can be made the casualties of past discriminatory practices must be addressed and dealt with. Contemporary challenges to be addressed which will be discussed in more detail, include confronting workers' demands and expectations, the process of restructuring, industrial action, a lack of competitiveness, unemployment, negative attitudes and low productivity.

It would be foolish to assume that the mere pursuit of democracy will ensure an end to social ills such as hunger, homelessness and poverty. The promises of a new democratic order lead those previously denied opportunities to develop high expectations of what this new order would deliver for them. Ake (1991:35) argues that "people must be educated and fed before they can appreciate democracy, for there is no choice in ignorance and there are no possibilities for self-fulfilment in extreme poverty." When expectations are not met and simply put on hold, the outcome could result in conflict and disillusionment as the population realises that initiating democracy does not automatically change their life experiences. Schlemmer and Hirschfeld (1994:46) caution "beware of urging us on to the river if there is nothing to drink." Apathy and contempt do not promote an atmosphere of nation building and hope. These expectations therefore must be dealt with in order for democracy to maintain its welcomed acceptance. The attainment of political democracy alone does not feed the hungry, shelter the homeless or heal the sick - this requires committed intervention by those elected to office.

South African organisations are currently undergoing restructuring aimed at incorporating changing trends in the demographic representivity of the workforce, meeting competitive

demands and improving productivity. Change in the workplace brings with it a range of responses from employees. Rosenthal (1996:51) argues that while these changes aim at improving the labour environment, new management systems introduced are often perceived by employees in a negative manner as it often brings with it retrenchment and a trend towards more flexible forms of labour in the form of subcontracting. If traditional employment patterns are no longer an option this may result in a workforce that feels threatened and insecure. Such uncertainty results in tension and resistance in the workforce that had eagerly anticipated reaping the benefits of a democracy, but now face the prospect of unemployment. Employees' expectations, uncertainties and fears must be confronted by management in an honest and practical manner so that the meaning of transformation and the impact it will have on the individual will be clearly understood before it can be accepted.

Industrial action has been rife in both pre- and post-democratic South Africa as workers collectively fight for matters ranging from the demand for a decent living wage to a fair working environment. It is this very action that placed enormous pressure on the apartheid state towards democratic reform. The effects of continued strike action, however, create a bleak image for foreign investors whose capital investments may be lost. Von Holdt (1994:14) states that industrial action discourages investment, which South Africa is currently dependant upon in order to stabilise its economy. Von Holdt argues that continued strike action by workers takes management by surprise as they had foolishly anticipated that workers would forget their complaints and demands once democracy had been achieved. What has become evident is that workers want change in their working environment that correlates to the political changes in South Africa (von Holdt, 1995:15). He adds that it is the ongoing experiences of inequality suffered by workers that fuels the culture of resistance which workers have developed. While realising that workers have the right to strike, it is imperative that management and workers work together in managing their differences in order to create a sound and stable working environment in which workers are content and productive and which foreign investors are willing to participate in.



South African workers are argued to be the “most expensive, least productive labour force in the developed world” (Bethlehem and Makgetla, 1994:20). This sentiment is echoed by von Holdt (1994:15) who claims that South African workers are notoriously unproductive and inefficient. One could argue many factors contributing towards this lack of productivity including a lack of skills, poor management practices, a lack of innovation and discriminatory labour practices (De Bruyn, Patel and Tshiki, 1995:77). However, a lack of productivity leaves South Africa’s economic growth somewhat lacking. Structural imbalances have rendered a vast majority of workers incapable of meeting the current challenges required in building and developing industry (Bendix, 1996:416). Workers and management need to work co-operatively to determine means of motivating workers towards productivity whilst conducting training, education and development programmes in order to bridge the skills gap. There are critics who argue, however, that an improvement in the productivity of workers will not necessarily benefit those workers or solve the challenges facing South Africa. These critics argue that increased productivity may lead to fewer jobs being created if production increases faster than the economy improves (SALBa, 1998:29).

A further challenge to consider is South Africa’s high unemployment rate which Natrass and Seekings (1996:67) suggest is the highest in the world. A direct result of this high unemployment is poverty which is a burden that most South Africans bear. Natrass and Seekings argue that ten percent of South Africa’s households earn almost half of the national income, leaving the poorest twenty percent earning a mere two percent of the national income. Such dire conditions challenge the expectations of a society who have struggled through endless adversity only to discover that democracy offers very little to ease their burden.

Although reform has begun to level inequalities in the labour force, these inequalities continue to have a negative impact on the functioning of organisations. Organisations are seen as being unrepresentative, unresponsive, inefficient and ineffective (Dexter, 1996:7).

Inequalities in the labour force predominantly falls along racial lines with black workers bearing the brunt of the burden with lower incomes, low level occupations and inefficient skills (Natrass and Seekings, 1996:3). Black workers dominate unskilled and semi-skilled positions while skilled and managerial positions remain dominated by whites (Ray, 1998:52).

