

Employee perceptions on managing diversity in the workplace

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In the application of one's mind to a study, it is always important not be influenced by one's predispositions. This is aptly described in the explanation of what Bertrand Russell considered to be the origin of myths. "What a man believes upon grossly insufficient evidence is an index into his desires -- desires of which he himself is often unconscious. If a man is offered a fact which goes against his instincts, he will scrutinize it closely, and unless the evidence is overwhelming, he will refuse to believe it. If, on the other hand, he is offered something which affords a reason for acting in accordance to his instincts, he will accept it even on the slightest evidence. The origin of myths is explained in this way." Bertrand Russell

Abstract

In the past decade diversity has become one of the most topical subjects in South Africa. It is present in various forms, such as employment equity and the skills development. Our country requires an economy that can meet the needs of all our citizens – our people and their enterprises – in a sustainable manner. This will only be possible if the economy builds on the full potential of all persons and communities across the length and breadth of this country.

In order to do an evaluation of the perceptions of Senwes Ltd's employees, a survey was conducted by means of a questionnaire across gender, race and culture. Sections B and C of the questionnaire comprised a five point Likert-type questionnaire scale that focused on knowledge of the values, their understanding, acceptance and behaviour. The results from the survey questionnaire were compared to the survey results from Deloitte's "Best Company to Work For"-survey. Senwes has taken part in this survey for the past three years. The focus of this comparison was primarily on the diversity dimensions. Secondary company data such as remuneration and the number of resignations per race per year were analysed as well in order to complete triangulation. The aim was to use the three measures of central tendency as far as possible, but most of the data was only made available in the arithmetic mean.

The overriding difference between South Africa and developed countries in terms of the implementation of legislation that furthers diversity is that in Europe and the USA the issue was and still is about how to include a minority into the mainstream. The situation in South Africa is exactly the opposite, in terms of numbers. It is about how to integrate the majority into all sectors of the economy. An important step in addressing diversity in the workplace is the analysis of the company's employment practices and working environment, which will reveal barriers to achieving employment equity. Companies are expected to take proactive steps to improve their diversity. Senwes meets the requirements in terms of the Employment Equity Act 55 of 1998. All the necessary steps and reporting are in place. However, by the

company's own admission in the April 2008 annual report, the company faces shortcomings in this aspect and plans have been put in place to address them.

A convenience sample was selected on the basis of availability, and the respondents were selected because they are accessible, articulate and literate. Triangulation was used to verify the results for the survey questionnaire.

64% of the respondents believe that there is a positive correlation between diversity and productivity. However, areas of concern include firstly the notion that EE, AA and diversity are the same thing; secondly that 85% of employees perceive disabled persons as a burden to the company, thirdly that respondents call the role of management in the equitable treatment of various races into question; and fourthly, that respondents perceive the dominance of white males as prevalent in the company. Disability and sexual orientation are not highly regarded, with most of the employees contending that there is no place for homosexuality in the work place. On the positive side, 63% of the employees are of the opinion that black people are as capable as white people.

The results from Deloitte's on the understanding of diversity mirror that of this study's survey questionnaire results in this aspect. However, in other respects they differ considerably. This could perhaps be attributed to the difference in race and occupational level of the respondents. Furthermore, the contradictions from the survey questionnaire and the Deloitte's Best Company to Work for Survey may be attributed to the sample size, sampling method and familiarity.

Black females on average are the lowest paid employees within the company. White males on average are the highest paid. In general women are paid less than men. There are salary differences across gender and race on average. The trend in general over the last five years is the same. Females in general attend less training than men, and white employees have more training opportunities than other racial groups.

It is suggested that talent mangement, remuneration, recruitment and Employee Assistance Programmes be reconsidered to create a pro-diversity atmosphere.

Keywords:

Diversity, Perceptions, Legislation, Triangulation, Likert-type Scale, Employment Equity,

Opsomming

Oor die afgelope dekade het diversiteit een van die mees aktuele onderwerp in Suid Afrika geword. Dit is in verskeie vorme teenwoordig, byvoorbeeld gelyke indiense-neming and vaardigheidsontwikkeling. Ons land benodig 'n ekonomie wat aan die behoeftes van alle burgers kan voldoen - ons mens en hul ondernemings - op 'n volhoubare wyse. Dit sal slegs moontlike wees indien die ekonomie op die volle potensiaal van alle persone en gemeenskappe regoor die land kan staatmaak.

'n Opname is by wyse van 'n vraelys gedoen ten einde die persepsies van Senwes Beperk se werknemers, wat beide geslagte sowel as alle rasse en kulture insluit. Afdelings B en C van die vraelys vervat 'n vyf-punt Likert-tipe vraagskaal, wat op kennis van die waardes, die begrip en aanvaardign daarvan en gedrag fokus. Die resultate van die opname is vergelyk met die resultate van die Deloitte "Beste-maatskappy-om-voor-te-werk"-opname. Senwes neem al die afgelope drie jaar deel aan hierdie opname. Die vergelyking was primêr gefokus op diversiteit. Sekondêre maatskappy-inligting soos vergoeding en die aantal bedankings per rassegroep per jaar is ontleed ten einde "*triangulation*" te voltooi. Die doel was om die drie maatstawwe van sentrale geneigdheid/tendens sover as moontlik te gebruik, maar die meeste van die inligting is slegs op 'n wiskundige wyse beskikbaar gestel.

Die deurslaggewende verskil tussen Suid-Afrika en ontwikkelde lande in terme van die implementering van wetgewing wat diversiteit bevorder, is dat die hoofkwessie in Europa en die VSA in die verlede en tans steeds die insluiting van minderhede in die hoofstroom is. Die situasie in Suid Afrika is presies die teenoorgestelde in terme van getalle. Dit gaan oor die wyse waarop die meerderheid in alle sektore van die ekonomie geïntegreer kan word. 'n Belangrike stap in die hantering van diversiteit in die werksplek is die ontleding van die maatskappy se werkspraktyke en werksomgewing, wat hindernisse ter bereiking van gelyke indiense-nemingsdoelwitte sal uitwys. Daar word van maatskappye verwag om proaktief stappe te doen ten einde diversiteit te verbeter. Senwes voldoen aan die vereistes in terme van die Wet op Gelyke Indiense-neming 55 van 1998. Alle stappe en rapporteringsmeganismes

is reeds in plek. Die maatskappy het egter in sy April 2008 finansiële jaarverslag erken dat daar tekortkominge is en dat planne geïmplementeer is om dit aan te spreek.

'n Steekproef is gedoen op die basis van beskikbaarheid en die respondente is geselekteer op basis van toeganklikheid, taalvermoë en geletterdheid. "*Triangulation*" is gebruik om die resultate vir doeleindes van die vraelys te verifieer.

64% van die respondente glo dat daar 'n positiewe korrelasie is tussen diversiteit en produktiwiteit. Daar is egter kommer oor die persepsie dat gelyke indiensneming, regstellende aksie en diversiteit dieselfde ding is. Tweedens voel 85% van die werknemers dat gestremde persone 'n las vir die maatskappy is en derdens word die rol van bestuur in die billike hantering van die verskillende rasgroepe bevraagteken. Vierdens word blanke mans as dominant in die maatskappy beskou. Ongeskiktheid en seksuele oriëntering nie as belangrik geag nie en die meeste werknemers is van mening dat daar geen plek vir homoseksualiteit in die werksplek is nie. Aan die positiewe kant is 63% van die werknemers van mening dat swart mense net so bevoeg is soos wit mense.

In ander opsigte verskil dit egter aansienlik. Dit kan moontlik toegeskryf word aan die rasseverskille en beroepsvlakke van die respondente. Die teenstrydighede uit die opname en die Deloitte's opname, kan moontlik toegeskryf word aan die steekproefgrootte, die wyse waarop die steekproef gedoen is en familiariteit.

Swart vroue is oor die algemeen die laagste betaalde werknemers in die Maatskappy. Blanke mans word gemiddeld die meeste betaal. Oor die algemeen is vroue se vergoeding laer as die van mans. Gemiddeld is daar salarisverskille oor geslag en ras heen. Die tendens het dieselfde gebly oor die afgelope vyf jaar. Vroue woon oor die algemeen minder opleidingskursusse by as mans en blanke werknemers ontvang meer opleidingsgeleenthede as ander rassegroepe.

Daar word aanbeveel dat talentbestuur, vergoeding, werwing en werknemer ondersteuningsprogramme oorweeg moet word om 'n pro-diversiteit atmosfeer te skep.

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List of abbreviations

JIPSA	Joint Initiative on Priority Skills Acquisition
SETA	Sector Education Training Authority
LFS	Labour Force Survey
HCROI	Human Capital Return on Investment
BEE	Black Economic Empowerment
BCEA	Basic Conditions of Employment Act
EAP	Employee Assistance Programme

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Chapter 1 **Introduction and problem statement**

1.1 Introduction

South African society has been integrated for almost thirteen years and as a result the scope of diversity at work has expanded. The integration will have had some impact and effect on the work place. This more so with the increase of black South Africans and other previously excluded racial groups in the workplace. Some surmise that changing the numbers has not been enough and that the challenge seems to be to figure out how to work together effectively.

The government Joint Initiative on Priority Skills Acquisition (JIPSA) and Sector Education Training Authorities (Seta's) have yet to make an impact on the skills deficit. This simply means that businesses must retain and grow skills. Since the employee profile in South Africa is changing, this means that diversification is necessary to grow the future skills base.

The Labour Force Survey (LFS), September 2007, reflects a somewhat paradoxical picture. According to Statistics South Africa (2007:i), the LFS is a bi-annual household survey designed to measure the labour market, and it also provides insight into a variety of issues related it, including the level and pattern of unemployment and the industrial and occupational structure of the economy. The LFS reports that there was a decline in the unemployment rate from 25,5% in September 2006 to 23,0% in September 2007, which reflects a marked decline in the rate among Black Africans from 30,5% in September 2006 to 26,8% in September 2007. Among the coloured population group the unemployment rate increased from 19,4% to 20,7% over the same period, and among the Indian/Asian and white groups the unemployment rate was virtually unchanged. Secondly, the combined share of the three highest occupation levels – managers, professionals and technicians - rose from 21,1% of total employment in September 2006 to 22,6% in September 2007. The LFS therefore supports the notion

that there is an increase in the number of black people employed, and that means that the level of skills of workers in this category has increased. However, the LFS does not pronounce itself on the racial groups that make up this increase in the number of skilled employees.

The legal framework that institutionalised separate development has been repealed and replaced. The current legislative framework demands participation of all the various race groups in all facets of the society, and in particular the workplace. Typical legislation includes amongst others the Constitution (1996), the Skills Development Amended Act 21 of 2003, Employment Equity Act 55 of 1998 and The Broad Based Black Economic Empowerment Act 53 of 2003. This line of legislation is termed the "Transformation Framework". Employers are forced by law to accelerate the hiring of a more diverse workforce and to remove the barriers to employment progress for previously disadvantaged groups. It is therefore important to understand the legal basis for diversity and how this impacts on the work place. Our country requires an economy that can meet the needs of all our citizens – our people and their enterprises – in a sustainable manner. This will only be possible if the economy builds on the full potential of all persons and communities across the length and breadth of this country. The Transformation Framework becomes not simply a moral initiative to redress the wrongs of the past, but also a pragmatic growth strategy that aims to realise the country's full economic potential.

A stark reminder of the lack of diversity in the South African society is the recent xenophobia attacks. One of the reasons cited for attacking foreign nationals has been the allegations that they take jobs away from South African nationals. This is more startling because it was in essence black-on-black violence, mainly driven by economic hardships.

The importance of the participation of all citizens of a country in economic activity is self-explanatory. This begs the question of what the perceptions of employees on diversity

are. Perhaps even more important is the determination of the actual reality at company level. The latter forms the subject of this study.

1.2. Problem statement

Employees are the cornerstone of any institution. "Attracting and managing much more diverse talent is becoming a critical capability" (Cheese, 2008:18). Therefore their perception of any development in the workplace will impact on them. One of the natural consequences of globalisation is diversity; this implies that diversity is a fact of life. According to Avery and Thomas (2004:380) the onset of globalisation has increased the need for intercultural awareness and understanding. Scase (2006:35) laments that the aging population, the shortage of young people in the labour market, the underutilisation of female talent and increasing participation of men and women from different national and ethnic backgrounds, mean that the skills for managing such a labour force are no longer a voluntary add-on, but a fundamental necessity for corporate success in an increasingly globalised economy. South Africa has had to deal with the issue of diversity on two fronts: firstly diversity as a result of the legal transformation framework, and secondly as a result of globalisation.

It is accepted that some organisations are genuinely trying to understand the business rationale behind diversity, and not just merely legal compliance. Having said that, employers will be *forced* (by legislation) to examine diversity in the context of not only the business case, but also the people dimension of the business strategy, which, in turn, has an impact on both the workforce and its customers. Consumer buying patterns are already changing quite dramatically with black spending power beginning to overtake that of whites, a phenomenon attributed to the "black diamonds". Klein (2008:1) reports that the number of black people who are over 40 years and wealthy has increased by 30% since 2004 and it is expected to grow by 10% per annum. It therefore stands to reason that hiring a workforce that mirrors the diversity of the company's customers can have a powerful impact on understanding the needs of those customers.

Cheese (2008: 18) suggests that as demographic change causes the once familiar talent pools to dry up and new ones to come on stream, organisations have to move fast and act smart if they want to attract, motivate and keep the best people. Having established that diversity is a business success imperative, it becomes important to find out how employees perceive diversity in the workplace. It is against that background that the study focuses on employee perceptions on diversity.

1.3. Aim of the research

The purpose of the study is to investigate employees' perceptions on diversity in the work place. It is often argued that perception is reality. The perception of employees on diversity within the South African context can offer useful insights in general and to business in particular. This is carried out in order accelerate the process of adapting and/or changing current supervisory practices to meet the demands of a diversifying workforce. Secondly, it will develop insight into and knowledge of the current state of diversity within the company.

1.4. Research objectives

1.4.1 Primary objectives

- ❖ To identify the most prevalent perceptions on diversity within Senwes
- ❖ To evaluate the status of Senwes with regards to diversity

1.4.2 Secondary objectives

- ❖ To accelerate the recruitment and selection of scarce labour
- ❖ To inform the retention strategy in order to reduce costs associated with labour turnover.
- ❖ To serve as basis for talent management and diversity management policy within the company.

1.5 Research methodology

1.5.1 Research design

The study will focus on enquiry within the problem statement. In order to perform an evaluation of the perceptions of Senwes Ltd's employees, a survey will be conducted by means of a questionnaire across gender, race and culture. This questionnaire will comprise a five Point Likert-type scale. The questions will be formulated to inquire about attitudes regarding valuing diversity and managing for diversity. A literature review will be used in developing the questionnaire. All the respondents will be assured of confidentiality.

The study is exploratory in nature, and therefore a hypothesis will not be formulated. The study's emphasis will be the identification of the most prevalent perceptions on diversity within Senwes.

1.5.2 Constructing the questionnaire

The questionnaire will comprise three sections. The first section (Section A) will focus on the biographical and demographical data of the respondents. Section B will focus on the respondent's knowledge of values and understanding of diversity. Section C will focus on the acceptance and behaviour of employees with respect to diversity issues. Section B and C of the questionnaire will comprise a five point Likert-type scale which will focus on the respondent's knowledge of the values, and his/her understanding, acceptance and behaviour.

