# UNIVERSITY OF KWAZULU-NATAL

## DEMYSTIFYING MANAGEMENT: THE CASE OF BLACK MANAGERS IN DURBAN, SOUTH AFRICA

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# Abstract

This study looks at the effectiveness of transformation policies in addressing racial inclusiveness and equity issues in the workplace as well as the impact that stereotypes have on performance. Hence it is the purpose of this study to determine whether there is a mystery around black managers' performance in comparison with their white counterparts, that is, performance of black managers tends to be seen as inferior and sub standard to that of whites.

The primary problem of this study is to determine whether changing attitudes in the workplace can stimulate the environment for successful managers. There are a number of perceptions that whites have of black managers mainly around their performance and their ability to deliver on the job, hence the study looks at how attitudes (either positive or negative) impact on the black managers' performance as well as how cultural influences shape a manager's behaviour in the workplace.

This study was exploratory in nature, which is a form of qualitative research. Qualitative research was deemed appropriate as the research looked at human experiences and perceptions i.e. managers' experiences interacting with other racial groups namely black and white. This study was conducted through primary data collection where the data was collected through face-to-face interviews with the use of carefully drafted questionnaires.

Based on findings of this study it is apparent that transformation policies such as Affirmative Action and Black Economic Empowerment are ineffective at achieving transformation within organisations, as they are not correctly implemented and therefore prone to abuse (lead to window dressing practices) and due to the fact that there is a great deal of negativity associated with these policies. The results also suggested that both black and white managers still had negative perceptions of each other. To some extent the negative perceptions demonstrated by white senior managers were one of the contributing factors to black managers' poor performance although it is difficult to prove that the negative attitudes were the sole reason for black managers' poor performance.

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# CHAPTER ONE

## Introduction

*"While a lot of competent blacks are being second-guessed and not given proper opportunities, some mediocre blacks hide behind their race. This makes it impossible to hold them to account without being seen as anti-black"* (Manyi, 2008:P1).

## 1.1    Introduction

There is a perception that South African black managers' performance is inferior to that of their white counterparts, and that in certain instances, blacks use the race-card to mask poor or non-performance (Manyi, 2008).   The main aim of this study is to demystify preconceptions about black managers with regard to their performance and roles, by investigating and analysing these preconceptions, focusing on a sample of managers based in Durban.

Luhabe (2002) says that black managers who possess the required skills to carry out a job are constantly challenged and their performance persistently questioned.  She argues that black managers have had to produce a higher quality of work to gain the same recognition as that enjoyed by their white counterparts.  To a degree, this has contributed to levels of antagonism between black and white managers.

According to Hofmeyr (1988), under-representation of black managers in South African organisations may be closely linked to the negative perceptions held by white managers of blacks in management positions.  These views are that black managers lack the skills to deliver in their positions, or that they are too risky (incompetent, lazy and in need of micro-management) to be entrusted with senior roles.  By and large, these negative attitudes are interpreted by black managers as stemming from racism, which they perceive as one of their greatest challenges in the workplace (Manyi, 2007).  Manyi states that the perception that one racial group is superior to another inhibits the upward mobility of black managers.

Khanyile and Mamponga (2007) see racial discrimination as a function of mindsets and attitudes. They feel that despite transformation strategies being in place, the greatest obstacle lies in changing the attitudes of white management. They suggest that this can only be done if those holding racist attitudes are educated, and indeed, prepared to be educated, about various cultures. By understanding diverse cultures, one may begin to understand the reason for the management approach or style of management used by a variety of individuals.

Culture plays a significant role in one's upbringing as well as in the manner that the individuals will behave or perform in the workplace. For example, in many African cultures, it is improper to make eye-contact with elders, and as a sign of respect, one should look down when speaking to them (Argyle, 1988). Contrastingly, in Westernised cultures, it is important to make eye-contact when communicating with people; failure to do so can be seen as disrespectful and may be career-limiting to an extent.

Cultural beliefs also tend to influence behaviour and thinking patterns. What is observed in one's cultural upbringing is later practised in one's social and professional life. Although there may be similarities in management styles, there is also a great deal of difference. Cross-cultural awareness and a conscious effort to value cultural diversity are essential to overcoming cultural barriers (Kreitner, 2008).

## 1.2    Realities around employment in South Africa

Business Unity South Africa (BUSA) (2009) shows that blacks (Africans, Coloureds and Indians) constituted 87.9% of the Economically Active Population (EAP), yet their representation in Executive or Non-executive Director positions does not reflect this demography. This indicates that there is an imbalance in racial representation across the senior management stratum.

BUSA (2010) reported that black people and women in general continue to be grossly under-represented in all directorships and top executive leadership positions of JSE-listed companies. The study indicates that black people occupy 9% of these positions, whilst

white people occupy 91% of the 269 Chief Executive Officer positions. Females account for 3% and males 97% of the 219 Chief Finance Officer positions; women account for 7% and men 93% of the 245 Non-executive Chairperson positions. Also, females make up only 6% and males 94% of 1,664 Non-executive Director positions.

These statistics underscore that there is a level of bias against blacks and women in organsational recruitment and promotion practices. An important task, therefore, is to uncover the factors that influence this trend. One of these factors might be the perceptions that white managers and directors hold about blacks, which emerges frequently when one reviews the available literature on management transformation in the business sector.
Hence it is the central aim of this study to determine whether there is any correlation between white managers' perceptions of black managers' performance and the appointment of blacks to management positions.

This study seeks to gain some understanding as to whether culture has some form of direct or indirect influence on the attitudes that whites harbour towards black managers, and as to what black managers perceive as reasons for their limited opportunities in relation to their career advancement.

From another angle, it is generally recognised that poor quality education and training have attributed to the under-representation of blacks at senior management levels (Ministry of Education, 1994). The former Bantu Education system, which was specifically tailored for training blacks, had debilitating effects on black workers and job-seekers. High school and university-level content subjects offered in South African schools and universities under the apartheid regime did not prepare blacks for professional and managerial careers. Because of this, the dominant trends in education and training have distorted the patterns of access to learning, cultural production and participation, employment, and wealth in South African society, across racial lines, and entrenched economic inequity.

The consequences have been devastating for social and economic development, because for generations, the human capacity of black South Africans has been neglected and

undermined. Due to these discrepancies in educational provision, black people in South Africa enter the corporate world with an educational background that is inferior to that of whites (Human, 1990).

## 1.3 Motivation for the study

This study is aimed at motivating South African citizens who directly or indirectly participate in the country's labour markets to consider seriously the principles and guidelines of transformation laws, which include the Employment Equity Act and Affirmative Action policy. This entails focusing on the perceptions and attitudes that influence the employment of South African blacks in management positions, and which also influence the performance of such managers.

Flowing from this, it is important to reshape strategic management approaches in South Africa's economic sector to ensure that effective measures are put in place to address these issues in the future. South Africa is a highly diverse country with many people of different racial, cultural and religious backgrounds. The face of South African leadership is becoming more diverse and inclusive of all race groups, which poses a challenge to the dominant management values and practices (Booysen, 1999). As a manager, one should be able to work with people of different cultural backgrounds and to depart from a mono-cultural approach.

South Africa is often described as a "rainbow nation", a concept which tends to present certain challenges for leadership, as it requires organisations to be well-versed in diversity management, and for managers to possess a certain degree of cultural and emotional intelligence. There is a need for organisations to foster a multicultural, rather than a mono-cultural ethos (the latter catering for one culture whilst driving away a dozen others). Before 1994, management and leadership cadres in South Africa were dominated by white males, whose management styles were predominantly of colonial or European origin.

Post-1994, different races have taken up the management seat, introducing different views, as their management styles are influenced by their cultural upbringing. Emotional intelligence is a vital trait that any manager should have in order to lead a diverse workforce without alienating others, and to create a platform for a productive workforce. Emotional intelligence is the ability to manage oneself and one's relationships in mature and constructive ways (Goleman, 1995). This capacity evolves over time and guides the behaviour of the individual towards mutually beneficial effects.

According to the Minister of Trade and Industry (2011), racial stereotyping is one of the factors contributing to black people operating at the lowest levels of organisations. Significant levels of dubiousness surround the notion of whether or not blacks holding management positions are able to deliver, whether their performance is on a par with that of their white counterparts, and to what extent they can and do outperform their white counterparts. Grafted upon the challenges of their role profiles, black candidates have faced the added pressure of such pessimism and lack of confidence in their abilities, as critics often revert to questioning whether black managers have gained their positions through merit or have been installed as fronting appointments (Davies, 2011).

This study aims to demystify such preconceptions about black managers with regard to their potential and performance. According to Khanyile and Mamponga (2007), black managers feel that although companies are now required by law to employ more black talent in professional and senior positions, very little has changed in terms of prevailing management attitudes and mindsets.

By understanding the reason for the ambiguity around black management and by putting the necessary measures in place to address the issues highlighted in the study, transformation can be accelerated within organisations.

This study will benefit the following stakeholders:

- Black managers, in the sense that they will be better equipped to deal with challenges inherent in fulfilling their roles, through increased awareness and understanding of the perceptions that their white counterparts have of them;

- White managers will benefit through deeper understanding of their black counterparts' educational and cultural contexts, and by being aware of the perceptions that they have of them, as well as the need to adapt their own management style accordingly;

- Organisations as a whole will be in a more advantageous position to provide support structures for different managers. Identifying where the gaps lie and minimising the barriers faced by black managers will enable the establishment of effective mentorship programmes to ensure that black talent is retained; in addition, programmes that support retention of white management skills would strengthen internal capacity and enhance the overall strategic wellbeing of the organisation; and

- Government (policy-makers) would be able to comprehend the challenges faced by organisations with regard to implementation of transformation policies and legislation, such as Affirmative Action and Black Economic Empowerment.

## 1.4    Focus of the study

This paper seeks to understand the perceptions about black managers and the reasons therefore, as well as the impact they may have on South African organisations in the long term.

The primary problem of this study is to determine whether actively working to change attitudes in the workplace can make the organisational context more conducive to generating successful managers. The racial division of labour perpetuates the trend of blacks being placed in so-called 'soft' jobs, where they have minimal decision-making powers, whereas their white counterparts are appointed to specialist jobs with more

authority, enabling them to add more visible value to the organisation (Bezuidenhout, 2004). Poor retention of these black managers within organisations is inevitable as a result of their prospects of advancement being minimal (Khanyile and Mamponga, 2007).

Finally, this study will examine whether there is a correlation between perceptions of white senior managers about the performance of black managers, and black managers' actual performance. It will also explore how culture has influenced and shaped the various managers' behaviour and management approach, as well as determine whether the abolishment of apartheid laws has enabled more blacks to move into management positions.

The study will pose specific questions to address the following objectives:

i)      To determine the attitudes of a sample of managers towards transformation policies.

ii)     To determine the perception of white managers towards black managers and to explore the relationship between poor performance of black managers and the attitudes or perceptions of white senior management towards them.

iii)    To determine the perception of black managers towards white managers and to explore the relationship between poor performance of black managers and the attitudes or perceptions of white senior management towards them.

iv)     To determine how cultural upbringing has influenced managers' attitudes and behaviour.

v)      To determine how organisations can cultivate the landscape for increasing the number of black managers without losing white management skills.

## 1.5    Limitations of the study

This study is generally controversial and sensitive, and the author notes that certain informants may have felt slightly uncomfortable about expressing their views openly and honestly, and as a result may have withheld some valuable information. To address this barrier, respondents' confidentiality was assured, access to the Ethics Clearance Certificate

issued by the relevant Committee (see Appendix 4) to endorse the implementation of this study was provided, and a signed consent form was secured (see Appendix 3). Furthermore, respondents were advised that they could withdraw from the interview at any given time, should they so wish.