A major challenge to the process of transformation involves dealing with negative attitudes from South African workers whose experiences of the past affects their current experiences and interpretation of events and individuals. Macun and von Holdt (1998:70-74) report on the findings of the November 1997 Truth and Reconciliation Commission investigation on business and apartheid. At this hearing workers expressed two specific areas of dissatisfaction. Firstly, they bitterly recalled the working conditions endured during apartheid, claiming that they had suffered abuses of human rights, employers colluding with police in victimising workers, harassment, assault and the denial of opportunity. These experiences reflect the atrocities committed and condoned during the height of apartheid. Secondly, workers voiced anger at employers, who denied that they had colluded with the apartheid state, claiming no knowledge of the injustices suffered by workers during apartheid. This response is unacceptable to labour who want some form of expression of regret for what had transpired. Macun and von Holdt argue that simply ignoring the past will not bring labour and employers closer to the understanding and acceptance of the past that is required in order for reconciliation to occur. Negative attitudes and failure to accept transformation continues whilst employers deny responsibility for their actions and refuse to acknowledge previous practices utilised to keep workers in check in a system where capitalism benefited. Attitudes among groups appear to have been shaped by numerous historical conflicts which have been sustained in the collective memory of these groups. The challenge that lies ahead is dealing with these negative attitudes.

The above mentioned challenges appear to create a daunting task for South Africa to overcome before the realities of democracy can be enjoyed. In order to deal with past

inequalities and unfair practices, the government, labour and employers have collaborated on the formulation of labour legislation aimed at transforming working relations. This legislation is notably different from apartheid legislation and requires dramatic change in both the way one perceives or understands the workplace and the way in which one acts therein.

#### **5.4 THE LABOUR RELATIONS ACT 66 OF 1995**

Due to the shortcomings of the LRA of 1956, trade unions, the state and organised business have negotiated the terms of the new LRA 66 of 1995 (LRA). The LRA is merely one of the current initiatives undertaken to address the consequences of past practices. Previous legislation resulted in the oppressive, racist practices in South Africa during the apartheid era. The new LRA provides an opportunity to move away from unquestioned authoritarian governance of the workplace to an environment more tolerant and supportive of democratic participation. An effort has been made to overcome the shortcomings of past legislation and protect the rights of employees (Cooper, 1996:81). Von Holdt (1995:16) suggests that the LRA is amongst the world's most progressive labour legislation due to the bold initiative it takes to protect and uphold fundamental human rights within the workplace.

The new LRA differs notably from the LRA of 1956. Some of these fundamental differences highlighted by Bendix (1996) and Finnemore and van der Merwe (1996) include the National Manpower Commission being replaced by the National Economic Development and Labour Council (NEDLAC); the Industrial Court being replaced by the Commission for Conciliation, Mediation and Arbitration (CCMA); industrial councils being replaced by bargaining and statutory councils; the introduction of workplace forums; and the inclusion of a greater category of employees covered by the provision of the LRA. These changes reflect a movement towards an approach that respects and protects basic human rights. Furthermore, the LRA serves to protect all employees as well as job applicants against discrimination, it encourages industry level bargaining and emphasises a

corporatist framework for industrial relations which could allow for a more representative and accountable system.

The intentions of the LRA are to uphold Constitutional rights, recognise the rights of organised labour, and promote peaceful conflict resolution (Bendix, 1996:123). Such enormous change is anticipated when the political system of a country is modified so as to ensure the accountability and representivity of its leaders.

Some of these changes will be discussed in order to identify the extent of change the LRA has undergone, and to determine if indeed these features of the new LRA serve to create a framework promoting equitable and fair working conditions that may be used to incorporate and promote the principles of industrial democracy. The features that will be discussed include the corporatist nature of NEDLAC, freedom of association, bargaining structures and councils, and workplace forums.

NEDLAC represents South Africa's own unique blend of corporatism, which extends beyond the norm as it includes community and development interest groups as well as the tripartite alliance of the state, organised labour and organised business (Bendix, 1996:242). Launched in February 1994 and supported by the LRA, NEDLAC has four stakeholders, that being organised labour represented by COSATU, FEDUSA and NACTU; organised business represented by Business South Africa and the National African Federated Chamber of Commerce; the government who are represented by a number of minister, deputy ministers and director generals from a range of government departments; and the community who are represented by the South African National Civics' Association, the National Woman's' Coalition, the National Youth Development, the National Rural Development Forum and the Federated Council for the Disabled (Rosenthal, 1996:2). These stakeholders represent a broad diversity of South Africans who through negotiation and co-operation work jointly on issues effecting industry and society (Finnemore and van der Merwe, 1996:133). Within NEDLAC there are four distinct chambers, each with equal representation, namely the chamber for public finance and monetary policy, the chamber for trade and industry, the chamber for the labour

market, and the chamber for development. Community and development organisations may only participate in the development chamber and not in any of the other three chambers (Finnemore and van der Merwe 1996:36).

This collective effort created through a cooperative environment is required in order to meet the following long term objectives of sustained economic growth, social equity in the community and workplace, and increased participation of all stakeholders in influencing policies relating to the economy, labour and development (Rosenthal, 1996:42). It is anticipated that through engaging all stakeholders in discussion and negotiation on issues that affect them, the input of all stakeholders will be seriously considered before a decision is made (Bendix, 1996:114). This culture of consultation, negotiation and participation is hoped to foster a cooperative climate through which the challenges and difficulties that threaten South Africa's long term success both economically and socially, can be addressed. Webster (1995:26) argues that corporatism in this form is the best possible means for succeeding in reform programmes within a new democracy.

