

UNIVERSITY OF KWAZULU NATAL

**Employees' Perceptions of Organisational Justice at Outworx (International Call  
Centre), Umhlanga Ridge.**

By

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## DECLARATION

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I love you guys!

## **ABSTRACT**

Fairness in a workplace is imperative in ensuring a workforce that is engaged and ultimately a productive team (Colell, 2001). Often management disregard their subordinates and do not follow fair, regulated processes in disciplinary hearings and promotions (Van der Bank, Engelbrecht and Struimpher, 2008).

This study investigated the perceptions of fairness at different levels within Outworx. Once the study was completed and a definite result was determined, recommendations were made on different strategies that Outworx could implement in order to maintain fair processes and organisational justice.

Outworx is an international outsourcing Call Centre based in Umhlanga Ridge. Clients based in the UK outsource contact centre work to Outworx. The Client is the main source of income and profit for the business.

Qualitative research design was the approach used in determining the employees' perceptions. The research was completed in two phases. Phase one involved data collection, where questionnaires and staff forums (focus groups) were the research tools used to gather data. All information was collected anonymously and confidentiality was maintained throughout the study. Phase two involved the analysis of the data and this provided recommendations to Outworx on how to improve areas of organisational justice around disciplinary proceedings and promotions.

It was found that gaps exist in all areas of organisational justice at Outworx. There are more concerns around the employees' perceptions of promotions in the workplace than around disciplinary action. Realistic recommendations to ensure a positive change in perceptions were made, starting with the employment contract and also focusing on changing the management's approach.

Organisational justice produces positive outputs for both the employer and employee. Some of the results of organisational justice include employee engagement, improved job performance and reduced conflict in the workplace. Outworx should consider implementing the recommendations suggested in order to achieve organisational justice and to maintain the slogan, *'The People's Call Centre'*.

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# CHAPTER 1

## INTRODUCTION

### 1.1. Background of the study

Early studies have found that equity in the workplace has a paramount impact on performance and employee engagement (Odeku, 2013). Authors including Cropanzano *et al.*, (2007) and Coetzee (2004) agree that initially studies on equity focused on injustice and inequality and the impact of this from a social point of view. More recently, researchers and authors expanded on older theories and adapted the theories to focus on workplace injustice.

In this regard, Baldwin (2006) explains the term ‘organisational justice’ as the degree to which employees perceive interaction and procedures in the workplace to be fair and unbiased. According to Van der Bank *et al.*, (2008) organisational justice can be considered under three headings:

- Distributive justice;
- Procedural justice; and
- Interactional justice.

Rupp and Thornton (2015) explain that organisational justice starts with distributive justice. This is associated with the outcomes in a workplace (The Equity Principle). Kames’s Principal of Equity was first published in 1790 (Baldwin, 2006). According to Baldwin (2006), this principal elucidates the difference between common law and the nature of equity. It also addressed questions related to whether there should be rules that govern equity and whether there should be separate courts of law set up to address the rules of equity. Baldwin (2006)

mentions that outcomes in a workplace are usually based on a wide spectrum of different benefits, which include job security, wages, promotions, etc. It is not easy to determine exactly what constitutes an appropriate reward for an input by the employee, this is usually conducted using relativity or comparatives between employees.

Baldwin (2006) further explains that the equity principle exists in many organisations in the form of HR policies. These implemented policies outline job grades and salary brackets, training and development opportunities. This allows the organisation to avoid perceived favouritism in the workplace.

According to distributive justice, two employees from the same department, doing the same job, should be paid the same amount – this is regarded as a fair practice. (Baldwin, 2006). However, if one of the employees is paid less than the other employee, it is accepted that the employee receiving a smaller remuneration will be doing less work (Rupp and Thornton, 2015). It would be perceived as unfair if the employees' outputs were the same but they were remunerated differently.

Procedural justice is the second component of organisational justice (Rupp and Thornton, 2015). This deals with processes being applied in the workplace. Processes are seen as just or fair if they are applied consistently across the workplace. According to Baldwin (2006), employees are more willing to accept an outcome in the organisation if the processes applied are transparent and are conducted according to organisational justice principles. Therefore, procedural justice has the ability to outweigh distributive justice.

Saunders and Thornhill (2004) suggest that distributive justice and procedural justice are in contrast to each other. They state that distributive justice is focused on the fairness of a decision,

whereas procedural justice relies more on the fairness of the procedure used to make the decision. Decisions and outcomes are viewed as fair when there is consistency in the application of the sanctions (van der Bank *et al.*, 2008; Saunders and Thornhill, 2004).

Interactional justice is the perceived fairness of interpersonal interactions and treatment between employers and employees (Cropanzano, *et al.*, 2007). Cropanzano, *et al.* (2007) explain that interactional justice includes the thoroughness with which information was collected and the amount of dignity and respect applied when disciplinary action is delivered. It is associated with truthfulness, respect, justification and propriety (Baldwin, 2006).

Organisational justice benefits both the employee and the employer (Baldwin, 2006). Employees will be satisfied due to them being treated fairly, and the organisation will maintain and be able to control challenges from employees. The organisation will be able to also establish itself as being the employer of choice.

Creating a culture of equality and fairness in a workplace will lead to employee engagement, improved performance and better attrition. It places an employer at a better competitive advantage (Cropanzano, *et al.*, 2007).

According to Nel, *et al.* (2007), the following of consistent processes has a threefold advantage on an organisation; firstly, it increases the stability of the workplace; secondly, labour turnover is reduced; and thirdly, it promotes an efficient and effective workplace.

A call centre operates at a very high pace. Often there is no structure in place and this can lead to managers being on power trips causing very high staff attrition rates, in extreme cases being as high as 114 per cent (<http://smallbusiness.chron.com>). The attrition rate being 114 per cent

indicates that that more than 100 per cent of the staff leave and have to be replaced via recruitment needs. Mass recruitment and training, haphazard internal staff movement, often with no consultation between the employer, employee and client occur (<http://smallbusiness.chron.com/causes-call-center-attrition-62266.html>).

Outworx is a young organisation, attempting to implement organisational justice in the daily running of the business in the belief that this will prove to be a benefit. This study will, however, focus on bridging the evident gap that exists between the employee and the employer, and on creating policies and procedures to ensure organisational justice.

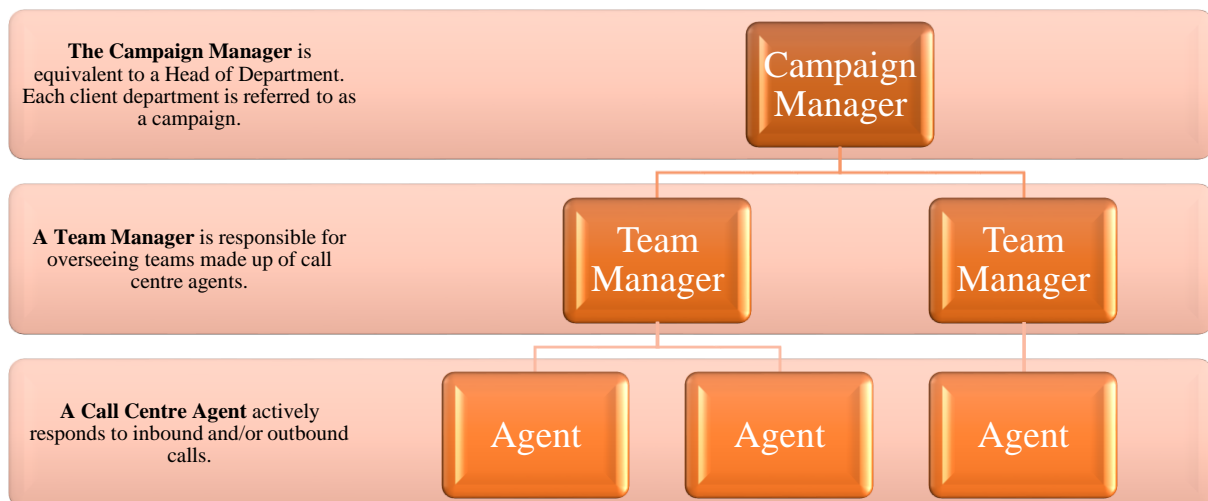
## **1.2. Problem Statement**

A call centre is a business whereby customer services, sales and other business queries are responded to telephonically by call centre agents. The call centre is outsourced by clients to provide telephonic assistance to their customers. The call centre will have a set fee for different areas of business and will invoice the client accordingly. The environment within call centres can be unhealthy with a lack of fairness, inequality and with consistency rarely being applied. (<http://smallbusiness.chron.com/causes-call-center-attrition-62266.html>).

Outworx started operating in 2013 with only 20 agents selling insurance to UK customers and it has now grown into a 360 seat call centre. Outworx is strong on basic values and keeping a culture of transparency in business operations as well as driving basic human values. The company values include: responsibility and accountability; transparency and integrity; motivated employees; customer satisfaction and superior service; teamwork and employee respect (Source: [www.outworx.co.uk](http://www.outworx.co.uk) ).

Even though the above values are applied, the lack of structure, policies and procedures and an organogram have led to cases where Team Managers at Outworx are quick to resort to disciplinary action. Decisions are generally based on emotions and carry no procedural or substantive fairness. The application of the rationale to initiate disciplinary action is not always consistent. The reporting lines in the business, although very flat, sometimes cause confusion around authority.

### Typical reporting line at Outworx



**Figure 1.2.1: Reporting Line on the Call Centre Floor at Outworx. (Source: Outworx QMS)**

Figure 1.2.1 shows the typical reporting structure within Outworx. The Campaign Manager is equivalent to a Head of Department. The Campaign Manager oversees the call centre floor and ensures that the floor is running optimally, according to the requirements of the client. The Campaign Manager is generally the point of contact between the call centre and the client. The Team Manager reports to the Campaign Manager. A Team Manager is responsible for the call centre agents that are in his/her team. It is the Team Manager's responsibility to guarantee that the call centre agents are kept motivated and achieve their targets. A Call Centre Agent (Agent)

responds to inbound and/or outbound calls and/or emails. The Agent has direct contact with the client's customers and is exposed to confidential information, for example, the banking details of a customer (Source: [www.outworx.co.uk](http://www.outworx.co.uk) ).

According to the employees, at Outworx there are currently no set policies or procedures governing disciplinary proceedings and promotions. Disciplinary proceedings are dealt with on a case-by-case basis – whereas this is the acceptable norm – these cases lack a consistent outcome. Further interviews for promotions are hosted with the client as the only interviewer present, with no structured criteria, prerequisites or minimum requirements for the promotion. The lack of a defined promotions process sometimes results in inexperienced Team Managers being appointed.

The problems highlighted above have occurred due to the fact that no structure has been implemented. There are no clear guidelines and Team Managers often feel they are the main decision-makers. There are no job descriptions, no clear Key Performance Areas and there are convoluted bonus structures which change monthly (agents are not aware of the bonus requirements). If these issues are not addressed quickly, efficiently and effectively this has the potential to create a workplace with no employee engagement, poor work performance, a higher number of dismissals and a high attrition rate (Coetzee, 2004).

A point to stress, in order to overcome this, is the need to empower the Team Managers to become leaders and for them too upskill themselves so that they are able to understand the importance of organisational justice. Outworx will need to create policies and procedures to guide employees, as well as the organisation, in disciplinary proceedings and promotions.

### **1.3. Aim of Study**

Thus the aim of this study is to analyse employees' poor perceptions of organisational justice in the workplace and to develop and implement strategies to overcome this perception.

### **1.4. Research Questions**

This dissertation aims to address the following research questions:

- 1.4.1 What is the standard procedure for the instituting of disciplinary action against an employee at Outworx?
- 1.4.2 How does Outworx comply with substantive fairness requirements when instituting disciplinary action?
- 1.4.3 How does Outworx comply with procedural fairness requirements when instituting disciplinary action?
- 1.4.4 How does interactional justice influence disciplinary action?
- 1.4.5 What are the standard processes for promotions?
- 1.4.6 How does interactional justice influence promotions?

### **1.5. Research Objectives**

Thus the objectives of this study are as follows:

- 1.5.1 To determine whether or not a standard procedure exists for instituting disciplinary action against an employee.
- 1.5.2 To ascertain if Outworx has complied with substantive fairness requirements when instituting disciplinary action.
- 1.5.3 To ascertain if Outworx has complied with procedural fairness requirements when instituting disciplinary action.
- 1.5.4 To establish if interactional justice influences disciplinary action.

1.5.5 To determine if standard processes for promotions exist.

1.5.6 To establish if interactional justice influences promotions.

## **1.6. Importance of the Study**

It is important to conduct this study to identify the gaps in organisational justice at Outworx. Once the gaps are identified, policies, procedures, guides and workshops can be created in order to close these gaps and to ensure that Outworx is in line with their values and business principles.

The benefits of this study will be that Outworx will have employees who are satisfied that they are being treated fairly – procedurally and substantively. Increase in performance is a direct result of employees who are paid equally, an increase in morale is the result of groups of employees being treated equally (Sheppard *et al.*, 1992). Outworx will have an advantage in establishing itself as the call centre of choice, thereby attracting skilled call centre agents and lucrative clients.

## **1.7. Justification and Rationale**

Employees need direction, guidelines and structure. At Outworx there are currently no policies, procedures, job descriptions, departmental organograms and salary scales. If this study fails to take place, performance will drop, morale will decrease further and the workplace environment will change. The business will experience a loss in revenue due to dissatisfied customers and there will be a risk that Outworx could lose high profile clients to competitor call centres in the industry.

## **1.8. Research Methodology**

A research process is a methodical process of collecting and analysing data collected to increase the understanding of a study (Sekaran and Bougie, 2010). A qualitative research design was used to gather data used for this study. A quantitative research approach was not suitable for this study as this study is focusing on employees' perceptions, and this is not a measurable unit. This study was conducted at Outworx, International Call Centre, based in Umhlanga Ridge.

The target population were employees of the call centre. This consisted of Call Centre Agents, Team Managers, Campaign Managers and Support Staff. The target population was characterised as lower income employees, from townships in the surrounding areas, the age group was between eighteen and forty-five. The target audience has only a basic education (matric certificate). Gender and race were not considered to be major factors in this study.

Stratified random sampling, a probability sampling method, was used to conduct this research. According to Sekaran and Bougie (2010), this strategy can be defined as extracting a percentage, or a stratum of a group of similar people, and grouping several groups of different strata to form a random group. Sekaran and Bougie (2010) further explain that stratified random sampling is best used in situations where the researcher wants to conduct investigations into various subgroups. Outworx has a workforce profile of 371 employees. They are categorised into campaigns and departments. Outworx has 3 campaign managers, 26 team managers, 319 call centre agents and 25 support staff.

A total of 77 employees were chosen via a random sample (approximately 20 per cent of the workforce profile). Of each group, 20 per cent sampled were female and 40 per cent of each

group were Black – these criteria were satisfied wherever possible (for example, the criterion was not satisfied in the team manager category, as there was only one Black team manager at Outworx.)

Self-administered Questionnaires was the chosen method for data collection. Questionnaires were randomly distributed to a selected sample of employees. To encourage employees to be forthcoming and honest with feedback regarding their experiences, the questionnaires were submitted anonymously. Staff forums (focus groups) were used in an attempt to encourage employees to feel more confident in their approach to a topic when in a group. The group was asked to discuss their personal experiences in the areas being researched. The staff forums were audio recorded and confidentiality agreements were signed upon commencement of the forum. The audio recording was not transcribed.

Data was analysed using descriptive statistics and inferential statistics. Using descriptive statistics the researcher was able to analyse observations. According to Sekaran and Bougie (2010), the use of descriptive statistics is a meaningful way to summarise data and notice patterns in the data collected. The staff forums and questionnaires were recorded and inferences were drawn from the responses in each group. Inferences can be explained as generalisations that are made using the information gathered (Sekaran and Bougie, 2010).

## **1.9. Ethical Consideration**

All information gathered from the interviews will be kept strictly confidential.

## **1.10. Limitations**

- The researcher's presence when collecting data may have affected the subject's response.
- There may be an apprehension and lack of willingness to share information.

## **1.11. Dissertation Format**

Chapter one sets out the introduction of the topic and research methods.

Chapter two presents a review of the literature of organisational justice theories, employee discipline, substantive and procedural fairness and promotions.

Chapter three discusses the research methodology. It explains the research method and design, study site, target population, the sampling strategies, size and sample. Data collection methods, analysis and quality control are discussed. The chapter concludes by detailing ethical considerations.

Chapter four deals with the presentation of data, analysis and findings. Chapter five focuses on recommendations and the conclusion of the study.

# CHAPTER TWO

## LITERATURE REVIEW

### 2.1 Introduction

This chapter aims at reviewing literature based on organisational justice. South African labour law is briefly discussed, followed by more detailed literature on organisational justice. Different theories explaining distributive justice, procedural justice and interactional justice are examined and their impact and characteristics are explored. Employee discipline and promotions are also elucidated.

According to *Section 185 of the Labour Relations Act (LRA), 66 of 1995*, as amended, “every employee has the right not to be: (a) unfairly dismissed, and (b) subjected to unfair labour practices”.