## 1.6    Structure of the study

The study begins with Chapter Two, which summarises the body of literature containing empirical evidence around issues of transformation in the South African workplace, labour laws (such as Black Economic Empowerment and Affirmative Action), and perceptions of white senior managers about black managers in South Africa.  The Chapter also presents background information on the issues raised in this study, which will be linked to the findings contained in Chapter Four.

Chapter Three introduces the methods that were used to undertake the study, with Chapter Four presenting and discussing the research results.  The paper concludes with Chapter Five, which summarises the conclusions drawn in each preceding chapter, and offers relevant recommendations.

The connection between the specific objectives, the questions in the questionnaire (Appendix 1) and the location of the discussion in the dissertation are summarised in the following table.

**Table 1: Specific objectives, question number and location**

| Specific objective | Questionnaire question number | Location in the dissertation |
| --- | --- | --- |
| 1 | 1 | 4.3, 4.4, 4.5, 4.6 |
| 2 | 2, 3 | 4.7, 4.8, 4.9, 4.10 |
| 3 | 2, 3 | 4.7, 4.8, 4.9, 4.10 |
| 4 | 4 | 4.11 |
| 5 | 5 | 4.12, 4.13 |

## 1.7    Chapter Summary

Chapter One has set out the nature of the study, a summary of the stakeholders who will benefit from the study, and details of the specific objectives of this study. The next chapter looks at relevant literature, upon which the interpretation of the research findings is based.

# CHAPTER TWO

## Literature Review

### 2.1    Introduction

This chapter reviews the literature covering the empirical evidence that exists about transformation in the South African workplace, as well as related issues such as white managers' views and perceptions of blacks, cultural diversity in the workplace, skills development and workplace environment.

The Chapter begins with an examination of the historical developments within South African organisations which might have influenced the evolution of workplace transformation.  This is followed by an analysis of the impact that the Affirmative Action policy might have in the workplace, and of cultural influences in the workplace and management approaches that exist in South Africa.

### 2.2    Representation of blacks in South African management

In 1948, the Afrikaner nation (descendants of Dutch and French immigrants who had fled to South Africa from religious persecution in their own countries) created the system of "apartheid" (or "apartness" in Afrikaans), by passing legislation that formalised segregation between blacks and whites in South Africa.  This policy had been spearheaded by the British colonisers of the territory in the late nineteenth century.  The Afrikaners carefully defined the physical attributes of each non-white racial group, and set the rights and privileges allocated to each group, with Whites being afforded the most rights and Africans with the least (Knopf, 1999).

In 1994, whites were the predominant owners of all businesses in South Africa, and held all but a handful of management positions in the country.  Blacks were placed into positions with no decision-making powers, as they had never been afforded the requisite education and training to enable them to hold down management positions.  The issue of lack of skills

was exacerbated by the Bantu Education Act which controlled black education. As explained by Nkomo and Mokate (1990:P403): 'By law, blacks in South Africa were not allowed the quality education enjoyed by their white counterparts'. The purpose of this legislation was to ensure that whites were the only group eligible for training for high- and middle- level positions, while education for blacks was basic and earmarked for low-level and unskilled jobs.

According to Human (1990), there are strong indications that slow rates of upward mobility and representation of blacks in corporate senior management positions, were a result of poor managerial skills and the low levels of education afforded to these black candidates, hence their lack of career advancement in the corporate arena.

Hofmeyr (1981:P38) suggests that a large number of employees entering the workforce had a "low level of literacy and undeveloped ability to apply theory practically, and difficulties in communicating both verbally and in writing". As a manager, communication skills and literacy, the ability to reason, and practical application of theoretical frameworks, are essential capacities. All of these factors have been presented as reasons for blacks being ill-equipped to hold management positions, or to compete on an equal footing with their white counterparts.

According to Human and Horwitz (1992), one of the basic lessons in strategic management is that the performance of an organisation is dependent upon its ability to match or fit the variety that characterizes its environment. This means that organisations need to be adaptive to their environments and not operate in a vacuum. The workplace environment in which organisations operated in the 1990s was totally different to the current environment, which has become more diversified in the succeeding decades. In order for organisations to cope with this change, there is a strong need to align human, material and financial resources to the demands of the organisational environment (Human and Horwitz, 1992).

Unfortunately, there are no hard-and-fast rules for management in a complex environment; the notion of "strategic fit" suggests that different environments would require different organisational forms and styles. Peters and Waterman (1984) proposed a philosophical management approach, which presents "what management should be doing" in search of excellence, and this concept set a bench mark for management in the 1980s. However, it is difficult for one to expect management to practice the same philosophy two decades later when the political and socio-economic landscape has changed so drastically. Managing in an all-white organisation for a long period and then being required at a certain juncture to manage a diverse workforce requires a great deal of effort and willingness to change and learn. Effective learning cannot be one-sided, as the openness and commitment of all parties is needed.

One of the expectations placed on management is the ability to learn from experience. This ability is only possible if the manager has been exposed to similar management issues in the past, and it can be argued that if one – whether black or white – has no such prior experiences to draw from, experiential learning is not always possible and cannot be assumed. In the case of a manager lacking such experience or exposure, the individual would rely on what he or she had learnt or what has been tried and tested by other trusted, senior managerial role-models.

Senge (1990) refers to this kind of inflexibility and inability to adapt to change as learning disabilities that prevent organisations from reaching their true potential. To overcome these learning disabilities, a shared vision is required. In other words, management should be striving for the same goals and not pulling in different directions. According to Senge (1990), a shared vision provides a platform from which the learning process can be kept on course when stressors arise. With shared vision, one is more likely to expose outdated ways of thinking and relinquish deeply held views in the interests of progress and sustainability.

With the termination of apartheid in 1994, and the government of the new South Africa adopting a new constitution as well as the phased implementation of BEE, black

representation began to increase slightly in South African organisations. Concomitantly, there was an increasing need for organisations to become more multi-cultural to accommodate black managers as opposed to Eurocentric management styles which are only accommodative of whites.

According to the South African Development Indicators for 2008, black representation in top management positions has grown, and the public sector has largely become representative of the population. Black people filled 22.2% of all top management positions and 26.9% of all senior management positions in 2006. Black representation in all senior management positions increased by 1.2% from 25.7% in 2004 to 26.9% in 2006, and increased by 8.4% from 18.5% in 2000 to 26.9% in 2006, indicating a slow but steady growth performance. According to the Employment Equity Report for 2006/07, males constituted 78.4% of top management and females 21.6%. At senior management level, males represented 72.4% of the workforce and females 27.4%. Representation of blacks had increased in the public sector, and the private sector seemed to be lagging behind. The following two tables illustrate a gradual increase in black managers from 2000 to 2006.

**Table 2: Percentage of Top and Senior Black Managers in South Africa**

|  | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 |
|---|---|---|---|---|---|---|---|
| Top Managers | 12.7% | 25.1% | 18.4% | 23.8% | 21.1% | 27.2% | 22.2% |
| Senior Managers | 18.5% | 19.1% | 22.2% | 27.3% | 25.7% | 27.5% | 26.9% |

Source: South African Department of Labour (2006).

**Table 3: Percentage of Top and Senior Black Female Managers in South Africa**

|  | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 |
|---|---|---|---|---|---|---|---|
| Top Managers | 12.4% | 11.9% | 13.8% | 14.1% | 15.1% | 16.5% | 21.6% |
| Senior Managers | 21.0% | 17.7% | 21.6% | 22.3% | 23.7% | 23.6% | 27.4% |

Source: South African Department of Labour (2006).

According to findings released by the Minister of Labour, Mildred Oliphant, in the 11th Commission for the Employment Equity (CEE) Annual Report, there was a strong indication that there were slight improvements in the number of black and female employees in top and senior management levels. However, these numbers were still poor; although black people accounted for approximately 86% of employees covered in the analysis, they only represented 16.9% at top management level and 35.9% at the senior management level. According to Nkeli (2011), whites still dominated the top management and senior management levels, and indications were that they would continue doing so unless organisations changed their recruitment, promotion and skills development trends.

One infers that although organisations are transforming, the desired levels of change were not being realised rapidly enough. Legislation was adopted and implemented with the aim of addressing transformation backlogs within the workplace, i.e. Broad-based Black Economic Empowerment (BBBEE) and Affirmative Action policies. A brief discussion on these policies will be covered later in this dissertation.

**Figure 1: South African top management trends by race**
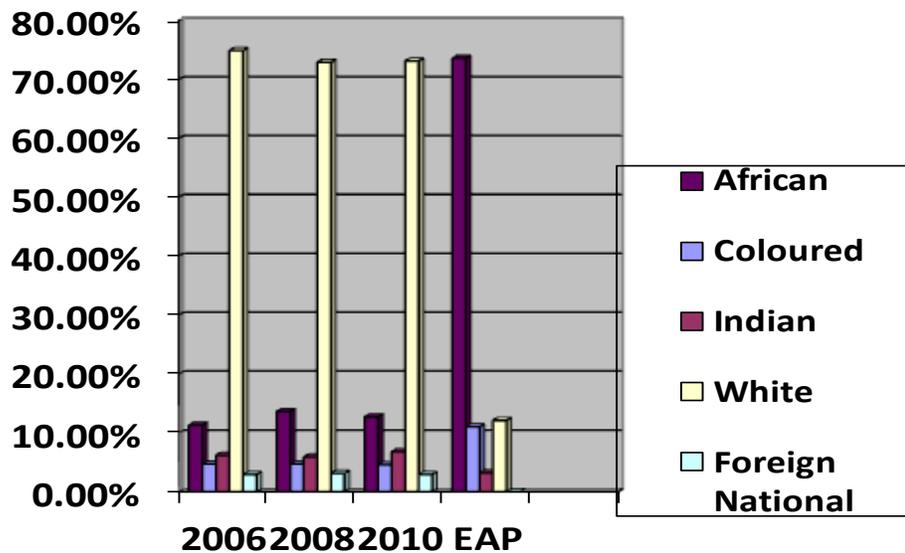


Source:  CEE Annual Report (2011)

According to the above graph extracted from CEE Annual Report that whites still continue to hold almost 75% of top management positions in South African Companies with blacks holding just over 10% of top management positions.

The work of Thomas (1996) suggests that the impact of the Employment Equity Act, 1998 (EEA) has not; to date; been satisfactory according to the stipulated outcomes, as management structures are still dominated by white males. The work of Smit and Cronje (2008) further confirms this finding by suggesting that organisations which are white owned and predominantly managed by white males have diversified slightly.

## 2.3    Transformation and Transformation Policies in South Africa

This subsection looks at transformation legislation, namely Black Economic Empowerment (BEE) and Broad-Based Black Economic Empowerment (BBBEE). "Transformation" is defined as sustainable and continuous change that is of significance to those who are involved in it (Shonhiwa, 2006), in this case that of black and white managers who need to be willing to sow the seeds for transformation within organisations.

The shortcomings of the narrower concept of BEE led to BBBEE, which envisaged empowerment on a larger scale, and the BBBEE Act No. 53 of 2003 was promulgated in January 2004. Narrow-based BEE focused only on equity ownership, control and management representation, as opposed to Broad-Based BEE which aims at transformation on a wider scale.