NEDLAC will focus its attention on a broad range of issues which are elaborated on by Rosenthal (1996:45) and Finnemore and van der Merwe (1996:133). Firstly, it will focus on the restructuring and democratisation of the workplace. Changes will be considered that need to be realised before the workplace can be considered to be democratic, for example, equity plans and worker representation. Secondly, NEDLAC will focus on the requirements for and necessity of training and human resources development. Past inequalities regarding education, training and development will need to be considered as well as projections for future demands concerning skilled labour requirements. A third area of attention is investment in development and job creation. Ways and means of reducing unemployment rates through the development and expansion of employment opportunities will need to be considered. Fourthly, NEDLAC will focus on industrial restructuring in order to determine its relationship to trade policy and reform and job security. Once again focusing on the necessary change required to improve the functioning of industries and benefit employees. And finally, NEDLAC will focus on bargained wages

and wage improvements while examining the link between wages and productivity and the concept of a social wage. The above issues are to be discussed and negotiated through the consensus seeking body of NEDLAC (Finnemore and van der Merwe, 1996:133).

Finnemore and van der Merwe (1996:137) and Bendix (1996:243-245) outline concerns that have been raised regarding the successful functioning of NEDLAC.

It is argued that NEDLAC supports and promotes the interests of large, well represented business or labour organisations, while it does little to further enable the interests of smaller organisations. If this is true then power remains in the hands of the large organisations who are able to sustain and support themselves whilst smaller and disadvantaged organisations do not gain the opportunity to participate in the democratisation process. For these smaller organisations very little has changed as they remain excluded from any meaningful participation. Finnemore and van der Merwe (1996:137) expand by using trade unions as an example, arguing that small, unaffiliated independent unions who do not meet the criteria as a representative union will be excluded from participating in the NEDLAC infrastructure. This power of NEDLAC to state prerequisites for membership may negatively influence the trade union movement in coercing unions to conform to NEDLAC's requirements in order to meet the requirements set for membership.

Finnemore and van der Merwe (1996:137) challenge the legitimacy of trade union representation as representative of all employees and potential employees. It is only organised workers that are considered as potential stakeholders leaving unorganised workers and the unemployed without a legitimate voice in the chamber for trade and industry.

Negotiations through the forum of NEDLAC may conclude with decisions made at a centralised level at the expense of decentralised decision making (Finnemore and van der Merwe, 1996:137). This is voiced as a concern as decisions may be forced on parties not



participating in NEDLAC or smaller parties that may be easily manipulated by NEDLAC's decisions.

The notion of co-operative negotiation may prove to be a difficult reality, especially considering the hostility of the past between capital and labour, and the typical antagonism of these parties within a capitalist social system (Bendix, 1996:243). In order for NEDLAC to succeed, all parties participating must want to contribute in the interests of reaching decisions through compromise. Mutual acceptance and trust between parties fighting for different agendas may be all too an optimistic expectation.

By guaranteeing all stakeholders a significant voice in decision making at this level, NEDLAC has ensured that workers, through their representatives, have a secured negotiating position through which the concerns and interests of workers will be addressed. This goes a long way in enhancing a democratic working environment through meaningful participation in the highest level of decision making that determines legislation relating to the workplace.

A second feature of the LRA is the emphasis placed on the freedom of association. The LRA ensures that all employees have the right to form or join any trade union of their choice and participate in the activities of a trade union (Benjamin, 1995:16). All employees are guaranteed these fundamental rights that cannot be interfered with by the state. This freedom of association applies to employees as well as prospective employees in order to ensure that their trade union affiliation in no way warrants discrimination by employers or colleagues (Finnemore and van der Merwe, 1996:146). Employees and prospective employees, through the freedom of association, are afforded freedom from victimisation ensuring that they may not be discriminated against on the basis of their past, present or future affiliation, or lack of affiliation to any trade union (Bendix, 1996:124).

Ensuring the freedom of association to all employees and prospective employees as well as securing protection against discrimination is a progressive step taken to protect the right of labour to organise. In light of South Africa's past labour relations, where race was the



basis to exclude employees from these rights, effectively freezing their ability to organise and act collectively, the LRA has ensured that such an injustice will never be allowed to reoccur. Any employee or prospective employee has the right to participate fully in trade union structures in order to benefit from and fully utilise the collective power of organised workers.

By ensuring the freedom of association, workers are guaranteed the opportunity to unite collectively and challenge the unequal power structures created by a capitalist society. The denial of the freedom of association<sup>1</sup> would leave workers without any vehicle to demonstrate the effectiveness of collective action, thereby removing the power workers may exert. These rights, supported by other provisions in the LRA, including the right to strike, support the rights of workers and go a long way toward enabling workers to function in an equal and fair working environment.

Thirdly, it is necessary to investigate the LRA's views on collective bargaining and examine the structures it proposes through which collective bargaining is to be conducted. Historically, collective bargaining in South Africa has been described as disorderly and complex largely due to the overwhelming influence of state regulation and self regulation by parties to the collective bargaining process (Appollis, 1995:47). Prior to 1979, collective bargaining was a privilege of white workers only, leaving non-white workers without any legal grounds to exert their collective rights (Bendix, 1996:276).

The LRA promotes centralised collective bargaining with the aim of promoting workers' participation in decision making through their representative trade union (Finnemore and van der Merwe, 1996:159). While centralised bargaining is promoted by the LRA, it continues to respect and uphold the principle of voluntarism of previous agreements or industrial relations agreements (Rosenthal, 1996:64).