1.5.3 Comparison of questionnaire results with the "Best Company to Work For" survey

This will in turn be compared to the survey results from the "Best Company to Work For"-survey. Senwes has taken part in this survey for the past three years. The focus of this comparison will only be on diversity issues.

1.5.4 Techniques and tools for further analysis of the results

In addition, a number of techniques will be used to contextualise the survey results. Using actual data will either give credence or negate the perceptions of employees on diversity in the work place. Data will include Human Capital Return on Investment (HCROI), Gross Productivity Rand per employee over a period, Percentage Diversity Employee Turnover and Percentage Diversity Salary Differential. With regards to the latter, the three measures of central tendency will be used as far as possible. They are mode, arithmetic average and median.

1.5.5 Study population

An attempt will be made to distribute survey questionnaires to all the permanent employees who have access to the company intranet. This is preferred as it will guarantee a measure of confidentiality. Use of the intranet will make the completion of the questionnaire accessible to personnel without e-mail and it will be less tedious. Only one method of distribution will be used to guarantee that there is no duplication, as only one questionnaire may be completed per computer. The whole population at Head Office will be targeted for the research. The sample will be chosen for the following reasons. Firstly, it is easily accessible. Secondly, presumably the prospective respondents can read. The lingua franca within Senwes is Afrikaans, and therefore the survey will be translated to Afrikaans. It will be distributed in English and Afrikaans. Thirdly, Head Office personnel are the most diverse in demographics and job levels than other operational units.

1.6 Limitations to the study

The sample is limited to employees who are literate and have access to the company's intranet facility. This will exclude the majority of labourers and other employees who do not have access to intranet. African employees and women within Senwes most probably found on lower grades – this may lead to bias.

1.7 Chapter overview

Chapter one provides background information on the need to focus on diversity in the workplace. The issues that set scene, as it were, include the globalisation, skills shortage, recent xenophobia attacks, transformation framework and the changing client profile. The chapter further maps out the problem statement and objectives of the study, culminating in how the problem will be researched, and the concomitant limitations of the study.

Chapter 2 entails a literature review with an emphasis on managing diversity in a large agricultural organisation.

Chapter 3 will continue with the exploration of literature reviewing the so-called transformation framework.

Chapter 4 will describe research procedures.

Chapter 5 will include an analysis and interpretation of the data. The research outcomes will be discussed and will be compared to the "Best Company to Work For" survey, and analysis of company data, such as employee turnover.

Chapter 6 will conclude and make recommendations.

1.8 Conclusion

In the past decade, diversity has become one of the foremost topics of interest to managers, more so in South Africa. This is primarily as a result of the change in the legislative framework. Diversity has also become a business imperative because of changing customer profile, as such dictating that the companies change in tandem.

This chapter sets the problem and discusses the objectives of the study. Furthermore, the limitations of the study and research methodology to achieve the abovementioned objectives were highlighted. The reasons for the selection of the sample were also mentioned.

Chapter 2 **Managing diversity in the workplace.**

2.1. Introduction

It is important that the context within which the study is conducted be established and set forth; in particular in as far as the company and industry are concerned. The *raison d'être* is that all industries are at different stages of development with regards to diversity, and so are various companies within the same industry. For example the AGRIBEE Sector charter on Black Economic Empowerment only came into operation on the 5th of February 2008. The subject of this charter will further be discussed in chapter 3. However, this does not mean that there has been no effort in the industry and/or companies to implement diversity management before the charter was issued.

One cannot be oblivious to the current developments in the sector, such as amongst others the "focus" by competition authorities on the agribusinesses and related companies, land reform progress, high commodity prices, and the 2009 general elections. All these do not form the subject of this study, but merely serve to contextualise the general climate in South Africa, particularly with regard to diversity.

This chapter gives a brief overview of the sector and the company which forms the subject of this study. It further delves into the managing diversity in the workplace.

2.2. Workplace - Brief overview of the agricultural company

"Senwes is an agricultural business that focuses on: the development of access to markets for agricultural produce; and the supply of input products to the agricultural producer; adding value to role players in this chain" (Senwes, 2008). It is a former co-operative involved in the agricultural sector that was converted into a public company in 1997. Its core activity is the supply of inputs and facilities to producers of agricultural

commodities – mainly grain. It is also involved in the field of market access for primary agricultural products. It conducts activities at various levels of the grain supply chain.

Prior to 1996, the grain market was regulated and the Marketing Boards were the only buyers of farmers' produce. Another characteristic of the regulated period was that storage facilities, funded by the Land Bank, were operated by cooperatives that were organised according to geographical areas. They graded, handled, stored and fumigated the grain. Consequently, the ownership of bulk storage infrastructure was concentrated at a regional level. With the deregulation of the grain industry, 90% of the cooperatives were converted to private companies. These companies own 85% of the total storage capacity in South Africa. The whole Senwes silo capacity constitutes approximately 4,6 million tons, making them dominant in the relevant geographic area they operate in. In an attempt to expand its footprint in South Africa, Senwes has offices in Mpumalanga and the Western Cape.

"A BEE transformation charter was approved by the board in 2004, which has since been aligned with the draft Agri-BEE charter and the code of good practice. Senwes believes that black economic empowerment (BEE) is a vital component in the facilitation of meaningful participation of black people on all levels of the South African economy, thereby ensuring social, socio-political and economic stability as well as a contribution towards economic growth and development. Senwes is a level 6 contributor to BEE at present." (Senwes, 2008)

"A broad based black economic empowerment transaction has been entered into with the Bafokeng Consortium during 2006. It offers entry into new markets and unlocks other opportunities for Senwes as an empowered agri-business" (Senwes, 2008). The Bafokeng Consortium has increased their shareholding to 32.6%. "Senwesbel currently has a 35,5% shareholding and its empowerment partner, the Bafokeng Consortium, has a 32,6% shareholding, whilst approximately 32% of the shares are still in the hands of the minorities" Senwes Ltd (2008). Senwes Ltd realises the role of transformation in

future. "The fact that Senwes is an empowered company, has not been fully exploited, despite various initiatives and hard work in this regard. Expectations are that this will become increasingly important in the future, particularly from the point of view of the buyers of grain" (Senwes, 2008).

AFGRI is the only former cooperative and silo operator that is listed on the Johannesburg Stock Exchange (JSE). Although listed on the JSE, AFGRI Ltd is a company that may be compared to Senwes Ltd. "AFGRI Operations is 26,8% owned by a broad-based BEE consortium, The Agri Sizwe Empowerment Trust, which has two representatives on the Board of Directors" (AFGRI, 2008).

Against this background, it is important to note and emphasise the following:

- Senwes Ltd is the biggest silo operator in South Africa by volume.
- A transformation charter was approved by the board of Senwes in 2004, four years before the issue of the AGRIBEE Sector charter.
- An empowerment transaction was entered into in 2006 with the Bafokeng Consortium.
- In 2008, Senwes is the most empowered former cooperative silo operator in South Africa.
- Senwes Ltd has four empowerment directors on its board.

2.3. Defining the main concepts

It is imperative that the main concepts that form the basis of the study is defined. This is important for two reasons. Firstly, it lays the foundation of the study, and secondly it limits the research to the understanding of what the main concepts entail.

2.3.1. Employees

Employees for the purposes of this study refer to all persons who are contracted for their labour in terms of the Basic Conditions of Employment (Act 55 of 1997) (BCEA). Chapter 1 of the BCEA act defines an employee as follows:

- a. " any person, excluding an independent contractor, who works for another person or for the State and who receives, or is entitled to receive, any remuneration; and
- b. "any other person who in any manner assists in carrying on or conducting the business of an employer, and 'employed' and 'employment' have meanings corresponding to that of 'employee'".

Furthermore, the Basic Conditions of Employment Act section 83A and the Labour Relations (Act 66 of 1995) as amended, section 200A, both provide the following "Presumption as to who is an employee". An employee is a person who works for, or renders services to, any other person is presumed, until the contrary is proved, to be an employee, regardless of the form of contract, if any one or more of the following factors is present:

- a. the manner in which the person works is subject to the control or direction of another person.
- b. the person's hours of work are subject to the control or direction of another person.
- c. in the case of a person who works for an organization, the person is a part of that organization.
- d. the person has worked for that other person for an average of at least 40 hours per month over the last 3 months.
- e. the person is economically dependant on the other person for whom that person works or renders services.
- f. the person is provided with tools of trade or work equipment by the other person;
or
- g. the person only works for or renders services to one person.

2.3.2 Perceptions

According to the Concise Oxford English Dictionary (1995: 1014) the meaning of perception is an interpretation or impression based on one's understanding of something. In psychology, Weiten (1995: 120) defines perception as the selection, organisation and interpretation of sensory input.

The notion that perception is reality, however subjective, bears testimony to the importance of perceptions. Perceptions, therefore, are representations of what is perceived and remain the basic component in the formation of a concept. In short, perceptions can be summarised to be the conscious understanding of something. Reality is grounded in past experiences and knowledge, hence the notion that perception is reality.

The relationship between perceptions and actions is the subject of cognitive psychology and do not form part of this study. It suffices to say that it is assumed that how we behave (act) is a result of our perceptions, hence our reality.

2.3.2 Diversity

De Meuse *et al* (2007: 39) define diversity as the presence of differences among members of a social unit. Diversity can be defined as a variety of characteristics that make individuals unique. The characteristics include and are not limited to the following: age; cognitive style; culture; disability (mental, learning, physical); economic background; education; ethnicity; gender; geographic background; language; marital status; physical appearance; political affiliation; race; religious beliefs; sexual orientation. Rink and Ellemers (2007: S17) agree that the term diversity is often broadly used and generally refers to any kind of individual difference that can exist between people who work together in an organisation.

Hubbard (2008: 101) laments that an organisation may see diversity as an opportunity to demonstrate ethical behaviour and social leadership, or it may see diversity as an ancillary part of the public façade, like the blood drive or the company picnic.

It is apparent that there is more to diversity than just gender and race. It has evolved from anti-discrimination compliance to focusing on inclusion, and the impact on a company's bottom line. Diversity in today's workplace refers to racial minority groups, ethnic majority groups, women, older persons, persons with disabilities, persons of non-traditional sexual orientation, persons for whom English and or Afrikaans is a second language, and other non-traditional groups.

Claire *et al* (2005: 78) contend that diversity comes in two types: visible and invisible. Visible characteristics usually include race, sex, age and others. Invisible characteristics usually include differences like religion, national origin, clubs, illness and the like. Claire *et al* (2005: 78) further lament that most organisational scholarship on diversity has focused on such visible social identities as race, age and gender.

According to the Aids Foundation (2008), South Africa has the sixth highest prevalence of HIV/Aids in the world, with 18.8% of the population estimated to be infected. The UNAIDS 2006 Global Report estimated that 320 000 people died of AIDS-related deaths in South Africa during 2005. South Africa is regarded as having the most severe HIV/Aids epidemic in the world.

This means invisible diversity will become a major issue in South Africa and the world in the future.

The definition of diversity depends on the organization and its stage of development regarding workforce diversity.

2.4. Managing diversity

It is accepted that the world is ever changing. According to Cummings and Worley (2005: 410) researchers suggest that contemporary workforce characteristics are radically different from what they were 20 years ago. Furthermore, workforce diversity is more than a euphemism for cultural and racial differences. "Organisations must design human resources systems that account for these differences if they are to attract and retain a productive workforce and if they are to turn diversity into a competitive advantage" Cummings and Worley (2005: 410). This means that diversity in the workplace is a given. Now that we are "stuck" with it, we must manage it. It is often said that we cannot manage that which we cannot measure. According to Statistics South Africa (2008) the best estimate for the 2008 mid-year population is estimated at 48,7 million, of which:

- Fifty-two percent (approximately 25,2 million) of the population is female.
- Gauteng has the largest share of the South African population. Approximately 10,5 million people (21,5 percent of the population) live in this province. KwaZulu-Natal is the province with the second largest population, with approximately 10,1 million people (20,8%) living in this province. With a population of approximately 1,1 million people (2,3%), the Northern Cape remains the province with the smallest share of the South African population.
- Nearly one-third (32%) of the population is younger than 15 years and approximately 7% (3,5 million) is 60 years or older. Of those younger than 15, approximately 22% (3,4 million) live in KwaZulu-Natal and 19% (2,94 million) live in Gauteng.
- Life expectancy at birth is estimated at approximately 50,3 years for males and 53,9 years for females.

- The estimated overall HIV-prevalence rate is approximately 11,0%. The HIV-positive population is estimated at approximately 5,35 million.
- Table 2.1 shows the population breakdown according to race and gender, according to the Statistics South Africa's 2008 Mid-year population estimate.

Table 2.1 Population breakdown according to race and gender.

Population group	Male		Female		Total	
	Number	Percentage of total population	Number	percentage of total population	Number	Percentage of total population
African	18 528 000	79,0	20 037 100	79,4	38 565 100	79,2
Coloured	2 105 800	9,0	2 273 400	9,0	4 379 200	9,0
Indian/Asian	614 700	2,8	628 800	2,5	1 243 500	2,6
White	2 198 300	9,4	2 302 900	9,1	4 499 200	9,2
Total	23 444 800	100,0	25 242 200	100,0	48 687 000	100,0

Source: Statistics South Africa

The above table confirms that people from designated groups represents more than 95% of the population. Designated groups refer to Africans, Coloureds, Indians, Asians and White women. This cannot emphasize the need for a more diverse workforce enough. Annexure B shows the Senwes' workforce according to gender and race. "Senwes will seek to develop a diverse workforce and achieve equity at all levels of operations through a holistic approach. That will incorporate effective targeted recruitment and selection, promotion and succession planning, loyalty and retention strategies, cultural transformation, and effective diversity management, as well as the provision of an enabling environment" (Senwes, 2008).

As a point of departure it is important to define what is meant by "managing diversity". According to Wiebe-Randeree (2000:4), in general managing diversity is a holistic, proactive approach towards helping all staff members grow, enabling them to excel and be productive contributors to the success of the firm. De Seuse *et al* (2007: 39) opine that the terms "managing diversity" and "valuing diversity" are rooted in the management of employees. "Some South African employers confuse managing diversity

with affirmative action or the new employment equity legislation” (Wiebe-Randeree, 2000: 4). The legislative framework will be dealt with in Chapter 3.

Managing diversity can be seen as the creation of a climate within the company in which the potential advantages of diversity for the company are maximised, while minimising the concomitant disadvantages.

The proven potential benefits of managing diversity according to Wiebe-Randeree (2000:7) are the following:

- Access to talent, in that it is easier to recruit scarce labour.
- Reduction of costs associated with excessive labour turnover and absenteeism.
- Enhancement of organisational flexibility.