BBBEE can be defined as the economic empowerment of all black people including women, workers, youth, and people with disabilities and people living in rural areas through diverse but integrated socio-economic strategies that include, but are not limited to:

   a)    Increasing the number of black people that manage, own and control enterprises and productive assets;

   b)    Facilitating ownership and management of enterprises and productive assets by communities, workers, co-operatives and other collective enterprises;

c) Human resource and skills development;

d) Achieving equitable representation in all occupational categories and levels in the workforce;

e) Preferential procurement; and

f) Investment in enterprises that are owned or managed by black people.

Thus, BBBEE seeks to achieve transformation on a larger scale, beyond focusing merely on ownership. Where management is concerned, the management control pillar as per the BBBEE scorecard measures transformation from top management through to Board level. The related codes of good practice encourage greater focus on black representation at junior, middle, senior and top management levels within organisations. Proper implementation of BBBEE initiatives minimises "fronting" (token appointment of black candidates that do not authentically deploy and empower these individuals), with its provision of clear definitions, principles and processes of BEE and its elements making tokenism easier to detect (BBBEE Act, 2003).

## 2.4 Affirmative Action policy in the workplace

In the mid-1990s, two processes took place: the work of the Labour Market Commission and the Green Paper on Employment – both of which gave rise to the Employment Equity Act (Act 55 of 1998). The Presidential Labour Market Commission was established in an Act passed by Parliament on 14 September 1995, with terms of reference which included, *inter alia,* the proposal of mechanisms to redress discrimination in the labour market. In particular, the Commission considered "a policy framework for Affirmative Action in employment with due regard (to) the objectives of employment creation, fair remuneration, productivity enhancement and macro-economic stability" as stated in their report entitled *Restructuring the South African Labour Market* (Labour Market Commission 1996: Pxiv).

The Employment Equity Act 55 of 1998 seeks to promote the right to equality preserved in the Constitution and to create a workforce that is representative of South African society. The purpose of the Act was twofold: firstly, to eliminate unfair discrimination in the

workplace, and secondly, to implement Affirmative Action procedures and ensure equitable representation of members of designated groups.

Affirmative Action policies are aimed at creating equal employment opportunities for all race groups and genders. According to Hofmeyr (1992), Affirmative Action was a controversial term which often evoked emotional reactions from those who felt that they were now being disadvantaged due to them having benefited under the apartheid regime. According to Luhabe (1992), in order for Affirmative Action to be implemented successfully, it needed to be driven from the top by management. Management should publicly endorse it and demonstrate genuine commitment to its implementation. One of the deepest concerns with regard to Affirmative Action policies has been its lack of implementation within organisations, and lack of endorsement from management.

Human (1991) defines Affirmative Action as the process by means of which blacks and white women are given the opportunity to participate fully in the economy. This includes participation within the individual's organisation and in his or her communities.

Hays and Reeves (1984: P358) define Affirmative Action as *".... special measures ... to assure that groups previously excluded from employment opportunities be included to overcome past discrimination"*. The problem with this definition is that it refers only to "employment" and more to "equal opportunities" than to affirmative action as perceived by Human (1991). Furthermore, Hays and Reeves do not mention skills development or upgrading, which is a critical omission in that, in many cases, members of the designated group need to be mentored and developed to fill certain positions as they lack the necessary experience or skills. This poses a significant challenge, as organisations tend to be unwilling to invest funds and time towards developing potential candidates, preferring instead to recruit candidates who are already qualified for the job – and in most cases, such "suitably qualified" candidates are white.

Affirmative Action policies are designed to accommodate the recruitment of members of the designated group who are suitably qualified for positions, irrespective of whether they

have sufficient experience or not, as long as there is sufficient evidence that the individual would be able to grasp the requisite concepts and carry out the job at hand if given on-the-job training. Although Affirmative Action is aimed at redressing past imbalances, organisations should not become ineffective due to incumbents not being perfectly fitted for the organisation. Ultimately, the best candidate should be appointed, with preference being given to the previously disadvantaged, but with all appointments being based on merit.

In seeking to redress the lack of opportunity endured by designated groups due to past inequalities, Affirmative Action focuses on compensating those who were previously disadvantaged, i.e. black African men and women, and to a lesser degree, Colourds, Asians, white women and the disabled. The Employment Equity Annual Report (2011) indicated that white women and Asians were benefiting greatly from such transformation policies, while Africans were still under-represented in organisations.

Affirmative Action measures are defined as those designed to ensure that suitably qualified people from designated groups have equal employment opportunities and are equally represented in all occupational categories and levels in the workforce of a designated employer. Redressing disadvantages implies active training, re-training and other programs directed at disadvantaged groups so that they can compete on an equal footing with their privileged counterparts (Hofmeyr, 1993). In other words, the goal is to provide strategic advantages to those designated groups who were previously and deliberately barred from such access.

For those in the non-designated groups, Affirmative Action policies have been seen as a reversal of apartheid measures with the intention of removing employment opportunities from white managers. In some whites, this fear was so profound that they have felt a need to emigrate to seek better or fairer employment opportunities elsewhere. White males have felt the most disadvantaged, as they have had to compete with younger candidates who were highly qualified but in many instances lacked the skills of the trade in the form of experience. The departure of these white males resulted in South Africa's skills shortage

increasing even further, as skills were lost not only by the organisation but also by the country.

One of the main aims of Affirmative Action was to ensure that workplace demographics clearly resembled those of the country. One could argue that once this equilibrium had been reached, all Affirmative Action policies should be phased out to avoid further prejudices against whites or blacks. Due to the slow transformation in organisations, Government has felt that there is a need to retain these policies indefinitely and indeed, to take more forceful measures of ensuring their implementation (Mdlalana, 2007).

Inequalities are reflected in the wage discrepancies between black and white workers. Black workers were previously recruited to lower-earning positions with minimal decision-making power. Although this was the case, this does not necessarily prove that employers are guilty of racial discrimination. The average black and white worker enters the labour market with different skill-sets, and such differences could reasonably explain much of the racial wage gap. Blacks were previously subjected to the constraints of Bantu education which was inferior to that of whites; this has resulted in blacks falling short in competing for jobs with Whites, who had far greater exposure to economic empowerment and skills.

According to the findings of the 11th Commission for the Employment Equity (CEE) Annual Report, some people have benefitted from Black Economic Empowerment at the expense of others. Black people account for approximately 86% of employees covered in the analysis, though they only represent 16.9% at top management level and 35.9% at senior management level. The research shows that white females and Indians were benefiting from Affirmative Action more than were other members falling into the previously disadvantaged group.

According to the Minister of Labour, the poor transformation rates can be attributed to nominal support shown by "captains of industry" who were resistant to embracing change and to creating working environments that would accommodate all people, irrespective of race, gender or disability.

In view of these findings, the Department of Labour, together with the Commission for Employment Equity, identified a need to amend the Act in order to close the gaps identified, and to strengthen both the implementation and enforcement mechanisms of the Act. Some of these proposed interventions are:

- Removal of bottlenecks and streamlining the inspection and court referral processes
- Placing greater responsibility on employers to prove compliance
- Eliminating unfair discrimination in salary pay to workers by promoting the principles of 'Equal Pay for Work of Equal Value'. The Department of Labour has invested greater effort in assessing income differentials in companies and in determining whether such discrepancies are race-and gender-based and
- Up-scaling fines sufficiently to discourage elected employers from not complying with the Act.

## 2.5 Cultural influences and management approaches in South African Organisations

As more organisations are becoming transformed, there is a need for managers to have cultural literacy in order to manage these diverse workforces effectively. According to Smit and Cronje (2008), the following three prerequisite skills were identified for sound management: conceptual skills, interpersonal skills and technical skills.

- *Conceptual skills* refer to one's ability to view the operations and functions of the organisation holistically, as all departments should be working towards achieving organisational goals and objectives. This requires strategic thinking on the manager's part.
- *Interpersonal skills* refer to the manager's ability to work with other people, which requires good communication skills, the ability to understand people's behaviour and the means of influencing others to act in a way that will result in the organisation attaining its goals.

- *Technical skills* refer to the ability to use the knowledge or techniques of a specific discipline to attain goals.

Interpersonal skills are closely tied up with emotional intelligence and cultural intelligence, which enable the manager to interact with people of different cultural backgrounds. Managers who fail to understand a diverse workforce risk falling prey to cross-cultural conflict (Kreitner 2008). Managers should be able to put aside their cultural differences and strive to attain organisational objectives.

Diversity entails much more than differences between black and white racial groups. In South Africa, there are nine major different ethnic populations with distinct communities, cultural practices and languages: the Zulu, Xhosa, South Sotho and North Sotho, Tswana, Venda, Ndebele, Swazi and the Tsonga. According to Richmond and Gestrin (1998), the white racial group can be segmented as follows: Afrikaners (descendants of the original settlers, the Dutch Calvinist Boers – or farmers), people of British origin, and those of European origin (Italians, Portuguese, Germans, French, etc.).

Success and sustainability for South African organisations strongly relies on the organisations' ability to integrate cultural diversity positively (Christie *et al*, 1994). There is a strong indication in related literature that organisations need to be more flexible and willing to adapt to changes in the environment. Organisations that adopt a mono-cultural approach which is not inclusive of other cultural groups, will struggle to survive.

As an individual, one might be exposed to a number of different cultures in the workplace and/or through social interactions. Culture dictates what groups of people pay attention to, how to behave and how the world is perceived (Smit, 2006). Cultural values vary from person to person, and are the standards that we use to determine whether something is right or wrong. For example, in African culture, individuals are taught that they need to take decisions that benefit the group as opposed to the individual. As culture influence and shape individuals and their behaviour, so do religious beliefs.

South Africa's diversity is challenging in that certain groups may believe that their own group, culture or sub-culture is inherently superior to other cultures and groups. This belief is called ethnocentrism. In the workplace, whites may view themselves as being superior due to the belief instilled during the apartheid era that they were the superior race.

Some studies such as those of Smit and Cronje (2008) suggest that in order for organisations to fast track the process of Affirmative Action and Employment Equity perceptions need to be better managed so as to eliminate negative stereotypes and to ensure that ethnocentrism does not occur.

Other fundamental related challenges concerning human management in South African companies include managing change, Organisational Development, and education and training (Fitzgerald, P. Mclennan A, and Munslow, B. 1997; Jackson, 1999). There is still a great need to find creative solutions for integrating economic growth and development in parallel with overcoming deeply entrenched discriminatory practices and social division (Horwitz et al, 1996).

Three management approaches have been identified in South African organisations, namely: the Eurocentric approach, the Afrocentric approach and the Synergistic Inspirational approach.

## 2.6    The Eurocentric approach

Until April 1994, South Africa had been governed with a Eurocentric socio-political and partly free-market economic system. Koopman (1991) speaks about whites being individualistic exclusivists and building exclusive institutions. According to Jackson (1999), Western management style is characterised by its instrumentalism, where people are regarded less as human beings than as a means to serve the ends of the organisation. Mbigi (1994) argues that the rationalism of Western management systems as expressed in job descriptions, job evaluations, disciplinary codes, grievance procedures and in the lack of place for dreams, by constantly making workers aware of the practical limitations and realities of companies.

## 2.7     The Afrocentric approach

Afrocentricity remains a broad concept, but it has largely to do with usage of an African home base in addressing challenges, including economic challenges (Khoza, 1994; Shonhiwa, 2006).  The Ubuntu philosophy and the community concept of the corporation have significant practical implications for corporate life.  Khoza (1994) notes that a community concept requires that people feel a sense of belonging, that management be approachable, and that the atmosphere be informal with a free flow of information. Ubuntu philosophy emphasises the need for joint efforts in order to derive joint benefits, as opposed to benefits that are felt by only a few individuals. It places great importance on working for the common good.