Other important basic organisational rights that have gained recognition in the LRA include the right to access an employer's premises for trade union purposes, the right to hold trade union meetings at employer's premises and to conduct ballots, stop order

facilities, time off for trade union activities, to elect trade union representatives, and the right to information from employers for collective bargaining purposes (Benjamin, 1995:17). The acknowledgement of the above mentioned rights give impetus to the collective bargaining process as trade unions gain the respect and status rightly afforded to them and have greater infrastructure through which to co-ordinate their activities. Disclosure of information for collective bargaining purposes is regarded as fundamental by Landman (1996:22), who claims that it will enable all parties to collective bargaining to negotiate on an equal footing with sufficient information to allow for meaningful and significant interaction to occur. Landman continues to explain that the purpose of such intense and well-informed negotiations is important in giving employees the opportunity to influence managerial prerogative before it is exercised upon them.

Centralised bargaining, being bargaining pertaining to an entire sector, as opposed to decentralised bargaining which applies to a smaller percentage of workers at one particular plant, is argued to be advantageous to South Africa's particular situation as it benefits a larger proportion of workers, secures minimum standards, is fast and efficient, promotes egalitarian objectives, strengthens bargaining parties and encourages productive strategic unionism (Baskin, 1995:49). Rosenthal (1996:65) views centralised bargaining as a means to uniting trade union members as well as promoting and improving the reality of non organised workers as decisions made apply across the board thereby offering at least a minimum improvement to the entire working class.

Bargaining forums that have the support of the LRA include NEDLAC, bargaining councils, statutory councils and workplace forums. Workplace forums will be discussed later in this chapter, and NEDLAC has been discussed previously.

Bargaining councils are argued to be an extension and development of the old industrial council system which is now intended for promoting bargaining at a sectoral level for both the public and private sector covering a range of collective agreements including wages, working conditions, and benefits (Finnemore and van der Merwe, 1996:147).

A bargaining council is an organisation comprising one or more registered trade union as well as one or more registered employers' organisation that is established through voluntary participation by the parties involved where all parties have equal voting power (Finnemore and van der Merwe, 1996:159).

Bargaining councils are to conduct a number of functions. Firstly, to negotiate and conclude collective agreements as well as enforce the outcome of the agreements. Secondly, to prevent, resolve and settle labour disputes. Thirdly, to promote and develop training and education programmes. Fourthly to establish and administer benefit schemes including pension, provident, medical aid, sick pay, leave, and unemployment schemes. And finally, to develop proposals regarding policies or legislation to be brought to the attention of NEDLAC (Bendix, 1996:126, and Finnemore and van der Merwe, 1996:159-160). Two functions that clearly stand out as the roles of the bargaining council are to bargain collective issues and to settle any disputes that may arise.

The advantages of a bargaining council system are argued to include the protection afforded to union members being extended and guaranteed to non-union members as decisions affect the entire sector regardless of trade union membership. The skills of union negotiators are more efficiently used at a sectoral level as skilled negotiators can focus their attention on challenging one issue rather than having to divide in order to challenge issues at many different plants and levels. Common conditions are set for all members of a particular industry ensuring a degree of uniformity in standards and fair working conditions. And finally, industrial action is likely to be reduced due to the intense effort invested at settling disputes (Finnemore and van der Merwe, 1996:162).

As well as highlighting the advantages of bargaining councils, Finnemore and van der Merwe (1996:163) point out four disadvantages associated with the system that need to be considered. Firstly, the agreements arrived at may be inflexible and have a negative impact on the functioning of market forces whereby the specific concerns of smaller individual organisations are not considered in the final outcome. Smaller organisations, for

example, who cannot afford across the board wage increases will suffer from the centralised collective agreement imposed upon them. Secondly, and related to the above point, is that smaller companies who do not have the financial flexibility and security of larger, more established companies will be negatively affected by decisions set by larger companies. If for example, a smaller company cannot comply with agreements reached within the bargaining council they may be forced to liquidate or be subjected to heavy fines imposed by the council. Thirdly, decisions lack flexibility as they are not open to individual companies' needs. And finally, current world trends indicate a movement towards decentralisation favouring its flexibility and ability to adapt to changes, while South Africa moves against this trend toward strengthening its policy on centralisation.

The LRA makes provisions for those instances where no bargaining councils have been established in a particular sector by introducing the concept of a statutory council. Any employers association or trade union that represents at least thirty percent of the employees or employers in a sector may apply for a statutory council to be initiated in that sector (Bendix, 1996:127). The functions of a statutory council are somewhat limited compared to that of a bargaining council. Statutory council functions are to resolve disputes, promote training and education schemes, establish and administer benefit schemes and to conduct collective agreements excluding wage agreements unless both employer and employees agree to wages being negotiated within this forum (Finnemore and van der Merwe, 1996:165). The inclusion of provisions for statutory councils, Bendix (1996:238) argues, illustrates "an unashamed promotion of a more centralised system of representation, the idea evidently being that statutory councils will eventually develop into full-blown bargaining councils."

Whilst centralised bargaining is criticised for being less flexible than decentralised bargaining, the LRA tries to accommodate a more flexible approach to bargaining by not enforcing a duty to bargain, rather promoting the approach of allowing capital and labour to voluntarily enter into negotiations (Appollis, 1995:47). Behind this premise of voluntarism lies the assumption of an equal relationship between labour and capital even



within the capitalist system. Appollis adds that in order for South Africa to become internationally competitive it needs to overcome labour market rigidities that would result from a legislated duty to bargain.