In addition one can add the following:

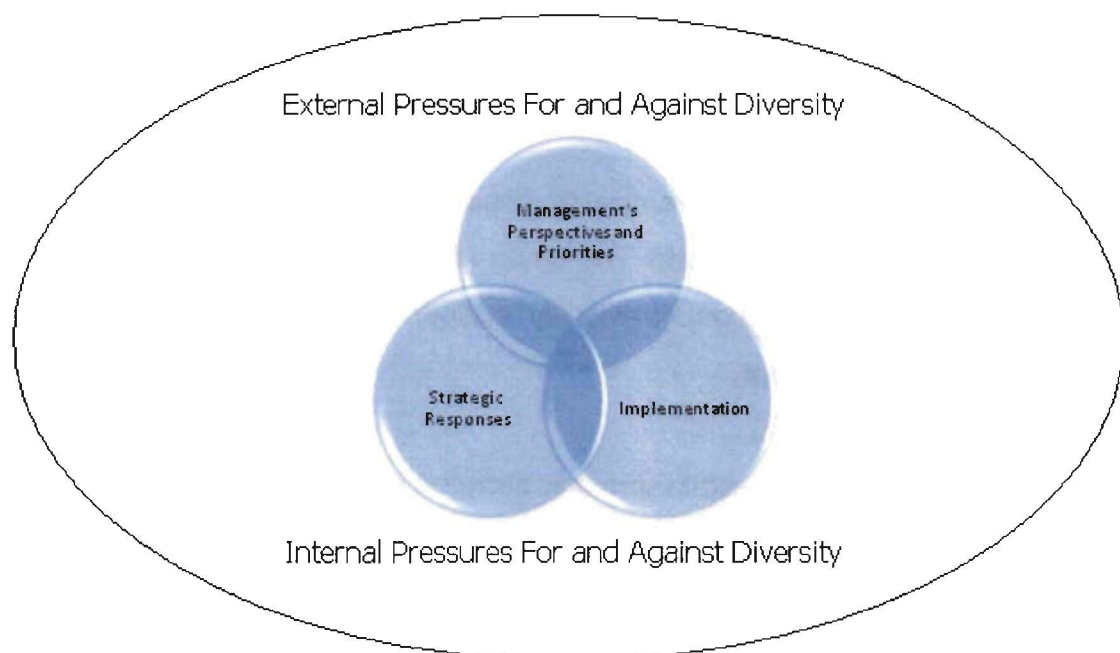
- Performance advantages.
- Enhancement of creativity and innovation.
- Improvement in problem solving.
- Enhancing marketing in cross cultural differences appreciation.

Wiebe-Randeree (2000:8) makes a telling point in that given the growing problem of a short supply of skilled workers, the continued emigration of white managers, the so-called job hopping of black executives, and the historical influence of a paternal authoritarian management style, South African managers should learn to value and management diversity within their organisations.

According to Ng and Burke (2005: 1196) diversity management is considered a more popular alternative to affirmative action for two reasons: firstly, diversity management can help organisations capitalize on the benefits of a diverse workforce, and secondly, diversity management is a voluntary corporate approach to dealing with increasing demographic diversity in the workplace. According to Cummings and Worley (2005: 410)

an organisation's diversity approach is a function of internal and external pressures for and against diversity, and management's perspective and priorities on diversity can range from resistance to active learning and from marginal to strategic. Furthermore, within management's priorities the organisation's strategic responses can range from reactive to proactive. Cummings and Worley (2005: 411) also comment that the organisation's implementation of management of diversity can range from episodic to systemic, and they advise that a diversity approach will be most effective when strategic responses and implementation style fit management's intent and external pressures. "Unfortunately, organisations have tended to address workforce diversity pressures in a piecemeal fashion" (Cummings and Worley, 2005: 411). Figure 2.1 below represents a general framework for managing diversity in organisations according to Cummings and Morley.

Figure 2.1: A General framework for managing diversity



Source: Cummings and Morley (2005: 410)

2.5 Diversity recruitment

An aspect that is often overlooked is diversity recruitment. In today's global economy, buying power rests in the hands of people from all walks of life. This is supported by the population break down as reflected in table 2.1 It stands to reason that therefore companies need to hire people from all walks of life in order to appeal to this large customer base. By employing a diverse workforce, companies can tap into their specialized insights and knowledge about the marketplace. This is why it is becoming increasingly important for a company's makeup to reflect the makeup of their customer base.

Diversity recruitment is also important if a company wants to build a quality workforce. Demographic changes that affect the labour pool and available talent will make diversity recruitment a growing factor in the coming years. Companies will have to adjust to the changing demographic composition of the labour force to stay competitive in today's marketplace.

The labour force is becoming more diverse. Minorities are the fastest-growing part of the labour force in the developed world. The South African situation is rather different in that the majority of the population, previously excluded in the formal sector, is gaining momentum in the work place.

Ng and Burke (2005: 1206) establish a link between diversity management practices and attraction of high achievers, and supports the notion that individuals with high levels of abilities prefer to work for more progressive organisations. Ng and Burke (2005: 1207) further conclude that diversity practices make organisations more attractive to women and minorities and that there is initial evidence to show that they also attract high achievers and new immigrants as potential employees.

Maimane (2008) claims that there is an overwhelming sense of war when it comes to black talent in South Africa and that it is right that companies, regardless of legislation and external pressure, represent South African demographics. Furthermore, the success of business in Africa (and the success of African companies in global markets) relies on the retention and management of young black individuals.

Maimane (2008) concludes that work is not just a career, but rather a picture of success and an achievement of the dream, and those talented black professionals do not need more work-life balance, as if work and life are opposites. "They need employers who understand the integration of all the areas of their lives: work, family, extended family, community, culture, society and self. Right now, many of them can simply chase extra cash but most know this will not last, and they do not want to be caught short with a hollow life at the end of the game" (Maimane , 2008). Attracting and retaining black talent becomes slightly easier when the group and the individual is fully understood in terms of the dynamics of motivators, history and aspirations. Maimane (2008) further feels that in this sense black professionals are quite similar to talented young people anywhere in the world. Mbuya (2003:19) makes the point that smart recruiting can help organizations meet their affirmative action goals, and emphasizes that affirmative action is law – and it is good business.

According to Lieberman (2008) companies make two common mistakes in diversity recruitment:

a. Company photo diversity

The organization only considers the visible dimensions of diversity, primarily race and gender. The company photo looks good but everyone thinks the same. Differences that include sexual orientation, geographic background, thinking and communication style, work function, ability and disability, religion and work style are not valued are even discouraged.

b. Diversity in numbers

Diversity in this instance is defined by what you can see and count. Demographics reflect the outside community but it only at lower levels (A and B bands). There is little or no diversity as you move up into management. When questioned about diversity in their organization, they point to all the numbers. Every year they have good "numbers", but the people are constantly changing. Employees leave and get jobs where there is a value of diversity at all levels and they are encouraged to move up.

2.6. Conclusion

This chapter dealt with the main concepts of diversity. The role and extent of diversity within Senwes and the agricultural sector was used as point of departure. The concepts employees, perceptions, diversity, diversity management and diversity recruitment were explained. These will inform the study. Maimane (2008) makes a telling point in that black professionals are quite similar to talented people anywhere in the world. The role of diversity in the workplace cannot be underestimated if we want to compete globally. Senwes is a currently a level six contributor in terms of the Black Economic Empowerment score card.

Chapter 3 **Legislative framework**

3.1 Introduction

It is generally accepted that the change in the legislation, starting with the constitution and then followed by other legislation are the reasons why most employers have had to adapt and change. This chapter looks into the Constitution (1996), the Skills Development Act 97 of 1998, the Broad Based Black Economic Empowerment Act 53 of 2003, using the Broad Based Black Economic Empowerment Transformation Charter for Agriculture and Employment Equity Act 55 of 1998 in as far as diversity is concerned. The overriding difference between South Africa and developed countries in the implementation of legislation that furthers diversity is that in Europe and US the issue was and still is about how to include a minority into the mainstream. The situation in South Africa is exactly the opposite in terms of numbers. Steyn (as quoted by Grant, 2007: 93) concurs that the South African situation differs considerably to other countries such as the US, UK or Australia where the main aim of affirmative action has been to bring in representative numbers of minority groups into a very powerful majority. In South Africa, the small but powerful white minority that has monopolised all economic and workplace activity other than menial labour, has been tasked to change the workplace to be more representative of the population as a whole.

3.2 Constitution of the Republic of South Africa

South Africa's Constitution, as amended, is the fundamental law of South Africa, setting out the Bill of Rights, as well as the relationship of various government structures to each other. The preamble to the Constitution (1996) states that "we, the people of South Africa, believe that South Africa belongs to all who live in it, united in our diversity". Diversity as a word appears twice in the constitution. However, it is implied in words such as "human dignity", "all citizens", "fundamental human rights" and others. "The South African Constitution is written in plain language. It is also written in gender

neutral language. But perhaps most notable aspect of the South African Constitution is that it aims to transform society and respond to our history of inequality and oppression” (Jagwanth, 2002).

Chapter 2 of the Constitution (1996) is entitled “Bill of Rights”. Sub-section 9 of this Chapter declares that everyone is equal before the law and has equal protection and benefit of the law. Chapter 2 Subsection 9 (5) paradoxically laments that discrimination may be found to be fair. This is in line with Employment Equity (Act 55 of 1998) and Skills Development Amendment (Act 31 of 2003), which will be discussed later.

The subject of labour relations and the concomitant act is not covered in this study. It suffices to say that the Constitution (2006) in Chapter 2 subsection 23 declares that everyone has a right to fair labour practices.

3.3 Employment Equity Act

The Employment Equity (Act 55 of 1998) affects designated employers and designated groups. Designated employers are those who employ 50 or more staff members or whose annual turnover is more than that set down in Schedule 4 of the Act. These figures vary according to the type of industry. The National Defence Force, National Intelligence Agency and South African Secret Service are excluded. Designated groups are Africans, Coloureds, Indians, women and people with disabilities.

Employers should achieve employment equity firstly through drawing up an employment equity plan that sets out the steps they intend to take to achieve employment equity over the next one to five years. In order to do this, need to analyse their workforce profile as well as their employment practices and policies. In drawing up the plan they must consult with unions and employees to get consensus around it. Employers need to report their equity plans regularly to the Department of Labour, which then monitors implementation.

An important step in addressing diversity in the workplace is the analysis of the company's employment practices and working environment. These are expected to reveal barriers to achieving employment equity. Companies must take proactive steps to improve their diversity. Employment equity must be monitored, evaluated and reports must be submitted regularly to the Department of Labour.

Senwes meets the requirements in terms of this act. All the necessary steps and reporting are in place. However, by the company's own admission in the April 2008 annual report, the company faces shortcomings in this aspect and plans have been put in place to address them.

3.4 Skills Development Act as amended (Act 31 of 2003)

Skills development is crucial for a developing economy like South Africa. According to the SA Human Development report (2003:150), it is generally accepted that the roots of a number of the current problems facing the South African labour market go back to the economic structure, laws and practices of the Apartheid era. The spirit of the skills development act is to bridge this gap and to contribute to the enhanced performance of enterprises and to improve the quality of working life. It must be noted that the Skills Development Act 97 of 1998 does not make any mention of or link to the Employment Equity Act 55 of 1998 and other related acts. The acceptance of this link is *de facto*, however, and follows from the National Skills Development Strategy as reflected by the focused objectives and success indicators (See Appendix E).

Chapter 1, Section 1 of the Act defines designated groups as "black people, women and people with disabilities". This clearly sets the tone as for whom this legislation has been enacted, even though the objectives of the Skills Development Act are amongst other things to develop the skills of the South African workforce in general.

The Skills Development (Act 97 of 1998) was promulgated to increase investment in education and training, right historical wrongs regarding access and opportunities to

learn, and encourage employers to use their workplaces as active learning environments. An institutional and financial framework has been established to do this, made up of the following labour centres:

- a skills-development, levy-grant scheme;
- the National Skills Authority;
- the National Skills Fund;
- the Skills Development Planning Unit;
- the Sector Education and Training Authorities

The Skills Development Amendment (Act 31 of 2003) also encourages partnerships between the public and private sectors of the economy to provide education and training in and for the workplace, and to cooperate with the South African Qualifications Authority.

However, there is very little evidence in literature and elsewhere that the skills gap in South Africa is narrowing, and the mere fact that most SETAS have been found wanting, supports this aspect.

3.5 AGRIBEE Sector Charter

The AGRIBEE Sector Charter under section 12 of the Broad Based Black Economic Act, 2003 was only issued in 20 March 2008. It is the view of the researcher that it is too soon to report on the progress or shortages of the sector charter. However, aspects that relate to the promotion of diversity will be investigated within the sector charter.

The AGRIBEE Sector Charter's main objective is to ensure increased access and equitable participation in the agricultural sector. The scope of the sector charter directly addresses two areas within the business operations of Senwes Ltd as agribusiness, namely the provision of inputs and services to enterprises engaged in the production of agricultural products, and the storage, distribution, and/or trading and activities related

to the non-beneficiated agricultural products. These are contained in paragraph 2.1 of the sector charter. Senwes refers to these as input supply and market access respectively. According to Senwes (2008) its mission is a diversified agri-business that provides agricultural production inputs, market access to agricultural products and value-adding services to its customers.

The two objectives of the Broad Based Black Economic Empowerment (Act No. 53 of 2003) that address diversity are:

- “achieving a substantial change in the racial composition of ownership and management structures and in the skilled occupations of existing and new enterprises”
- “increasing the extent to which Black women own and manage existing and new enterprises, and increasing their access to economic activities, infrastructure and skills training”(Broad Based Black Economic Empowerment, Act No. 53 of 2003)

The objectives of the AGRIBEE Sector Charter that address diversity in the workplace are:

- “Promoting equitable access and participation of Black people in the entire agricultural value chain”
- “De-racialising land and enterprise ownership, control, skilled occupations and management of existing and new agricultural enterprises” (Broad Based Black Economic Empowerment, Act No. 53 of 2003).

Paragraph 5.2 of the Sector Charter sets the tone for increased participation and levels of control for Black people, and in particular Black women at board level and executive management levels in the industry. The sector proposes that this will be achieved by using the skills development element to ensure secondary, tertiary and in-house training and development programmes are implemented.

This sector charter proposes that the employment equity and skills development targets should be achieved within the ambit of the Employment Equity (Act 55 of 1998) and Skills Development Amendment Act 31 of 2003. Furthermore, paragraph 5.4 sets a target of 85% of the value of actual contribution to the amount of money spent on the skills development with particular emphasis on proposed learning interventions that are meant to address skills shortage amongst designated groups.

The Senwes Black Economic Empowerment Scorecard as at the end of April 2008 is attached in appendix C. It is worth noting that the company has regressed in the two elements that aim to address skills and equity of designated groups. According to the Senwes 2008 Annual report the strategic focus for the company has shifted to employment equity and skills development.

3.6 Conclusion

The transformation framework, namely the Constitution (1996), the Skills Development Act 97 of 1998, the Broad Based Black Economic Empowerment Act 53 of 2003 using the Broad Based Black Economic Empowerment Transformation Charter for Agriculture and Employment Equity Act 55 of 1998, serve to encourage the diversification of employees at all levels in the economy. Companies are expected to report and to launch indirect incentives that may accrue to companies that met these requirements. There is very little evidence in these acts of active and direct compulsion to act accordingly. It would seem the view held is that companies must "do the right" on their own cognisance. This view will be forced to change should the companies in South Africa fail to show significant progress on diversity in the future.

As a company, Senwes meets most of the acts' prescriptions, and as such strives to be a model corporate citizen. This is supported by various initiatives that the company has embarked upon, such as the equity empowerment transaction, involvement in social

upliftment projects and enterprise development. However, by Senwes' own admission as reflected in the company's latest annual report (April 2008) the company has had serious challenges in addressing employment equity and skills, important components of diversity in the workplace.

Chapter 4: **Research Methodology**

4.1 Introduction

In order to perform an evaluation of the perceptions of Senwes Ltd's employees, a survey will be conducted by means of a questionnaire across gender, race and culture. This questionnaire will comprise five Point Likert-type question scales. The questions will be formulated to inquire about the following concept: valuing diversity and managing for diversity. A literature review will be used in developing the questionnaire. All the respondents will be assured of the confidentiality of the questionnaire.