Mbigi (1994) points out that Ubuntu entails fundamentally relying on traditional African management values and practices, such as leading through oral culture – using parables and African proverbs as well as traditional healers, folk singers, market women and traditional peasant farmers as role-models for inspiring and empowering leadership. Other African-based Ubuntu principles are about creating an inclusive enterprising community and establishing intimate relationships. There is a strong degree of trust and belief in the fairness of those in leadership, which results in less criticism (Shonhiwa, 2006).

## 2.8     The Synergistic Inspirational approach

This approach involves consciously integrating traditional African management practices, values and philosophies with Western management techniques. Lessem (1989; 1996) shows the need for reconciliation in a creative tension of the four different cultural worlds present in South Africa: Western competition and Eastern co-operation, Northern co-ordination and Southern co-creation (community-based management). This approach focuses on integrating these different management approaches by taking into consideration the various cultural influences of both African and Westernised leaders.

Koopman (1994) describes the new South African organisation to be developed under a "pragmatic humanism" approach, in which inclusivism is incorporated by seeking unity in diversity. It means building trust and respect for different values, building common values, and learning. According to Mbigi (1997), it is critical that organisations strive for cultural diversity, as a combination of strengths will enable South African organisations to cope with the future.

As such, the removal of South Africa' previously legislated discrimination has not meant pervasive removal of racial prejudice and social discrimination in practice (Horwitz, Bowmaker-Falconer and Searll, 1996). Discrimination and the racial divide can still be felt in organisational barriers to the advancement of blacks into management positions and their limited decision-making power. In South Africa, the apartheid past persists in the workplace through the perpetuation of certain features of what von Holdt (2002) has called the "apartheid workplace regime". In von Holdt's view, apartheid oppression existed in the workplace and continues to exist through management structures, and is highly evident in relationships between white managers and black employees. The effects of this regime – low trust, low levels of skill, a reluctance to identify with the goals of the enterprise, and above all, the persistence of the racial division of labour – prevail. Because white senior management does not have confidence in black managers, the latter are not entrusted with the power of authentic decision-making which may influence the way the organisation is run.

One can note that Affirmative Action is often regarded as "window-dressing", since the appointed black managers have not always received the correspondent training to effectively manage the new tasks and skills of their position. This reinforces the negative status attached to Blacks. As a result of the dominant Eurocentric vision and management style, the "we-them" syndrome is largely in operation along the identification of races and a lack of trust towards other cultural groups (Horwitz et al, 1996). Typically, members of the minority group in the organisation (blacks) are expected to subscribe to cultural requirements and beliefs of the majority group (whites). Blacks are not given the opportunity to introduce their views and their way of thinking to the organisation.

According to Liu (2000: P78) "managers are the children of culture" and the kinds of management approaches they use reflect their culturally rooted mindsets. Thus, white managers should understand the interactions between employees of different cultural backgrounds and the effect of their own culture on their leadership styles.

Differences in cultural composition in the workplace lead to tensions and conflicts over cultural issues, particularly from minority workers who are more likely to feel oppressed by the differences (Johnston, 1987). Some blacks who are exposed to this tension and conflict become so frustrated that they choose to leave the organisation to seek greener pastures; unfortunately the alternative pasture might be just as barren, which can, in turn, lead to job-hopping. In certain cases, the individuals choose to stay *in situ* in the hope that the situation will improve and become more tolerable, as they fear that leaving might be interpreted as them having accepted their own failure.

Stereotyping presents a great challenge to black management candidates, especially if they form the minority in organisations, as this is a form of prejudgment by which we attribute to an individual the supposed attributes of the group to which the individual belongs. Stereotyping can have negative effects on both individual careers and overall organisational performance (Everett, 1990). As organisations become more diverse, tensions over cultural issues are bound to intensify, unless measures are put in place to manage diversity. There is a considerable need for organisations to embrace an "out with the old, in with the new" mindset, whereby management is more willing to learn and be open to other cultures, and to understand and embrace the various contributions that different racial groups can make to the management realm.

According to Senge (1996), there are five disciplines that assist management in overcoming organisational learning disabilities. Two of these disciplines are *commitment to lifelong learning* and *encouraging active dialogue in the organisation*. These disciplines are fundamental, as both rely on communication as a means to understanding. Managers in a predominantly white environment who are required to engage with black managers face a great deal of effort to learn more about different racial groups; similarly, in order for black

managers to fit into the workforce, a great deal of learning is required from them in order to understand Westernised practices as well as the ability to dialogue with their white counterparts. Learning is a continuous process, which requires being more open-minded to other views and different ways of doing things, being less rigid and more flexible in one's thinking, and being mature enough to accept others' ideas and solutions as being more feasible than one's own.

In the literature on cultural differences between black and white leaders, the main differences highlighted are individualism and collectivism. Individualism implies a type of social framework in which people take care of themselves and of their immediate families. This approach emphasises the need to be independent and self-sufficient, and is more concerned with individual benefits and achievements. In individualist cultures, people set and work toward their own goals. The individual tends to pursue personal goals as opposed to team goals or goals that benefit the group, and the emphasis is on individual initiative and individual accomplishments (Brett, Janssens and Smith, 1995).

Collectivism, on the other hand, is characterised by a closely knit social framework, in which people are cared for by the community (Sadler, 2003). In this context, societies and cultures are constructed to ensure that from birth onward, people are integrated into powerful, cohesive groups (Brett, Janssens and Smith, 1995), and wherein people tend to "downplay their own goals in favour of the goals of a valued group sets" (Brislin, 2000: P53). Collectivism also reflects the degree to which individuals express pride, loyalty and cohesiveness in their organisations' events (Dorfman *et al*, 1996). There is a greater emphasis on joint efforts and team work to obtain great results. According to Bleichrodt and Drenth (1991: P17), "the dimension of cultural difference which has gained the most acceptance among cross-cultural psychologists is Individualism *versus* Collectivism".

Charoux (1986) found that even though black managers cherished a few individualistic values such as challenge, competition and achievement, they were still influenced by Ubuntu. The notion of Ubuntu is still deeply held by blacks in the workplace in their decision-making and in their behaviour at work. In this context, decisions taken are

required to be those that benefit the group, as opposed to those that result in benefits to a few individuals at the cost of others.

## 2.9    Conclusions

This Chapter has examined the views of a number of authors with regard to Transformation policies such as BEE and Affirmative Action and the purpose of these policies, in order to illustrate management's understanding and views on transformation policies.

The existing literature reveals that although there is some improvement in the trends of South African employment demographics, much still needs to be done to augment and sustain the progress of transformation in the workplace, since white managers still dominate the management realm in South Africa.

It is suggested that the negative attitudes entrenched among white managers might have been influenced by a number of factors, such as the role played by the Bantu education system and the skills deficit among blacks cultivated under apartheid.

The next chapter provides the research findings and related discussion.

# CHAPTER THREE

## Research Methodology

### 3.1 Introduction

This chapter sets out the methodology which was used for this research to collect data. It will also look at the different research methods and their advantages and disadvantages. Lastly, the chapter explains the tools and strategies that were used in collecting the data followed by the description on how the data was analysed.

### 3.2 The purpose of carrying out research

Firstly it is important to understand why it is necessary to carry out research. Managers may carry out research to be able to make a good decision about a particular problem which exists, or to formulate policies that will lead to the accomplishment of corporate objectives. Scientific or social research on the other hand, may be carried out to discover new facts or to analyse how phenomenon occurs without necessarily being related to solving a practical problem or producing knowledge which is immediately useful, practical or applicable to a concrete area of concern. The primary objective of this research was to determine whether or not there is a correlation between perceptions and attitudes of White senior managers and the performance of Black managers.

### 3.3 Research methodology and methods

Methodology refers to the general principles by which we investigate the social world and also how we demonstrate that knowledge is valid (Henning, 2004: P4). A research method, on the other hand, refers to the more practical issue of choosing an appropriate research design. There are a number of research methods that can be used to conduct research, where necessary more than one research method can be used. The most commonly used research methods are either Quantitative or Qualitative in nature.

Quantitative Research is empirical research where the data are in the form of numbers, Qualitative Research on the other hand is empirical research where the data are not in the form of numbers (Punch, 2005).

The research method used for this study was explanatory in nature which is a form of Qualitative Research. Explanatory research requires that social phenomena are investigated in order to develop explanations of the phenomena (David and Sutton, 1994). "Explanatory studies are also necessary when some facts are known, but more information is needed for developing a viable theoretical framework" (Bougie, 2010: P104). In order to provide solutions to the problems on hand, extensive research will need to be conducted as well as extensive interviews. According to Ulmer & Wilson (2003), the study should determine the method of research utilised. There is a certain process that needs to be followed in data collection to ensure that relevant data in terms of the study is collected.

## 3.4     Qualitative Research

Qualitative research was deemed appropriate as the research looked at human experiences and perceptions, quantitative research would have restricted the research findings (Strauss and Corbin, 1990). The researcher's intention was to explore managements' views on transformation and cultural influences and to determine whether there was a correlation between perceptions of white senior managers and the performance of black managers in companies in Durban. As Strauss and Corbin (1990) wrote, qualitative research is any kind of research that produces findings not arrived at by means of statistical procedures or other means of quantification. "Qualitative research is a type of scientific research, which seeks to understand a given research problem or topic from the perspectives of the local population it involves" (Qualitative Research methods Overview, 2012: P1).

There are three main Qualitative research methods, namely: participant observation, in depth interviews and focus groups (Strauss and Corbin, 1990). For purposes of this study in depth interviews were used as the research tool, as interviews are optimal for collecting

data on individuals' personal histories, perspectives and experiences, particularly when sensitive topics are being explored.

Qualitative research like any research method has its advantages and disadvantages, according to Denscombe (2003) qualitative research has a richness and detail to data and that the description of the data is grounded in reality, similarly this research is not representative of the population and tends to oversimplify the explanation. Qualitative research was deemed appropriate for answering the research questions.

Qualitative research needs to convince the reader that the research makes sense and that the research processes have been followed and systematically documented (Bougie, 2010). This research is not company specific, but will rather look at the experiences of the various managers in their positions of management, the aim being that the various managers would draw from their experiences in the workplace whether positive or negative and analyse their working relationships with managers of other racial backgrounds.

Although qualitative research tends to be favoured than quantitative research, it has a number of limitations. According to Creswell (2003: P186) the following was noted:

The Researcher may be seen as intrusive. Private information may be observed that the researcher cannot report. The Researcher may not have good attending and observation skills. Certain participants may present special problems in gaining rapport. Interviews provide indirect information filtered through the views of interviewees. The interviews may provide information in a designated 'place' rather than the natural field setting. Researcher's presence may bias responses. People are not equally articulate and perceptive

## 3.5    Data collection methods

The interviews will provide the researcher with the opportunity to interact with the participants although a structured set of questions are asked by the researcher, the participants are afforded the opportunity to respond in their own words and in greater detail, giving the researcher the opportunity to probe deeper into the participants responses

where necessary (through follow up questions). Although this method enables the researcher to gather a wealth of information one of its drawbacks lies in the fact that it requires that the researcher listens carefully to what participants say, engage with them according to their individual personalities and styles and use "probes" to encourage them to elaborate on their answers (Qualitative Research methods Overview, 2012: P1). To overcome this, a Research assistant assisted with the interviews and data collection, to ensure that the participants' responses are properly recorded.

This study was conducted through primary data collection where the data was collected through face-to-face interviews with the use of carefully drafted questionnaires (see appendix 1). The interviews took approximately an hour and were conducted over a four-week period. Both black and white managers were interviewed using the same questionnaire in order to be able to directly compare their responses.