In addition to this, *Section 186(2) of the LRA* elucidates unfair labour practice as follows:

*“Any unfair act or omission that arises between an employer and an employee involving:*

- 1. Unfair conduct by the employer relating to promotion, demotion, probation (excluding disputes about dismissals for a reason relating to probation) or training of an employee or relating to the provision of benefits to an employee;*
- 2. The unfair suspension of an employee or any unfair disciplinary action short of dismissal in respect of an employee;*
- 3. A failure or refusal by an employer to reinstate or re-employ a former employee in terms of any agreement or;*

4. *An occupational detriment, other than dismissal, in contravention of the Protected Disclosure Act, 2000 (Act 26 of 2000), on account of the employee having made a protected disclosure defined in that Act.*” (Source: [www.labourguide.co.za](http://www.labourguide.co.za))

Although the LRA does not have a rigid definition of the word ‘unfair’, Grogan (2014) defines ‘Unfair Conduct’ as follows:

*“Where one person or a group of people is favoured over another on the basis of irrelevant criteria,*

*Where people are treated arbitrarily i.e. not in accordance with established rules,*

*Where people are treated irrationally, i.e. on the basis of unproven or untested views and suppositions or*

*Where people are penalised or denied an advantage without being able to state their case.”*

In *Apollo Tyres South Africa (Pty) Ltd v Commission for Conciliation Mediation and Arbitration and Others (DA1/11) [2013] ZALAC 3; [2013] 5 BLLR 434 (LAC); (2013) 34 ILJ 1120 (LAC) (21 February 2013)*, the court held that:

*“An employee who wants to use the unfair labour practice jurisdiction in section 186(2)(a) relating to promotion or training does not have to show that he or she has a right to promotion or training in order to have a remedy when the fairness of the employer’s conduct relating to such promotion (or non-promotion) or training is challenged.”*

In *Mogotlhe v Premier of the North-West Province and Another* (J 2622/08) [2009] ZALC 1; [2009] 4 BLLR 331 (LC); (2009) 30 ILJ 605 (LC) (5 January 2009), Van Niekerk, J. held that there are three minimum requirements that need to be fulfilled in order for a suspension of an employee to be fair substantively and procedurally:

- “There must be a justifiable reason for the employer to believe that the employee is involved in serious misconduct.
- The employer must have an objectively justifiable reason not to allow the accused employee access to the workplace pending investigation into alleged misconduct.
- The accused employee must be given the opportunity to state his or her case before the decision to suspend is made.”

The first two areas are in relation to substantive fairness in the workplace and the preceding area is in relation to procedural fairness.

The *Employment Equity Act, No 55 of 1998*, aim is to achieve equity in the workplace. This can be achieved by the promotion of equal opportunities and fairness through the eradication of unfair discrimination and applying affirmative action measures in the workplace. The Act focuses on redressing the disadvantages in employment that may be experienced by individuals who were previously disadvantaged to ensure reasonable representation in all occupational levels and categories in the workplace.

“The *Employment Equity Amendment Act, 47 of 2013* and the *Employment Equity Regulations, 2014* came into effect on 01 August 2014.

The Minister of Labour, in terms of *Section 54(1) of the Employment Equity Act, 1998 (Act No 55 of 1998 as amended)*, and on the advice of the Commission for Employment Equity,

published a draft *Code of Good Practice on Equal Pay for Work of Equal Value* ('the Code'), this came in to effect as of the 01<sup>st</sup> of January 2015. The objective of the Code is

*...to provide practical guidance to employers and employees on how to apply the principle of equal remuneration for work of equal value in their workplaces. This Code seeks to promote the implementation of remuneration equity in the workplace by employers, including the State, employees and trade unions through human resources policies, procedures, practices and job evaluation processes. Employment Equity Act, 1998 (Act 55 Of 1998 As Amended)''*

(Source: [www.labourguide.co.za](http://www.labourguide.co.za))

'*Discrimination*' is a widely used term, found not only in the area of employment law. It can be found in most areas of human interaction, socially and politically. For the purpose of this research study we will focus on discrimination from an employment law perspective (Source: [www.saica.co.za](http://www.saica.co.za)).

The *Employment Equity Act* sets out four grounds whereby discrimination is considered fair:

*“Discrimination based on affirmative action;*

*Discrimination based on inherent requirements of a particular job;*

*Compulsory discrimination by law; and*

*Discrimination based on productivity.”*

Unfair discrimination can be well-defined as any occurrence where the employer's guidelines or actions show prejudice, favour or biasedness against employees in relation to the grounds mentioned above.

There are two different types of discrimination, they are; direct discrimination and indirect discrimination. Direct discrimination is easily recognised; this comprises of blatant discrepancies in treatment between employees based on capricious grounds (Grogan, 2014). An example of this discrimination is when an employer rewards a female employee on a lower scale, whereas a male employee is rewarded on a higher scale – even though they are performing the same duties. (Source: [www.labourguide.co.za](http://www.labourguide.co.za)).

According to Grogan, 2014, *“Indirect discrimination is not easily identified; it is a more subtle form of discrimination. This involves the implementation of policies and procedures that are viewed to be neutral however they have a disproportionate and negative impact on certain employees or groups.”*

Grogan (2014) observes that *“discrimination”*, in its neutral sense, arises:

*“... when an employee is treated differently from his or her colleagues in circumstances, which on the face of it; indicate that the employee should not be treated differently.”*

Employees’ perceptions of unfair labour practices and perceived discrimination in the workplace can influence the work environment, employee engagement and employee performance in a workplace (Coetzee, 2004). Ensuring that distributive justice, procedural justice and interactional justice are aligned with company policies and procedures and with legislation will assist in creating positive perceptions.

## **2.2. Organisational Justice**

The success of an organisation is dependent on many varying factors. The role of Human Resources has grown, from initially focusing on administrative duties, to focusing and advising on integral decisions and strategic planning as well as on dealing with people (Coetzee, 2004; Odeku, 2013).

Even though an employee's skillset is imperative for an employee to perform at the expected level, The Human Resources Division also needs to engage with the employee regarding personal needs and private matters that could impact on the employee's ability to perform (Coetzee, 2004).

Coetzee (2004) explains that a fundamental requirement for employees to perform in the workplace is human interaction and socialising. This has been a common finding amongst Human Resources Managers. A concept that is important to human social interaction is Organisational Justice.

Fairness will always arise in matters concerning promotions, disciplinary action, the allocation of work and the awarding of bonuses (Coetzee, 2004). Organisational Justice can be understood as the employees' insight on the capability of the workplace to institute fair practices with consistency in the workplace. Organisational Justice refers to the organisation's approach regarding the implementation of procedural fairness, substantive fairness and the decisions made. It also makes reference to the interpersonal treatment that is received by the employee (Coetzee, 2004).

Previous studies reveal that organisational justice focused more on social interaction and not necessarily on the workplace, however, more recently, researchers have studied the impact that

organisational justice has had on performance, employee satisfaction and pay satisfaction (Greenberg, 1987; Folger, 1984; Cropanzano, 1993).

Organisational justice is a key factor in an employee's performance and workplace engagement, and is therefore a contributing factor to the success of the organisation (Coetzee, 2004; Odeku, 2013).

Greenburg (1996), derived a taxonomy used to categorise organisational justice. The two concepts that formulated this taxonomy are: a *reactive-proactive* dimension and a *process-content* dimension.

*“A reactive theory of justice focuses on people's attempts either to escape from or [to] avoid perceived unfair states. By contrast, proactive theories focus on behaviours designed to promote justice.*

*A process-proactive approach to justice focuses on the way in which various outcomes are determined. Such orientations concentrate on the fairness of the methods and procedures used to make and implement organisational decisions. In contrast, content approaches are concerned with the fairness of the resulting decision or outcome.”*

*(Coetzee, 2004: Page: 51)*

After combining these taxonomies in various ways, four theories were developed by Greenburg (1996). These are:

- Reactive Content Theories
- Proactive Content Theories
- Reactive Process Theories

- Proactive Process Theories

Reactive Content Theories and Proactive Content Theories are categorised with distributive justice, whilst Reactive Processes Theories and Proactive Processes Theories are categorised with Procedural Justice.

### **2.3. Reactive Content Theories**

Greenburg (1987) classified the Reactive Content Theory as a combination of the following theories:

- Classified Social Exchange Theory (Blau, 1964)
- Equity Theory (Adams, 1965)
- Relative Deprivation Theory (Crosby, 1984)

Greenburg (1987) explained that the equity theory and relative deprivation theory have crucial similarities. These theories focus on comparing employees' contributions and outcomes with each other in order to determine distributive justice. Greenburg, (1987) stated that employees were prone to experience feelings of deprivation when comparisons indicated that there were different rewards for the similar contribution. The equity theory focuses on the same experiences of deprivation when faced with different rewards for the same contribution.

### **2.4. Proactive Content Theories**

Greenburg (1987) discussed two proactive theories:

- Justice Judgement Model (Leventhal, 1976)
- Justice Motive Theory (Lerner & Whitehead, 1980)

Both these theories focus on how employees make decisions with respect to reward allocation in different situations.

## **2.5. Reactive Process Theories**

Thibaut and Walker (1978) explain that the theories place emphasis on people's reaction to the outcome of a decision made using policies and processes that are deemed to be unfair. Perceptions of fairness are influenced by the amount of influence people have over outcomes and decisions. Process control and decision control are types of control that occur in relation to reactive process theories. The degree of control that people are able to influence a process or a decision is known as process control. Decision control is directly related to the influence people have over the outcome of a decision made.

Greenburg (1987) states, *“when process and outcomes are based on process control they are perceived to be fair and this enhances the acceptance of even unfavourable decisions”*.

## **2.6. Proactive Process Theories**

These theories focus on determining what procedures people can use in order to achieve justice. Greenburg says that there are certain expectancies around procedures to meet people's expectations, this is as per the allocation preference theory. The requirements for processes to be perceived as influential in achieving organisational justice are to:

*“Allow for there to be opportunities to select the decision-maker;*

*Follow consistent rules;*

*Make use of accurate information;*

*Identify the structure of decision-making power;*

*Employ safeguards against bias;*

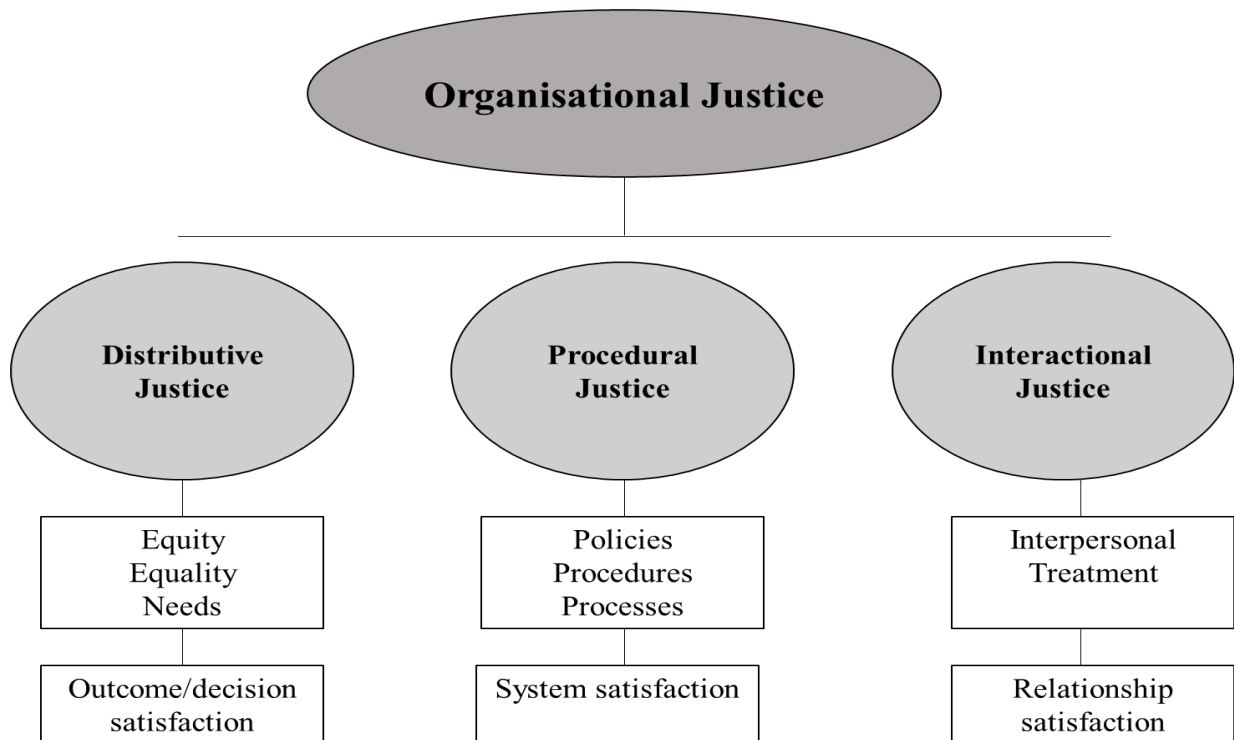
*Allow for appeals to be heard;*

*Provide opportunities for correcting procedures; and*  
*Meet moral and ethical standards.”*

(Coetzee, 2004: Page: 56)

## 2.7. Perceived Justice

Perceived justice applied to organisations has 3 categories: Distributive Justice, Procedural Justice and Interactional Justice. Figure 2.7.1 below illustrates the 3 different categories and how they interrelate. Each of the types of justice referred to impacts on an employee’s perception of organisational justice.



**Figure 2.7.1 (Source: Coetzee, 2004: Page: 58) Provides an overview of the different components of Organisational Justice.**

There are various components to Organisational Justice. Table 2.7.1 below highlights the different components.

<b>Distributive Justice: Appropriateness of Outcomes</b>	
Equity	Rewarding employees based on their contributions
Equality	Providing each employee with roughly the same compensation
Need	Providing a benefit based on one's personal requirements
<b>Procedural Justice: Appropriateness of the allocation process</b>	
Consistency	All employees are treated the same
Lack of Bias	No person or group is singled out for discrimination or ill-treatment
Accuracy	Decisions are based on accurate information
Representation of all concerned	Appropriate stakeholders have input into a decision
Correction	There is an appeals process or other mechanism for fixing mistakes
Ethics	Norms of professional conduct are not violated
<b>Interactional Justice: Appropriateness of the treatment one receives from authority figures</b>	
Interpersonal Justice	Treating an employee with dignity, courtesy, and respect
Informational Justice	Sharing relevant information with employees

**Table 2.7.1: Organisational Justice (Source Cropanzano et al., 2013)**

Cropanzano *et al.* (2013) explain that there is a distinct correlation between the components of organisational justice. Even though they can be viewed as different components of fairness, the three components work together (Ambrose & Arnaud, 2005). If the goal is to enable justice in the workplace, considering each component as a separate entity is best. Each component can be used to distinguish different management actions.

It is essential for the sake of this study to understand these three components. Understanding distributive justice and the employees' perceptions around equity, equality and need will enable the researcher to investigate facts versus perceptions. The outcome of this will be satisfaction with the outcomes and decisions surrounding disciplinary action and promotion.

Procedural justice is imperative in any organisation. Ensuring procedural justice results in consistency, lack of bias, accuracy and ethical behaviour – all of which are important in the workplace and have a crucial impact on employees' perceptions.

According to Cropanzano *et al.* (2013), interactional justice has an impact on the culture of the organisation. To ensure that the vision, mission and business principals of an organisation are maintained, the employer must treat employees fairly, courteously, with dignity and with respect. Transparency in the application of processes and decisions is also imperative (Cropanzano, *et al.*, 2013).

## **2.8. Distributive Justice**

Distributive Justice is considered to be the first constituent of organisational justice (Cropanzano *et al.*, 2013) as it is concerned with the outcomes applied to certain employees. It is of the view that all employees are not treated the same and that outcomes are allocated differently. There are instances where processes are distributively just, for example, where an employee is promoted based on experience and qualification, however in other instances there is no element of distributive justice applied, such as in the case where a promotion is given to a ‘friend’ of a manager.

The equity theory (Adam, 1965) has historically been the main focus when exploring organisational justice in the workplace and issues surrounding justice. The equity theory states that employees compare themselves to colleagues with regard to outcomes (rewards) and perceived inputs (contributions). According to the equity theory, employees who receive lower rewards for equal or higher outputs will be demotivated and dissatisfied. Adam (1965) implies that in certain circumstances an employee receiving an over-reward, experiences emotions of remorse and guilt when there is a realisation that there is a discrepancy in the reward. These are viewed as negative emotions and will impact negatively on performance and employee engagement (Cropanzano, 1993). There have been numerous studies that have focused on how employees’ perceptions of an injustice have been generated.

Legislatively the *Labour Relations Act, Act 66 of 1995*, the *Basic Conditions of Employment Act*, the *Occupational Health and Safety Act*, the *Employment Equity Act 55 of 1998* and the *Promotion of Equity and the Prevention of Unfair Discrimination Act 4 of 2000* govern the workplace in South Africa. Employers need to be cognisant of these Acts and avoid justice violations in the workplace, as the failure to abide by these laws could potentially lead to unwanted lawsuits and punitive fines against an organisation. If employers implement these Acts correctly, the workplace could face positive changes and achieve positive employee engagement and higher rates in performance.