A final feature of the LRA to be discussed is the concept of workplace forums which have been introduced in order to facilitate a shift away from adversarial collective bargaining on all work related issues toward an approach favouring participation and joint problem solving on specified issues related to the workplace (van Wyk, 1996:3). The LRA thus envisages the possibility of creating a working environment in which labour and management work together in solving issues of common interest. It is perceived as contributing to building a foundation for co-operative workplace relationships where workers and managers collectively discuss, negotiate and constructively deal with concerns (Benjamin, 1995:18). It is because of provisions in the LRA such as these that Bendix (1996:128) argues that workplace forums are the most innovative and controversial component of the LRA.

A workplace forum is a representative body of workers and management, voluntarily established through trade union initiative where specific issues relating to working conditions are negotiated as a supplementary arrangement to the collective bargaining relationship (Finnemore and van der Merwe, 1996:154). It serves to establish a structure through which representatives elected by labour will interact with and discuss specified issues with management on a regular basis (Benjamin, 1995:18). This activity will ensure that the interests of all employees, both those affiliated and not affiliated to trade unions, will be promoted (Von Holdt, 1995:4).

A workplace forum undertakes to serve three specified functions. The first of these functions is information sharing. This refers to the employers obligation to disclose to the members of the forum relevant information required for the forum to engage in consultation and joint decision making. Information relating to the organisation's financial status, achievements, employment situation and anticipated performance would be

disclosed to forum members (Finnemore and van der Merwe, 1996:155). The employer is not obliged to disclose information that is legally privileged, confidential, private or personal relating to an individual employee, as well as information that is protected by court order (Bendix, 1996:129).

The second function of the workplace forum is to promote consultation between workers and management. The prescribed issues over which consultation may occur include workplace restructuring, organisational changes, plant closures, job grading, merit bonuses, education and training and product development plans (Finnemore and van der Merwe, 1996:156). On these issues worker representatives have the right to be consulted about proposed adjustments or changes. The goal is that management consult with the forum regarding these issues with the intention of reaching consensus, however, if consensus is unattainable, the employer may then initiate a procedure to resolve any differences in opinion by seeking mediation or arbitration, while workers retain the right to strike over these issues (Lehulere, 1995:45).

The final function of the workplace forum is joint decision making. Workplace issues prescribed for joint decision making include disciplinary practices, rules regulating the workplace, equity programmes and social benefit schemes (Finnemore and van der Merwe, 1996:156). On these issues joint decision making must result in consensus before any decision can be implemented in the workplace. Additional issues can be included with the agreement of both parties. If issues remain unresolved after conciliation, employers may request arbitration through the CCMA (Finnemore and van der Merwe, 1996:156). This proposal of codetermination, however, requires caution as Lehulere (1995) stresses the advantages and disadvantages of embarking on agreements of this nature. Advantages include the initiation of a democratic culture on the shopfloor as representatives meaningfully interact and negotiate with management on the issues that directly affect the quality of working life. A second advantage is that awareness of working conditions will be heightened as unions will be forced to take a position on key issues facing workers in order to maintain their support base and make significant progress. Lehulere adds that it

will strengthen trade unions as elected workplace forum representatives will be seen as representatives of all workers, unionised or not, fighting for the well being of all employees thereby stressing the importance of collective action.

Disadvantages include the undermining of workers' solidarity by forcing workers to compete with each other and perhaps accept inappropriate offers in the pursuit of maintaining a competitive advantage for the organisation. In this instance, workers share responsibility for managing the difficulties of capitalism. Secondly, Lehlere (1995:45) argues that unions and representatives of the forum may be perceived by employees as identifying with management, this may have a detrimental impact on morale, especially if decisions taken have a negative impact on the workforce, for example, approving of a retrenchment policy. Finally, Lehlere argues that codetermination disarms workers as by entering into a codetermination of agreement, workers lose their right to strike over issues covered by that agreement. As unresolved issues may be referred for arbitration, Lehlere feels that workers are risking their potential power for an agreement that could negatively affect them.

A workplace forum can only be initiated by a majority trade union or a group of trade unions who collectively represent half of the employees of that particular organisation (Benjamin, 1995:18). Once it has been established, representatives may then be elected from the entire workforce, both unionised and non-unionised employees, thus extending participation beyond trade union membership. On this issue Lehlere (1995:42) once again heeds caution as he argues that workplace forums have the potential to undermine unions as once they have been established, non-unionised workers may participate as representatives. As forums are independent of trade unions Lehlere suggests that employees may no longer perceive any incentive to join unions as certain issues are negotiated out of the hands of trade unions.

Having considered some of the insecurities regarding workplace forums Von Holdt (1995:31) claims that workplace forums could indeed indicate a movement towards a



more democratic working environment as employees are given the opportunity to intervene in decision making processes that affect the quality of their working life and negotiate issues before they are implemented by management. This illustrates the realisation that only through the cooperation of both workers and management can the working environment be qualitatively improved (van Wyk, 1996:3). For the first time worker representation moves beyond the traditional realm of collective bargaining and gives workers an institutionalised voice in decisions previously taken by management (van Wyk, 1996:3).