The study is exploratory in nature; therefore no hypothesis' will be formulated. The study's emphasis will be the identification of the most prevalent perceptions on diversity within Senwes.

The questionnaire will comprise three sections. The first section (Section A) will focus on biographical and demographical data of the respondents. Section B will focus on knowledge of values and their understanding of diversity. Section C will focus on the acceptance and behaviour of employees with respect to diversity issues.

The results of the survey will be compared to the survey results from the "Best Company to Work For" survey.

In order to contextualise the results from the survey and the comparison with "The Best Company to Work For" survey, Senwes personnel data will be analysed. A number of techniques will be used to further test credibility the survey results. Using actual data will confirm or negate the perceptions of employees on diversity in the work place. These measures include Human Capital Return on Investment (HCROI), Gross Productivity Rand per employee over a period, Percentage Diversity Employee Turnover and Percentage Diversity Salary Differential. The ideal will be to use all three measures of central tendency.

4.2 Research methodology

The survey method will be the primary manner in which the data is collected. Struwig and Stead (2004: 41) say that this method of data collection requires firstly the application of questionnaires for data gathering, secondly that the population to be studied should be accurately described and that the sample must be representative of the population, thirdly that the scientific character of the data should not be influenced by imbalance or bias, and lastly that the data gathered must be systematically organised in order to make valid and accurate interpretations. The survey questionnaire is found in appendix A.

The first section (Section A) of the survey questionnaire comprises 11 questions that require respondents to detail their demographical and biographical information. This section is important as it would serve to identify similar perceptions and group them together into various , such as gender and race. The other aspects such as religion and sexual orientation, although important, would not be used unless there are strong indications that their impact on perceptions regarding diversity is overwhelming.

Section B and C consists of Likert-type scales. A Likert-type scale is a psychometric scale commonly used in questionnaires, and is the most widely used scale in survey research.

When responding to a Likert-type questionnaire item, respondents specify their level of agreement to a statement. This suits the aim of this study, which is to evaluate the perceptions of employees in Senwes regarding diversity. The number at one end of the scale represents least agreement, or "Strongly Disagree," and the number at the other end of the scale represents most agreement, or "Strongly Agree." Section B aims to test employees on whether they value diversity. This is done by testing their understanding of diversity and its value. This section consists of 20 Likert-type items. Section C of the questionnaire aims to test employees' acceptance and behaviour with regard to diversity in the workplace. It also consists of 20 Likert-type items.

4.2.1 Data collection methods

This survey will be distributed using what is known as collaborative technology. Collaborative technologies are tools that enable people to interact with other people within a group more efficiently and, in many cases, more effectively. The tool that will be used to distribute the questionnaires is SharePoint. According to Wikipedia (2008) Microsoft SharePoint enables groups to configure portals and hierarchies of websites without specifically requiring web-development. This allows groups of end users, as participants, to have much greater control in finding, creating, collecting, organizing, and collaborating on relevant information in a browser-based environment. It also allows views of the different collections of information to be easily filtered, grouped, and/or sorted by each consumer according to their current desire.

Essentially, the questionnaire was made available on the company intranet. Internet surveys are currently fashionable largely because of four popular assumptions about how they are comparable to the more traditional survey mediums: (1) they are less time consuming; (2) they are just as good as or better than more traditional surveys; (3) they are much cheaper to conduct; and (4) they are easier to execute. Struwig and Stead (2004:102) agree that on the one hand conducting survey research on the internet has major benefits as it has wide access to a variety of people and low costs, but warn that

on the other hand survey research on the internet is plagued by low or inadequate response rates, and the question of response reliability due to the increased bias of self-selection and self-support. Struwig and Stead (2004: 103) advise that special care should be taken in:

- a. Designing an instrument that is specifically constructed for online administration;
- b. Providing incentives for participation;
- c. Sending an introductory message separate from the instrument and
- d. Constructing safeguards to preclude the alteration of the survey instrument.

In respect to the above, only (b) will not be taken into account or implemented in the design and distribution of the survey questionnaire.

The survey questionnaire will be used in conjunction with two secondary sources of data, namely "The Best Company to Work For"-survey and data from Senwes Human Resources Department on personnel. This is done in order to validate or invalidate the survey questionnaire results. Struwig and Stead (2004: 145) refer to this as triangulation. According to Struwig and Stead (2004: 145) triangulation refers to the extent to which independent measures confirm or contradict findings and add that these conflicting findings may also be used to broaden the interpretation of the data or to enable one to view the research from a new perspective.

4.2.2 Descriptive measures

Each Likert-type item will be analysed separately according to race and age. The items will be regarded as ordinal data. A set of data is said to be ordinal if the values or observations belonging to it can be ranked or have a rating scale, such as a Likert-type Scale. "Ordinal scaling is somewhat a stronger form of measurement, because an observed value classified into one category possesses more of a property being scaled than does an observed value classified into another category. Nevertheless, ordinal scaling is still a relatively weak form of measurement because no attempt is made to account for differences between the classified values" (Levine *et al*, 2005: 17).

The data will be organised and presented in tables and charts. Pie charts and summary tables will be used to represent almost all of the demographical and biographical data. "Some research in human perceptions of graphs concludes that the pie chart presents a weaker display" Levin et al (2005: 69). for a bar chart will be drawn for every Likert-type item. "The bar chart is preferred to the pie chart because it has been observed that the human eye can more accurately judge length comparisons against a fixed scale than angular measures" Levine et al (2005: 70). In addition to the summary table, pie and bar charts, Pareto diagrams will be plotted in order to provide a better visual representation of the data. According to Levine et al (2005: 70) the main principle behind the Pareto diagram is its ability to separate the "vital few" from the "trivial many", enabling one to focus on the important characteristics.

The available data on salaries and training expenses, in all measures of central tendency, will be analysed by not only focusing on arithmetic means. "Because its computation is based on every observation, the arithmetic mean is greatly affected by any extreme values or value" Levin et al (2005: 107).

4.2.3 Sample

All of Senwes' head office personnel will form the target sample; as such no sampling will be done. According to Senwes records this amounts to 486 people. The choice of Senwes head office personnel is motivated by four aspects:

- a. They are the most likely to have intranet access.
- b. They are likely to be the most literate and computer literate.
- c. They are likely to be the most diverse.
- d. It will be convenient for the researcher.

The selection of the head office as a "sample" is also influenced by the location of the various business units'. They are located all over the country, and this will complicate the process of surveys being sent out and received back in time. Senwes has more than 20 Senwes Village stores and in excess of 60 silos. It has offices as far as Bredasdorp, Petrusburg, Hartswater, Randfontein and Bethlehem. This type of sampling is regarded as convenience sampling. According to Struwing and Stead (2004: 111) a convenience sample is chosen purely on the basis of availability and respondents are selected because they are accessible and articulate. Levin et al (2005: 10) warn that the use of non-probability sampling must be restricted to situations in which one wants to satisfy one's curiosity about a particular subject or to small scale initial or pilot studies that will later be followed up by more rigorous investigations. Hence the use of triangulation as explained in 4.2.1.

4.2.4 Limitations of the survey questionnaire and secondary data

There are a number of potential pitfalls in carrying out survey research on the web. These problems can result in missed opportunity, missing data, unacceptable and incorrect data, duplicate data, or security.

Incomplete Responses

One potential problem with survey research is incomplete form submissions. Often respondents overlook a particular question, or skip a question with the intent to return, but forget to do so. Occasionally, a question is skipped because the respondent does not wish to supply an answer for personal reasons. Incomplete forms can also arise from disinterested people who have simply come to the website without any intention of contributing complete data.

Unacceptable Responses

Whether due to entry error or intent to supply incorrect information, respondents may supply unacceptable data if given the opportunity. For instance, text may be entered where a numeral string was requested, or vice versa. Alternatively, a numerical string specifying a value outside of an acceptable range may be entered.

Multiple Submissions

Again, whether due to entry error, intent to foil the survey, or just out of curiosity, respondents may submit their set of responses more than once. WWW browsers have backtracking built in, and therefore there is nothing that can be done to prevent users from re-examining their web form page after submitting their answers.

Secondary Data

Internally an organisation has access to a wealth of information, which can be a useful tool for decision making for managers. It is easy to find and collect secondary data, however, one needs to be aware of the limitations the data may have and the problems that could arise if these limitations are ignored. Such limitations include:

- Secondary data can be general and vague and may not really help with decision making.
- The information and data may not be accurate. The source of the data must always be checked.
- The data may be old and out of date.
- The sample used to generate the secondary data maybe small.
- The company publishing the data may not be reputable.

Cummings and Worley (2005: 121) refer to secondary data as inobtrusive data, which is defined as data that are not collected directly from respondents, but from secondary sources such as company records and archives. According to Cummings and Worley (2005: 121) unobtrusive measures provide a relatively objective view of organisational functioning, as they are free from respondent and consultant biases and since many organisation members perceive such data as real. However, Cummings and Worley (2005: 121) lament that major problems can occur with collecting information from unobtrusive measures and in drawing valid conclusions from it.

Causation

Reporting certain conditions or trends does not provide information about their causes. However, certain studies suggest a relationship between cause and effect, for example, unemployment and poor economic conditions appear to be related to crime. There is a clear correlation between education and income levels. But even in these examples, many other factors can also play a role in the development of a condition; therefore, correlation does not equate to causation. Finally, it should be noted that in collecting and using data that provides a "snapshot" of conditions at a particular point in time, changes in the conditions of particular individuals or households are not taken into account.

Researcher effects

Researcher effects refer to the degree to which one is biased in reporting and interpreting the findings. According to Struwig and Stead (2004: 145) one's background can include certain biases and prejudice; these should be mentioned at the beginning of the study. For the purposes of this study, it should be stated that the researcher is black and forms part of the minority at Senwes, and this may lead to prejudice and bias in the interpretation of the survey results. However, through triangulation the researcher should be able to bring perspective to the outcome of the study.

Non-probability sampling or convenience sampling

Levin *et al* (2005: 10) describes a non-probability sample as choosing participants without knowing their probabilities of selection, and in some cases participants being self-selected. According to Levin *et al* (2005: 10) a typical example of a non-probability sampling is convenience sampling. Levin *et al* (2005: 10) concludes and warns that non-probability sampling methods should be restricted to situations in which one wants to obtain rough approximations at low cost. Once again, the use of secondary data will invalidate or validate the survey results.

4.3 Conclusion

This chapter essentially focused on the research methodology, with particular emphasis on the survey questionnaire tool, its deployment or intended deployment and limitations. Further, the role of secondary data or inobtrusive data was discussed, especially with regards to validation of the survey questionnaire results.

Chapter 5 **Results and discussion**

5.1 Introduction

This chapter entails the reporting of the survey questionnaire results and comparison with the "Best Company to Work for"-survey results. In addition to that, tools and techniques will be used to analyse secondary data that will assist in giving an objective reflection of the status of diversity within the business. The tools that will be used include Human Capital Return on Investment (HCROI), Gross Productivity Rand per employee over a period, Percentage Diversity Employee Turnover and Percentage Diversity Salary Differential.

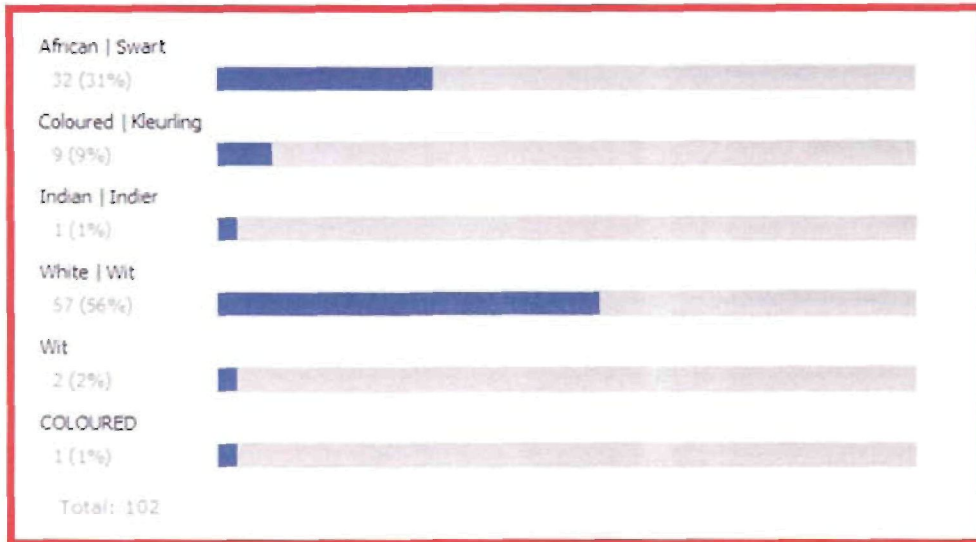
5.2 Interpretation of results

5.2.1 Survey results

The survey was distributed on the company intranet. This was done using Microsoft SharePoint. The sample consisted of the Senwes Head Office personnel, who are 486 in total. The respondents to the questionnaire were 102. This is a 21% response rate. This is rather low, but given the sensitivity of this topic coupled with the fact that in general internet survey produce low response rates, it was deemed acceptable. Furthermore, the use of triangulation will independently test the validity of the sample and their concomitant responses.

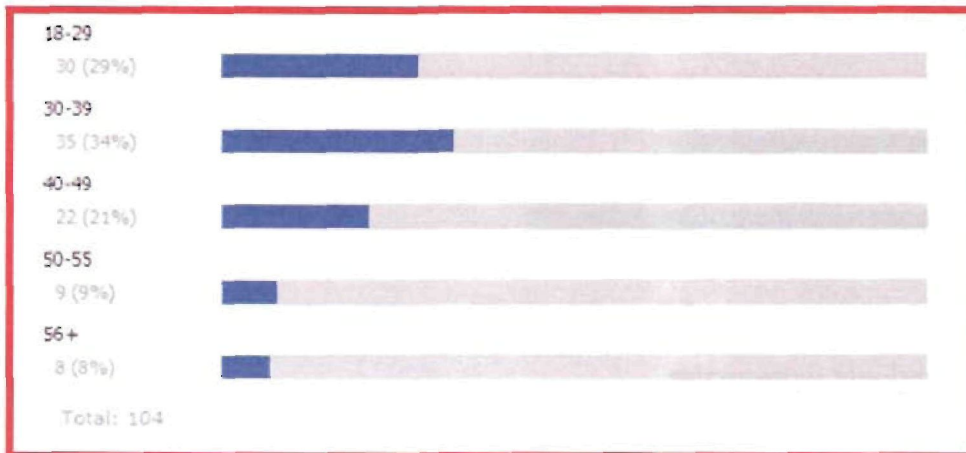
5.2.2 Section A: Biographical and demographical data

Figure: 5.1 Ethnicity



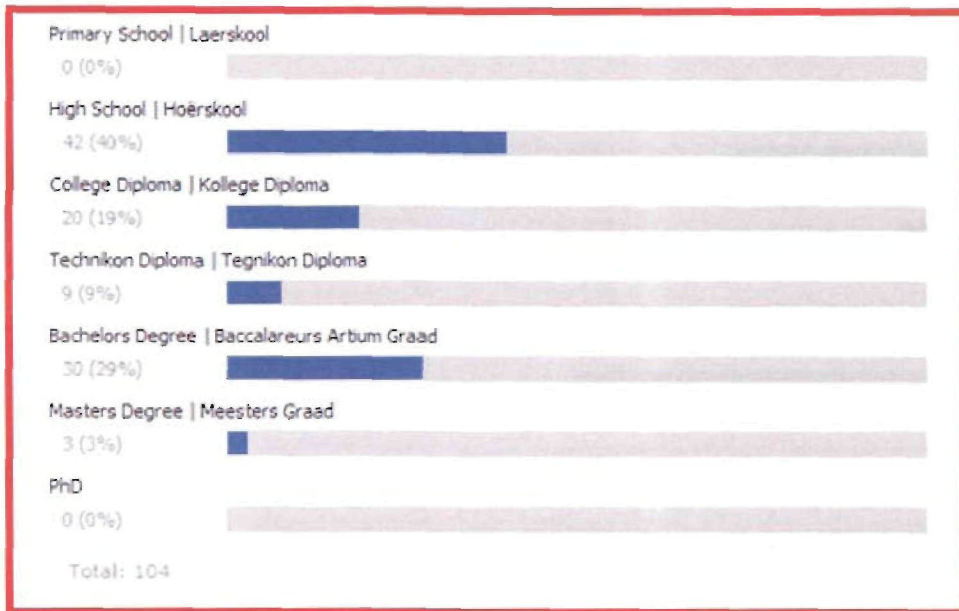
The majority of the respondents were white (56%), followed by blacks (31%).