Studies conducted by Bateman & Organ (1983) investigated the trust in and trustworthiness to a manager, Deluga, (1994) concentrated on organisational citizenship behaviour in his investigations, Morrison (1994) deliberated employee theft and Greenberg (1990) investigated job satisfaction. Their findings were that when an employer introduced fair and equally just treatment across the board to all employees, there was an increase in satisfaction with the manager-employee relationship and an increase in organisational citizenship behaviour. There was also a decrease in employee theft, thereby also benefitting the organisation.

Balwin (2006) states that distributive justice is largely upheld in the workplace by standardised human resources policies such as performance appraisals, predetermined job grades, training and development opportunities and the avoidance of favouritism. However there is the potential for employees to perceive unfair distribution of benefits. For example, where two employees have the same number of service hours, one is promoted and the other is not. Even though management will not make a decision for promotion based on tenure alone, Balwin (2006) explains that there is a gap for a misperception to creep in. The employee who was not promoted may view his or her output as equal to the promoted employee and yet the reward

was different. As a result of this, the un-promoted employee may seek redress for this perceived inequality either by reducing performance; there will be the possibility of a decrease in engagement and employee morale. The employee may even seek compensation at the same level as the promoted employee (Balwin, 2006). The course of action by the employee will be damaging to the employer (Balwin, 2006).

The outcome of distributive justice is generally determined by three major rules (Leventhal, 1976), they are;

*“The contributions rule (equity rule);*

*The needs rule; and*

*The equality rule.”*

Leventhal (1976) elucidates that the purpose of using the equity rule in decision-making is to enable higher productivity and better performance among employees. The equity rule is used to enable social cohesion in the workplace and the needs rule is used in instances where the goal is to ensure personal well-being.

Coetzee (2004) reports that organisational scientists found that the frustrations with the equity theory were that there were no specifications regarding reactions to inequity experienced. They (the organisational scientists) began questioning organisational justice in this regard in different organisational settings. This was not widely explored in other theories of justice. Some of the areas that they focused on were remuneration and dispute resolution processes in organisations. This brought up concerns about fairness in process-orientated decisions. The focus was then on how the decision was made in contrast to what the decision was.

## 2.9. Procedural Justice

Being treated equally is an important factor in ensuring organisational justice; distributive justice is not the only factor that is taken into consideration. Procedural fairness refers to the employees' view of the manager's ability to implement and adhere to fair processes and procedures and the extent to which these processes and procedures are fair. Cropanzano *et al.* (2013) explain procedural justice as the level of fairness applied to issues concerning the processes, mechanisms and methods used to determine outcomes.

Table 2.7.1 above illustrates Cropanzano *et al.*, (2013) view of procedural justice comprising of consistency in the application of processes, absence of biasness, accurateness, representation of all parties involved, correction and ethical behavior. Coetzee (2004) describes the 'fair process effect as the impact of just processes to overcome the negative impacts of unfavourable outcomes.

Thibaut and Walker (1975) found that employees react positively when they feel that they are involved in the decision-making process of an outcome that concerns them. This was the basis of the development of the Procedural Justice Theory. These authors examined two different controls that impacted on procedural fairness from an employee's point of view. They are: "*process control and decision control*".

Thibaut and Walker (1975) explain, "*Process control focuses on the amount of control the employee has over influencing the procedures to make the decision, whereas decision control makes reference to the amount of control the employee has over influencing the outcome or decision*". Thibaut and Walker (1975) indicate that employees want processes that make them feel that they have had an influence on the outcome that will ultimately affect them. The

employees feel that they have the ability to have an impact on and influence the decision of others if they are able to state their case. Coetzee (2004) stated that processes that provide the employee with the opportunity to influence the decision were perceived to be fairer than processes that do not allow process control.

The self-interest and the group-value models of procedural fairness were developed by Lind and Tyler (1988). The self-interest model indicates that employees seek decision control due to them aiming at making the most of their own outcomes. The group-value model comes into play when employees have to collaborate with each other to achieve an outcome that will impact positively on them as a unit. Processes in these instances are then viewed as crucial to attaining the fair or favourable outcome. Coetzee (2004) explains that the group-value model clarifies how values are expressed in process control. The functioning of groups is governed by two main elements, namely group identity and group procedures. Employees consider processes where they are allowed to have their voices heard as fair; participating in group processes is viewed as value-adding and provides a feeling of purpose and accomplishment in the workplace. Even if an unfavourable outcome is produced after a group process, the perception of procedural justice is enhanced because its value-adding function echoes the values of participation in groups and the status of membership to group membership.

The Relational Model of Authority in Groups developed by Tyler and Lind (1992) state that procedural justice outcomes were affected by three relational concerns:

- a. Trustworthiness: is a major factor and can be measured by understanding the manager's ability to be fair and ethical. Trust focuses on the view that the manager can be trusted and this is proven by the manager's intentions concerning the employee in considering the needs of the workforce fairly and consistently (Tyler & Lind, 1992).

- b. Neutrality: is measured by the manager’s ability to remain unbiased in decision-making and basing an outcome on facts presented (Tyler & Lind, 1992).
- c. Standing: can be viewed as status recognition that is gained by a manager who promotes consistency and treats the employees fairly, justly and with dignity, and who speaks politely and has respect for the employees’ rights (Tyler & Lind, 1992).

By viewing processes that the manager uses, employees are able to judge whether they are treated fairly in matters concerning trust, neutrality and standing (Tyler & Lind, 1992).

There were seven components identified by Thibaut and Walker’s research (1975). These are components of procedures that lead to the accomplishment of justice as represented in Table 2.9.1. below:

1	The selection of decision-makers
2	Setting criteria for evaluating rewards
3	Methods for collecting information
4	Procedures for defining the decision process
5	Safeguards against abuse of power
6	Procedure for appeals
7	The availability of change mechanisms

**Table 2.9.1: The seven components of procedural justice (Source: Coetzee (2004) Page: 60)**

Leventhal, Karuza and Fry (1980) also recognised the seven components using research by Thibaut and Walker (1975). The above authors expressed the view that there are six rules used in evaluating the fairness of process. Table 2.9.2 shows the rules:

<b>Procedures are regarded as fair to the extent that they:</b>	
1	suppress biasedness
2	create consistent allocations
3	rely on accurate information
4	are correctable
5	represent the concerns of all recipients
6	are based on moral and ethical standards

**Table 2.9.2: The extent to which processes are regarded as fair (Source: Coetzee (2004)**

*Page: 61)*

Based on the above mentioned rules it is clear that the procedures should not be affected by personal self-interest or blind allegiance to existing preconceptions (Coetzee, 2004). Procedures should remain consistent across time and individuals. The former needs some constancy in procedural characteristics. The latter requires that no person has special advantage, similar to the concept of equality of opportunity (Coetzee, 2004). Procedures should be formed on as much accurate information and opinion as probable, with little or no room for error. Procedures must comprise of the chance to adjust and reverse decisions by making permission for appeals and grievances. Procedures must replicate the basic concerns, values, and outlooks of entities and subgroups impacted by the allocation. This regulation embodies Thibaut and Walker's (1975) notion of process control as adapted by Coetzee (2004). Coetzee (2004) states, "*Procedures must be consistent with the fundamental moral and ethical values held by the individuals involved. For example, procedures should avoid deception, trickery, invasion of privacy or bribery*"

Procedural fairness has positive impacts on behaviour of employees in the workplace. Coetzee (2004) reiterates that procedural justice improves employee performance and engagement. She explains that when procedural justice is evident in all decisions made by a manager, the employee-employer relationship also benefits. Skarlicki and Foyger (1997) emphasize that some of the positive impacts of procedural justice are as follows (Table 2.9.3):

1	Organisational commitment
2	Intent to stay with the organisation
3	Organisational citizenship
4	Trust in manager
5	Satisfaction with decisions made
6	Increased work effort
7	Higher performance

**Table 2.9.3: Positive impacts of Procedural Justice (Source: Coetzee (2004) Page 61)**

Employee commitment to the organisation is a direct response to fair treatment in the workplace. Fair treatment in the workplace also results in longer tenure by employees and a feeling of ‘belonging’ to the organisation (Skarlicki and Foyger, 1997). Employees have a feeling of ownership of the organisation. Skarlicki and Foyger (1997) explain that, as a result, trust in the manager is increased and decisions made by the manager are accepted more easily. This results in an increased work effort by the employee and higher performance. Overall, Skarlicki and Foyger (1997) state that this creates a harmonious workplace where employees are engaged.

Coetzee (2004) states that the employee’s perceptions on procedural fairness go further than the formal process implemented to resolve disputes, institute disciplinary action and effect promotions. The perception of procedural fairness by employees is influenced by two factors: interpersonal treatment, and the manner in which decisions are explained to the employee (Coetzee, 2004). In this regard, the third component to organisational justice is Interactional Justice.

## 2.10. Interactional Justice

Cropanzano *et al.* (2013) state that interactional justice may be viewed as the simplest of the three components of organisational justice. It refers to the way in which an employee treats another employee. An employee is considered to be interactionally just if s/he avoids bullying and being rude and inappropriate, and if s/he shares information, and is open and transparent (Cropanzano, et al., 2013). Interactional justice is viewed as involving one-on-one interactions and therefore it focuses on the manner in which a manager treats the employee.

Interactional justice is identified as an employee's sensitivity to "the quality of interpersonal treatment they receive during the enactment of organisational procedures" (Bies and Morgan 1986: Page 43-55). Four characteristics of interactional justice are identified in Table 2.10.1 below:

1	Truthfulness
2	Respect
3	Propriety of questions
4	Justification

**Table 2.10.1: Characteristics of Interactional Justice (Source: Bies and Morgan, 1986: Page 52)**

"*Truthfulness, respect and propriety of questions*" focuses on communication within the workplace while justification is removing dissatisfaction following an unfair practice (Coetzee, 2004). Coetzee (2004) explains each characteristic as follows:

"a. *Truthfulness*. Deception and candidness are the two components of truthfulness. Employees appreciate being treated in an open and transparent manner, they do not want to be

deceived. It is important for organisations to provide employees with accurate and realistic information.

- b. *Respect.* Discourteous and negative behaviour should be avoided in an organisation. Employees expect to be treated in a manner that is respectful.
- c. *Propriety of questions.* There are two characteristics of propriety of questions. Firstly, improper questions should not be considered and secondly, questions should not include prejudicial declarations.
- d. *Justification.* This characteristic is focused on after there is a negative outcome or an unfair treatment. An injustice can be rectified with an adequate justification. Employees experiencing anger over a negative outcome can be pacified by an apology or an explanation for the outcome. Without an explanation, doubt around interactional justice will set in.”

Coetzee (2004) explains that taking into consideration the three components of organisational justice changes the perspective of justice in the organisation in a broader social context. It is important to understand both formal processes and the social framework of organisational justice in predicting work results and having a more detailed understanding of organisational behaviour.

## **2.11. The Positive Effects of Organisational Justice**

Developing a well-designed system within an organisation that promotes all three categories of organisational justice (distributive justice, procedural justice and interactional justice) will benefit both the employee and the employer. The organisation will maintain restrictions over potential risks and challenges or threats from employees and will be viewed as the employer

of choice, and the employee will have satisfaction knowing that fair treatment is applied to decisions made (Baldwin, 2006).

Organisational justice promotes trust and commitment to the organisation, positivity around job satisfaction, and, as a result, it brings about healthy and constructive interpersonal behaviour. Skarlicki and Foyger (1997) highlighted the concept of Organisational Citizenship Behaviour (OCB). This concentrates on the perceptions created when viewing procedural fairness. OCB refers to employee behaviour that extends over-and-above their job description and it encompasses outputs such as sportsmanship, courtesy, altruism and conscientiousness.

## **2.12. The Employees' Response to Injustice in the Workplace**

Odeku (2013: Page 867) explains that individuals faced with experiences of injustice in the workplace often feel hurt and demotivated. This is harmful to the organisation. He states that there are "*Few benefit from unfairness, although many are harmed.*" Coetzee (2004: Page 54) states that organisations should investigate the employee's response to unfairness in the workplace, and should create policies and procedures along with guidelines to enable fair outcomes and decisions. Coetzee (2004) refers to Sheppard *et al.* (1992) who stated that the classification of behavioural actions that employees follow when a perceived injustice occurs is called the 'naming and blaming' process.

### **2.12.1. Naming**

Coetzee (2004) states that naming refers to the initial recognition that an unfair outcome, system or process has occurred. It is fair to say that if an injustice occurs and no one notices, then no action will be taken. A system, process or action will only be deemed unjust if attention is brought to it. Coetzee (2004) suggests that a way to avoid acts of injustice being highlighted

is to draw the employees' attention away from the act. She states that in certain organisations there is strict secrecy around policies and procedures that involve claims of injustice regarding areas of remuneration structure, budget allocation or recruitment appointments and even promotions.

According to Coetzee (2004), the degree of the perceived injustice is crucial as it determines the employee's reaction to the injustice. According to Folgar (1984), perceived injustice is generally determined by viewing the perceived inconsistency of the application of a rule. Folgar (1984) explained that the perception of the injustice is determined by the employee's aptitude to envisage another course of action to the unjust situation. In the instance that no other alternatives exist, then the employee is more likely to accept the unjust outcome. Folgar (1984) further explains that by keeping the alternatives limited or by not disclosing alternatives, the employees' sense of injustice will be limited.

### **2.12.2. Blaming**

Often employers and employees will attempt to resolve the issues without knowing the reason or the root of the issue, usually the focus is on 'what' or 'who' should be held accountable or 'blamed' for the injustice. Blame cannot be attributed without knowing 'who' or 'what' is the root of the injustice. The course of blame starts from understanding and determining a cause, then understanding who is responsible, and finally, to determining blame (Crosby, 1984; Coetzee 2004).

There are two distinct entities that injustices can be attributed to, they are; the person, the process or the system (Coetzee 2004). Outcomes can be considered unjust due to an unfair decision being made. The process used to determine the outcome could also be perceived as

unfair. Coetzee (2005) explains that it is not always easy to determine whether the perceived injustice sits with the person making the decision or with the process. Crosby (1984) states that employees are unlikely to blame processes, firstly due to employees not having enough information or an understanding of the system and secondly employees do not wish to question the process or system.

Data used to formulate a judgement are considered to be a complication in attributing blame. According to Coetzee (2004), it needs to be determined whether or not blame should be attributed to individuals or to the environment. This is regarded as the primary problem.

Another complication in attributing blame is the employees' strong beliefs and previous experiences about the likely sources of injustice (Coetzee, 2004). Coetzee (2004) states that factors that influence belief include, "*Social and cultural background, socioeconomic status and individual personality*". An example used by Coetzee (2004) is that when black employees believe that there is no further growth and development for them, they may decide not to complete their studies because of their belief that good results are not equitably rewarded.

Coetzee (2004) states that sometimes it is impossible to attribute blame due to the possibility that no real injustice took place. In such situations it is difficult to determine or to allocate blame since clear indicators of blame do not exist. According to Sheppard *et al.* (1992) employees become dissatisfied, hostile and alienated if blame cannot be allocated.

For the purpose of this study, literature on employee discipline, procedural and substantive fairness and promotions will be reviewed.

### **2.13. Employee Discipline**

Nel *et al.* (2011) describe employee discipline as an action taken by management (or any form of authority in the workplace), aimed at changing the negative behaviour or improving performance standards of employees. This generally starts with a corrective and progressive measure with the basic intention of correcting the employee's attitude and performance standards (Nel *et al.*, 2011).

Van der Bank *et al.* (2008) state that disciplinary action, when applied correctly, will improve employee behaviour and will contribute towards a positive employment relationship between the subordinate and supervisor. However, disciplinary action applied punitively and unfairly will result in a drop in employee morale and will result in strained employment relations between the supervisor and the subordinate (Grobler *et al.*, 2006; van der Bank *et al.*, 2008).

The Code of Good Practice relating to dismissals outlines the process to follow when addressing disciplinary matters. Finnmore (2006) and Nel, *et al.* (2011) explain that an organisation needs to have a disciplinary code of conduct that an employee has access to. The employee needs to understand the code in relation to their work function as well as in relation to the workplace culture. The employee needs to have a guide that they can refer to when being faced with potential disciplinary action. The code of conduct acts as an empowerment tool for the employee so that there is an understanding of where counselling, warning or dismissals can apply (Finnmore, 2006).

Werner (2007), explains that, according to reinforcement theories, an employee needs to learn and understand the technical description and application of discipline before the desired behaviour is achieved. Examples of positive reinforcement can be described as rewarding good

behaviour and recognition for good performance. Negative reinforcement can, for example, occur where an employee is shouted at constantly until a task is completed. Punishment is when an undesirable outcome is applied when an employee behaves or performs below standards (Werner, 2007; van der Bank *et al.*, 2008).