These questionnaires were developed by the Researcher with the assistance of the supervisor, and peer reviewed by different research specialists. They were tested with six managers in Durban (3 black and 3 white) and edited before the final version were approved by the ethics' committee and the supervisor. Before the interviews, the purpose of the interview was explained to the respondents and they were assured of complete confidentiality.

Interview questions elicited Black and White managers' views on transformation, culture and perceptions, as the research problem was aimed at determining whether or not there was a correlation between perceptions and attitudes of White Senior managers and the performance of Black managers. By exploring cultural issues and racial stereotypes, the study will assist managers in being more open minded to the above mentioned management issues and group dynamics. Although this research tended to be qualitative in nature a small section of the interview schedule contained questions which were quantitative in nature i.e. those that required a yes or no response.

Rubin and Rubin (2005: P89) argue that there are three phases to the interviewer's work, namely:

i)    *Sampling.* The interviewer must be able to follow instructions for probability or use good judgement in selection under quota controls.

ii)   *Obtaining accurate information.* The interviewer must be able to get respondents to answer fully and truthfully so that the opinions they express are not influenced by the interviewer. Social skills and accuracy in asking questions are skills that are required in this phase of the work.

iii)  *Recording.* The interviewer must be thorough and accurate in recording the respondents' answers.

One also needs to be able to interview people in an unbiased manner, which means one needs to take a neutral stand on the matter under investigation. According to Rubin *et al* (2005: P1) "biases arising in the process of recording respondents' answers have received less attention and the operation of perceptual and cognitive factors such as expectations has been almost completely ignored."

The results in this paper are therefore based entirely on the opinions of the managers interviewed, both black and white.   During the interviews, the interviewer tried to remain open and non-judgemental about the actions and beliefs of the managers, while attempting to make these practices intelligible to the external environment.

## 3.6    Data analysis

The method of analysis used is described by Parker and Tritter (2006: P23-27) as 'interpretative thematic analysis".  This involves an intensive reading of the transcripts, sought to identify the beliefs and attitudes held by the informants. As this method faces the risk that a researcher may be tempted to present their own views in the results, in order to overcome the risk of biasness the results were analysed by research specialists from the Centre for Economic Governance and AIDS in Africa (CEGAA), an international NGO that specializes in research work. Where possible the participants were quoted directly.

### 3.6.1    Research ethics

The University of KwaZulu Natal expects each and every student to go through ethical clearance before conducting any type of research; therefore the Researcher applied and got ethical clearance from the research office (see appendix 3). All the participants were informed of the nature of the study and were asked for their consent to participate in the study, they were also advised that they could withdraw from the study at any given time during the interviews should they so wish. They were assured that their names would not be disclosed.

### 3.6.2    Target population and Sampling

The target population in this study is managers in Durban who hold middle to senior management positions. An exact sampling framework could not be established (Zikmund, 2003) as it was not possible to determine the target population i.e. the exact number of managers in Durban. According to Zikmund (2003), in cases whereby judgmental or convenient procedure was used, a Researcher can use their own judgement to select a sample size. Quota sampling a type of purposive sampling was utilised to determine the sample size.  Purposive sampling implies intentionally selecting individuals to learn to understand the central phenomenon (McMillan & Schumacher, 1994). In quota sampling the number of participants, are predetermined before the study is carried out, as in this case, whereby the participants interviewed had to be middle to senior managers.

The individuals that were selected met the necessary criteria of being employed in management positions and falling within African or White racial groups. Race and profession were the main characteristics, as the study is comparative in nature and seeks to look at both Black and White managers views. The age range of the group of participants was between early thirties and late sixties.  All of the managers interviewed possessed some form of tertiary qualification.  The respondents were spread across various industries namely; manufacturing, health, clothing and textile, legal and finance.  The organisations in which they worked were small to medium enterprises in the private sector.

### 3.6.3  Credibility and Validity

Triangulation of data collection and analytic methods is used by researchers to address credibility and validity concerns (Shulman, 1994) by incorporating multiple sources for data and/or several methods of analysis. For purposes of this study data was collected from in depth interviews as well as various literature. In research, triangulation assists researchers in increasing their understanding of complex subject matter and can vary data collection by time, location, respondents, and the information being accumulated (Denzin, 2003).

### 3.6.4  Research Limitations

i)     This study consisted of a relatively small sample which may not be representative of the population.

ii)    The participants selected may not be representative of the current South African managerial demographics which are consistently changing.

iii)   The interviewer did not undergo training; as a result they may lack skills that may be crucial in conducting interviews.

iv)    Sensitivity of the topic may result in certain biases or rather in the participants not being completely honest with the interviewer.

v)     The availability of the participants to engage in the research due to time constraints on their part

### 3.7  Conclusion

This chapter looked at research methods and how data was collected from the participants. It also included a section on how the interviews would be conducted and addresses ethical rules adhered to. The next chapter looks at the data that was collected and analyses it to come to conclusions about the research.

# CHAPTER FOUR

## Presentation and Discussion of Results

## 4.1    Introduction

This chapter presents and analyses the results of the data collected during the survey.  The participants' responses to all the questions asked are comparatively analysed between black and white managers.  There were 20 participants in the study sample, 10 being white and 10 being black. The white managers interviewed held senior management positions in their organisations, and in certain cases, were members of their companies' Boards.  The black managers interviewed were mostly middle-level managers, with some holding senior management positions.   The managers' ages ranged between 30 and 65.   All the participants held tertiary qualifications.

The chapter starts by providing an analysis of all the managers' views about Black Economic Empowerment; followed by whether or not managers think that transformation policies are effective in the workplace.   If the transformation policies are generally perceived to be ineffective, then the chapter addresses the managers' opinions on whether the government should impose harsher penalties for non-compliance.   The chapter continues by discussing managers' perceptions on other racial groups, which then discusses whether there is a correlation between white managers' perceptions and views and black managers' performance at work.   Before the chapter ends, the author discusses the managers' views on whether they feel that sometimes managers use the race card to cover up for poor performance; and the chapter finishes by a discussion on how organisations can implement these transformation policies without chasing away whites.

## 4.2    Managers' views on Black Economic Empowerment

Sections 4.3 – 4.6 report responses to the questions designed to deal with the first objective. The first question was about the manager's views on BEE in general, the aim of which was to obtain the participant's broad understanding of BEE legislation. Table 4 illustrates the summarised responses for both black and white managers. Similar responses were grouped and only responses which were unique or differed were tabled separately as per below.

**Table 4: The managers' views on BEE**

| White Managers | Black Managers |
|---|---|
| BEE is about the ownership of the economy. | BEE provides a structural guideline for transformation in the workplace. |
| BEE is prone to abuse, such as fronting practices/window-dressing. | There is no proper implementation of the policy. |
| It requires constant monitoring. | Most organisations tend to focus mainly on external transformation and pay little focus on internal issues of transformation, that is, employment equity issues. |
| There are serious issues around its implementation. | There are issues of window-dressing by organisations. |
| This is legislation that is aimed at addressing imbalances of the past. | The aim of the policy is to accelerate blacks' participation in the economy. |
| At the moment BEE is narrow-based. It is not in line with the principles of BBBEE as it benefits a few. | BEE is more evident in larger organisations than in smaller, because smaller organisations tend to be run as family businesses. |
| It is a good policy but needs to be better structured and supported. | It is an appropriate legislation given the history of our country. |
| There is still a need to remove fear from the white managers. There is a need for awareness-raising so that they can better understand the policy and the fact that multicultural groups can add value. There are certainly poor attitudes associated with the policy. | There is a lack of proper understanding of the policy by managers/owners. |

| It a reversal of apartheid. | There is greater emphasis on fulfilling targets (BEE Scorecards) as opposed to proper transformation. |
|---|---|
| It is a necessary policy. | It is a vehicle for empowering black communities. |
| It is a brilliant strategy in theory but not working in practice. | It is a government programme to distribute income fairly. |
| | There are still fewer blacks in top management. BEE has not achieved the desired results. |

Both black and white managers seem to be comfortable in understanding the meaning and purposes of BEE. However, in their responses it was not clear if they know and properly understand in detail the principles of and pillars guiding BEE. All respondents were able to give a general explanation of the purposes and the challenges associated with BEE without alluding to specifics of the legislation.

Although the responses for both groups show a basic understanding of this legislation, most of the participants were concerned about lack of proper implementation of the policy, which they believe leads to abuse. Both groups feel that although the policy has been visibly implemented, it is not being properly monitored by government, citing evidence from the continuous abuse of the policy through "window-dressing", whereby blacks are used in name only for marketability and in order for white-owned organisations along with a few among the black elite to secure lucrative business deals and tenders.

Whilst both black and white managers agree on the same issues related to BEE, there is a slight difference discernible in the finer points of their explanations. Blacks are more concerned about white companies using blacks (through "window-dressing") to secure government tenders, whereas whites are more concerned about the currently unmonitored system which tends to benefit a few black elite and mainly those who are politically connected.

In conclusion, both groups generally felt that BEE is necessary, although there are still poor attitudes associated with it. They felt that there is a strong need for an effective government intervention which is more consultative and accompanied by close monitoring.

The next questions were aimed at finding out if these managers feel that transformation policies are in reality effective in addressing workplace transformation in Durban. The following section analyses the participants' views in response to this issue.

## 4.3 Managers' views on Affirmative Action

As Affirmative Action policies seek to provide opportunities to those individuals that were previously disadvantaged, and in order for transformation to take place in its true sense, there needs to be a willingness from management to implement such policies in the workplace. Participants were asked as to whether they viewed Affirmative Action positively or negatively in this context.

**Table 5: Affirmative Action.  Is it apartheid in reverse?**

|  | Blacks | Whites |
|---|---|---|
| Yes | 2 | 6 |
| No | 4 | 2 |
| Not sure | 0 | 0 |
| Abstained | 4 | 2 |
| Total | 10 | 10 |

**Table 6: Managers' views on Affirmative Action**

| White managers | Black managers |
|---|---|
| Completely see the need for it . | Provision only made for a person with skills to take up positions of authority. |
| Think it's degrading for a black person to put them into a position that they don't qualify for. | Good policy needs to be managed and reviewed to speed up the process. |

| | |
|---|---|
| Affirmative Action should not be a tick-box approach. | Only a few elite are currently reaping fruits. |
| It's a correction of the apartheid regime, not reversal of apartheid. | Privileges not removed but now shared by races. |
| If not implemented fairly, there will continue to be inequalities. | Aggressive training and development of young people for future opportunities that will ensure no-one's job is in danger because of Affirmative Action. |
| Need clear statements from the government in order to not be viewed negatively. | Need to create an enabling environment, need to invest in employees and identify the gaps to assist in their development. |
| Affirmative Action is negatively perceived, up to individuals to interact, should not be forced on people. | Affirmative Action seen as a "swear word", it has unintended consequences. |
| Can be annoying – focus should be making appointments based on merit, they should be properly managed and be fair. | Reception of Affirmative Action not positive, hidden agendas – people who understand the strategy, but seek to benefit themselves. |
| | Principle to address past inequalities. |
| | This is a beautiful policy that tries to bring fairness in the country. |
| | There is a thin line between apartheid in reverse and redressing the imbalances of the past. |

**4.4 Effectiveness of transformation policies in addressing transformation in the workplace**

All 20 managers interviewed were asked if they believed that government policies and legislation on transformation, mainly BEE, were assisting in transforming organisations in South Africa.