Figure: 5.2 Age



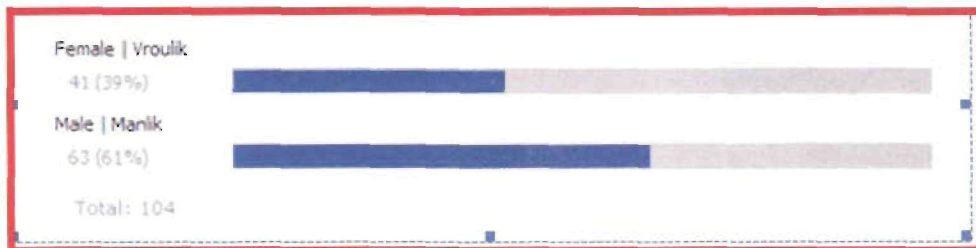
63% of the personnel were below the age of 40 years.

Figure 5.3 Education



The respondents were mostly high school graduates, with the majority studying further after matric.

Figure 5.4 Gender

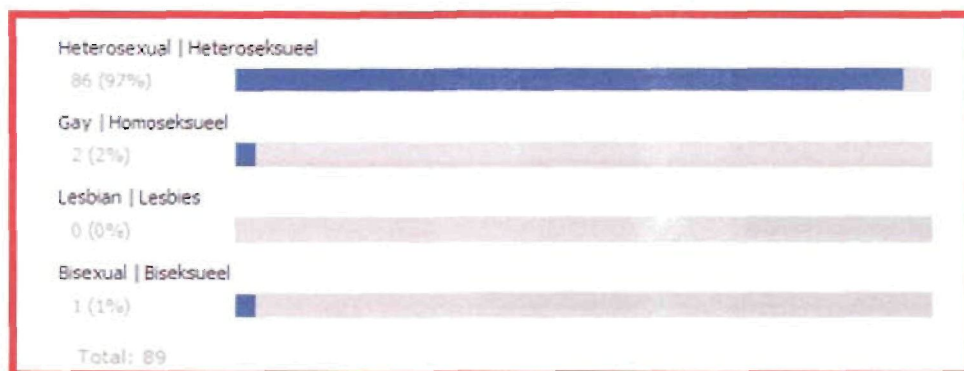


Most of the respondents were males.

Figure 5.5 Religion



Figure 5.6 Sexual Orientation



The respondents were overwhelmingly of Christian religion and heterosexual, as reflected in figure 5.5 and figure 5.6.

Figure 5.7 Dependents

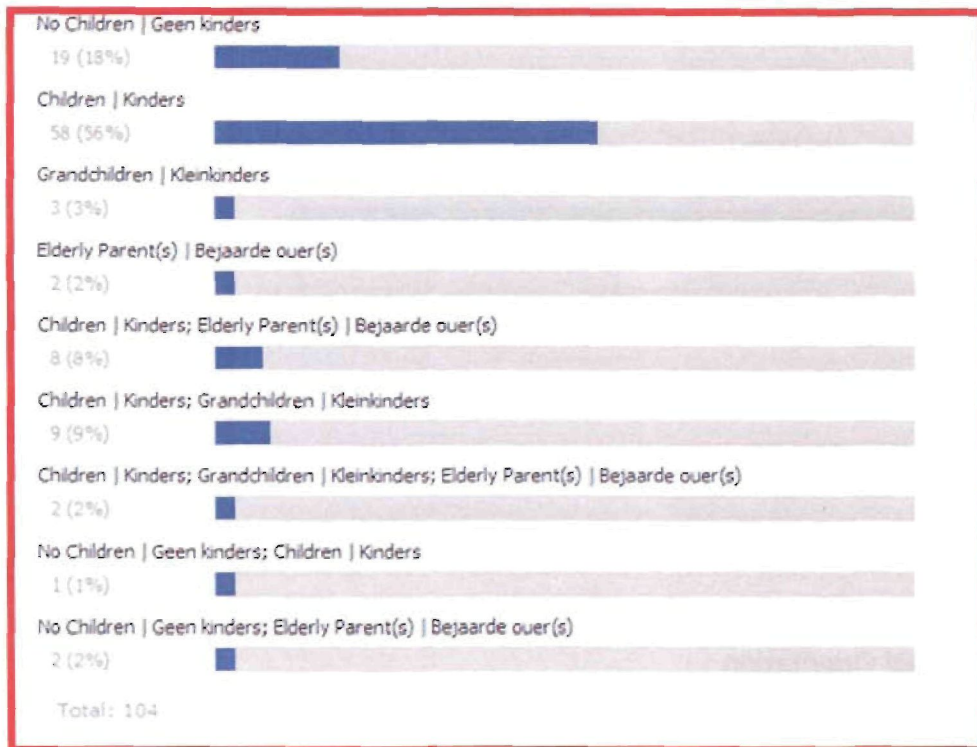
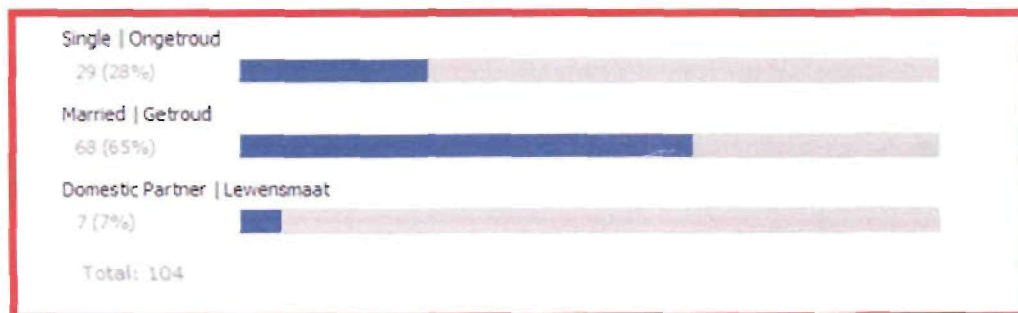
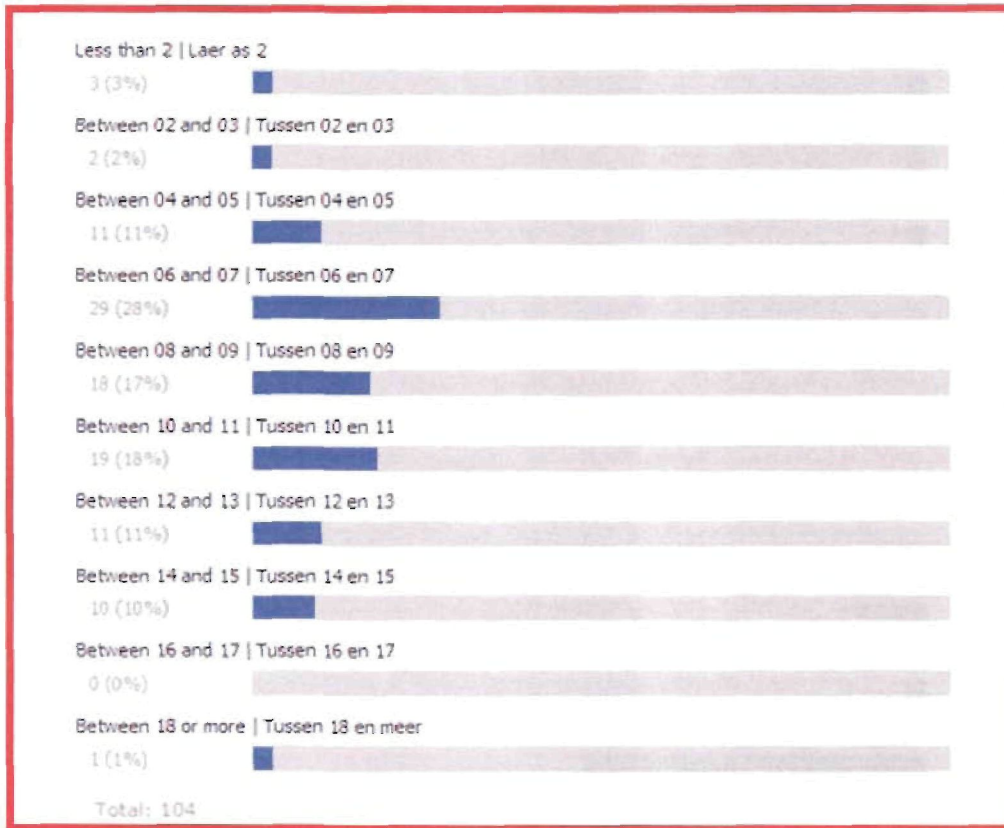


Figure 5.8 Marital status



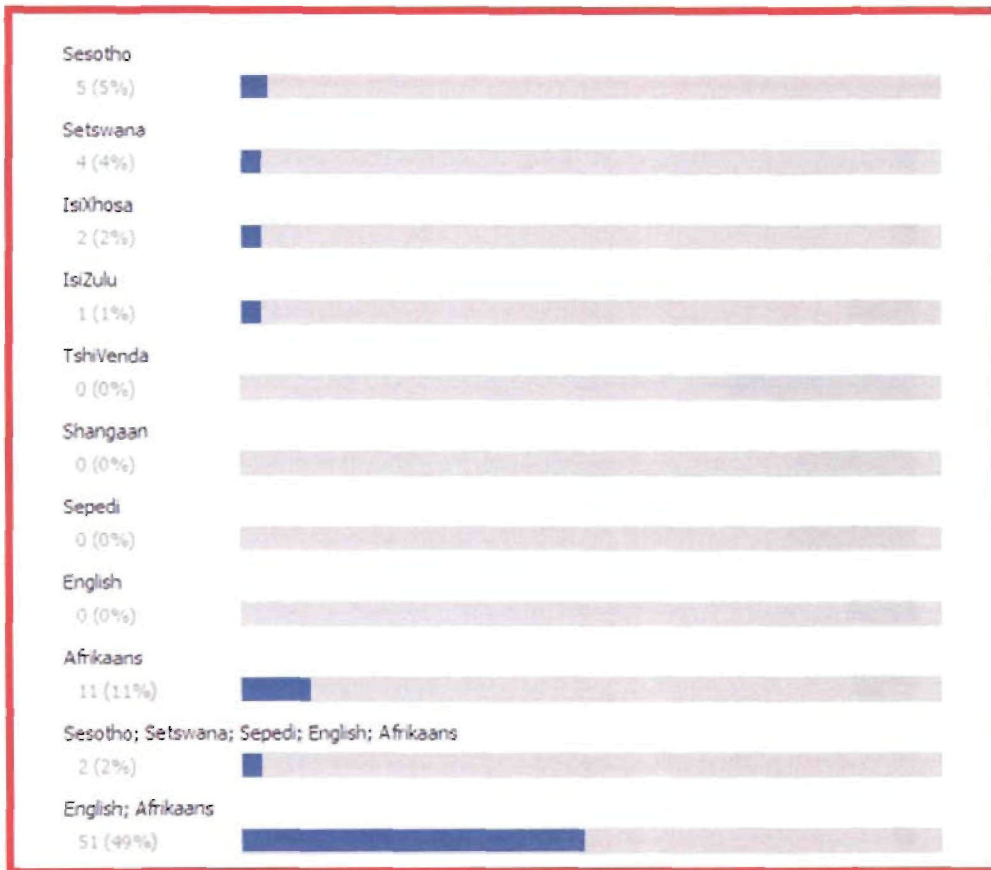
Most of the respondents are parents and married, as shown in figure 5.7 and figure 5.8.

Figure 5.9 Job grade



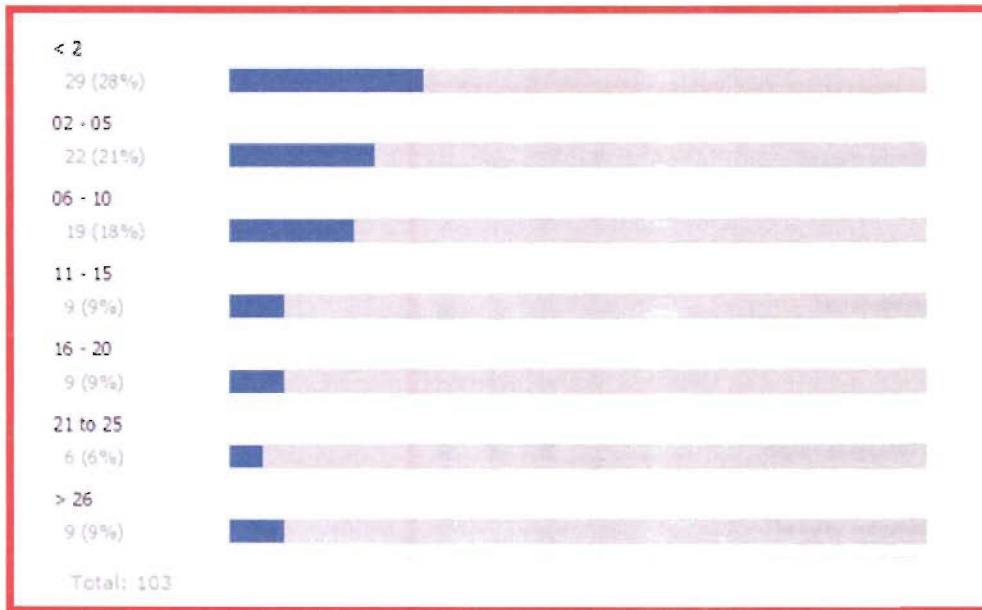
The distribution of the respondents are according to job grade was as expected, with the bulk of the employees found between grade 6 and grade 15.

Figure 5.10 Languages



Majority of the respondents can speak both English and Afrikaans (49%).