In 2008, van der Bank *et al.* researched the perceived fairness of disciplinary process in the public sector. Similar research was conducted by Cropanzano, Bowen and Gililand in 2007. The outcomes of both these research studies were relatively similar. In both cases, employees found the processes used when being faced with disciplinary action emotionally exhausting and traumatic (van der Bank *et al.*, 2008; Cropanzano and Gililand, 2007). Van der Bank (2008) and Cropanzano and Gililand (2007) found that different departments had managers who applied rules inconsistently. Managers have different styles and expectations – where in one department the behaviour is acceptable, whilst the same or similar behaviour in a different department may be faced with disciplinary action. The time-frame of delivering the outcome of a hearing also caused the employee stress. Employees felt that management’s personal relationships with employees were also a deciding factor when it came to disciplinary action. Management used personal problems with employees to determine if disciplinary action should go ahead or not. It was suggested that managers address personal problems on a separate platform as and when they arise. Managers were also advised to do more detailed investigations when misconduct was involved (van der Bank *et al.*, 2008; Cropanzano and Gililand, 2007).

## **2.14. Procedural and Substantive Fairness**

A fair procedure has been outlined in *Schedule 8 (Code of Good Practice on Dismissals) of the Labour Relations Act 66 of 1995* for disciplinary hearings involving misconduct, incapacity (poor work performance) and in cases of operational requirements or retrenchments. The

process includes ensuring that the employee understands his or her rights and understands the charges against him or her. The employee also needs to be made aware of any evidence being produced at the hearing. This process has to be explained to the employee facing disciplinary action.

Schedule 8 of the Code of Good Practice: Dismissals summaries the process to follow when instituting disciplinary action. The employee's rights are as follows:

- *“You have the right to an interpreter, the hearing will be conducted in English and should you feel you do not understand English fully, an interpreter can be arranged;*
- *You have the right to be represented. Your representative can be a colleague. However, no outside representation will be allowed.*
- *You have the right to state your case, call witnesses and provide evidence; and*
- *You have the right to cross-examine the complainant and his witnesses.”*

This has to be read to the employee in a language understood by the employee.

The process of the hearing, according to A Guide to Disciplinary Hearings; [www.labourguide.co.za](http://www.labourguide.co.za):

- a. “The charges are read out and the accused is requested to plead guilty or not guilty.
- b. If the accused pleads guilty, the accused waives the right to state a case and the complainant will be asked to provide a brief statement of what transpired based upon which the chairperson will make a finding of whether he/she finds the accused pleaded guilty correctly or not.
- c. If the accused pleads not guilty, the complainant will have an opportunity to state a case, call witnesses and provide evidence.

- d. The accused will be given the opportunity to cross-examine the complainant and the witnesses.
- e. The chairperson will then give the accused an opportunity to state a case, provide evidence and call witnesses and the complainant has the right to cross-examine the accused and the witnesses.
- f. Based on the submission from both parties, the chairperson will make a finding of whether the accused is found guilty or not guilty.
- g. If the chairperson finds the accused not guilty the accused will be exonerated from the charges.
- h. If the chairperson finds the accused guilty, the chairperson will listen to aggravating and mitigating factors which will be considered when a sanction is decided.”

Source: [www.labourguide.co.za](http://www.labourguide.co.za)

In *Northam Platinum Ltd v Phooko NO and Others* (JR3457/09) [2012] ZALCJHB 58 (27 June 2012), the applicant, Mr Phooko, was initially issued with a final written warning for violating safety rules and placing his and other employees at a safety risk in the workplace. The final written warning was subsequently retracted and the applicant was summarily dismissed for this misconduct.

The arbitrator ruled that the dismissal was procedurally unfair. Even though the applicant was given the opportunity to make a written submission, this was not taken into consideration as the respondent failed to host a disciplinary hearing. The applicant was not allowed to view evidence and he was not provided with the opportunity to cross-question evidence nor was a case brought forward by his employer.

To ensure substantive fairness, van der Bank *et al.* (2008), recommend that Human Resources host workshops and inductions whereby employees are made aware of the rules, policies, procedures and general code of conduct. It would be substantively unfair to dismiss an employee for the contravention of a rule if the employee was not made aware that the rule existed. Generally outlining these policies in the contract of employment will ensure that an employee is held responsible for his or her actions (du Toit, 2015).

Employers generally fall short in the area of substantive fairness as often requirements of substantive fairness are not met (du Toit, 2015).

Du Toit (2015) explains that substantive fairness involves two steps:

- Establishing guilt; and
- Deciding on an appropriate sanction.

Du Toit (2015) explains that the following need to be satisfied for disciplinary action to be substantively fair:

- *“Was a company rule, or policy, or behavioural standard broken?”*
- *If so, was the employee aware of the transgressed rule, standard or policy or could the employee be reasonably expected to have been aware of it? (You cannot discipline an employee for a breaking a rule if he was never aware of the rule in the first place.)*
- *Has this rule been consistently applied by the employer?*
- *Is dismissal an appropriate sanction for this transgression?*
- *In other cases of transgression of the same rule, what sanction was applied?*
- *Take the accused's personal circumstances into consideration.*
- *Consider also the circumstances surrounding the breach of the rule.*

- *Consider the nature of the job.*
- *Would the sanction now to be imposed be consistent with previous similar cases?”*

(Source: Du Toit (2015))

Should the above requirements be met, a dismissal will be considered substantively fair (du Toit, 2015).

Mitigating and aggravating factors have to be considered, according to schedule 8 of the LRA. Mitigating factors are circumstances that are in favour of the employee. These are: length of service, financial situation, age, personal circumstances, whether he or she exhibits regret and if so to what degree, the level of education, etc.

Aggravating factors are circumstances that are in favour of the employer. These focus on how the misconduct has impacted on the business in a negative way (du Toit, 2015). Questions are asked in relation to the severity of the offence, the existing disciplinary records of the accused employee, the consistency that is applied. The status of the trust relationship is also questioned. The trust relationship is imperative to note in a dismissal however an employer cannot merely declare that the trust relationship has been broken, it needs to be proven (du Toit, 2015).

The “Supreme Court of Appeals in *Edcon Ltd v Pillemer NO and Others [2009] ZASCA 135*” made it quite clear that an employer needs to provide evidence to support such a claim - to demonstrate how the trust relationship has been destroyed by the conduct of the employee. An employer generally has referrals to external dispute resolution bodies when an employee is dismissed unfairly – usually because the sanction for the misconduct has been too harsh (Grogan, 2014). Du Toit (2015) further explains that an employee cannot be dismissed on a

first offence – a warning would be a more appropriate sanction, however the severity of the misconduct needs to be considered. Cases of gross negligence, dereliction, insubordination, theft or causing physical harm to a fellow employee or customer can result in summary dismissal (du Toit, 2015).

Aggravating and mitigating factors need to be taken into consideration. Procedural fairness and substantive fairness are imperative in a workplace that wants to achieve organisational justice.

## **2.15. Promotions**

An advancement in the career of an employee is referred to as a promotion. A promotion is usually accompanied by an escalation in job functions and responsibilities and generally an increase in remuneration (Source: [www.businessdictionary.com](http://www.businessdictionary.com)).

Odeku (2013) states that the process for promotions should also be outlined in a company policy. Each organisation should have a promotion process that would be unique to the needs of the organisation or industry (Odeku, 2013). Odeku goes on to explain that the processes should be applied consistently and transparently, and further than that, minutes of interviews and meetings relating to interviews should be kept for record purposes (Odeku, 2013). Grogan (2014) explains that a legitimate expectation of a promotion does not yield a right to be promoted, but merely an opportunity to be considered for a promotion (*Durusa v University of Durban Westville & others* [2001] 7 BALR 753 (CCMA)).

Promotions are a sensitive issue in any organisation and need to be treated fairly and confidentially (Odeku, 2013). Promotions within an organisation are important, as they are

viewed as a reward for hard work. Du Plessis (2002) states that promotions need to be procedurally and substantively fair (du Plessis, 2002).

The outcome of a promotion can motivate some employees while it could have the opposite effect on other employees causing a reduction in productivity and demotivated employees. Fair processes for promotions need to be followed and should be applied consistently to avoid the latter (du Plessis, 2002; Odeku, 2013).

The term 'promotions' is included in the definition of unfair labour practices under the *Labour Relations Act 66 of 1994 (LRA)*. Section 186 (2) (a) of the LRA makes states that an unfair labour practice is, “*unfair conduct by the employer relating to the promotion, demotion, probation (excluding disputes about dismissals for a reason relating to probation) or training of an employee or relating to the provision of benefits to an employee.*”

Grogan (2014) explains that disputes can arise when an employee believes that he or she was overlooked due to an irrelevant or unacceptable reason. Claims of discrimination are also sometimes a reason for being overlooked when applying for a promotion. An unsuccessful applicant is within his or her rights to ask for reasons for being unsuccessful for the position. In *Christiansen v University of KwaZulu-Natal*, [2006] 12 BALR 1200 (CCMA), the applicant (Christiansen) claimed that she had met the requirements to be promoted according to the University's promotions policy, however the promotions committee had failed to acknowledge research done prior to her joining the university. The commissioner ruled in favour of the applicant and ordered that the respondent promote her accordingly. It was held that even though promotions are applied at the discretion and prerogative of a management committee, interfering is necessary when the decision is procedurally and grossly unfair.

An employee is not entitled to a promotion, unless this is agreed upon in the contract of employment. Different reasons may be considered when awarding a promotion, this includes employee performance and general behaviour. An employer will need to be able to provide reasons for an employee being unsuccessful for the application for a promotion. (Source: <http://www.labourguide.co.za/general/1515-specific-forms-of-unfair-labour-practice>).

## 2.16. Best Practice

Best practice dictates that an employee should seek internal measures before seeking external dispute resolution alternatives like a CCMA referral. Even in organisations where there is the nonexistence of processes, the aggrieved employee should explore internal advice as a first step to resolving the dispute. Only once the employee is unable to resolve the matter internally should the employee refer the issue to the CCMA or bargaining council.

Even though the *Labour Relations Act 66 of 1996* encompasses no definition of the word “unfair”, Grogan (2014: Page 260) effectively explained “Unfair Conduct” as follows:

*“Where one person or group of people is favoured over another on the basis of irrelevant criteria;*

*Where people are treated arbitrarily, i.e. not in accordance with established rules;*

*Where people are treated irrationally, i.e. on the basis of unproven or untested views and suppositions; or*

*Where people are penalised or denied an advantage without being able to state their case.”*

In *Department of Justice v Commission for Conciliation, Mediation and Arbitration and Others* (2004) 25 ILJ 248 (LAC) at para 73, the Court held as follows:

*“An employee who complains that the employer's decision or conduct in not appointing him constitutes an unfair labour practice must first establish the existence of such decision or conduct. If that decision or conduct is not established, that is the end of the matter. If that decision or conduct is proved, the enquiry into whether the conduct was unfair can then follow. This is not one of those cases such as disputes relating to unfair discrimination and disputes relating to freedom of association where if the employee proves the conduct complained of, the legislation then requires the employer to prove that such conduct was fair or lawful and, if he cannot prove that, unfairness is established.”*

Literature and case law proves that in the case of unfair promotions, the onus is on the employee to prove that an unfair decision or conduct has occurred. Promotions processes that are set out at the outset of employment, will result in commitment to the organisation by the employee, organisational citizenship, motivated employees and this results in higher performance (Grogan, 2014; Skarlicki and Foyger, 1997).

## **2.17. Conclusion to Chapter Two**

According to Baldwin (2006), some examples of perceived injustices include the following:

- Unequal remuneration between males and females;
- Someone other than a direct manager conducting performance reviews;
- The use of behaviour inventories to the recruitment of new staff; and
- Arbitrary dismissals.

The introduction of policies and procedures highlighting processes can usually avoid the claim of unfair procedures (Cropanzano, Bowen and Gililand, 2007). Procedural fairness must be followed even in cases where there is enough evidence substantively to dismiss an employee.

There is very little research surrounding organisational justice in the private sector and none in the Call Centre industry. A possible reason for this is that employers are aware of the blatantly unfair labour practices surrounding disciplinary action and promotions within the industry.

This study identifies and bridges gaps around organisational justice within the Call Centre industry. Policies, procedures and best practices for delivering and implementing policies and procedures in this industry, have been suggested as solutions to the negative perceptions by employees. Up-skilling managers by hosting workshops and having them attend training, having structured career paths and developing manager interactions with employees have been identified as recommendations for changing these perceptions. The use of the intranet is highlighted as a paramount communication tool for addressing concerns around communication and for the relaying of information.

# CHAPTER 3

## RESEARCH METHODOLOGY

### 3.1. Introduction

A research process is a methodical process of collecting and analysing information to increase the understanding of a study (Sekaran and Bougie, 2010). Rajasekar *et al.* (2013) explains that numerous algorithms and schemes used by researchers during a research study can be defined as Research Methods. Research methodology can be explained as a systematic solution to a problem. Research methodology includes:

- Theoretical procedures;
- Experimental studies;
- Numerical schemes; and
- Statistical approaches.

(Sekaran and Bougie, 2010)

Bryman (2012) and Sekaran and Bougie (2010) explain that research can be either qualitative, quantitative or mixed method.

When research is collected and the data are gathered by using both experiments and surveys (quantitative research) and by using interviews and focus groups (qualitative research) this research method is known as a mixed method (Sekaran and Bougie, 2010). Researchers use this method when the integration of qualitative and quantitative research offers a more detailed understanding of the research problem being investigated than using either alone.

Quantitative research is defined as research based on the gathering and analysing of measurable data. Once the data are analysed, numerical statistics and statistical models are created to enable the researcher to interpret the data collected. Quantitative research methods are non-descriptive and use numbers, mathematics and statistics. The results of a quantitative study are often presented using graphs and tables and the study is conclusive (Bryman, 2012). A quantitative research approach was not suitable for this study, due to this study being focused on perceptions and on the emotions of employees.

Sekaran and Bougie (2010) state that qualitative research methods are used to determine the perceptions and behaviour of a specified target audience. The results of a qualitative research study are usually descriptive and not predictive. It is more involved with qualitative phenomenon involving the quality (Rajasekar, 2013).

The characteristics of a qualitative approach is that it applies reason and uses description and words. Its main aim is to understand the emotions of the subjects – qualitative data cannot be plotted on a graph (Rajasekar, 2013).

Some of the advantages of a qualitative research design is that it allows the researcher to get an in-depth view of the target audiences' outlook on the phenomena being studied. It provides a view from the 'human' point of view.

For the purpose of this study, a qualitative research approach was used. The research concentrated on the emotions and personal experiences of employees, focusing on their perceptions and reasons for these perceptions.

### **3.2. Research Methodology and Design**

A qualitative research approach is the most suitable research approach for this investigation because researching perceptions of employees cannot be quantified by using experiments. Interviews and focus groups were arranged where employees were able to speak openly about their personal experiences and this was more suited to evaluating perceptions (Bryman, 2012).

Van der Bank, Engelbrecht and Stumpher (2013) conducted a research study titled, “*Perceived fairness of disciplinary procedures in the public sector: An explorative study*”; using a qualitative research method. The aim of their research study was to investigate, explore and describe the employees’ personal experiences when faced with disciplinary action. A qualitative research method and design was utilised for this study. They viewed this research design as the most suitable way to generate data that facilitated the understanding of personal experiences that the employees had of the disciplinary process.

Odeku (2013) conducted a research study on, “*The employee’s perception of fairness of advancement: implications for fair labour practices*”. This study focused on promotions in the workplace. Perceptions and reactions to the promotions procedure in the workplace were investigated using a qualitative research approach. Odeku (2013) used focus groups to understand the perceptions of the employees.

### **3.3. Study Site**

A study site is that area in which that research is being conducted (Bryman, 2012) and the site has to meet the criteria of the study. For the purpose of this research this study was conducted at Outworx, International Call Centre, based in Umhlanga Ridge.

### **3.3. Target Population**

Research questions are used to address issues that are relevant to groups of individuals. This group of individuals is known as the research (or target) population (Bryman, 2012). A collection of individuals or objects that the research is focused on is generally known as the target population (Bryman, 2012). The outcome of the research will benefit the individuals or objects in the target population (Bryman, 2012). Bryman (2012) states that often, researchers are unable to test every individual or object in the target populations due to restrictions like large sizes of population, accessibility, financial constraints, etc. It is under these circumstances that researchers use sampling techniques.

Outworx employees were the target population of this study. This comprised of call centre agents, the team managers, campaign managers and support staff. The population of Outworx can be characterised as lower income employees from surrounding areas, more specifically the surrounding townships. A basic education (matric certificate) is a pre-requisite to join Outworx and the age group can be defined as between eighteen and forty-five. Gender and race were not considered during this study.

### **3.4. Sampling Strategies**

Bryman (2012) states that the form of sampling that makes use of a random selection, is known as a probability sampling method. In order for the researcher to use a random selection method, methods need to be implemented where the various units of the populace have an equal probability of being chosen. More common forms of random sampling include choosing a name from a hat or choosing the short straw (Bryman, 2012).

Stratified random sampling, a probability sampling method, was used to conduct this research.

According to Sekaran and Bougie (2010), this strategy can be defined as extracting a percentage, or a stratum of a similar group of people and grouping several groups of different strata to form a random group. Sekaran and Bougie (2010) further explain that stratified random sampling is best used in situations where the researcher wants to conduct investigations using various subgroups.