The above mentioned points regarding some of the new features of the LRA indicate a bold and necessary effort taken by the government in passing legislation that will ensure that a fair and equitable working environment is, in time, guaranteed for all. The LRA ensures that discrimination of any form will never again be tolerated in the workplace. A further government initiative to address past imbalances involves the Employment Equity Bill (EEB) which promotes concrete action being taken to compensate for and overcome inequalities in the workplace.

## **5.5 EMPLOYMENT EQUITY**

Apartheid has left in its wake a society plagued by intense and complex social stratification where class divisions have been impacted by racial and gender distinctions (Collins, 1994:41). Within the workplace inequalities can easily be identified on the basis of race and gender. These inequalities extend beyond the workplace when considering, for example, the statistics on poverty and unemployment. Research conducted by Martin Teunes Attorneys (1998:14) indicates that of the ninety percent of South Africa's population that are poor, sixty-five percent are African, thirty-three percent are Coloured, two-and-a-half percent are Asian, and zero-point-seven percent are White. Unemployment figures indicate that forty-one percent of the unemployed are African, twenty-three percent Coloured, seventeen percent Asian, and six-point-four percent white. A sentiment upon which authors agree is that merely lifting apartheid legislation and proclaiming South Africa to be democratic is insufficient in overcoming the vast inequalities that have

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accrued. What is required is deliberate and purposeful action that will rectify unequal relationships. In order to empower the previously disadvantaged, both economically and socially, an effort is required regarding the redistribution of opportunity. Macun and Von Holdt (1998:73) caution that a "watchdog" is required to oversee the actions of business, as if left to their own devices, they assumingly would remain focused on capital acquisition at the expense of social equity, thus warranting monitoring of their actions.

AA

A concept aimed at improving equitable standards that is already familiar to South Africans is affirmative action. The EEB extends the effort made by affirmative action to incorporate a more extensive range of checks and balances, and incentives to extend equity to all workers. An equitable working environment is suggested to feature a workplace that promotes the selection and advancement of employees primarily on the basis of merit or ability, regardless of their physical characteristics such as race or gender (Grogan, 1998:4). An environment is envisaged where all employees are equally capable of performing and are equally competitive within the labour market. To arrive at the stage where workers are equally competitive, specific action must be taken to ensure that employees have the necessarily required opportunities. The specific action in mind is presented in the form of the EEB.

The EEB has two specific objectives, that being to implement positive measures in order to eliminate discrimination in employment, and to provide guidelines for organisations to follow in order to achieve an equitable working environment (Ray, 1998:52). Primarily the EEB is directed at those groups in society who through past discriminatory practices, are disadvantaged and not equally competitive in the labour market (Kemp, 1998:26). The groups that have been identified by the EEB as being previously disadvantaged are black people - including Coloureds, Asians and Africans, women and the disabled. The long term objective of the EEB is that throughout South African organisations the demographically representivity of the country will be evident in the workplace on the basis of potential or ability (Grogan, 1998:4). Numerical goals that reflect an ideally equitable workforce are claimed to represent seventy-five percent black people, fifty-two percent

women, and five percent disabled people (Ray, 1998:52). This goal requires that all organisations be committed to the achievement of a workforce that represents all groups in South Africa (Verster, 1998:15). Equitable representation must be achieved in all categories and levels within the workplace (Grogan, 1998:5).

The intentions of the EEB are undoubtedly honourable, yet the effort required to achieve its objectives are complex. Specific action must be taken in order to ensure these objectives will be met. Grogan (1998:5-7) outlines the prerequisites for the achievement of an equitable workforce. Firstly, the EEB prohibits discrimination against those from the above mentioned disadvantaged groups. It does, however, permit employers to “distinguish, exclude, prefer or dismiss any person on the basis of the inherent requirements of the job” (Grogan, 1998:5). Employees may only be excluded from consideration if they are unable to perform the requirements of the job. Secondly, employers must take steps towards identifying and eliminating any barriers to employment equity that negatively affect those from designated groups. To do this employers are required to conduct an analysis of their current employment practices and policies in order to identify any discriminatory factors. Thirdly, employers are requested to make “reasonable accommodation” for individuals from designated groups in order to ensure that all employees have equal opportunity in the working environment. Employers, in order to accommodate these individuals, need to introduce specific measures such as affirmative action which grants preferential treatment to those from designated groups. The EEB does, however, add that employers do not have to create new positions or hire incompetent individuals to fill vacant positions. Finally, the EEB prohibits pre-employment medical testing ensuring that employees will not be discriminated against on the basis of their medical history.

RA

Rep. The EEB applies to all organisations that have a workforce of fifty or more employees. Verster (1998:15-16) explains two specific steps that an organisation must take in order to comply with the requirements of the EEB. Firstly the organisation must conduct an audit which involves a detailed analysis of the employment policies, practices, procedures and

working environment of the organisation. Through this audit the employer will be in a position to identify barriers to equity. From the audit the employer must draw a profile of all employees in each occupation category and in every level of employment. This will reflect the organisation's current inequitable status and enable the organisation to set specific goals for future changes that need to be made. Secondly, the organisation must draft equity plans. These plans must specify the objectives of the organisation on an annual basis towards meeting its employment equity goals. It should identify employment barriers perceived by the organisation as well as stipulate measures to be taken to overcome those barriers. The plans should include positive measures or incentives that the organisation will use to encourage employees to participate in its objectives. And finally the plans should suggest numerical goals as well as a realistic time frame in which these goals will be attained. The organisation is required to submit annual reports on its progress to the Department of Labour, who will oversee the employment equity process, being in a position to impose fines of up to five hundred thousand Rand for a first offence for those failing to comply with the requirements of the EEB (Ray, 1998:52).