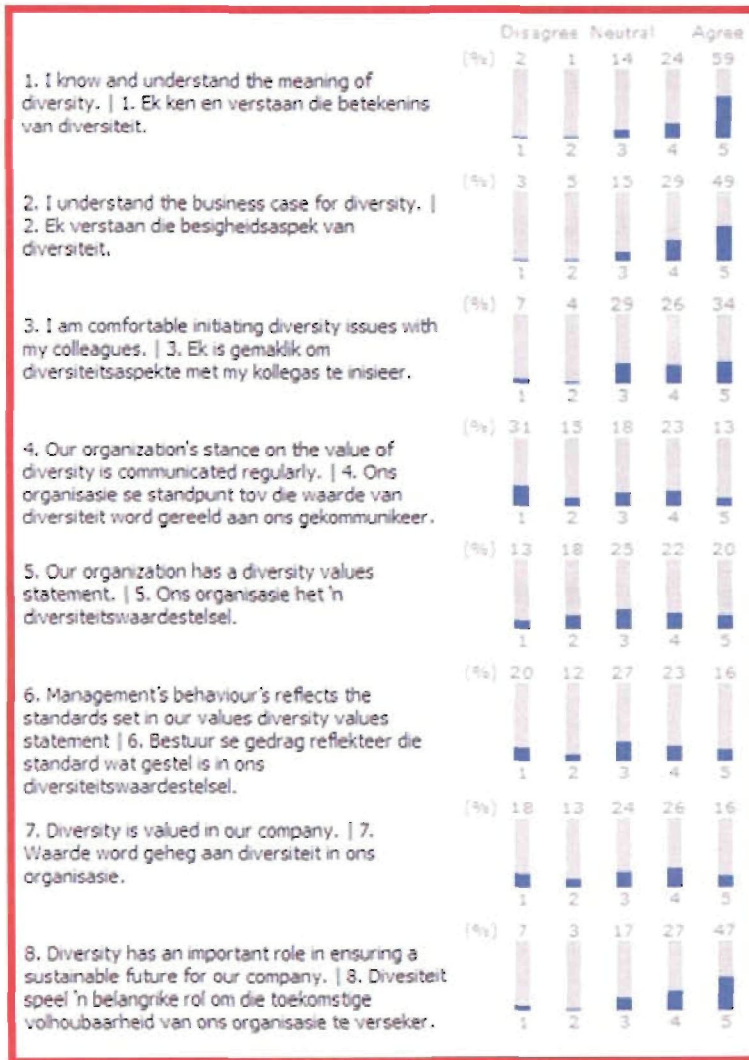
Figure 5.11 Years of service



The number of years of service to the company of most the respondents was less than five years (28%).

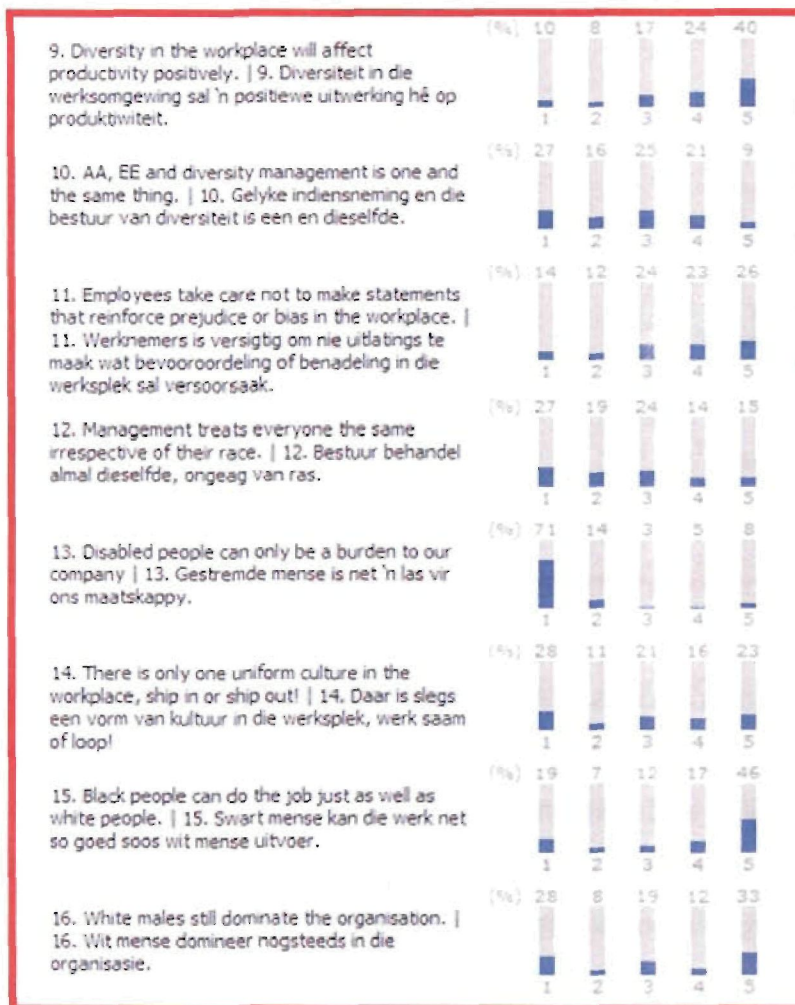
5.2.3 Section B: Knowledge of values and understanding diversity

Figure 5.12 Knowledge of values



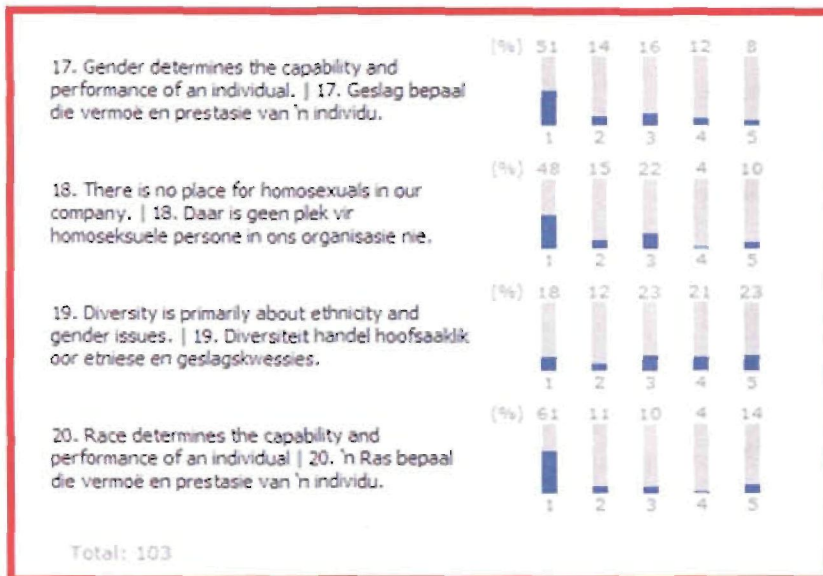
Most employees have some knowledge, understanding of diversity, and the value of diversity in the workplace. A point of concern is the perception shared by 46% of the respondents that the company's stance on the value of diversity is not communicated to them regularly.

Figure 5.13 Understanding of diversity



It is worth noting that 64% of the respondents believe that there is a positive correlation between diversity and productivity. However, areas of concern include firstly the notion that EE, AA and diversity are the same thing; secondly that 85% of employees perceive disabled persons as a burden to the company, thirdly that the role of management in the equitable treatment of various races is called into question; fourthly, the dominance of white males is perceived to be prevalent in the company. On the positive side, 63% of the employees are of the opinion that black people are as capable as white people.

Figure 5.13 Understanding of diversity (continued)

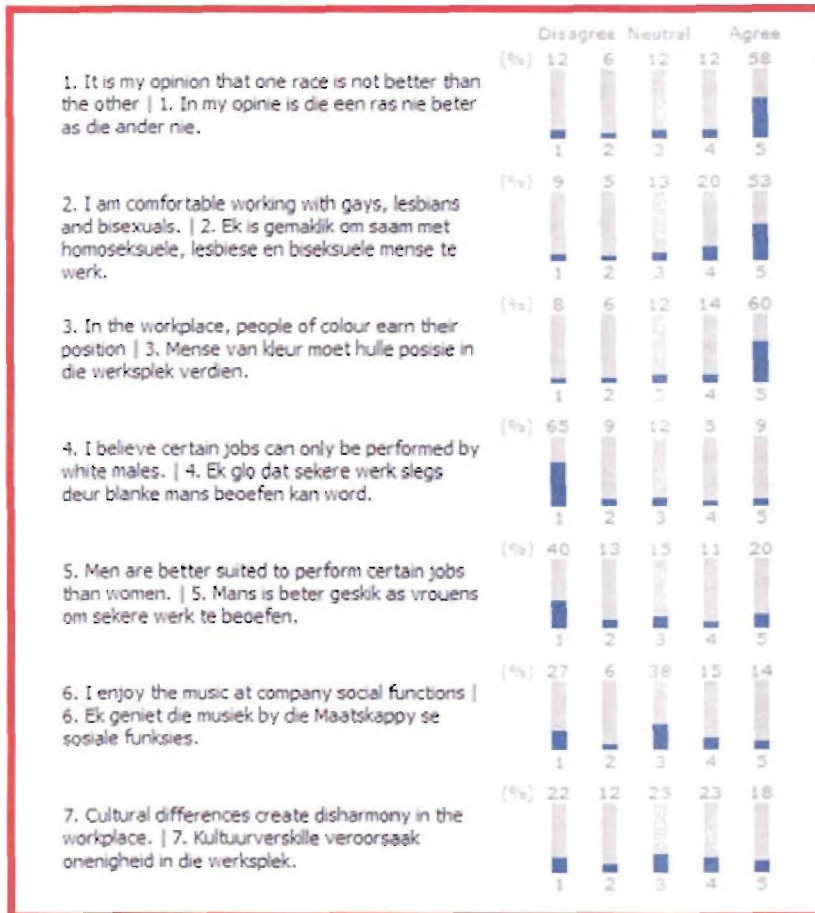


Having confirmed that the one's race is not a determining factor in one's level of job performance (question 15 above), it is paradoxical that 72% of respondents believe that one's race determines capability and performance (question 20). Gender equality is not regarded very highly (65%), so is one's sexual orientation, in that 63% of respondents believe that there's no place for homosexuals in the company.

In general one can conclude that the employees' understanding of diversity and their knowledge of its values hinges on race, while issues such as gender, sexual orientation, and culture are not seen as part of diversity, or their role is perceived to be negligible. The perceived role (lack thereof) of management in promoting diversity is a cause of concern.

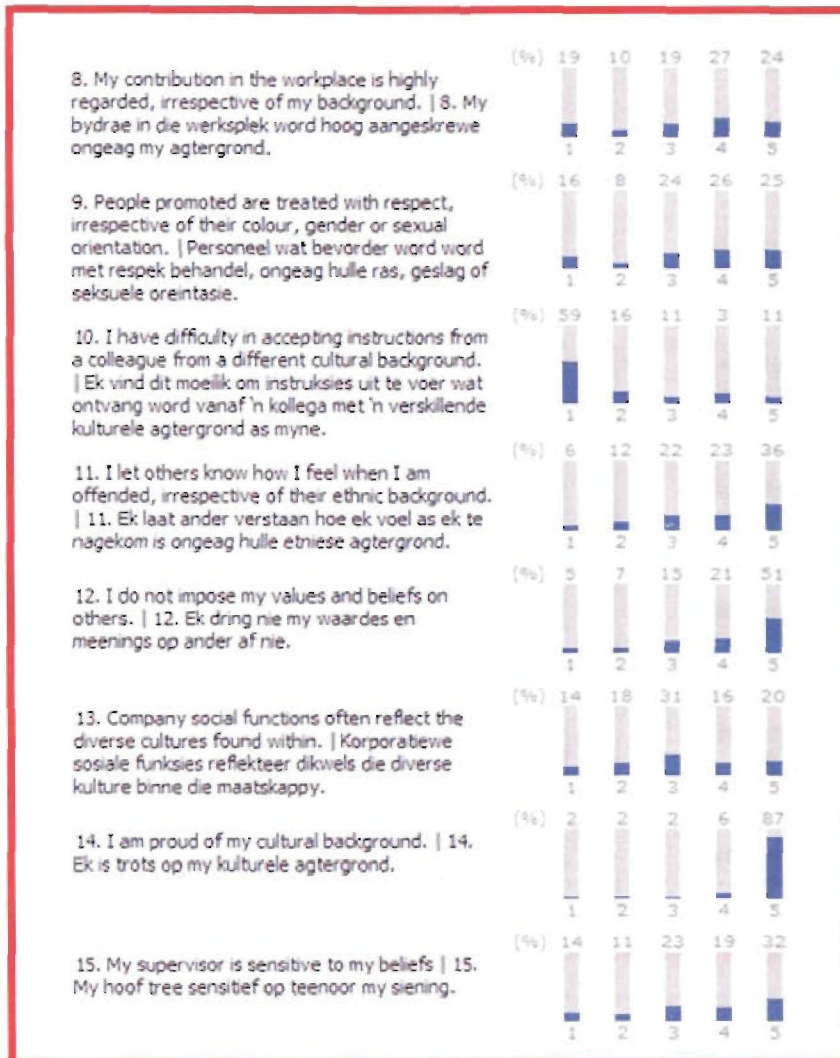
5.2.4 Section C: Behaviour and acceptance of diversity

Figure 5.14 Behaviour and acceptance of diversity



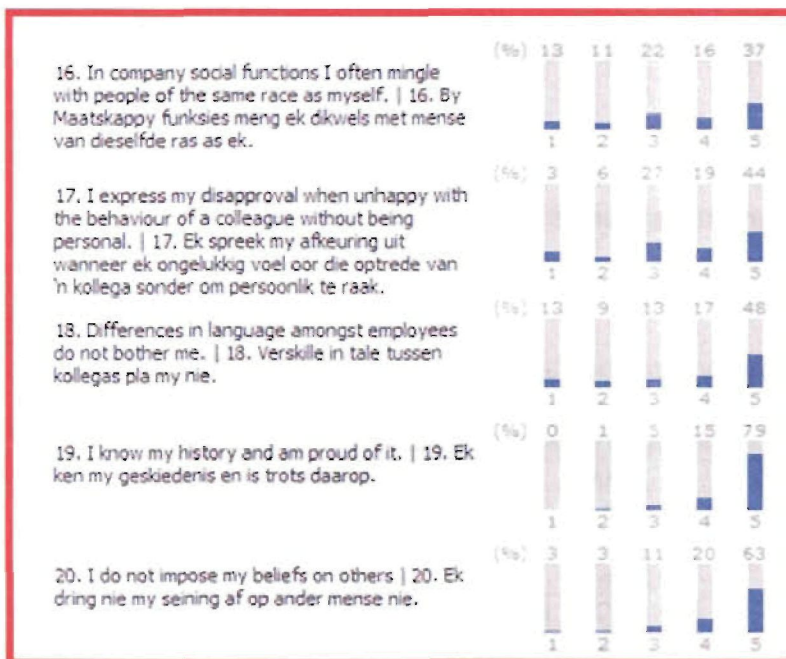
There is a contradiction between the response to question 2 in this section to the response to question 18 in section B, and question 20 in section B when compared to the response to question 1 in section C. Another paradox is the responses to questions 3 and 4 in section C and the response to question 20 in section B. The role of gender equity is again shown to be less than important in the responses to question 5, in that men are better suited to perform certain jobs when compared to women (53% of the respondents agreed with this statement).

Figure 5.14 Behaviour and acceptance of diversity (continued)



The value of culture is pronounced and most of the respondents (93%) are proud of their culture. This is further emphasised in the response to question 10 in that 75% of the respondents have difficulty accepting instructions from a colleague from a different culture. Meyer and Fourie (2004:71) argue that the culture of the organisation has an influence on mentoring relationships.