For the purpose of this research study, the different groups tested were call centre agents, team managers, campaign managers and support staff all of whom have been exposed to a form of disciplinary action. Strata were formed using each group eventually forming a random sample.

### **3.5. Sample Size and Sample**

Outworx has a workforce profile of 371 employees. They are categorised into campaigns and departments. Outworx has 3 campaign managers, 26 team managers, 319 Call Centre agents and 25 support staff.

A total of 77 employees was chosen via a random sample (approximately 20 per cent of the workforce profile). Females comprise 72 per cent of the workforce profile at Outworx, therefore the percentage of females selected to participate in the study was increased to 71 per cent and the percentage for males was decreased to 29 per cent. The race representation was as follows: 33 per cent Black representation, 1.4 per cent White, 57 per cent Indian and 7.8 per cent Coloured. Table 3.5.1. below represents the race and gender components of the sample.

Race		Gender	
Black	26	Male	22
White	1	Female	55
Indian	44		
Coloured	6		
<b>Total</b>	<b>77</b>		<b>77</b>

**Table 3.5.1. A breakdown of the random sample.**

The selection was randomly sampled using the above categories. Managers made up the membership of the strata.

All warnings issued at Outworx by Human Resources were captured on the VIP Sage system. The VIP Sage system is the system used to track all employee records from the date of commencement of employment, absence, disciplinary hearings, coaching and termination.

The process followed in identifying the participants included accessing a disciplinary report (which included the names of team managers, agents and support staff issued with warnings) which was extracted from the VIP Sage system. Further to this, an internal recruitment report was requested from the recruitment department. These two reports were then merged and sorted into three groups namely employees in terms of team managers, Call Centre agents and support staff, gender (male and female) and race (Black, Coloured, Indian and White). One in every five employees from the different groups was randomly selected until the numbers and the selection criteria were met.

### **3.6. Data Collection**

Self-administered Questionnaires and Staff Forums were the chosen instruments of data collection. Sekaran and Bougie (2010) state that Questionnaires are structured to measure the opinions of people in a more data-led approach and to obtain numerical results.

Due to security reasons, internet access is not granted to Call Centre agents at Outworx. In this regard, printed questionnaires were hand-distributed amongst the 77 randomly selected participants. Once the participants had completed the questionnaire, they were requested to leave the questionnaire in a box placed in the reception area of Outworx. The questionnaires were received in complete anonymity. An advantage of using a questionnaire is that it is an efficient, cost-effective method of collecting information (Sekaran and Bougie, 2010).

Both open- and closed-ended questions were used in the questionnaires. A disadvantage of questionnaires is that sometimes respondents do not read and understand the question being posed and respond in haste (Sekaran and Bougie, 2010). Therefore two Staff Forums were hosted soon after the questionnaires had been collected.

A staff forum can be described as the ears, the eyes and the voice of the employees, ([www.hgacreative.com](http://www.hgacreative.com)). Staff forums are employee groups that serve the same purpose as a focus group. Sekaran and Bougie (2010) explain that focus groups provide a more in-depth understanding of how people view or think about the phenomena being researched. The staff forums assisted in enhancing the data collected via the questionnaire. Participants were able to express themselves freely in an open forum.

The first staff forum hosted was the manager's staff forum. This consisted of five managers. 3 female managers were selected and 2 males. 4 of the managers were Indian and 1 was Black. All five managers had experience in executing the disciplinary process at Outworx. Each manager had also been on the receiving end of the disciplinary process at Outworx – this meant that the managers had contravened rules and had gone against the disciplinary code of conduct, this misconduct would have resulted in a warning being issued or even a disciplinary hearing. The manager's at Outworx had all been promoted via the internal promotion process.

The second staff forum was made up of five Call Centre agents. This group was made up of 4 females and 1 male. The group contained 2 Black females, 2 Indian females and 1 Indian male. These agents had experienced the disciplinary process, this meant that they had contravened a rule and had gone against Outworx' disciplinary code of conduct. This misconduct would have resulted in a warning being issued or a disciplinary hearing depending on the severity of the offence. The Call Centre agents had also applied for internal promotions and had been unsuccessful in their applications.

The participants attending the staff forums were asked to discuss their personal experiences of disciplinary processes and promotions. The staff forums were audio recorded and confidentiality agreements were signed.

### **3.7. Data Analysis**

Descriptive and inferential statistics were used to examine the data. Descriptive statistics were used to examine the observations. According to Sekaran and Bougie (2010), descriptive statistics are a meaningful way to summarise data and notice patterns in the data collected.

The staff forums and questionnaires were recorded and inferences were drawn from the responses in each group. Inferences can be explained as generalisations that are made using the information gathered. (Sekaran and Bougie, 2010).

### **3.8. Data Quality Control**

Lincoln and Guba (2013) explain that it is not easy to ensure the accuracy of qualitative research. According to Lincoln and Guba (2013) when conducting a qualitative research the following four aspects need to be considered:

**Credibility/trustworthiness:** Credibility focuses on ensuring that the outcomes of the research conducted are believable. The researcher will highlight the quality of the information gathered and not the quantity. Various techniques can be used to establish the accuracy of the results; data triangulation is widely used, whereby multiple analysts and ‘member checks’ are conducted (Lincoln and Guba; 2013).

**Transferability:** Transferability is a method that can be used by the researcher. This method discusses the extent to which comparisons can be drawn to other similar research studies conducted by other researchers. Specific details are noted of the research and methods used and this is then compared to the situation being researched. If the results are similar, then the research is deemed credible

[http://www.angelfire.com/theforce/shu\\_cohort\\_viii/images/Trustworthypaper.pdf](http://www.angelfire.com/theforce/shu_cohort_viii/images/Trustworthypaper.pdf).

**Dependability:** Guarantees that the results of the research are consistent and can be recurring. In order to measure this, the standards of research are measured, focusing on the way the research is conducted, examined and delivered. It is imperative that each step of the research study be recorded in order to enable an outside researcher to achieve similar results when

conducting the same study. Researchers are also able to understand research methods used and their effectiveness

[http://www.angelfire.com/theforce/shu\\_cohort\\_viii/images/Trustworthypaper.pdf](http://www.angelfire.com/theforce/shu_cohort_viii/images/Trustworthypaper.pdf)).

‘Confirmability’: This is used to determine if the researcher has been biased during the study or not. Qualitative research permits the researcher to deliver a distinctive view of the study.

‘Confirmability’ is used to question how the findings of the research are supported by the data collected. An external researcher studies the data collected during the research and makes a judgement. Audit trails can be concluded during the research study to understand how each result was made.

[http://www.angelfire.com/theforce/shu\\_cohort\\_viii/images/Trustworthypaper.pdf](http://www.angelfire.com/theforce/shu_cohort_viii/images/Trustworthypaper.pdf)

Lincoln and Guba (2013) use these words to replace ‘reliability’ and ‘validity’. Reliability and validity is usually linked to a quantitative research approach.

### **3.9. Ethical Consideration**

An informed consent letter explaining the reason for the study and the selection process used was issued to all selected participants. This letter also contained essential information, including the details of the research supervisor and the Humanities and Social Science Research and Ethics Committee (HSSREC) representative who could be contacted. Each participant had a one-on-one consultation with the researcher explaining in detail that participating in the study was confidential and voluntary. The researcher extended an open invitation to the participants to engage freely should the participant need further clarity on the study. The participants were also made aware that participation and the responses given in the questionnaire and staff forums

were confidential and that this material would be stored safely. All information gathered from the questionnaire and staff forums was kept strictly confidential.

### **3.10. Summary**

This chapter focused on research methodology and the design. The research method being used was described in detail and the sampling strategies, sample size, data collection methods, analysis and quality control was discussed in detail. The next chapter will provide details of the findings of the research conducted.

# **CHAPTER FOUR:**

## **PRESENTATION OF DATA, ANALYSIS AND FINDINGS**

### **4.1. Introduction**

Chapter four offers details on the findings of the research conducted. The participant responses gathered from the questionnaires and staff forums hosted will be delivered. Findings on the employees' perceptions of substantive fairness, procedural fairness, interactional fairness and promotions will be revealed.

### **4.2. Research Questions**

The study aims to address the following research questions:

- 4.3.1. What is the standard procedure for the instituting of disciplinary action against an employee at Outworx?
- 4.3.2. How does Outworx comply with substantive fairness requirements when instituting disciplinary action?
- 4.3.3. How does Outworx comply with procedural fairness requirements when instituting disciplinary action?
- 4.3.4. How does interactional justice influence disciplinary action?
- 4.3.5. What are the standard processes for promotions?
- 4.3.6. How does interactional justice influence promotions?

### **4.3. Presentation of Data and Analysis**

The research was delivered in two phases, Phase one of the research was used to collect information on the employee and the employer's experiences of organisational justice. Whilst

phase two used the results of phase one to develop strategies to ensure the consistency of organisational justice at Outworx.

### *Phase one*

To understand the perceptions of organisational justice in the workplace, organisational justice in an Outworx perspective was divided into four categories:

1. Substantive Fairness
2. Procedural Fairness
3. Interactional Justice
4. Promotions

Questions were aligned with these categories. These questions were then posed in the forms of questionnaires and staff forums to enable the researcher to have a more detailed understanding of the rationale for the responses received.

After the questionnaires were completed, staff forums were hosted. Manager staff forums and agent staff forums were hosted. Staff forums were conducted to encourage employees to be more open and to have the freedom to elaborate on their responses received in the questionnaire. All data received were regarded as confidential. Confidentiality agreements were signed prior to the commencement of the staff forums.

Below is a breakdown of participants per race, gender and level of job function: further to that, a copy of the questionnaire is included marked Annexure A and an overview of the categories, questions and responses from participants follows. Each section will be discussed; concentrating on the questionnaire responses first, using graphs, followed by the agent

participant forum, and, lastly, the manager-participant forum – these will be explained using tables and a brief summary. The tables are numbered in line with the questionnaire.

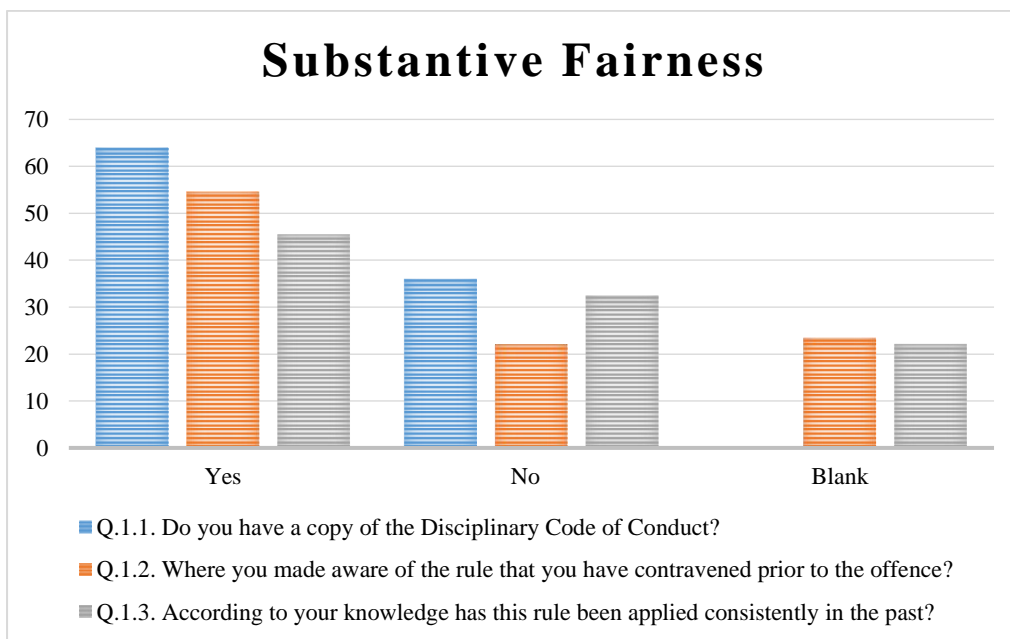
Table 4.3.1. represents the questionnaire breakdown of participants:

Race		Gender		Job Function (Level)	
Black	26	Male	22	Manager	15
White	1	Female	55	Agent	62
Indian	44				
Coloured	6				
<b>Total</b>	<b>77</b>		<b>77</b>		<b>77</b>

**Table 4.3.1: Questionnaire breakdown of participants**

#### 4.4. Substantive Fairness

Figure 4.4.1 below sets out the responses received from the participants on substantive fairness at Outworx.



**Figure 4.4.1: Responses on substantive fairness**

According to the questionnaire responses, figure 4.4.1 above shows that 64 per cent of the participants indicated that they had a copy of the *Disciplinary Code of Conduct* and 36 per cent indicated that they did not.

Of the participants, 55 per cent were not made aware of the rule contravened when receiving a form of disciplinary action and 45 per cent believed that the rules applied were applied consistently, furthermore, 23 per cent of the participants did not respond to question 1.2. and 22 per cent did not attempt to provide an answer to question 1.3.

Table 4.4.1 below sets out the responses received during the staff forum.

<b>1. Substantive Fairness</b>	
<b>1.1. Do you have a copy of the Disciplinary Code of Conduct?</b>	
<i>Agent- Participant Forum</i>	<ul style="list-style-type: none"> <li>- Yes we do have a copy of the <i>Disciplinary Code of Conduct</i>.</li> <li>- The copy of the code of conduct was issued to me during induction.</li> <li>- The <i>Disciplinary Code of Conduct</i> is in the shared folder that is placed on each agent’s desktop.</li> <li>- No we do not have a copy of the <i>Disciplinary Code of Conduct</i>. Human resources and our team manager have not provided us with a copy.</li> </ul>
<i>Manager-Participant Forum</i>	<ul style="list-style-type: none"> <li>- A Copy of the <i>Disciplinary Code of Conduct</i> is on the desktop of each Call-Centre agent.</li> </ul>
<b>1.2. Were you made aware of the rule that you had contravened prior to the offence?</b>	

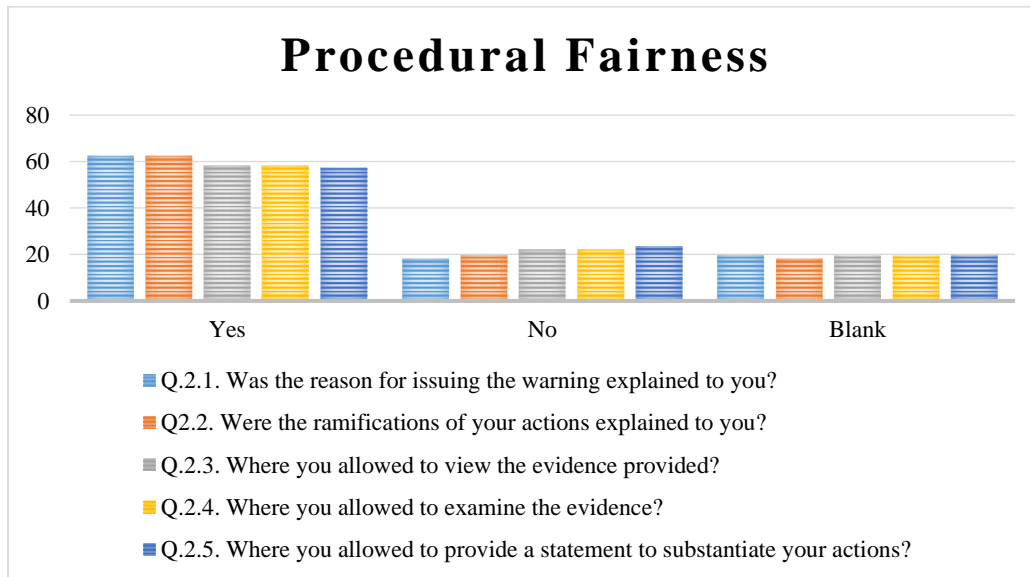
<i>Agent-Participant Forum</i>	<ul style="list-style-type: none"> <li>- 100% of the participants indicated that they were made aware of the offence.</li> <li>- The nature of the offence was not explained to them in detail.</li> </ul>
<i>Manager-Participant Forum</i>	<ul style="list-style-type: none"> <li>- Managers who were faced with disciplinary action stated that they were made aware of the rule contravened and details of the offence were explained to them.</li> </ul>
<b>1.3. According to your knowledge has this rule been applied consistently in the past?</b>	
<i>Agent-Participant Forum</i>	<ul style="list-style-type: none"> <li>- No – we are not always aware of the other agents who have committed the same offence, so we do not always know if it is consistent or not.</li> </ul>
<i>Manager-Participant Forum</i>	<ul style="list-style-type: none"> <li>- Yes - rules have always been consistent.</li> </ul>

**Table 4.4.1: Substantive fairness: responses received from the Manager Participant Forum and Agent Participant Forum**

Even though agents stated that they did not have access to the *Disciplinary Code of Conduct*, it was found that the code of conduct could be found located on a folder that is placed on every agent’s desktop. The relevant manager and HR representative did not bring it to the attention of the agent that company policies and procedures were kept in the shared folder and were readily available. Outworx operates with a high level of confidentiality. Agents are not always aware of the disciplinary action taken against other agents. It was found that the reason behind agents seeing inconsistency in the application of rules was because assumptions around outcomes were made by the agents.