Critics caution warning over the EEB arguing that there are several limitations that must be taken into account. Kemp (1998:26) suggests that South Africa is chasing an unattainable dream as no society has ever managed to attain proportional representation in the workplace. He adds that striving for proportional representation could become absurd if body counting is the only prerequisite for an employee's placement or promotion within an organisation. If statistics are the standard by which organisations are judged, Kemp claims that other standards will be sacrificed. This claim is supported by Ray (1998:53) who argues that the EEB disregards the significance of merit and experience and sends South African organisations into dangerous territory that will weaken its competitive advantage.

A second critique is that many of the terms used in the EEB, such as "equitable representation" are vague and open to interpretation (Horowitz, 1998:80). Concepts and



measures are not clearly specified. A lack of clarity can lead to confusion and anxiety among employers and may result in hasty action with detrimental consequences.

Other concerns include the loss of employment as employers may elect to downsize their workforce to less than fifty employees and utilise more flexible work arrangements such as subcontracting rather than be dictated to by the State's equity policies (Ray, 1998:53). Horwitz (1998:81) is weary of the time frame of equity programmes as he argues it is unlikely that these programmes will merely be an interim measure due to the extent of inequity in South Africa and are likely to continue indefinitely.

According to Kemp (1998:27), legislating the EEB is an inappropriate means to addressing the problem of South Africa's inequalities. He argues that legislating preferential treatment for designated groups is a short term solution to the problem. The State's focus should rather be on a long term solution which can only be achieved through improving the quality of education for all South Africans predominantly at primary and secondary levels. Kemp claims that the state merely pays lip service to the concept of education for the disadvantaged and rather focuses its attention on visible, high level tertiary education that is seldom a reality for less fortunate individuals. Kemp concludes by arguing that the EEB is the government's pre-election strategy of a quick fix that merely gives the impression that the state is concerned for disadvantaged groups, but the best it can hope to achieve is a change in the profile of professional employees.

## 5.7 CONCLUSION

Earlier, in chapter two, a framework underlying the prerequisites for meaningful participation, and thus workplace democracy, was put forward by Nel and van Rooyen (1989). These prerequisites included **influence, interaction and information sharing**. In light of the provisions established by the LRA as well as the approach embracing democratic ideals in the workplace, the potential for participation in contemporary South Africa will be explored within Nel and van Rooyen's framework.

Firstly, in considering **interaction** all employees are covered by the provisions of the LRA and all employees have the freedom of association. Therefore representative trade unions promote the interest of a large number of employees in any work environment giving workers the opportunity, through their representatives, to be involved in participative structures. As trade unions must be held accountable to their members, they must reflect the interests and concerns of their members. Through legalising and promoting trade union activity, the LRA has ensured that the level of interaction between management and worker representatives is guaranteed. This interaction is not restricted to the work environment but extends to the tripartite alliance of NEDLAC which enables the representatives of workers to interact with employees and the government on the negotiation and implementation of industrial policy.

The provisions of the LRA secure workers' **influence** in industrial governance through NEDLAC, collective bargaining and workplace forums. Through the presence of worker representatives in the Chamber for Trade and Industry, workers are empowered to participate, consult and negotiate issues that will directly impact on their working experiences. As trade unions, employers and the government are considered equal partners in this forum, consensus must be attained before decisions are legislated. Trade unions thus have an equal capacity to influence the outcome of decisions. Through the forums of bargaining councils and statutory councils, trade unions have an opportunity to influence collective agreements through their participation in these structures. Due to the greater infrastructure afforded to trade unions through the LRA to prepare themselves to represent their members, trade unions are in a position to strengthen their arguments on behalf of workers. Through collective bargaining trade unions and employers have equal voting rights on issues raised, which if unsettled, will be referred to the CCMA in order to resolve. Workplace forums provide a further means for workers to exert their influence in decision making as once instituted they grant workers' representatives voting rights equal to that of management's in settling issues raised. Workplace forums extend influence to both unionised and non-unionised employees who may be elected to participate on behalf of their colleagues.

The LRA makes provisions for **information sharing** by insisting that organisations disclose relevant information to bargaining parties and workplace forums so that agreements can be attained in light of factual evidence of the organisation's financial status. Those participating in bargaining relationships are then armed with sufficient information in order to make sound decisions.

The LRA provides sound infrastructure for employee participation in the workplace beyond the traditional pseudo level, giving workers and their representatives an opportunity to largely influence the outcome of negotiated issues. By incorporating workers into the tripartite alliance, South Africa has indicated its acceptance of the significant power of workers and have realised their right within a democracy to be involved in shaping labour relations.



## **CHAPTER SIX**

### **CONCLUSION**

#### **6.1 INTRODUCTION**

This research has undertaken an analysis of the field of labour relations in South Africa - its past, present, and potential future. It has been an endeavour to emphasise the necessity of nurturing a working environment that promotes and encourages democracy in order to reduce the exploitation of the worker's mind, body and soul. South Africa's history of labour relations offers a perfect example of how not to attain these goals. In the past South African organisations have done almost everything contrary to the requirements of developing individual growth and prosperity. The consequences of this past confront management with the daunting dilemma of rectifying these challenges in order to promote industrial peace and economic stability. The South African situation presents an opportunity to make amends, to learn how to manage labour relations the right way. This research has attempted to uncover the most noble approach through which South Africa can go forward having learnt from its past.