Figure 5.14 Behaviour and acceptance of diversity (Continued)



A total of 53% of the respondents mingle with people of a similar race. Culture is again emphasised in that 94% of the respondents are proud of their history. It would seem that most employees are tolerant of cultural differences, as shown by the response to questions 18 and 20.

There has been a number of contradicting responses to section B and C, especially on the issue of race and gender equity. However, most employees perceive culture as important, and there is a general view that tolerance is prevalent in the company. The lack of consistency in the responses is worrisome, and yet understandable. One of the potential respondents sent an e-mail to the webmaster at Senwes, in essence questioning the anonymity of the questionnaire:

“Wat is die doel van die vraelys, wat beteken diversiteit in hierdie ondersoek, daar is vrae wat as dit eerlik geantwoord word dit net op 'n anonieme basis beantwoord kan word.”

“What is the purpose of the questionnaire, what does diversity mean in this investigation, there are questions that, if answered honestly, can only be done so anonymously”

5.3 Analysis of Senwes Human Resources Data

5.3.1 Employment Equity Statistics

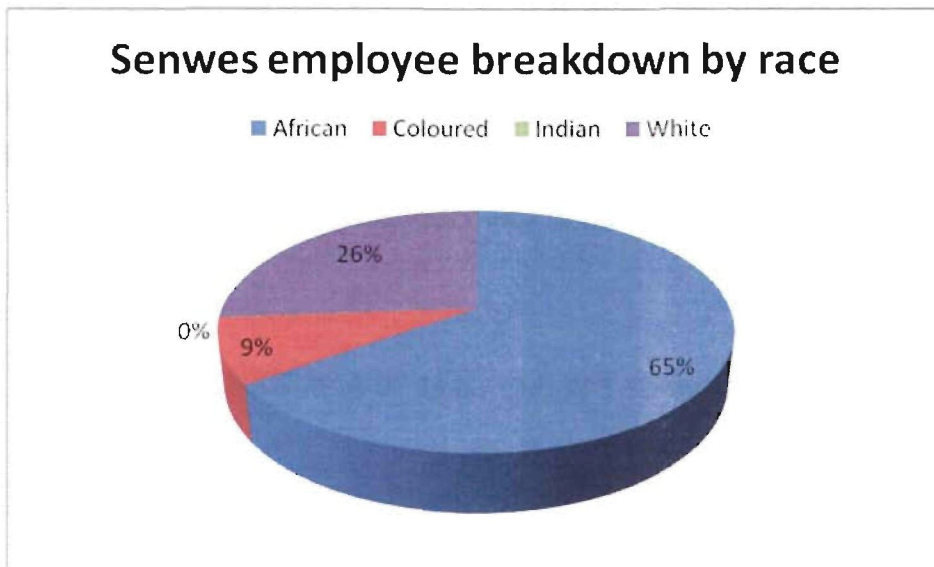
Table 5.1 Employment Equity statistics as on 30 September 2008

EMPLOYMENT EQUITY STATISTICS AS AT 30 SEPTEMBER 2008 : SENWES										
OCCUPATIONAL LEVEL	GRADE	MALE				FEMALE				TOTAL a to h
		a	b	c	d	e	f	g	h	
		BLACK	COLOURED	INDIAN	WHITE	BLACK	COLOURED	INDIAN	WHITE	
TOP MANAGEMENT	F (24 +)	0	0	0	3	0	0	0	0	3
SENIOR MANAGEMENT	E (19 - 23)	2	0	0	8	0	0	0	1	11
MIDDLE MANAGEMENT SKILLED & JUNIOR MANAGEMENT	D (14 - 18)	6	4	0	77	1	1	0	5	94
OPERATIONAL & SEMI LITERATE	C (9 - 13)	17	17	0	269	3	4	0	79	389
ILLITERATE	B (4 - 8)	207	31	1	77	50	65	0	240	671
	A 1 - 3)	645	23	0	1	51	16	0	1	737
TOTAL PERMANENT		877	75	1	435	105	86	0	326	1905
CASUAL		263	7	0	31	10	1	0	41	353
TOTAL		1140	82	1	466	115	87	0	367	2258

Source: Senwes Ltd

The above table shows the employment equity statistics of Senwes Ltd as on 30 September 2008. Figure 5.17 below is derived from this table and shows the Senwes employee breakdown according to race.

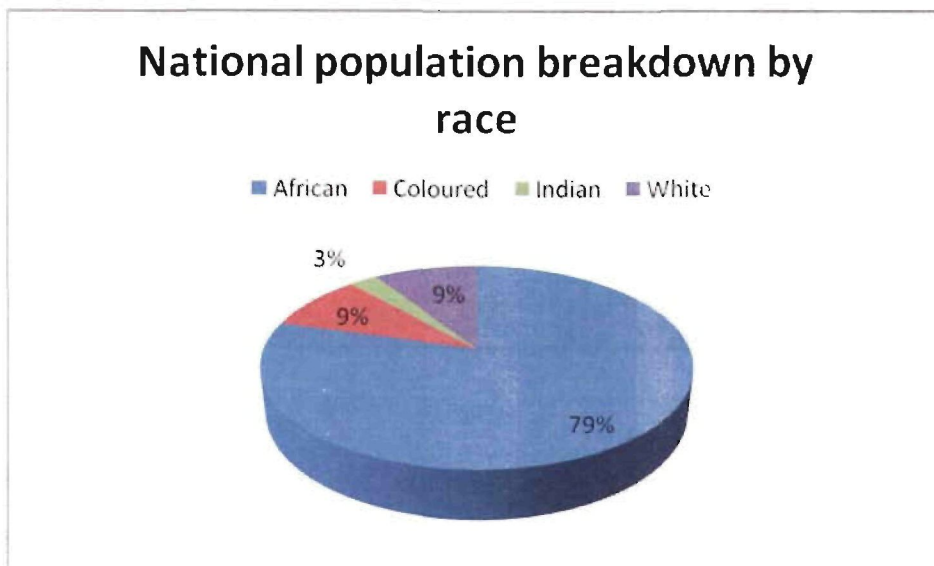
Figure 5.15 Senwes Ltd employee breakdown according to race



Source: Senwes Ltd

Most of the employees within Senwes are Black. However this lags the national figure by 14% as shown in figure 15.6

Figure 5.16 National population breakdown according to race



Source: Statistics South Africa 2008 Mid-year population estimate

Arguably the most important reason behind employment equity is to ensure that the composition of the work place population is a reflection of the national population. Figure 5.16 shows that Senwes has challenges in achieving this objective. Appendix B shows Senwes employment equity statistics over the last five years. It seems that this picture has not changed significantly over the years. The only race group in Senwes that is in line (in terms of numbers when compared to the national figures) is Coloureds.

5.3.2 Salary Data

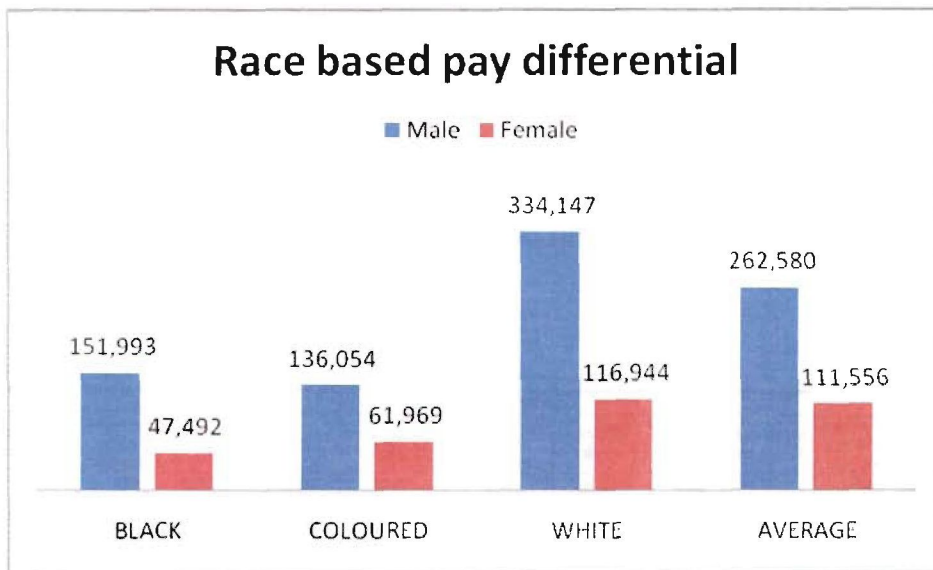
Table 5.2 Average Salary per grade and race as at 30 April 2008.

GRADE	MALE				FEMALE				AVERAGE
	B L A C K	C O L O U R E D	W H I T E	A V E R A G E	B L A C K	C O L O U R E D	W H I T E	A V E R A G E	
1	29,564	29,369	-	R 29,559	30,280	28,809	-	R 30,023	29,606
2	35,636	33,854	-	R 35,554	34,587	32,778	35,100	R 33,682	35,392
3	40,042	40,839	45,362	R 40,070	40,280	40,447	-	R 40,405	40,126
4	47,183	45,145	44,545	R 47,081	45,811	45,112	57,756	R 45,372	47,107
5	59,823	58,767	73,580	R 59,733	58,350	62,506	68,411	R 60,922	63,275
6	77,238	65,989	88,832	R 73,863	74,673	78,188	89,714	R 76,295	86,181
7	80,728	88,639	129,834	R 83,365	98,623	94,593	105,519	R 96,608	104,644
8	98,435	100,173	143,710	R 98,782	98,959	-	123,510	R 98,959	125,307
9	129,159	171,235	164,095	R 152,109	111,761	144,923	133,867	R 131,658	152,367
10	158,865	155,775	198,171	R 157,180	201,505	150,000	172,434	R 175,752	186,889
11	239,911	240,000	215,283	R 239,956	-	-	185,184	-	211,212
12	249,638	250,000	303,411	R 249,757	-	-	223,088	-	287,655
13	-	326,000	336,130	R 326,000	-	224,000	284,432	R 224,000	322,682
14	337,021	357,373	420,877	R 342,836	250,000	400,000	293,749	R 325,000	393,176
15	-	400,000	480,449	R 400,000	-	-	-	-	477,231
16	-	-	512,279	-	-	-	-	-	512,279
17	-	-	541,436	-	-	-	-	-	541,436
18	-	630,000	882,386	R 630,000	-	-	-	-	840,322
19	720,000	-	727,569	R 720,000	-	-	800,000	-	735,677
22	1,040,600	-	1,375,000	R 1,040,600	-	-	-	-	1,263,533
24	-	-	1,761,296	-	-	-	-	-	1,761,296
25	-	-	2,940,000	-	-	-	-	-	2,940,000
Average	151,993	136,054	517,466	262,580	47,492	61,969	116,944	111,556	507,154
Total No.	993	73	439	1,066	95	79	297	174	1,976

Source: Senwes Ltd, 2008

From the table above the Black females on average are the lowest paid employees within the company. White males on average are the highest paid. In general women are paid lower than men. Clearly there are salary differences across gender and race on average. Figure 5.19 below illustrates this fact. It must be kept in mind that on this graph the salary of grades 24 to 25 have been excluded.

Figure 5.17 Race based salary differential (in Rands)



Source: Senwes Ltd

In general Figure 5.19 shows that white employees' remuneration is higher than that of other race groups and that females are paid less than males.

5.3.3 Human Capital ROI (HCROI)

HCROI represents a return on investment in terms of profit for money spent on employee pay and benefits.

$$\begin{aligned}
 \text{HCROI} &= \frac{\text{Revenue} - (\text{Expenses} - \text{Pay and benefits})}{\text{Pay and benefits}} \\
 &= \frac{\text{R7 596 million} - (\text{R7 253 million} - \text{R259 million})}{\text{R 259 million}} \\
 &= \text{R2.32}
 \end{aligned}$$

This means that for every rand the company has invested in human capita in the 2008 financial year, the productivity produced by human capital produces R2.32 (compared to R2.06 in 2007). According to the 2008 Senwes Annual report, operating profit per employee has increased from R137 000 per employee in 2007 to R168 000 in 2008. However, it is important to bear in mind that this is a broad picture. HCROI takes into

account all organisational events and consequences in which organisational revenues are generated.

5.3.4 Diversity Training

Table 5.3 Average amount spent on training per gender and race from 1 May 2006 to 21 August 2008

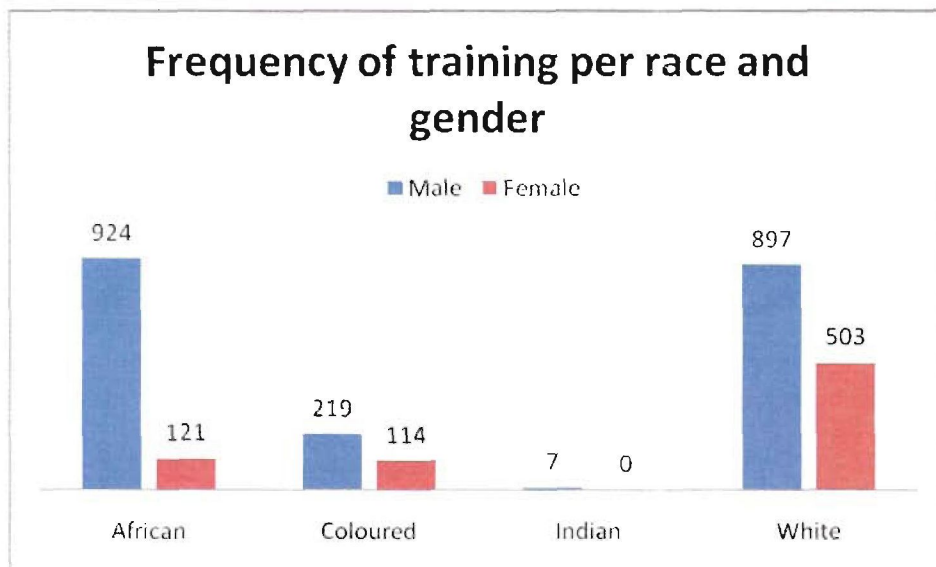
1 May 2006 to 30 April 2007												
Population Group	Male				Female				Total			
	Number	Amount (Rands)	Percentage of the total population	Average per Employee	Number	Amount (Rands)	Percentage of the total population	Average per Employee	Number	Amount (Rands)	Percentage of the total population	Average per Employee
African	942	R 855,948	50%	R 910	103	R 70,060	13%	R 680	1045	R 927,008	39%	R 887
Coloured	134	R 121,990	7%	R 910	61	R 42,310	8%	R 694	195	R 164,300	7%	R 843
Indian	8	R 19,000	0.4%	R 2,375	3	R 3,500	0%	R 1,167	11	R 22,500	0.4%	R 2,045
White	804	R 877,902	43%	R 1,092	618	R 496,300	79%	R 803	1422	R 1,374,202	53%	R 966
Total	1888	R 1,875,840	100%	R 994	785	R 612,170	100%	R 780	2673	R 2,488,010	100%	R 931