## 4.5. Procedural Fairness

Figure 4.5.1 below sets out the responses received from the participants on procedural fairness at Outworx.



**Figure 4.5.1: Representation of the responses received on procedural fairness**

Table 4.5.1 below sets out the responses received during the staff forum.

<b>2. Procedural Fairness</b>	
<b>2.1. Was the reason for issuing the warning explained to you?</b>	
<i>Agent-Participant Forum</i>	- 100% stated that the reason was explained.
<i>Manager-Participant Forum</i>	- 100% stated that the reason was explained.
<b>2.2. Were the ramifications of your actions explained to you?</b>	
<i>Agent-Participant Forum</i>	<ul style="list-style-type: none"> <li>- Yes</li> <li>- Reason/s provided did not make sense.</li> <li>- Did not get a chance to speak or express themselves.</li> <li>- Felt intimidated.</li> </ul>
<i>Manager-Participant Forum</i>	- Yes

<b>2.3. Were you allowed to view the evidence provided?</b>	
<i>Agent-Participant Forum</i>	<ul style="list-style-type: none"> <li>- Yes</li> <li>- No evidence was provided.</li> </ul>
<i>Manager-Participant Forum</i>	<ul style="list-style-type: none"> <li>- Yes</li> </ul>
<b>2.4. Were you allowed to examine the evidence?</b>	
<i>Agent-Participant Forum</i>	<ul style="list-style-type: none"> <li>- Was allowed to view evidence.</li> <li>- The evidence was not provided.</li> <li>- Warning was already drawn up, no point in viewing evidence.</li> </ul>
<i>Manager-Participant forum</i>	<ul style="list-style-type: none"> <li>- Yes</li> </ul>
<b>2.5. Were you allowed to provide a statement to substantiate your actions?</b>	
<i>Agent-Participant Forum</i>	<ul style="list-style-type: none"> <li>- Yes</li> <li>- Not given opportunity to state a case.</li> <li>- Even when opportunity was provided, it did not make a difference.</li> </ul>
<i>Manager-Participant Forum</i>	<ul style="list-style-type: none"> <li>- Yes</li> </ul>

**Table 4.5.1: Indicates responses on procedural fairness from the agent participant forum and the manager participant forum.**

From the staff forums, it was found that procedural fairness was followed in some instances, however there were gaps and concerns that were highlighted in other instances. After probing it was found that where the agent participant indicated that the reason for receiving the warning

did not make sense, it was a lack of understanding on the part of the agent participant, *“I received a verbal warning for unauthorised absence because I attended the funeral of a friend that I grew up with”*. The participant was asked if annual leave was considered. The participant replied, *“But this is a close friend – I could have brought in the death certificate. I know that it’s not a part of Family Responsibility Leave, but I could have provided authorisation and it was not accepted.”*

The agent participant group stated that they felt intimidated by the Human Resources Generalist (HRG) issuing the warning. This was affirmed by the manager participant forum. Both groups found that at times the HRG was unapproachable and came across as aloof; *“She speaks to you in a way that you don’t feel happy to speak about how you feel”*. Even though both groups confirmed this, the groups also agreed that it was understandable that the HRG is sometimes aloof, due to the nature of the job, *“When we need to speak to her she always makes time for us, and she does listen to what we say”*.

Another agent stated the following: *“I had been taken to HR to be issued with a warning, I was given the chance to speak openly to the HRG, after she listened to what I had to say. She said that the warning did not carry any substance and she scrapped the warning”*. The agents had different views and different experiences with the HRG’s ability to allow the agent to state a case.

A concern around procedural fairness was highlighted when the agent-participant group reported that the warnings were already drawn up even before they had the opportunity to state their case. In this regard, many of them felt that it would be useless to explain themselves.

The manager-participant group emphasised instances of negligence and quoted cases of manipulation, where, regardless of the statements and explanations from the agents, the warning would stand due to the nature of the offence. *“Even if the warning is already drawn up, it’s because the system shows clearly where the mistake was made.”*

#### 4.6. Interactional Justice

Figure 4.6.1 below sets out the responses received from the participants on substantive fairness at Outworx.



**Figure 4.6.1: Represents questionnaire responses on interactional justice**

Figure 4.6.1 above shows that 26 per cent of the participants felt that the TM’s approach in advising them of the offence committed was good. Only 4 per cent were dissatisfied with the manager’s approach.

In responding, 27 per cent of the participants recorded that the chairperson had an excellent ability to remain unbiased; 26 per cent responded that the chairperson’s ability to remain

unbiased was good, while 25 per cent responded that it was satisfactory. Furthermore, 29 per cent of the participants rated the chairperson’s interaction when discussing the reasons for the sanction as excellent, 29 per cent also rated the chairperson as good and 16 per cent rated the interaction as satisfactory. It can be noted that 31 per cent of the participants rated the TM’s ability to apply the same outcome across the team as good.

Table 4.6.1 below sets out the responses received during the staff forum.

<b>3. Interactional Justice</b>	
<b>3.1 TM’s approach in advising you on the offence committed.</b>	
<i>Agent-Participant Group</i>	<ul style="list-style-type: none"> <li>- Meeting held between agent and TM prior to being taken to HR.</li> <li>- Only knew the reason for being taken to HR on arrival in HR, reason was explained by the HRG.</li> </ul>
<i>Manager- Participant Group</i>	<ul style="list-style-type: none"> <li>- Not always sure how to address the agent.</li> </ul>
<b>3.2 The Chairperson’s ability to remain unbiased.</b>	
<i>Agent-Participant Group</i>	<ul style="list-style-type: none"> <li>- Agents did not want to comment.</li> <li>- Decision made before listening to both cases.</li> </ul>
<i>Manager- Participant Group</i>	<ul style="list-style-type: none"> <li>- Focuses on evidence provided.</li> </ul>
<b>3.3 The Chairperson’s interaction with you when discussing the reason/s for the sanction being issued.</b>	
<i>Agent-Participant Group</i>	<ul style="list-style-type: none"> <li>- Aloof</li> <li>- Did not consider agent reasoning/s.</li> <li>- Different agents are treated differently.</li> </ul>
<i>Manager- Participant Group</i>	<ul style="list-style-type: none"> <li>- Aloof</li> <li>- Thorough</li> </ul>

<b>3.4 The TM’s ability to apply the same outcome for the offence on all agents on your team.</b>	
<i>Agent-Participant Group</i>	<ul style="list-style-type: none"> <li>- Participants are not sure.</li> <li>- Some offences are overlooked.</li> <li>- Different agents are treated differently.</li> </ul>
<i>Manager- Participant Group</i>	<ul style="list-style-type: none"> <li>- All agents are treated equally.</li> <li>- Agents did not always understand the reasons provided.</li> </ul>

**Table 4.6.1: Represents responses received on interactional justice during the staff forum**

It was very clear that there are Team Manager’s at Outworx who take interactional justice into consideration when warnings are being issued. *“My manager had a one-on-one meeting with me, explaining in detail what went wrong, and why I was being taken to HR. Even though I wasn’t happy, everything was explained to me, and I understood that I was wrong.”* However, there are also team managers who did not acknowledge interactional justice. *“My manager just never has a clue. She never knows what’s going on. Even if she knows, she acts like she doesn’t know.” “Nothing was explained to me. I was just told to go to HR.”*

The manager-participant group indicated that they were not always sure how to address the agent and let him/her know that s/he had contravened a rule. One of the managers indicated that he was able to explain the reason for the warning, but did not always have the ‘heart’ to let the agent know the severity of the action. He stated that sometimes he would make it seem as if it was minor, while he knew that HR was going to issue a Final Written Warning to the agent. *“I would pass the blame on to HR, I can’t tell them that they are getting a harsh warning – they are my friends also.”*

The agent-participant group initially refused to comment on the Chairperson's ability to remain unbiased. They all stated, "*No comment.*" The researcher had to probe the agent-participant group for a response. Again, the agents were of the view that decisions had already been made prior to the warning being issued. The agents felt that they were not always allowed to voice the reasons for their error, or that, even if they did, these were not taken into consideration.

The managers-participant group were of the opinion that the chairperson always followed the evidence provided. "*The chairperson always does thorough investigations, they seek advice from Quality Assurance and sometimes even the client – I think the chairpersons are always fair in their outcomes.*"

Agents in the participant forum, even though their view was that there was sometimes inconsistency, stated that, in some instances, they understood the reason for the inconsistency. "*Sometimes a warning for late-coming is not always issued to agents who use public transport – I use public transport also. I know that sometimes the taxi runs late. If a warning was issued for this it would be unfair.*"

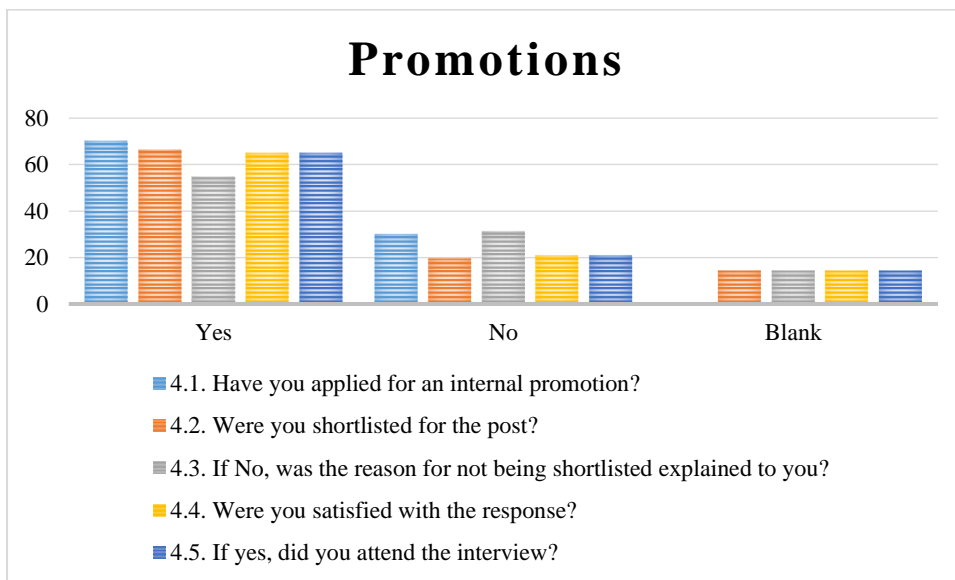
A few concerns were raised by the agents around the fairness of issuing warnings when an agent is late for a shift. "*My shift starts at 11am, I am required to arrive at work 15 minutes before my shift, if I arrive at work at 10h50, I am considered being late for shift – but my shift starts at 11am and I am at my workstation before 11a.m.!*"

The managers explained that sometimes agents refused to understand or could not understand the reason why the matter was being referred to HR. The agent would comment that another agent had committed the same type of error, but that that agent had not been referred to HR.

Agents did not always accept that each case was addressed on its own merits, or that sometimes it was the other agent’s first offence whereas they had committed a similar offence within the period of the validity of the warning. *“I know that the agents think that some agents are ‘safe’ and won’t be disciplined, but that’s incorrect – the client is on our back and always wants updates on disciplinary measures taken against agents who have committed misconduct.”*

## 4.7. Promotions

Figure 4.7.1. below sets out the responses received from the participants on promotions at Outworx.



**Figure 4.7.1: Responses on promotions**

Figure 4.7.1 above indicates that 70 per cent of the participants have applied for internal promotions. In this section, 14 per cent of the participants did not continue after answering question 4.1. of the questionnaire.

#### **4.7.1. Forum Responses**

Due to the nature of the responses received during this section of the staff forum it is not possible to tabulate responses.

During the agent-participant forum it was evident that promotions at Outworx is a sensitive subject. The agent-participant forum immediately became detached and indifferent when the topic of promotions was posed. The participants were initially not very engaging about promotions, however it was evident from body language and facial expressions that the agents had been exposed to negative experiences concerning promotions.

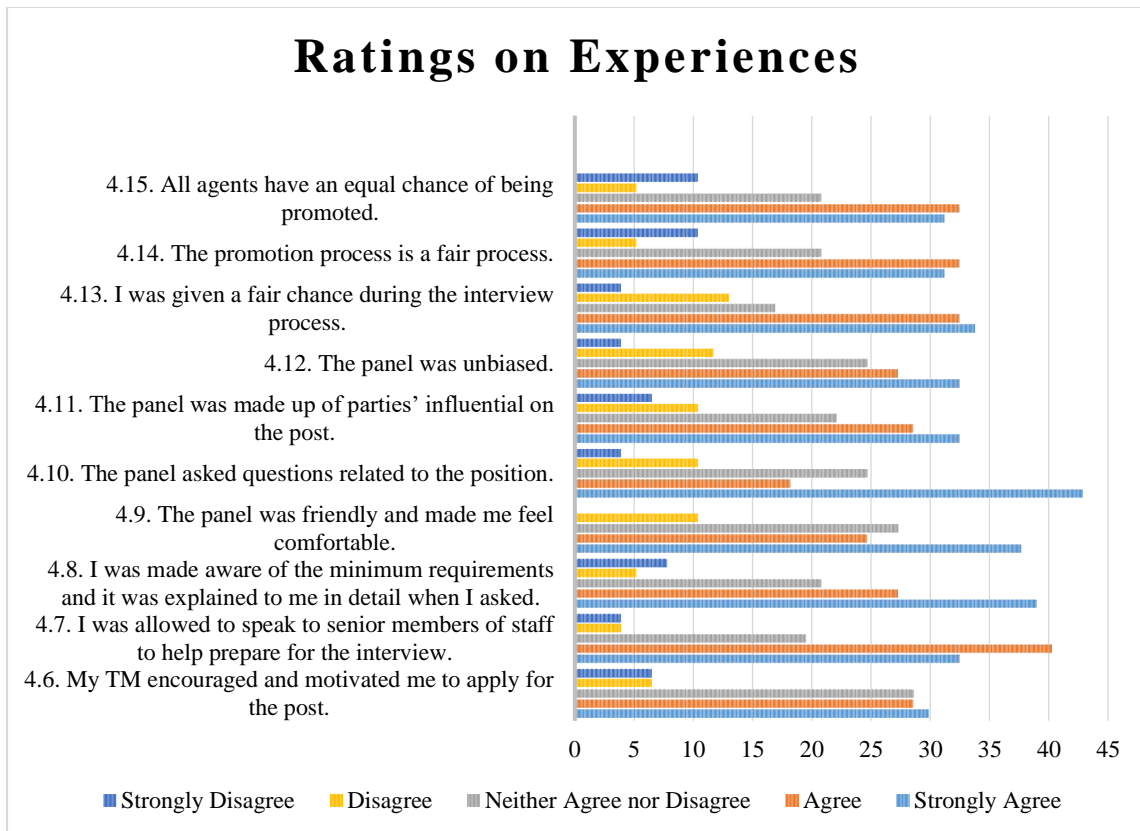
The agents who had applied for promotions but were not shortlisted reported that the reasons for them not being shortlisted were not explained to them. *“I just received the standard email from the Outworx Recruitment Team saying that I am unsuccessful, I don’t even read the emails anymore, and I just delete it – because it’s always the same.”*

When asked why they think that some agents did not apply for positions, the responses were *“We already know who is getting the post – what’s the use of applying?”* *“I was told not to apply, because I applied too many times already, and that I should give newer agents the chance to be promoted.”* The participants stated that certain agents were coached for promotions. They articulated that favoured agents were provided with the interview questions by the managers and campaign managers – and were taught how to read reports prior to the interviews. *“Obviously they will do better than us in the interview and they will get the job – it’s not fair.”*

The managers-participant forum reacted in a slightly different way to the agent-participant forum. Some of the managers stated that their experiences with promotions were positive. From being involved in the process themselves, they were aware of the common view across the floor that agents were coached or earmarked for promotions. One manager stated, *“Some agents make the effort to learn, they want to know how to read reports, or how the system works, other agents view this as the agents being coached, when it’s not really like that.”*

Other managers confirmed that they had witnessed a trend where certain campaign managers’ ‘friends’ were promoted to team managers and that it was evident that there was something untoward during the interview process. *“The agent didn’t have any team manager experience, he was a senior advisor for less than 6 months, everyone had said that that he was going to be promoted because he was the campaign manager’s friend, and just like that, he was promoted.”*  
*“This is disheartening – even for managers’ when it happens.”*

Figure 4.7.2. below shows the ratings on experiences from participants during interviews.



**Figure 4.7.2: Ratings on experiences during interviews**

30 per cent of participants strongly agreed that their TM encouraged them to apply for the vacancy advertised, while 6 per cent strongly disagreed. Of the participants, 40 per cent agreed that they were allowed to speak to senior members of staff to prepare for the interview, 5 per cent disagreed that they were made aware of the minimum requirements of the post and 39 per cent strongly agreed that they were made aware of the minimum requirements. It was noted that 27 per cent of the participants neither agreed nor disagreed that the panel made them feel comfortable. It was strongly agreed by 43 per cent of the participants that the panel asked relevant questions, while 10 per cent of the participants strongly disagreed that the promotions process was fair and 6 per cent disagreed that all agents had a fair chance of being promoted.