Table 6 illustrates the responses of both the black and white managers. Some managers were quite confident about their view on the issue and it was easier for them to either say yes or no (as shown in Table 4), however, a few were not able to make a clear decision.

**Table 7: Is BEE effective enough in addressing transformation in the workplace?**

|  | **Blacks** | **Whites** | **Totals** |
|---|---|---|---|
| Yes | 2 | 2 | **4** |
| No | 3 | 5 | **8** |
| Not sure | 5 | 3 | **8** |
| *Total* | *10* | *10* | <u>**20**</u> |

Table 7 shows that most participants are quite adamant that BEE is not effective in addressing transformation in the workplace in Durban. The majority of those who are of this view are white (five out of eight, as illustrated in column 3 of Table 7).

Some of the reasons given for this negative response were that: "There is abuse of the policy such as window-dressing and corrupt partnerships between employers and employees. There is no proper government intervention. The government should consult with the organisations to devise effective strategies to implement the policy effectively. It has polarised communities in society. The gap between the poor and the rich is widening. It benefits the individuals who are well-connected". However, some feel that the policy can still be effective if implemented in the spirit with which it was intended. One black manager said: "…*transformation is a political agenda which is not collective, hence it is polarised in political debate and white organisations are not embracing the legislation*".

In addition, Table 6 shows that most managers (eight out of 20 – mainly blacks, five out of the eight) were not sure as to whether or not BEE brings about transformation in the workplace. The reasons for this indecision were mainly due to lack of transparency in terms of progress reporting on this matter, which was exacerbated by lack of follow-up and monitoring. Some argued that the implementation of this policy is targeted more at larger organisations, and not at small and medium ones.

One black manager said: "*This policy is not mandatory for organisations to implement. Organisations that do not tend to implement BEE are those that don't bid for government tenders and are even more reluctant to implement this legislation since there is nothing motivating them*".

Only four out of 20 felt that this policy is indeed contributing to addressing transformation in the workplace. Some of the reasons supporting this argument were that there are a number of up-and-coming black managers who are certainly changing the culture in the workplace. They also feel that although Affirmative Action is forced on organisations, there is a smaller percentage implementing it voluntarily.

## 4.5 Has the evolution of the South African business landscape stimulated a greater entrance of black managers to the management realm?

Under the former apartheid system, South African organisations operated in an environment of protectionism propped up by government support (Smit *et al*, 2006). As all the good jobs were allocated to white employees, there was little or no workforce diversity.

It was only after 1994, when apartheid ended with the adoption of a new constitution, that South Africa became a democratic non-racial society. The Employment Equity Act was aimed at transforming the country's business organisations towards true diversity. It seems that although there is a new constitution and government legislation mandating employment equity, South African organisations continue to be predominantly white and male-dominated.

This question explored whether the eradication of apartheid laws had made it more possible for blacks to apply and take up management positions. All the participants were asked if they thought that evolution of the South African landscape had stimulated the entrance of black managers into the management realm.

Table 8 illustrates both black and white managers' responses as to whether or not BEE has stimulated the promotion of more black managers in the workplace.

**Table 8: Has BEE stimulated the promotion of more black managers in the workplace?**

|          | **Blacks** | **Whites** | **Totals** |
|----------|------------|------------|------------|
| Yes      | 6          | 5          | **11**     |
| No       | 0          | 3          | **3**      |
| Not sure | 4          | 2          | **6**      |
| *Total*  | *10*       | *10*       | **<u>20</u>** |

Table 7 illustrates that most respondents believe in BEE having stimulated the promotion of black managers in the workplace. The last column of Table 6 shows that there are 11 managers (out of 20), of which six are blacks, who feel that BEE works in influencing the promotion of blacks in the workplace.  Quite a few of them (four blacks out of six in all), were not sure this is really the case, feeling that this might be affected differently in specific instances, such as blacks being appointed either on merit or through connections.

A follow-up question explored whether black managers tend to be assigned to positions of lower decision-making power as opposed to their white counterparts.

The results in Table 9 show that 90% of black managers are convinced that most of black managers are indeed assigned to roles of lower decision-making power, whereas 50% of whites believed that this was the case.

This is clearly an issue of concern, especially for black managers in Durban, most of whom (among the respondents) felt that jobs that are generally given to black managers are characterised by less substance, as certain responsibilities are removed from these managers' portfolios and assigned to a white senior manager. Contrastingly, white managers who agreed with this claim said that there is a shortage of suitably qualified black candidates to take up such senior positions, hence the need to downscale the job profile. There were also a substantial number of white managers (40%) who were against this view and who claim that black managers are sometimes over-tasked and lacked capacity. They felt that it is often merely a perception that blacks were assigned to jobs of lower decision-making power as opposed to their white counterparts, as appointments were based on merit, and therefore the person in the job was suitably qualified to carry out all its required functions.

**Table 9:**   **Are black managers assigned to positions with lesser decision-making power as opposed to their white counterparts?**

|          | Blacks | Whites | Totals |
|----------|--------|--------|--------|
| Yes      | 9      | 5      | **14** |
| No       | 1      | 4      | **5**  |
| Not sure | 0      | 1      | **1**  |
| *Total*  | *10*   | *10*   | **<u>20</u>** |

**4.6    Should the government impose harsher penalties for non-compliance?**

Although there are certain similarities and differences in the views of black and white managers shown in Table 8, it is clear that there is poor implementation of BEE policy and lack of monitoring is collectively perceived as a key challenge in the workplace. Table 9 illustrates what these managers feel about government imposing serious penalties on organisations that fail to comply with transformation policies.

**Table 10:** **Should the government have harsher penalties for organisations that fail to comply with transformation policies?**

|  | Blacks | Whites |
|---|---|---|
| Yes | 4 | 2 |
| No | 4 | 5 |
| Not sure | 1 | 3 |
| Abstained | 1 | 0 |
| *Total* | *10* | *10* |

Table 10 shows that black managers seem to be balanced between those who support the idea of harsher penalties and those who do not. Most white managers are against the idea of harsher penalties for lack of compliance.

Most black managers who disagreed with harsher penalties argued that should these be imposed, organisations would merely budget for the penalty fees. They also felt that harsher penalties would increase fronting practices. Contrastingly, white managers who did not support harsher penalties felt that this would not achieve the desired results but may alienate organisations. However, there was a general feeling that incentives rather than penalties would be a more effective means of motivating organisations to comply.

### 4.7    Managers' perceptions of other racial groups

This section reports on responses to the questions dealing with the second research objective. Stereotypes are a fundamental component of the perception process. Stereotypes used depend on the amount of information available on a specific group of people, in this case white managers and black African managers.

Racial and ethnic stereotypes are particularly problematic because they automatically trigger and lead to racial bias without one's conscious awareness (Kreitner, 2008). These stereotypes are often activated by looking at someone's facial features or skin colour. The purpose of this question was to determine firstly what sort of perceptions each racial group

held of the other and whether these perceptions were negative or positive, and then to determine whether there was a causal relationship between the attitudes or perceptions of white managers and the performance of black managers.

**4.8      What perceptions do white managers have of black managers?**

**Table 11: What perceptions do white managers have of black managers?**

| White responses | Black responses |
|---|---|
| No faith in blacks' ability at management level. | No faith in blacks' abilities. |
| Blacks are incompetent. | Blacks are lazy. |
| Blacks are stupid, only able to work in garden or kitchen. | Blacks are clueless and don't know what to do. |
| Blacks threaten progress of whites. | Blacks get ahead because of colour not merit. |
| Blacks are quite arrogant and emotional. | Blacks are stupid. |
| Blacks are favoured and overpaid. | Blacks are inferior to whites. |
| Blacks are useless. | Blacks are destined to fail. |
| | Blacks don't have what it takes to be managers. |
| | Blacks are incompetent. |
| | Blacks are done a favour because of affirmative action. |
| | Blacks lack values. |
| | Blacks are in for a ride. |

**Table 12: What perceptions do black managers have of white managers?**

| White responses | Black responses |
|---|---|
| Respect white managers. | White managers are condescending in dealing with black managers. |
| Held back by white managers. | Expect subordination. |

| | |
|---|---|
| | |
| See white managers as blocking their progress. | Think they are superior. |
| Believe older white managers are still trapped in their old apartheid ways. | Tend to use blacks, and then take credit for their work. |
| | Uneducated and not knowledgeable. |
| | Think they know it all. |
| | Are aggressive. |
| | Are bullies. |
| | Are over-confident. |
| | Are protected by systems. |
| | Are valued and listened to. |
| | Seen as ground breakers. |
| | See them as being superior. |
| | Pretend to support transformation. |
| | Tougher rules and regulations imposed on blacks as opposed to whites. |

The data in Tables 11 and 12 indicate that both black and white managers still have a general impression that white senior managers do not regard blacks as capable and qualified for senior positions in organisations. Certainly, these perceptions are not in line with the mindsets that are necessary to support and implement transformation policies.

Although blacks seem to be perceived as inferior, according to Tables 11 and 12; blacks' perceptions also seem to be negative and self-debasing, which is likely to affect their attitudes and, to an extent, the work performance (this is based on the author's assumption and observations drawn during the interviews).

## 4.9 Correlation between poor performance of black managers and attitudes of white senior managers

In the previous question, the different perceptions that black managers had of white managers and vice versa were surveyed. The following question looks at whether there is a causal link between perceptions of white senior managers towards black managers and the performance of black managers, and if so, whether this link was positive or negative. According to Human (1996), a clear understanding of the way power relations influence the stereotyping of groups and the perceptions of individuals, and the expectation one has of such individuals, is necessary. Managers should be aware of the damaging impact that inaccurate stereotypes have on potentially healthy relationships.

**Table 13: Correlation between perceptions or attitudes of white senior managers and performance of black managers**

|          | Blacks | Whites | Totals |
|----------|--------|--------|--------|
| Yes      | 6      | 4      | **10** |
| No       | 1      | 3      | **4**  |
| Not sure | 2      | 0      | **2**  |
| Abstained| 1      | 3      | **4**  |
| *Total*  | *10*   | *10*   | 20     |

Most managers feel that there is a definite correlation between the way black managers are perceived and viewed by their white counterparts and the way they perform at work. Sixty percent of black managers said that there is a relationship between this factor and outcome, whilst only 40% of white managers felt this to be so. Only 40% felt that there is any such correlation, where 30% is comprised of whites' responses.

Some black respondents felt that poor perceptions can motivate blacks to excel, but in certain instances negative perceptions can crush the black manager's self-esteem and frustrate him or her, whilst those whites who agreed with the correlation were certain that poor perceptions would demotivate black managers.

**Table 14:** **Support required to enable managers to operate in a conducive working environment**

|  | Blacks | Whites |
|---|---|---|
| Yes | 5 | 5 |
| No | 5 | 2 |
| Not sure | 0 | 3 |
| Abstained | 0 | 0 |
| Total | 10 | 10 |

Table 14 provides the responses of all managers as to whether their respective organisations provided the support required to enable managers to operate in a conducive working environment. Half of the black managers felt that their organisations were creating conducive environments, and the other half did not feel that their organisations provided sufficient support for them to fully execute their tasks. The latter group felt that support was only afforded to junior managers but not to the middle and senior management level; these respondents felt that this left one in a "sink or swim" situation, with no support structures in place.

Contrastingly, half of the white managers felt that their respective organisations do provide a conducive environment, whilst only 20% disagreed and 30% were not sure.

**4.10    Use of race-card to cover up for under-performance**

The purpose of this question was to determine whether blacks or whites hide behind race to cover up for under-performance. One might argue that if there are sufficient support structures in place to assist the manager in fulfilling their responsibilities, performance should not really be an issue, hence one would not play the race-card when performance, or rather the lack of performance, is questioned.