The South African situation is unquestionably unique. South Africa's historical and cultural framework may share similarities with other countries, yet the experience of the specific circumstances endured by South Africans remains unique. For this reason one could not entertain the notion of superimposing foreign solutions in order to address South Africa's challenges. Having identified problematic areas, South Africa needs to draw on the best components of theories and approaches in order to arrive at strategy that compliments its unique needs.

#### **6.2 LESSONS FROM THE PAST**

The consequences of South Africa's apartheid past can be noticed in abundance where ever one may cast an eye. These consequences serve as blatant reminders from whence South African society has emerged. These effects can be noticed specifically within the economy, society and industry.

The South African economy, by international comparison, is comparatively weaker as South Africa battles the effects of years of economic isolation and sanctions, as well as the detriment of falling productivity levels. As a result of a poor economy both the social and industrial sphere have suffered.

South African society is stratified along racial and class boundaries. Whilst the apartheid era may have passed, those who benefited under the apartheid system continue to be the most prosperous in contemporary South Africa. Enormous disparities in living standards, education quality and health services are experienced among the population of South Africa. High unemployment rates and apathetic attitudes contribute to a society characterised by anger, hostility, fear and violence. These are conditions that are far from being conducive to nation building.

Within South African organisations autocratic leadership styles from the apartheid era remain dominant as workplace democracy has been slow to infiltrate in any significant way. The effects of autocratic leadership nurture a workforce that are docile, complacent and unmotivated. Inequalities along racial lines prevent the realisation of an egalitarian working environment.

Apartheid, which afforded privileges to some at the expense of others in order to financially prosper at all costs, has indeed left nothing but destruction in its wake. From these experiences, however, invaluable lessons may be drawn.

Any system that perpetuates unfair treatment of its components, for example, by discriminating, will in the long term suffer negative consequences. A system requires the interaction and participation of all members. By limiting the expression and experiences of some, the system as a whole ceases to function optimally. Organisations that practised apartheid ideology are currently faced with the consequences of labour that regularly protest, is unskilled and dissatisfied.

A vital lesson is that within the organisation management can not regard employees as mere objects. A humanistic view is necessary in order to understand the complexity that influences the behaviour of each individual. Related to this is an awareness that monetary gain is far from being the single most important motivator of behaviour. Management must understand the intrinsic motivation that drives employees to achieve. This intrinsic motivation stems from the individual's psychological well being within the organisation. This holistic understanding of the employee enables management to embark on a democratic leadership approach with insight, compassion and understanding.

A further lesson is that the effect of power is strengthened when it is shared. When power is manipulated and used against employees, employees build tension and resistance in order to challenge the source of that power. If anything stands out from the South Africa experience it is that the strength of human determination in the face of adversity is overwhelming. It is this strength that challenges, confronts and creates change. Management can opt to share power with workers through a consultative relationship with workers. South African organisations welcome this lesson as the reaction has been to institute consultative and negotiation forums which lay the foundation for the realisation of workplace democracy.

Various international humanitarian bodies acting as "watch dogs" of organisational practices would again, as they did in the past, place pressure on South Africa were it to revert to previous unconstitutional practices. These bodies regulate the behaviour of capitalists to an extent curtailing the limits to which they can challenge labour.

### **6.3 INTERPRETING DEMOCRACY**

This research dealt with the concepts of political, industrial and workplace democracy. Political democracy sets the broader ideals of the envisaged goals of a democracy. Individual's living within a democracy have freedom of speech, movement, religion, and so forth, as well as accountable leadership and fair and humane processes and procedures. Industrial democracy refers to the translation of the above mentioned ideals to

the work environment demanding management be fair and accountable to workers who have significant control over the workplace, egalitarianism, and freedom to grow, develop and express one self. Workplace democracy refers to the expression of democratic ideals in everyday working life through employees ability to participate in the organisation's functioning and to improve the quality of their work life.

In order for democracy to succeed, management need to re-examine their attitudes and skills regarding their human resources. A conscious effort is needed to develop a democratic work environment. Management need to learn how to interact with, understand, motivate and communicate with their workers. Within a democratic work environment management can no longer afford to believe that their autocratic skills of the past will sufficiently encourage workers to perform at the required level.

The role and function of workplace democracy within the context of South Africa's developing political democracy is to empower workers sufficiently in order to expand, explore and utilise their full potential and become all that they have the ability to become after barriers to growth and development have been removed. Through experiencing empowerment on a regular basis and having the ability to improve the quality of one's working life, the principles and ideals of a political democracy are brought closer to home. In this context workplace democracy ceases to be perceived as a luxury afforded to the fortunate, but rather a necessity in order to maintain peaceful labour relations as workers expectations are addressed. Workplace democracy extends the values of political democracy to each employee reinforcing the importance of humanitarianism, fairness and egalitarianism.

#### **6.4 CONCLUSION**

Contemporary labour relations leads the way in determining the path for future labour relations in South Africa. This path demands emphasis on human interaction, stressing the importance of the social and psychological characteristics of the employee. South Africa

organisations need to become accountable to the very political system that supports their presence and to the individuals who commit so much of their time and effort to its success.

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