Table 4.7.1 below sets out the responses received from the staff forum participants on their experiences during interviews at Outworx.

<b>4.6 My TM encouraged and motivated me to apply for the post.</b>	
<i>Agent-Participant Forum</i>	<ul style="list-style-type: none"> <li>- No. The Manager encouraged another agent to apply.</li> <li>- The agent who the manager asked to apply for the post was promoted.</li> </ul>
<i>Manager-Participant Forum</i>	<ul style="list-style-type: none"> <li>- Was encouraged to apply for the post.</li> <li>- Manager encourages agents to apply for vacancies.</li> </ul>
<b>4.7 I was allowed to speak to senior members of staff to help prepare for the interview.</b>	
<i>Agent-Participant Forum</i>	<ul style="list-style-type: none"> <li>- Yes</li> <li>- Manager did not have time to assist, but had helped others applying for the same post.</li> </ul>
<i>Manager-Participant Forum</i>	<ul style="list-style-type: none"> <li>- Managers are open to assisting.</li> <li>- Heard of instances where managers help only certain agents.</li> <li>- Heard of instances where managers have declined to provide assistance to agents.</li> </ul>
<b>4.8 I was made aware of the minimum requirements and it was explained to me in detail when I asked.</b>	
<i>Agent-Participant Forum</i>	<ul style="list-style-type: none"> <li>- Yes - it was in the advert.</li> <li>- When asked for help, it was not provided.</li> </ul>
<i>Manager-Participant Forum</i>	<ul style="list-style-type: none"> <li>- Yes</li> <li>- Managers explain requirements when asked.</li> </ul>

	<ul style="list-style-type: none"> <li>- Uncertainty around managers understanding of minimum requirements.</li> </ul>
<b>4.9 The panel was friendly and made me feel comfortable.</b>	
<i>Agent-Participant Forum</i>	<ul style="list-style-type: none"> <li>- Yes</li> </ul>
<i>Manager-Participant Forum</i>	<ul style="list-style-type: none"> <li>- Yes</li> </ul>
<b>4.10 The panel asked questions related to the position.</b>	
<i>Agent-Participant Forum</i>	<ul style="list-style-type: none"> <li>- No</li> <li>- Questions were related to the campaign and the client and not to the position.</li> <li>- Stats and KPIs for the position were questioned.</li> <li>- No questions determining skillset of leadership were asked.</li> </ul>
<i>Manager-Participant Forum</i>	<ul style="list-style-type: none"> <li>- Questions asked in relation to post.</li> </ul>
<b>4.11 The panel was made up of parties' influential to the post.</b>	
<i>Agent-Participant Forum</i>	<ul style="list-style-type: none"> <li>- No - did not understand why all the CMs were present.</li> </ul>
<i>Manager-Participant Forum</i>	<ul style="list-style-type: none"> <li>- Yes</li> </ul>
<b>4.12 The panel was unbiased.</b>	
<i>Agent-Participant Forum</i>	<ul style="list-style-type: none"> <li>- The panel had prepped agents for the interview.</li> <li>- Only HR rep was not unbiased.</li> <li>- It doesn't matter what you know, but who you know.</li> <li>- Interview is just a window dressing.</li> <li>- Decisions are made even before interview.</li> </ul>
<i>Manager-Participant Forum</i>	<ul style="list-style-type: none"> <li>- Yes</li> </ul>

	- Heard of instances where it was not.
<b>4.13 I was given a fair chance during the interview process.</b>	
<i>Agent-Participant Forum</i>	- No. Manager already knows who they want so it doesn't matter how you do.
<i>Manager-Participant Forum</i>	- Not always
<b>4.14 The promotion process is a fair process.</b>	
<i>Agent-Participant Forum</i>	- Process is fair. - The process does not matter. - Not everyone who is a top hitter is going to be a good manager.
<i>Manager-Participant Forum</i>	- Yes
<b>4.15 All agents have an equal chance of being promoted.</b>	
<i>Agent-Participant Forum</i>	- No
<i>Manager-Participant Forum</i>	- No

**Table 4.7.1: Personal experiences during interviews**

The agent-participant forum discussed the team manager's approachability during the period that they had applied for specific promotions. It was highlighted that team managers were not always open to assisting all agents in preparation for the interview. The agents expressed the view that the manager only coached certain agents and that usually, the agent coached by the manager was promoted.

There were some agents who reported that they were encouraged to apply for the vacancy but they never really asked for help in preparing for the interview.

The manager-participants stated that they always encouraged their agents to apply for vacancies. They felt that they were approachable and always assisted agents when the agent asked for assistance. One manager felt that sometimes some agents were overzealous when it came to promotions and looked for reasons to find fault with the managers and the processes applied when they were unsuccessful.

The agents felt that even though the panel was friendly and made them feel comfortable, they unanimously agreed that the questions asked during the interview were not always related to the post, *“They asked me when the client was going to be in South Africa! – how does that determine my ability to be a leader and to manage a team?”* The agents stated that this question was clearly irrelevant and that it had been scripted for agents in a specific team. Agents were expected to have knowledge of stats and KPIs for the different teams; they felt that this was unreasonable as this was information that could be learned when they were successful. The agents also stated that the questions asked did not seem to assist them in highlighting their management and leadership skills.

The manager-participant forum commented that they had heard rumours of questions being tailored for certain campaigns, but they had not experienced this themselves. The managers felt that when they conducted interviews they had an idea of who would perform better in the interview, but sometimes other agents surprised them, *“We didn’t expect some agents to be so motivated during the interview, we always make decisions based on the interviews, we take personal experience with the agent into consideration – but we have to...isn’t [that so]?”*

The agent-participant forum did not think that the panel was unbiased. *“If the agents are prepped for the interview, and the manager who prepped them is sitting in on the interview –*

*surely the panel is biased.*” The agents stated that the managers knew who they wanted to get the position; they mentioned that even before a position was advertised, everyone knew who would get the job. *“Like now there are two senior advisors that are the CMs best friends, they always go on smoke breaks together – we all know that they are going to get the next promotion in the department.”* An agent participant openly stated that, *“It’s not what you know – but who you know”*.

*“There was an agent who was promoted and he was failing quality assurance.”* The agents mentioned that if an agent showed evidence of failing quality assurance they were usually not shortlisted, as this would have gone against the minimum requirements for the post. This raised concerns among agents on the floor as it was a clear indication that processes were not being followed. *“Only HR is unbiased in the interviews, I think sometimes when HR is present, the interview outcome changes.”*

The same question posed to the managers-participant forum produced different responses. The managers were of the opinion that the panels were unbiased and that agents did not always have all the information. *“The agents don’t always know what disciplinary records, absence records and performance statistics of agents applying for promotions, they just assume that it’s being done unfairly.”*

The agent-participant forum and the manager-participant forum felt that the promotions process was fair. However the agents said that ‘behind the scenes’ coaching and mentoring did take place for selected agents and this occurred frequently.

When asked if all agents were given a fair opportunity to be promoted, the agents burst into laughter. *“I was told that I have brilliant ideas and that I have the ability to be a team manager,*

*but I have a bad attitude – so I won't be promoted.” “The CM told me that I already applied for a promotion before, so I should not apply again because I must give other agents a chance to be promoted.”*

The agents were very disheartened and de-motivated due to agents who were employed after them being appointed. *“I've been here for two years – and I see other agents that I helped on the floor being promoted.”* Another agent stated, *“I am looking for employment in other places because I don't see growth for myself at Outworx – I love the company, but I can't be a call centre agent for the rest of my life.”*

The agents felt that managers wanted you to ‘curry favour’ with them, and, if you didn't, you didn't get promoted. They felt strongly that there should be promotions within departments and campaigns and that promotions should not be open to other departments and campaigns. They felt that agents who helped others and showed the ability to manage a team were not promoted. A possible reason for this was that the managers felt threatened by agents who had a better skill-set than they had.

The manager participants confirmed that all agents did not have a fair opportunity to be promoted. From their observations, only certain departments were run transparently.

## **4.8. Findings**

The research questions are answered as follows:

**Question One:           What is the standard procedure for the instituting of disciplinary action against an employee at Outworx?**

Outworx has a *Disciplinary Code of Conduct*. When a rule is contravened, HR decides the severity of the offence and draws up a warning, prior to discussing the offence or the reason for the offence with the accused employee. This raises questions on procedural fairness, as the employee is not provided an opportunity to state a case. It should be noted that even though the *Disciplinary Code of Conduct* is available on the folder that sits on every employee's desk top, 36 per cent of the participants indicated that they did not have access to the code. This is largely due to managers and HR not making the employee aware that the folder exists. Training for HR and Managers on communication is imperative. The induction that the employee receives also needs to be reviewed, as the employee should be made aware of this at induction stage.

Finnmore (2006) and Nel, *et al.* (2011), explain that, the *Code of Good Practice* relating to dismissals states that the process to follow when addressing disciplinary matters is as follows: The organisation needs to have a disciplinary code. This code needs to be readily available to all employees and employees need to have an understanding of the code in relation to their job function, as well as in relation to the workplace culture. The employee needs to have the code to use as a guide when being faced with disciplinary action (Finnmore, 2006). *Schedule 8 of the Labour Relations Act* states that the complainant and the accused need to be provided with the opportunity to state their case to an unbiased chairperson. Once the chairperson takes into consideration both parties' statements, a finding will be made. If the accused is found not guilty of the offence the accused is exonerated of the charge against him or her. If the accused is found guilty, the chairperson will listen to aggravating and mitigating factors before deciding on a sanction.

**Question Two: How does Outworx comply with substantive fairness requirements when instituting disciplinary action?**

Making reference to the disciplinary code of conduct that Outworx has and reiterating that 34 per cent of participants stated that they do not have access to this code immediately raises concerns around substantive fairness. If employees are unaware of the rules and regulations that govern Outworx, they cannot be held accountable for the rules they contravene (van der Bank *et al.*, 2008). It would be substantively unfair to hold an employee accountable for contravening a rule that they do not know exists. Another concerning statistic is that 55 per cent of the participants indicated that they were not made aware of the rule they had contravened. This speaks to the procedural fairness that Outworx applies when instituting disciplinary action.

Substantive fairness refers to the fairness and reasonableness of a decision to institute disciplinary action. Du Toit (2015) explains that highlighting crucial policies and procedures in the employee's contract of employment will ensure that an employee is held responsible for his or her actions.

**Question Three: How does Outworx comply with procedural fairness requirements when instituting disciplinary action?**

According to the existing disciplinary process, once a rule is contravened, disciplinary action is initiated dependent on the severity of the misconduct. It is positive to note that 100 per cent of the both the manager's staff forum and the agent's staff forum responded that the reason for receiving the warning was explained to them. However it is worth noting that often, even though evidence existed, it was not always provided to the accused to substantiate the reason for the institution of the disciplinary action. Of concern is the fact that 21 per cent of the

participants claimed that they were not allowed to state a case or to present a case to explain their actions.

Van der Bank *et al.* (2008) state, *“In order for procedural fairness to be met, an employer must communicate with the employee in a language that the employee understands and explain the allegations that have been made. Reasonable time needs to be provided to the employee to formulate a response to the claims being made against him/her. The employee must be given the opportunity to state his/her case. The decision regarding a disciplinary sanction has to be communicated, in writing, in a language that the employee understands, to the employee.”*

The employer must communicate clear reasons for the sanction. It is imperative that the employer keeps detailed records of all disciplinary actions taken against employees, stating clear reasons for the sanction.

It is important to note that even if the reason for instituting disciplinary action is substantively fair the employer has to follow procedural fairness when instituting disciplinary action. Procedural fairness is viewed as an employee’s ‘right’ that must be honoured in the actual process followed when instituting disciplinary action (van der Bank *et al.*, 2008). The process outlined by van der Bank *et al.* (2008) is not followed stringently.

**Question Four:        How does interactional justice influence disciplinary action?**

It was concerning when a participant stated that he was made aware of the reason for being referred to HR only when he was taken to HR and the reason was explained by the Human Resources Generalist. However, another participant stated that his manager explained in detail where he went wrong, what the ramifications of his actions were and what he could do to

improve. Managers at Outworx do attempt to be 'interactionally' just. As mentioned above, a manager had stated that he didn't have the 'heart' to let the agent know the severity of the action and often would leave this to HR and paint HR as the 'bad guy' in order to preserve a personal relationship. Managers have good intentions, however, in 'protecting' the feelings of the employee, managers are not applying interactional justice.

There are areas of development for the Human Resources Generalist, as even though the result of the questionnaire stated that 29 per cent of the participants found that her interaction was excellent and another 29 per cent found that her interaction was good, both the agent and manager forums felt that she was aloof and unapproachable. There was a lack of respect in her approach and sometimes no justification. Respect and justification are characteristics of interactional justice (Coetzee, 2004)

Coetzee (2004) highlighted four characteristics for interactional justice; truthfulness, respect, propriety of questions and justification. Employees appreciate an open, honest, transparent approach that avoids deception. Discourteous and negative behaviour should be avoided. Propriety of questions focuses on the type of questions posed to employees. Questions posed should not encompass prejudicial declarations. Justification explains that an injustice can be remedied with an acceptable justification. When employees experience anger over an outcome, an apology and explanation concerning the decision made may calm the employee. Without an explanation, feelings of doubt around interactional justice could set in.

**Question Five:       What are the standard processes for promotions?**

When the topic of promotions was brought up in the staff forums the participants became very tense. It was evident that there were concerns around the process followed during the

shortlisting and interview processes. An unequivocal 100 per cent of the participants from the agent forum stated that there was no structure in the internal promotions process. The participants stated that often a post was advertised just as a formality, as they already knew who would be promoted. Different criteria were used for posts. *“I was not shortlisted because I had a bad quality assurance score, yet another agent was promoted and he had failed quality.”*

There is no approved recruitment document that explains the criteria for promotions at Outworx. According to Odeku (2013), each industry should have a promotions process and criteria that should be unique to them. The Call Centre environment has many of the same posts in different departments, therefore it would be easy to standardise criteria for promotions. The process for promotions should be outlined in company policy (Odeku, 2013). Odeku (2013) further explains that the promotions process should be consistent and transparent and that minutes relating to the interviews and meetings should be kept for record purposes. The interview panel should be unbiased and take relevant criteria into consideration. Du Plessis (2002) states that promotions should be procedurally and substantively fair, and should be perceived as a reward for hard work. There is no standard procedure for promotions.

**Question Six:           How does interactional justice influence promotions?**

This question investigates the employee’s personal experiences during interviews. It helps us understand the approach of the panel and the employee’s perception of the promotions process.

It was evident from the agent-participant group’s body language and responses that there was dissatisfaction in the interactions concerning promotions. The agent-participant group claimed that they were not encouraged by the manager to apply for the post and that no support or

encouragement was provided. A participant openly stated that his manager had encouraged another agent to apply for the promotion and that agent had been promoted. He felt demotivated and said that he would never apply for another promotion because he viewed the system as rigged.

Even though 100 per cent of the staff-forum participants felt that the panel was friendly and made them feel comfortable, they also felt that the questions asked were irrelevant to the position, but relevant to the campaign. The consensus was that other agents were prepped for the interview by members of the interview panel. "*It doesn't matter what you know, but who you know,*" was stated by an agent-participant. The agent-staff forum had no faith in the interview process and this was due to a lack of interactional justice being applied to the process.

The managers who attended the forum also agreed in some areas with the agents. They also confirmed that not everyone was exposed to fair practices during the interview process and that often, even before the interview, they knew who would be successful, and this implied procedural fairness. But the managers agreed that they (the managers) were approachable and always happy to help the agent prepare for an interview.

There is minimum interactional justice applied by management to the promotions process. Odeku (2013) states that promotions in any organisation is perceived as a personal matter and needs to be treated justly and confidentially. The inconsistency regarding promotions indicates that there is a dire need for structure in the promotions process, in the criteria and in the appointing of an interview panel. Implementing set guidelines in these areas will ensure that substantive, procedural and interactional justice is achieved and this will result in a more engaged and better performing workforce.

## **4.9. Limitations**

Even though the sample consisted of 77 participants, only 60 of the 77 participants completed the questionnaire. A number of the participants initially invited to the staff forum declined for fear of being seen as whistle-blowers and of being victimised. There seemed to be a reluctance by some of the participants to relate their experiences in an open platform to the researcher.

Not all participants grasped the rationale for the staff forum. Many of them viewed the forum as a platform to address non-related HR and operational issues.

Another limitation was the researcher's presence when collecting data. This could have influenced the participants' responses. Participants' views were often contradictory and in some instances carried no substance. It could be concluded that there were participants who used the forum deliberately to denigrate their managers and to highlight areas of their managers' incompetence.

Even though manager-participants were open and willing to contribute to the forum some of their responses were contradictory.

Literature for this study was not easily available. Much of the literature found was outdated and there was little or no new research on the topic of Organisational Justice.

## **4.10 Summary**

It can be concluded, after evaluating and answering the research questions of this study that there are significant areas of improvement that can be applied to Outworx. Areas of improvement have been identified in all areas of organisational justice, in distributive justice,

procedural justice and interactional justice. The areas of improvement and recommendations will be discussed in Chapter 5.