**Table 15:    Is the race-card sometimes used to cover up for under-performance of managers?**

|  | Blacks | Whites | Totals |
|---|---|---|---|
| Yes | 7 | 7 | **14** |
| No | 2 | 2 | **4** |
| Not sure | 1 | 1 | **2** |
| *Total* | *10* | *10* | <u>**20**</u> |

Most of the managers (both black and white – 70% of each group, as shown in Table 13) agree that the race-card is sometimes used to cover up for under-performance by managers in general, whether black or white. Only 10% of the respondents did not believe that this was a reality.

Similarly, most managers, both black and white, felt that the race-card was being used as an excuse for under-performance, although it is less persuasive to use if there are systems in place to assess and address managers' performance, such as Performance Management Systems.  Also, they felt that some managers used the race-card in situations of conflict in the workplace, which they were unable to deal with professionally and effectively.

## 4.11    Influence of managers' cultural backgrounds on their behaviour and management style

This section reports on responses to questions which deal with the third research objective. All managers were asked how their cultural background and upbringing had influenced their management style and personality at work.  The following responses were recorded.

There was a strong view that in the African culture one was expected to be submissive, and this was even more strongly expected of women. Some of the black female managers felt disadvantaged by their culture to a certain extent.  One of the black female managers said: "*Culture has taught me to be respectful, to be quiet when spoken to. In the boardroom, the tables are turned; you're seen as less confident if you don't express your views*".  As a

black woman in African culture, one is expected to be quiet and so, in her management role, the woman is not vocal and does not interact as much as her white counterparts. As a result, the black manager is not taken seriously and is seen as being unsure of themselves and their abilities. Some of the white female managers shared a similar view.

A number of the black managers felt that they have had to give up cultural beliefs and practices as these inhibited their career growth, for example, using titles in the workplace or not to make eye contact with elders.

The black managers felt that African values and principles were strongly embedded in culture and that Ubuntu is a great principle that stems from the African value system. Spiritual faith, on the other hand, strongly influenced some of the white managers e.g. being friendly and polite to others.

It is apparent from these responses that cultural upbringing plays a significant role in people's behaviors and management styles at work. However, interacting and mingling with other people from other ethnic, cultural and religious groups is also shown to bring open-mindedness and tolerance of group dynamics and differences into the work environment.

This certainly suggests that proper management of group dynamics and diversity at work is likely to yield better results. This is also dependent, amongst other things, on creating more awareness about cultural diversity and tolerance. The following responses were recorded in response to the question about what managers think organisations should do to address the issue of cultural diversity.

## 4.12 Managers' views on what organisations need to do to address cultural issues and create cultural awareness in the workplace

Both black and white managers felt that organisations should have programmes or social events in place to create cultural awareness, and that these programmes should be driven by top management. However, some of the managers felt that social gatherings were not

really working as they tended to be once-off events, and these failed to tackle ongoing issues.

Top management needed to take a leading role in dealing with cultural issues, and a time-frame should be set to address issues raised. Management should then engage with staff and create a platform for people to express and celebrate their cultural backgrounds in order to break down barriers. There is also a need to break down stereotypes and be more cautious in recruitment processes and selection criteria, to ensure that appointments were based on merit. One of the white managers said: "*There should be one culture, which is South African culture, not Zulu or Afrikaans*".

Both black and white managers felt that education on cultural diversity should be provided to employees so that ignorance about different cultures did not cause problems and effect production.

Some of the black managers felt that the onus lies with black managers to drive the process of cultural awareness-raising, and to address racial issues, as whites tended to be apathetic about this need.

### 4.13 How can organisations cultivate the landscape for up-and-coming managers of colour without driving away white managers?

This section reports on responses to questions dealing with the fourth research objective.

Most of the black managers were of the view that organisations needed to place greater focus on skills development and mentorship programmes and to take succession plans more seriously. Up-skilling should apply to both blacks and whites. One of the black managers said: "*It's inevitable that as black managers increase, white managers will leave the organisation*".

Some of the black managers felt that management as a whole needed to invest more effort in building trust and transparency around policies (such as Affirmative Action) in order to minimise resentment from whites, with all appointments being based on merit and not on colour.

There seemed to be a strong view from white respondents that white managers needed to be shown that they were valued, and that they should be incentivised in some way for mentoring and developing blacks.

Most of the white managers felt that there should be tailor-made models for the organisation based on best practice methods. Models should look at micro- and macro-social transformation, to ensure that transformation was embedded in the organization.
Some of the white managers felt that both race groups should be afforded equal opportunities irrespective of colour. An environment to encourage all people to perform should be created. One of the managers said: "*It becomes a concern to groom and train someone for your position, if there is no movement within the organization, as job security is an issue*".

According to some white managers, there is a degree of concern with transformation within the organization; one said: "*White senior managers feel uncomfortable about some comments made by political leaders, and hence don't trust transformation programmes in organisations*".

**4.14    Commitment to advancement of blacks in South African organisations**

**Table 16: Are organisations committed to the advancement of blacks?**

|          | Blacks | Whites | Totals |
|----------|--------|--------|--------|
| Yes      | 6      | 7      | **13** |
| No       | 3      | 1      | **4**  |
| Not sure | 0      | 1      | **1**  |
| Abstained| 1      | 1      | **2**  |

| Total | 10 | 10 | 20 |
|-------|----|----|----|

Table 16 shows that most managers feel that many organisations are committed to the advancement of blacks.  Both white and black respondents who felt that their organisations were committed to the advancement of blacks mentioned that their organisations had a number of programmes in place to develop and train black candidates, such as graduate training programmes and management understudy programmes.

Whilst most managers were convinced that many organisations are committed to transformation through their existing programmes and systems, sometime senior managers are not sufficiently committed to it.

## 4.15    Conclusions

This chapter presented the findings of the research based on the objectives and questions asked by the author as illustrated in Chapter One of this paper.  According to the results of this chapter all the objectives were answered though the author still acknowledges that there are still further research opportunities around transformation in the workplace in Durban.

The results show that there is a general understanding of the meaning of transformation policies such as BEE and AA from all the interviewed managers (10 blacks and 10 whites) in Durban.  They generally feel that these are necessary policies though they are currently not properly implemented and are prone to abuse with no proper government intervention.  As a result most managers from both races generally feel that these policies are however not effective in addressing transformation in Durban workplaces.

On the flip side most managers feel that, though these policies are generally perceived as not being effective, they have however stimulated to an extent an entrance of few black managers into management realm.  As a result there are mixed feelings between managers on whether the government should impose harsher penalties for non-compliance.  Some

managers feel that harsher penalties will help; whilst on the other side some feel that harsher penalties will only bring resentment and they believe that the use of incentives might be more effective.  The results also suggest that both black and white managers still have negative perceptions about each other.  White managers are perceived as generally not regarding blacks as capable and qualified for senior positions; hence most managers feel that the way they are perceived by their managers has some impact on ones confidence which affects their performance.

Most managers feel that there is cultural diversity at work in Durban though most organisations tend to have a Eurocentric culture.  The following chapter then summarises the conclusions and recommendations of the findings.

# CHAPTER FIVE

## Conclusions and Recommendations

### 5.1 Introduction

This Chapter assesses whether the study has successfully addressed the research problem and fulfilled its stated objectives.

Recommendations to assist organisations in effective implementation of transformation policies, and in ensuring that stereotypes and poor perceptions are minimised in the workplace so as to avert negative impact on performance, are presented. Suggestions on how to manage cultural diversity in the workplace and a profile of strategies to increase black management representation in the workplace are also offered. The recommendations cater for both larger and smaller organisations.

### 5.2 Summary of findings

*Based on the findings of the first objective that looked at attitudes of managers towards transformation policies (BEE and Affirmative Action, the following was derived:*

Black and white managers were of the view that transformation policies were necessary, although there was an issue around implementation of the policies, which could be attributed to poor understanding of the purpose and objectives of the policies. White managers were still fairly uncomfortable with transformation, as they felt it tended to favour blacks.

Sixty percent of black managers and 50 percent of white managers felt that the adoption of a new constitution and abolishment of apartheid legislation had provided more blacks with opportunities to move into management positions. BBBEE was aimed at achieving transformation at all levels, from junior to top management. Transformation was taking place although it was slow and tended to be on junior rather than at top management levels.

Post 1994, government followed its mandate to redress past inequalities caused by apartheid policies. This was done through policies such as the Employment Equity Act, and BBBEE and Affirmative Action policies. Government sought to rectify historical imbalances by introducing the Employment Equity Act in 1998, which was aimed at preventing all forms of unfair discrimination at work and required all enterprises employing more than 50 employees to utilise Affirmative Action policies to bring about a representative spread of designated groups in all occupations and organisational levels within defined time periods.

One might argue that there is not a rapid increase in black managers, although this did not necessarily mean that transformation policies were ineffective as such. It could be attributed to the fact that organisations might be unable to find suitably qualified candidates to take up management positions, and that organisations (especially smaller firms) were not always able to invest the required time and finances for training and developing potential candidates.

*Based on the findings of the second objective that looked at perceptions of white managers towards black managers, and explored the relationship between poor performance of black managers and attitudes of white senior managers, the following was derived:*

It was very difficult to prove that negative attitudes of these white senior managers was the sole reason for black managers' poor performance, although one could conclude that negative attitudes and perceptions were one of the contributing factors to poor performance. It was argued that negative attitudes of white managers motivated some black managers to excel in their jobs, as they wanted to prove their white counterparts wrong, i.e. that they were competent and not lazy as perceived. On the other hand, negative perceptions were regarded as having the potential to crush some of the black managers' self-esteem and demotivate them, to the extent that some saw the need to change jobs. One of the black managers' said, "Negative attitudes of senior managers were extremely frustrating". The responses indicate that there was a correlation between attitudes of white senior managers and the performance of black managers to a certain extent.

Based on these findings, one could conclude that if white senior managers had positive attitudes towards their black counterparts, black managers could be more successful in their roles and organisations could be more successful.

*Based on the findings of the third objective that looked at how cultural upbringing had influenced the managers' attitudes and behaviour in the workplace, the following was concluded:*

It was clear that culture had an impact on the manager, and on his or her management approach. Black managers utilised an Afrocentric management approach which expressed African values, and whites on the other hand utilised a Eurocentric approach that strongly stemmed from Western and European values. Most of the black managers felt that they have had to give up some of their cultural ways in the workplace as these inhibited their career growth and development. African culture teaches one to be quiet and submissive, whereas there is no room for submissiveness in the workplace, as being reserved can be seen as lack of confidence and lack of ability to carry out the job. As a manager, one is expected to exert a certain degree of confidence in order to lead and guide others (Smit, *et al,* 2008).

*Based on the findings of the fourth objective that looked at how organisations could cultivate the landscape for increasing the number of black managers, the following was concluded:*

Prior to 1994, organisations were white-owned and management was predominantly white. With the adoption of the new Constitution post 1994, there was more government intervention towards rectifying the imbalances within the economy, by providing opportunities to the previously disadvantaged for full participation in the economy. However, as black South Africans had been deliberately under-equipped for the modern industrial and commercial economy due to the inferior Bantu education system afforded to black learners, although the landscape had evolved, black skills levels were still low.

The only way that the landscape could be cultivated for up-and-coming managers of colour was by ensuring that all appointments were based on merit and not colour; in order for this to happen, organisations needed to ensure that there was a legitimate recruitment process in place. Secondly, management needed to put more effort into ensuring that transformation agendas were transparent and properly communicated to employees, to gain trust from and eliminate fear in the workforce.