## **CHAPTER 5:**

### **RECOMMENDATIONS AND CONCLUSION**

#### **5.1. The Formulations of Guidelines to Increase the Perception of Fairness**

##### *Phase two: Data analysis*

After considering the different themes and areas of concerns discussed in this study, the following guidelines were developed:

#### **5.2. The Employment Contract**

Du Toit (2015) believes that policies and processes should be outlined in the employment contract. At the commencement of employment, the employee should be inducted in line with the company's vision, mission, business principles, policies and procedures. This will ensure that all employees are briefed verbally, and in writing, concerning the company rules. The employee is at a minimal risk of contravening a rule if s/he is made aware of it.

#### **5.3. Development and Implementation of Intranet**

An intranet system is in the process of being developed. An intranet is a private network that is able to host information relevant and personal to the organisation. Only employees of Outworx will have access to the Outworx intranet. All HR policies and procedures, relevant memos and templates will be uploaded onto the intranet and will readily be accessible to all Outworx employees. This should eliminate the concerns raised where employees state that they do not have a copy of the relevant policies and procedures. All employees will be made aware of the intranet at the induction phase and each employee will receive a username and password to access the intranet.

## **5.4. Discrimination must be eliminated**

When an act of misconduct is committed, it is important for the focus to be on the actual act, and it needs to be remembered that the act is not always a reflection of the employee's character. Using corrective disciplinary measures is an effective way to achieve a return to good conduct (Grobler *et al.*, 2006; Stetcher & Rosse, 2004). The manager's approach will also affect the manner in which the corrective disciplinary measure is affected. According to Finnemore (2006), managers need to be cognisant of the fact that race, age, gender, and relationship status should not influence them when instituting disciplinary action.

Managers and HR need to be able to apply the same discretion across the board for all disciplinary action issued. The Campaign Manager and HR need to meet to decide on the precedent that they want to set for the campaign. Once this is completed, manager workshops should be hosted to roll out the new standard being set. HR should standardise the precedents across all campaigns taking into consideration the client's needs.

Managers and HR should ensure that external factors do not have an influence on the disciplinary process. The manager and HR should provide the agent being issued with disciplinary action the opportunity to state his/her case prior to instituting the disciplinary action. Aggravating and mitigating factors should be taken into consideration.

Even though it is imperative to apply consistency to the decisions made, it is essential to take into consideration the factors that influence the case. The onus is on the manager to enforce acceptable behaviour among the team. Memos should be created and explained in detail to the employees. The memos should be rolled out during team meetings and should be available to view on the Outworx Intranet.

## **5.5. Responding to Emotional Reactions (understanding and knowledge)**

Grobler *et al.* (2006) state that organisations often authorise the manager to issue less severe sanctions to their subordinates while the more severe sanctions are addressed by HR. Using this approach, there is a level of consistency that can be achieved. This approach will have to be monitored closely to ensure that managers are able to apply the same consistency across the Call Centre floor, as many participants indicated that sometimes managers behaved in a biased manner.

When an agent has committed an offence, the team manager should gather all evidence and schedule a private meeting with the agent. The manager needs to speak to the agent confidentially to understand the agent's actions and the situation. This will allow for clarity on situations and alleviate unnecessary stress for the agent. This will also ensure that there is a reduced number of cases being referred to HR unnecessarily.

Often there are cases of negligence referred to HR directly by the Compliance Department who should refer cases to the Campaign Manager for him/her to address and decide, after investigations, whether or not the matter should be referred to HR. Even in instances where there is substantial evidence provided, the agent being investigated should be given an opportunity to state a case.

Managers need to take into consideration the many factors that influence interactional justice. The venue in which the meeting between the agent and manager takes place should be in a private area and the conversation and investigation should be kept confidential.

It will be to the manager's advantage if HR host a HR training workshop in order to up-skill and develop the manager in this area. The workshop should, ideally, focus on the current

policies and procedures, to ensure that the manager understands the application of the policies and the implications of breaches of policy. The workshop should also focus on procedures to be followed when instituting disciplinary action.

## **5.6. Avoidance of Inconsistency and Manager Influence**

The agent-participant group stated that different managers and HR representatives had different approaches when instituting disciplinary action. Furthermore, in certain instances there was no confidentiality. They mentioned that they received no support from managers or their fellow agents when they received disciplinary action. Other agents even enjoyed their dilemma. Some managers were sympathetic, while other managers avoided any contact with them.

There were also concerns raised around the application of the same rule in different departments. For example, the first instance of late-coming from an agent on the Customer Services floor was referred to HR, whereas the manager addressed the agent verbally for the same offence on the Sales floor. It was considered that punitive action was taken on the Customer Services floor, whereas the Sales floor addressed the matter in a progressive manner. Managers need to understand that they should not be searching for guilty verdicts and that appropriate sanctions in line with the offence committed should be issued.

Managers should be aware of the influence that they have on the team with regard to their approach to situations. This could lead to the managers providing more support and more engagement with agents who have faced disciplinary action. Managers may be more motivated to assist with the facilitation of the process.

Managers may also feel motivated to engage in more thorough investigations around offences committed by agents in their team in order to avoid an HR referral at all costs.

A recommendation to alleviate this would be to host manager inductions for new managers and refresher workshops for existing managers on the Outworx mission, vision, business principals and culture that Outworx wants to maintain.

### **5.7. Referral for Counselling where Necessary**

HR and Managers need to understand the difference between positive disciplinary and progressive disciplinary action. Progressive disciplinary measures are taken when disciplinary action starts from a record of conversation, escalates to a verbal warning, written warning, final written warning and, finally, a suspension, whereas positive disciplinary measures focus on actively modifying the employees' behaviour. Progressive disciplinary measures become positive when there is an element of corrective counselling involved. Even when disciplinary action is instituted, employees should be counselled on their actions instead of being addressed in a condescending manner.

For this technique to be effective, the managers need to be genuinely concerned and interested in assisting the agent to rectify his/her behaviour. There has to be a problem-solving interaction between the team manager and agent. This will assist in establishing a longer-lasting positive change in the agent's behaviour (Grobler *et al.*, 2006).

## **5.8. Preventative Disciplinary Measures**

Preventative disciplinary measures are the most desirable. This implies that employees are managed in a way that prevents behaviour which could result in disciplinary action (Grobler *et al.*, 2006).

Grobler *et al.* (2006) state that when an organisation uses this approach, it results in higher levels of job satisfaction and employee engagement. In order to create this environment, better-structured selection processes should be implemented, coupled with an employee induction that drives the vision, mission, business principals and culture of the organisation. Effective training should be provided to managers and agents need to be aware of acceptable behaviour in the workplace. Quarterly staff forums should be hosted to reiterate acceptable behaviour and also to receive employee feedback on an open platform.

## **5.9. Promotions**

It is evident that Outworx promotes from within. According to senior management there has been only one appointment externally for a Team Manager and Campaign Manager. This is a pull factor for external Call Centre agents and makes Outworx the Call Centre of choice as the opportunity for growth within the business is highly likely.

### **5.9.1. Standardise Minimum Requirements for Promotions**

The agent-participant group raised concerns where the minimum requirements for promotions changed frequently. In some instances, agents were not shortlisted due to their lack of management experience. In other instances, agents with no experience were promoted.

HR and the Campaign Manager need to decide on suitable minimum requirements and ensure that this is applied consistently for all internal promotions.

Tenure should be taken into consideration as a minimum requirement for promotions. As it stands, agents feel demotivated when they see newly appointed agents with less experience being promoted. Restrictions should be placed on the promotion of applicants who have been employed at Outworx for less than 6 months.

At Outworx, employees are invited to apply for the promotion by the Recruitment Department. The current process involves the Recruitment Department requesting from HR the candidates' records of disciplinary action and absence. The Recruitment Department then uses the HR records to shortlist an applicant. An applicant is not shortlisted where the employee has excessive absence or a final written warning against their name. The shortlisted applicants are handed to the Campaign Manager who then requests quality scores from the Quality Assurance Department and creates a further shortlist based on quality scores.

At this point, it is recommended that an interview panel be set up.

The panel should meet prior to the interviews to discuss all applications received for the promotion. The disciplinary and absence records along with the quality scores should be reviewed by all members of the panel on an open platform. This is to eliminate any bias. An unanimous decision should be made on the shortlisted applicants and this should be done via a recorded meeting. The applicants who have not been shortlisted should receive a personal email explaining the reason why they have not been shortlisted. The panel should also discuss the questions that they will be posing and the type of person (character and experience) that they are looking for.

During the interview process, standardised questions should be asked by the panel. These questions should be related to the job function and personal attributes and characteristics. All interviews should be recorded and the minutes should be kept for record purposes.

The panel should meet again to decide on which applicant should receive the promotion. All communications to successful and unsuccessful applicants should be conducted via the Recruitment Department. Communications should be detailed and, if further information is required, the Recruitment Department should be open to scheduling meetings with applicants to discuss any further details.

### **5.9.2. The Interview Panel**

The interview panel can be defined as a team of people who have been appointed to make an appointment via a selection process (<https://hr.utexas.edu/manager/hiring/form.html>). It is a benefit to have an interview panel because they introduce behaviour that is unbiased during the interview process. Varying opinions and views of an applicant are addressed by different members of the business.

The composition of the Interview Panel should be considered. Ideally, the panel should consist of the relevant Team Manager or Campaign Manager, an HR or Recruitment representative, a representative from the Compliance Department and an Employment Equity representative.

Managers who have no relation to the position should not be invited to attend the interview because this causes unnecessary tension for the interviewee and raises concerns around the panel's ability to remain unbiased. Where possible, each panel member should have set

questions which should be used to assess the capability of the interviewee. Regardless of the position being interviewed, the panel should never be just one person. For record purposes, accurate records and interview matrices should be kept on file with the panel comments for at least one year after the interview has occurred.

## **5.10. Structured Career Paths**

At inception of employment, the Call Centre agent should be made aware of the criteria to be achieved in order to be eligible for promotion.

Required skillsets should be identified and courses to enhance these skillsets should be identified and offered to interested Call Centre agents. Some of the courses that will be relevant include:

- Coaching and Development;
- Conflict Resolution;
- Time Management; and
- MS Office Suite

Managers in Training Programmes where agents act in Senior Advisor or Team Manager Positions should be introduced. This should be backed up with notional learning hours and agents who have met the required hours should be considered for promotion.

Implementing structured career paths ensures transparency and more consistency in the shortlisting of applicants. Agents are clear as to the requirements they need to work towards and the company can avoid harsh accusations of unfair labour practices surrounding promotions.

## **5.11. Manager Interactions**

Managers should take cognisance of the fact that all employees are observant. From the Agent Participant Forum, agents felt that managers 'friends' were often selected for promotion. Even if this was not the case, managers' interactions with fellow employees and Call Centre agents were a major contributing factor to the negative perceptions around promotions. Poor manager–employee relationships cause employees to be demotivated and counter-productive in the workplace.

Managers should schedule team workshops, training programmes, team-building exercises and other activities in an attempt to build relationships and to create a cohesive workplace.

## **5.12. Conclusion**

Organisational Justice at Outworx is viewed as an integral part of their business principals, vision and mission. The current processes in place reflect evidence of procedural and substantive fairness, however, interactional justice weighs the perception down on the negative side of the scale.

There are gaps that exist in all areas of justice in disciplinary processes and promotions and these can easily be overcome, should the recommendations in phase two of this study be implemented.

Implementing a structured career path, introducing standardised minimum criteria for promotions and a relevant interview panel will reduce the negative perceptions surrounding promotions.

Up-skilling and training managers to create a management team who are genuinely interested in all employees' well-being will naturally evoke a productive and engaged workforce. Hosting frequent meetings with managers to remind them of the business principals, vision and mission and providing KPIs to guide them, is paramount.

Reaping the benefits of organisational justice, according to Baldwin (2006), will benefit the employer in growing a successful, thriving business. The employer will have minimal risks and will still be viewed as the employer of choice and the employee will have peace of mind in knowing that fair treatment and fair processes are being applied when decisions are made.

Organisational justice strengthens the trust relationship and commitment to the employer. There will be a positive outlook from the employees and, as a result, this will bring about a constructive and healthy workplace (Baldwin, 2006).

Call Centres in Durban form a competitive industry. According to BPESA, Durban is the international call centre hub, often with rival call centres competing for clients. Outworx is currently viewed as the People's Call Centre and the Call Centre of choice for agents. Implementing the necessary recommendations and maintaining a high standard in people-practices will ensure that the Outworx mark in the industry remains.

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## APPENDIX A - QUESTIONNAIRE

### 1 Substantive Fairness (Yes / No)

- 1 Do you have a copy of the Disciplinary Code of Conduct? (Yes / No)
- 2 Where you made aware of the rule that you have contravened prior to the offence? (Yes / No)
- 3 According to your knowledge has this rule been applied consistently in the past? (Yes / No)

### 2 Procedural Fairness (Yes / No)

- 1 Was the reason for issuing the warning explained to you? (Yes / No)
- 2 Were the ramifications of your actions explained to you? (Yes / No)
- 3 Where you allowed to view the evidence provided? (Yes / No)
- 4 Where you allowed to examine the evidence? (Yes / No)
- 5 Where you allowed to provide a statement to substantiate your actions? (Yes / No)

### 3 Interactional Justice (Excellent / Good / Satisfactory / Fair / Poor)

Rate the TM and chairperson on the following

- 1 TMs approach in advising you on the offence committed.

<b>Excellent</b>	<b>Good</b>	<b>Satisfactory</b>	<b>Fair</b>	<b>Poor</b>
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- 2 The Chairpersons ability to remain unbiased.

<b>Excellent</b>	<b>Good</b>	<b>Satisfactory</b>	<b>Fair</b>	<b>Poor</b>
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3 The Chairpersons interaction with you when discussing the reason/s for the sanction being issued.

<b>Excellent</b>	<b>Good</b>	<b>Satisfactory</b>	<b>Fair</b>	<b>Poor</b>
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4 The TMs ability to apply the same outcome for the offence on all agents on your team.

<b>Excellent</b>	<b>Good</b>	<b>Satisfactory</b>	<b>Fair</b>	<b>Poor</b>
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**4 Promotions (Yes / No)**

1 Have you applied for an internal promotion?

<b>Yes</b>	<b>No</b>
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3 Were you shortlisted for the post?

<b>Yes</b>	<b>No</b>
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4 If No, was the reason for not being shortlisted explained to you?

<b>Yes</b>	<b>No</b>
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5 Were you satisfied with the response?

<b>Yes</b>	<b>No</b>
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6 If yes, did you attend the interview?

Yes	No
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Rate the following statements on a scale of Strongly Agree to Strongly Disagree based on what describes you the most.

**Strongly Agree / Agree / Neither Agree nor Disagree / Disagree / Strongly Disagree**

7 My TM encouraged and motivated me to apply for the post.

<b>Strongly Agree</b>	<b>Agree</b>	<b>Neither Agree nor Disagree</b>	<b>Disagree</b>	<b>Strongly Disagree</b>
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8 I was allowed to speak to senior members of staff to help prepare for the interview.

<b>Strongly Agree</b>	<b>Agree</b>	<b>Neither Agree nor Disagree</b>	<b>Disagree</b>	<b>Strongly Disagree</b>
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9 I was made aware of the minimum requirements and it was explained to me in detail when I asked.

<b>Strongly Agree</b>	<b>Agree</b>	<b>Neither Agree nor Disagree</b>	<b>Disagree</b>	<b>Strongly Disagree</b>
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10 The panel was friendly and made me feel comfortable.

<b>Strongly Agree</b>	<b>Agree</b>	<b>Neither Agree nor Disagree</b>	<b>Disagree</b>	<b>Strongly Disagree</b>
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11 The panel asked questions related to the position.

<b>Strongly Agree</b>	<b>Agree</b>	<b>Neither Agree nor Disagree</b>	<b>Disagree</b>	<b>Strongly Disagree</b>
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12 The panel was made up of parties' influential on the post.

<b>Strongly Agree</b>	<b>Agree</b>	<b>Neither Agree nor Disagree</b>	<b>Disagree</b>	<b>Strongly Disagree</b>
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13 The panel was unbiased.

<b>Strongly Agree</b>	<b>Agree</b>	<b>Neither Agree nor Disagree</b>	<b>Disagree</b>	<b>Strongly Disagree</b>
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14 I was given a fair chance during the interview process.

<b>Strongly Agree</b>	<b>Agree</b>	<b>Neither Agree nor Disagree</b>	<b>Disagree</b>	<b>Strongly Disagree</b>
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15 The promotion process is a fair process.

<b>Strongly Agree</b>	<b>Agree</b>	<b>Neither Agree nor Disagree</b>	<b>Disagree</b>	<b>Strongly Disagree</b>
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16 All agents have an equal chance of being promoted.

<b>Strongly Agree</b>	<b>Agree</b>	<b>Neither Agree nor Disagree</b>	<b>Disagree</b>	<b>Strongly Disagree</b>
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17 In your opinion, what are the factors that influence internal promotions?

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