Based on these findings, one could conclude that the research problem and objectives of this study have been addressed.

## 5.3    Implications of this Research

This study will assist organisations in better managing cultural diversity to ensure that negative stereotypes are minimised, and that better working relationships are adopted in the workplace through increased understanding and celebration of cultural differences. By effectively managing cultural differences, organisations will be able to retain key staff, and as a result reduce recruitment and training costs that are lost through staff turnover.

Managing cultural diversity will also assist graduates entering the workplace to be more aware of cultural differences and more tolerant of other cultures, as well as understanding how poor attitudes impact on performance.

Supervisors and front-line managers could benefit from this research, as they need to be more culturally literate and open-minded in diverse workforces. Managing diversity remains a significant organisational challenge which requires a great deal of emotional intelligence. Supervisors and managers must be in a position to learn from and educate others within their organisations about the value that diverse cultures add to the organisation.

By being more culturally aware, management will be in a position to resolve cultural differences with stakeholders, i.e. customers and BEE partners, and thus to forge good working relationships within and beyond the workplace.

Government (policy-makers) can draw from these findings to comprehend the challenges faced by organisations with regard to implementation of transformation policies such as Affirmative Action and BBBEE legislation, and provide better support structures for organisations in the form of consultations.

## 5.4     Recommendations to solve the research problem

Based on research findings, one concludes that in order to overcome the issue of mixed and conflicting perceptions, there is a need for cultural literacy and cultural awareness. Perceptions are often fuelled by preconceived ideas that certain cultural groups are superior to others. The following is recommended in order to overcome ethnocentrism in organisations:

- Organisations should have programmes in place to create cultural awareness. Organisations should also create a platform that enables employees to embrace and celebrate different cultures.
- Organisations should ensure that there is a legitimate recruitment process in place to ensure that no candidate is unfairly discriminated against, and to ensure that all recruitment is based on merit and not on colour.
- Organisations should strive for a South African culture that is accommodative of all cultures, as opposed to one culture that alienates other cultural groups. According to Smit (2006), organisations world-wide were making conscious efforts to shift from an ethnocentric mono-culture to one of pluralism and ethno-relativism.
- Effective training can assist employees to accept different ways of thinking and behaving. Organisations that effectively manage diversity in the workplace tend to have a competitive edge in the market, because increased

staff morale and stronger synergy, as well as the heightened creativity emerging from harmony within diverse groups, are critical success factors.

- Diversity management should be driven from the top to the bottom of the organisation, and managers should be held accountable for meeting diversity goals. These goals should be set as targets in the managers' Balanced Scorecards.

Based on research findings, in order for transformation legislation such as BEE and BBBEE to be effective in organisations, the following interventions are recommended:

- Performance management should be used as a mechanism for training and developing people from designated groups to become fully productive employees. Performance management should be closely linked to succession plans and career planning in order to mentor and develop candidates for management positions.
- There needs to be more government intervention, in the form of support structures for organisations and monitoring to ensure that there is compliance, i.e. government officials need to consult more with corporates to assist them in properly implementing the policy.
- There is a need for more enforcement of the policy by government to ensure compliance. This need not be only in the form of penalties; government should make it more onerous for businesses to do business if they are not BEE-compliant, and this should not be applied solely in the case of government tenders.
- Government should look at standardising rates with verification agencies, as the verification process for BEE status by organisations is very costly, and as a result, organisations may not have sufficient funds to pay for the services of a verification agent to rate their progress.

- Transformation policies should also cater for smaller organisations, as currently, BBBEE policies are designed for the larger organisations and industry players.

- Management needs to be better educated, as there seems to be a poor understanding around the purpose of the policies, and a great deal of resentment and fear associated with these policies. Poor implementation of the policies in the workplace may be attributed to lack of understanding of the requirements of the policy.

- There needs to be more management commitment to the transformation process at all levels in companies. The task of achieving employment equity should not be relegated solely to the human resources department (as is the case in large organisations), as this divison would not have the requisite authority or capacity to ensure progress.

- Organisations should ensure that transformation takes place on all levels of management, and not solely among lower management.

## 5.5    Limitations of Study

- The sample size may not be representative of the population
- The participants may hold back on valuable information due to the sensitivity of the study
- The participants may not be able to fully engage in the study due to time constraints

## 5.6    Recommendations for Future Studies

There are a number of focus areas that this study was unable to examine, hence future studies could consider the following topics that arise from this study:

- The impact of education, or lack thereof, on the advancement of blacks in the workplace;

- The effectiveness of cultural awareness programmes in the workplace;
- The effectiveness of BBBEE in Small to Medium Enterprises;
- Whether Affirmative Action policies contribute to staff turnover, where whites are concerned.

## 5.7    Conclusions

This Chapter has presented recommendations aimed at assisting organisations in effectively managing diversity and implementing transformation within organisations. The findings suggest that there is a need to change attitudes in the workplace in order to stimulate the environment for successful managers, in terms of managing perceptions and being more culturally literate, which requires a great deal of emotional intelligence to ensure that negative perceptions are eliminated. South Africa has become highly diverse and in order for organisations to be competitive nationally and internationally, they need to become multi-cultural.

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**APPENDIX 1**

*Questionnaire:*

**Candidates profile:**

i)      Gender of manager

ii)     Age of manager

iii)    Name of organisation

iv)     Position in the organisation

v)      How long has this position been held

vi)     Education level

vii)    How long have you been in a management related position

**1.      Views on Transformation and Transformation policies  in SA**

1.1     Black Economic Empowerment policy is essentially a growth strategy, targeting the South African economy's weakest point: being inequality. Its main aim is to address the systematic exclusion of the majority of South Africans from full participation in the economy. For purposes of this research focus will be on the Management control pillar.

What are your views on Black Economic Empowerment?

1.2     Do you believe that Government policies and legislation such as Black Economic Empowerment assisted in addressing transformation issues in Organisations?

1.3     Has the evolution of the South African business landscape stimulated a greater entrance of black managers to the management realm?

1.4     Do you believe that Black managers tend to be assigned to jobs with less decision making power as opposed to their White counterparts i.e. transformation related issues etc?

1.5     Should Government have harsher penalties for organisations that fail to comply with transformation policies?

**2.      Perceptions of the race groups towards each other**

2.1     What perceptions do White managers have of Black managers?

2.2     What perceptions do Black managers have of White managers?

**3.      Correlation between poor performance of Black managers and attitudes of White Senior managers**

3.1     Based on your feedback in 2.1 and 2.2, do you believe there is a correlation between performance of Black managers and perceptions of White senior management towards Black managers?

3.2     Do you believe that as a manager, you are getting sufficient support from your organisation to enable you to get your job done? If you answered No, please advice as to what organisations can do to put support structures in place?

3.3     Do you believe that the race card is used at times to cover up for under performance of Black or White managers?

**4.**     **Cultural influences in management**

4.1     What are your views on cultural diversity in the workplace?

4.2     How has your cultural background shaped your thinking and behaviour as a manager and has this prepared you for management (African values and norms etc)?

4.3     What do you believe organisations can do to address cultural issues and create cultural awareness in the workplace?

**5.**     **Increasing Blacks involvement in management without alienating White managers**

5.1     How can Organisations cultivate the landscape for up and rising managers of colour without driving away White managers?

5.2     Do you believe your organisation is committed to the advancement of Blacks in the organisation?

5.3     What are your views on affirmative action policies, do you believe this is a reversal of apartheid regime policies?

APPENDIX 2

| Informed Consent Letter 3C |
|:---:|

**UNIVERSITY OF KWAZULU-NATAL**
**SCHOOL**

Dear Respondent,

**Masters and Business Administration Research Project**
**Researcher**: Christina Mosemoli Shezi (031 450 4516)
**Supervisor**: Dr Maxwell Phiri (033-2605843)
**Research Office**: Ms P Ximba 031-2603587

I, **CHRISTINA MOSEMOLI SHEZI** am an MBA student, at the University of KwaZulu Natal (UKZN). Invite you to participate in a research project entitled **Demystifying Management in South Africa: The Case of Black Managers in Durban, South Africa**. This study aims to demystify any misconceptions about black managers with regards to their performance and roles as managers in South African organisations. The primary problem of this study is to determine whether changing attitudes in the workplace can stimulate the environment for successful managers. This study will investigate whether there is a positive or negative correlation between poor performance and the attitudes of senior management towards black managers. There are a number of perceptions associated with black African managers mainly around their performance and their ability to deliver on the job, in the long term this may result in low morale and even poor retention of black managers in organisations. The face of South African leadership is, however, becoming more diverse and inclusive of all race groups, which poses a challenge to the dominant management values and practices (Booysen, 1999). Due to this diverseness it has become crucial for organisations to better understand management so as to stimulate a high degree of productivity and job satisfaction within organisations.

Through your participation I hope to better understand management, and how ones cultural background plays a role in the management approach used, as well as bringing to light the perceptions that Black African and White managers have of one another and the reason for this mindset. The results of the focus group are intended to contribute to the body of knowledge on

this subject and other management studies addressing issues of culture, transformation and change management.

Your participation in this project is voluntary. You may refuse to participate or withdraw from the project at any time with no negative consequence. There will be no monetary gain from participating in this survey/focus group. Confidentiality and anonymity of records identifying you as a participant will be maintained by the UKZN.

If you have any questions or concerns about the interview or about participating in this study, you may contact me or my supervisor at the numbers listed above.

The interview should take about 45 minutes to an hour to complete.  I hope you will afford me the time to conduct this interview.

Sincerely

Investigator's  signature_____ Date_____
**This page is to be retained by participant**

**APPENDIX 3**

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**UNIVERSITY OF KWAZULU-NATAL**
**SCHOOL**


**Masters and Business Administration Research Project**
**Researcher**: Christina Mosemoli Shezi (031 450 4516)
**Supervisor**: Dr Maxwell Phiri (033-2605843)
**Research Office**: Ms P Ximba 031-2603587

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<u>**CONSENT**</u>

I……………………………………………………………………….(full     names     of
participant) hereby confirm that I understand the contents of this document and the nature
of the research project, and I consent to participating in the research project.

I understand that I am at liberty to withdraw from the project at any time, should I so
desire.


**SIGNATURE OF PARTICIPANT**                                    **DATE**


………………………………………………………………………………………………


This page is to be retained by researcher

# APPENDIX 4

**UNIVERSITY OF KWAZULU-NATAL**

**INYUVESI YAKWAZULU-NATALI**

Research Office, Govan Mbeki Centre
Westville Campus
Private Bag x54001
DURBAN, 4000
Tel No: +27 31 260 3587
Fax No: +27 31 260 4609
mohunp@ukzn.ac.za

28 June 2011

**Mrs CM Shezi  (209511027)**
**Graduate School of Business**
**Faculty of Management Studies**
**Westville Campus**

Dear Mrs Shezi

**PROTOCOL REFERENCE NUMBER: HSS/0394/011M**
**PROJECT TITLE: Demystifying Management: The Case of Black Managers in Durban, South Africa**

In response to your application dated 23 June 2011, the Humanities & Social Sciences Research  Ethics Committee has considered the abovementioned application and the protocol has been granted  **FULL APPROVAL.**

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

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

Yours faithfully
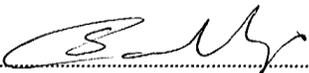
**Professor Steven Collings (Chair)**
**HUMANITIES & SOCIAL SCIENCES RESEARCH ETHICS COMMITTEE**

cc. Supervisor: Dr M Phiri
cc. Mrs C Haddon

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