1 May 2007 to 30 April 2008												
Population Group	Male				Female				Total			
	Number	Amount (Rands)	Percentage of the total population	Average per Employee	Number	Amount (Rands)	Percentage of the total population	Average per Employee	Number	Amount (Rands)	Percentage of the total population	Average per Employee
African	924	R 1,061,316	45%	R 1,149	121	R 163,124	16%	R 1,348	1045	R 1,224,440	38%	R 1,172
Coloured	219	R 208,838	11%	R 954	114	R 82,126	15%	R 720	333	R 290,964	12%	R 874
Indian	7	R 4,400	0%	R 629	0	R 0	0%	-	7	R 4,400	0%	R 629
White	897	R 999,963	44%	R 1,115	503	R 579,513	68%	R 1,152	1400	R 1,579,476	50%	R 1,128
Total	2047	R 2,274,517	100%	R 1,111	738	R 824,763	100%	R 1,118	2785	R 3,099,280	100%	R 1,113

1 May 2008 to 21 August 2008												
Population Group	Male				Female				Total			
	Number	Amount (Rands)	Percentage of the total population	Average per Employee	Number	Amount (Rands)	Percentage of the total population	Average per Employee	Number	Amount (Rands)	Percentage of the total population	Average per Employee
African	248	R 225,545	50%	R 909	40	R 30,340	16%	R 759	288	R 255,885	39%	R 888
Coloured	61	R 49,000	12%	R 803	51	R 43,620	21%	R 855	112	R 92,620	15%	R 827
Indian	1	R 500	0.2%	R 500	0	R 0	0%	-	1	R 500	0%	R 500
White	184	R 962,620	37%	R 5,232	155	R 148,370	63%	R 957	339	R 1,110,990	46%	R 3,277
Total	494	R 1,237,665	100%	R 2,305	246	R 222,330	100%	R 904	740	R 1,459,995	100%	R 1,973

Source: Senwes Ltd

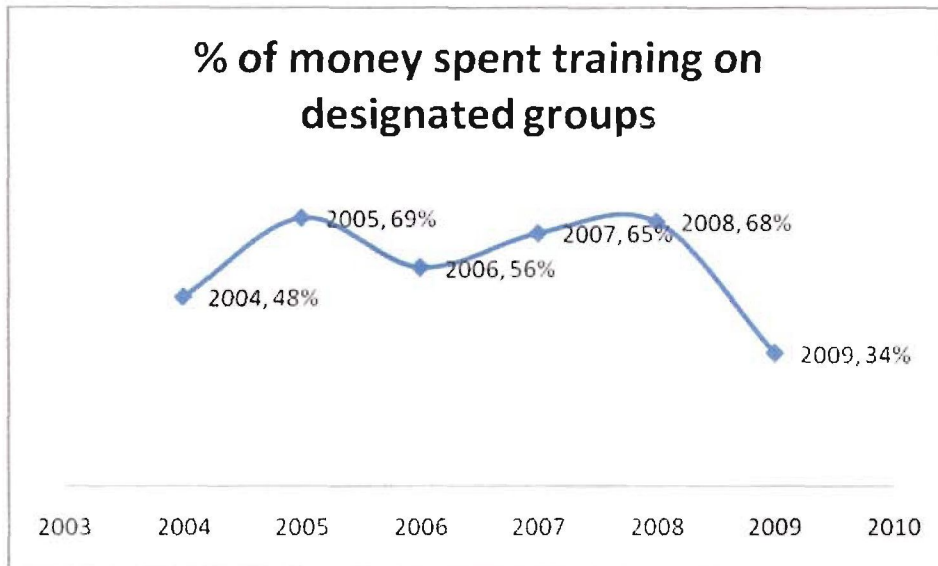
Figure 5.18 Frequency of training per race and gender in 2007/2008



Source: Senwes Ltd

Figure 5.18 shows the number of training events attended by employees per gender and race. The trend in general over the last five years has remained the same. Firstly, females in general attend less training than men, and secondly white employees have more training opportunities than other race groups. It must be borne in mind that females, irrespective of their race, are regarded as employment equity candidates. Paragraph 5.2 of the AGRIBEE Sector Charter dicatates that 85% of the value of actual contribution to be amount of money spent on the skills development with particular emphasis on proposed learning interventions which are meant to address skills shortage amongst designated groups. Figure 6 shows that Senwes has never spent 85% of the value as required by the skills development act over the last five years.

Figure 5.19 % of money spent on training designated groups



Source: Senwes Ltd

5.3.5 Diversity Turnover

This measure reflects the amount of diverse workforce turnover experienced by the organisation. In general employee turnover is the number of avoidable separations divided by the average number of employees during that same time period. Ideally, it would have been better to calculate diversity turnover per occupational level and race. The only statistics available only includes whites and blacks. Therefore only diversity turnover of white women, black men and women will be calculated.

Table 5.4 Senwes Employee Turnover (only white and black employees)

	Male		Female	
	Black	White	Black	White
Total separations	128	50	23	29
No. of Employees	877	435	105	326
Turnover Rate	14.60%	11.49%	21.90%	8.90%

Table 5.4 shows that black females proportionally left the company more than whites and black males in 2008 financial year. Secondly, white females are the least likely to leave the company. The total number of black males that left the company is higher than the total of whites and black females together.

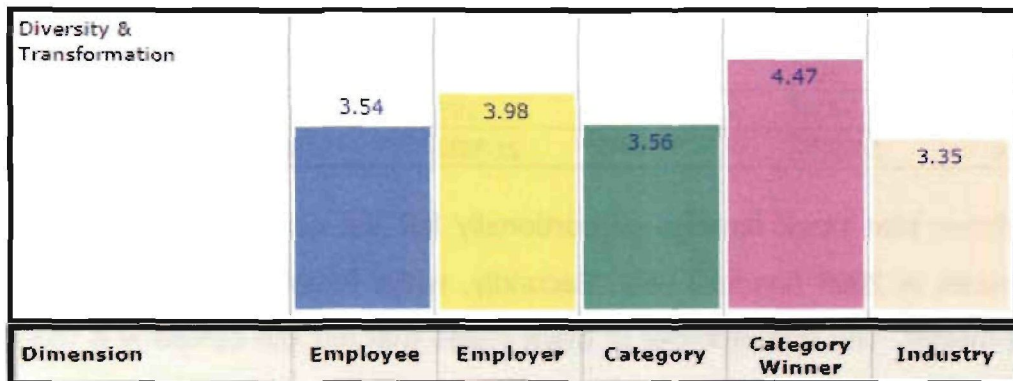
5.4 "Best Company to Work for" survey 2008 on diversity

The reason behind comparing the diversity aspect of the Deloitte's "Best Company to Work for"-survey is mainly to validate (or invalidate) the results of the survey questionnaire. This will be done with circumspect as there are a number of glaring differences in both surveys, as shown in table 5.5:

Table 5.5 Differences between the Deloitte's "Best Company to Work for" survey and the diversity questionnaire

	Deloitte's Survey	Senwes Survey
Population	Whole of Senwes	Only Senwes Head Office
Reason for survey	Best company to work for	Employees perception on diversity
Statistically determined sample	Yes	No
Company sponsored	Yes	No
Regularity	Once per annum	Once off (first time)

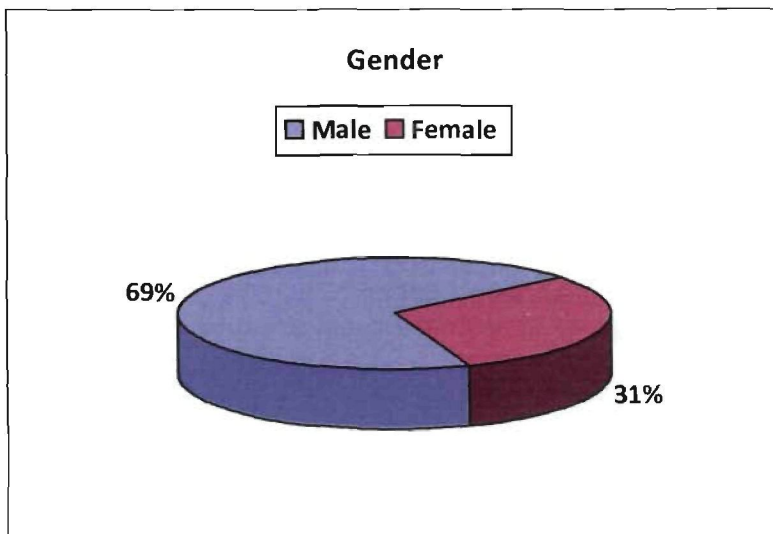
Table 5.6 Diversity and transformation



Source: Deloitte’s 2008 “Best Company to Work for” survey.

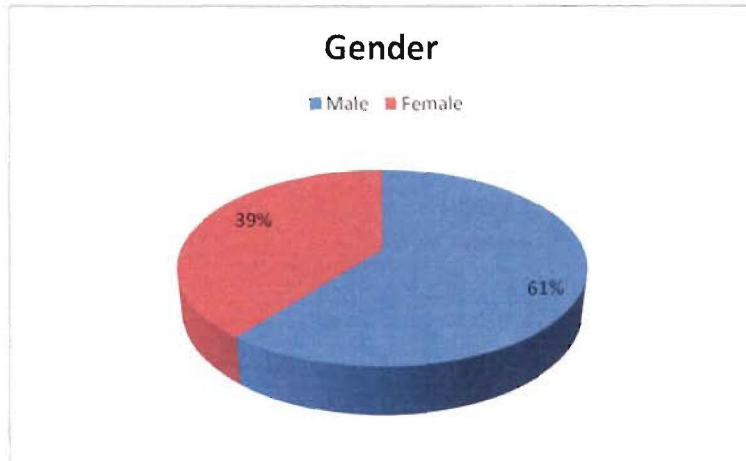
Table 5.6 shows that Senwes outperformed the industry in this aspect of the survey.

Figure 5.20 Gender of the respondents



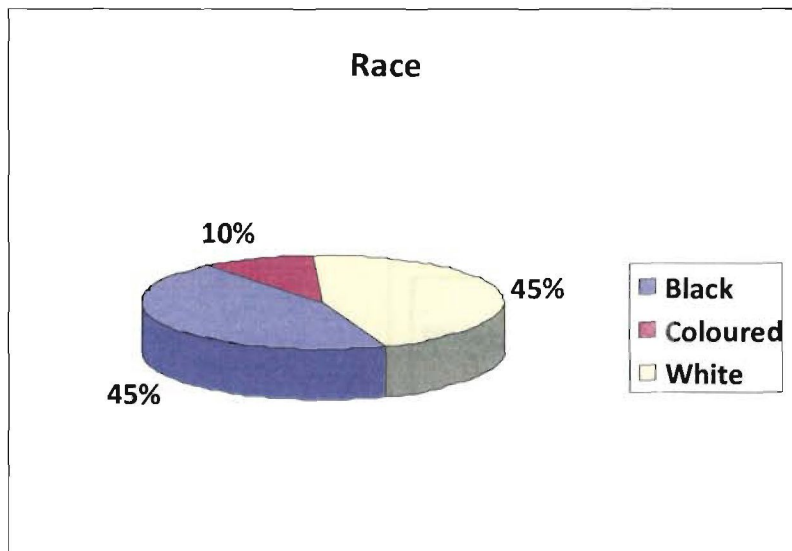
Source: Deloitte’s 2008 “Best Company to Work for” survey

Figure 5.21 Gender of the respondents from the survey



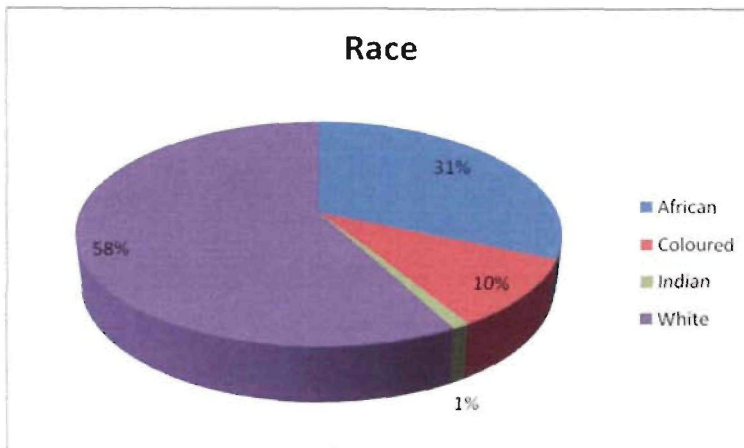
There is a fair degree of similarity in the gender profiles of both surveys.

Figure 5.22 Race of the respondents



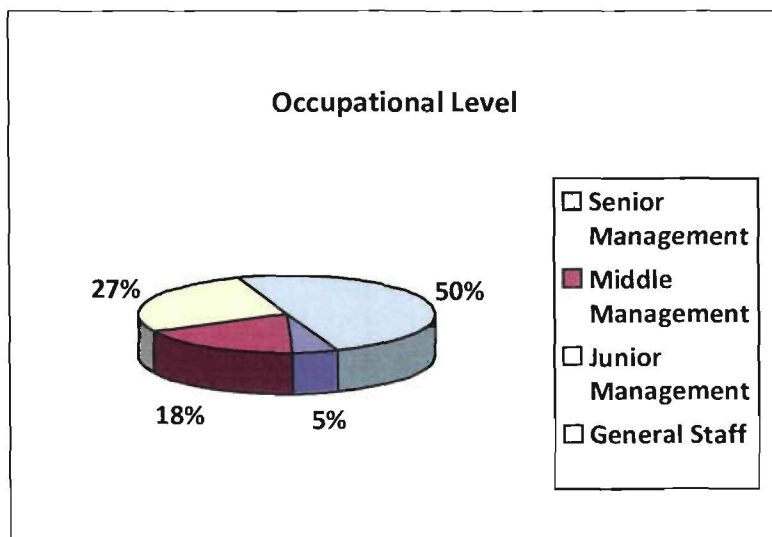
Source: Deloitte's 2008 Best Company to Work for Survey

Figure 5.23 Race of the respondents of the survey



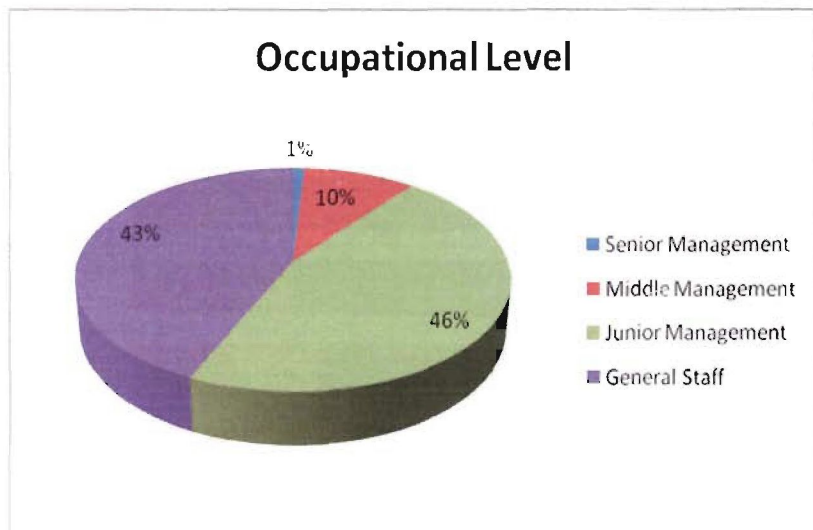
Less than 60% of the respondents in the survey questionnaire were white, whereas in the Deloitte's survey whites and Africans were evenly balanced. This can be expected as the "Best Company to Work for" survey was conducted company wide, in contrast with the survey questionnaire in this study, which was aimed at only Head Office personnel.

Figure 5.24 Occupational levels



Source: Deloitte's 2008 "Best Company to Work for"-survey

Figure 5.25 Occupational levels from the survey

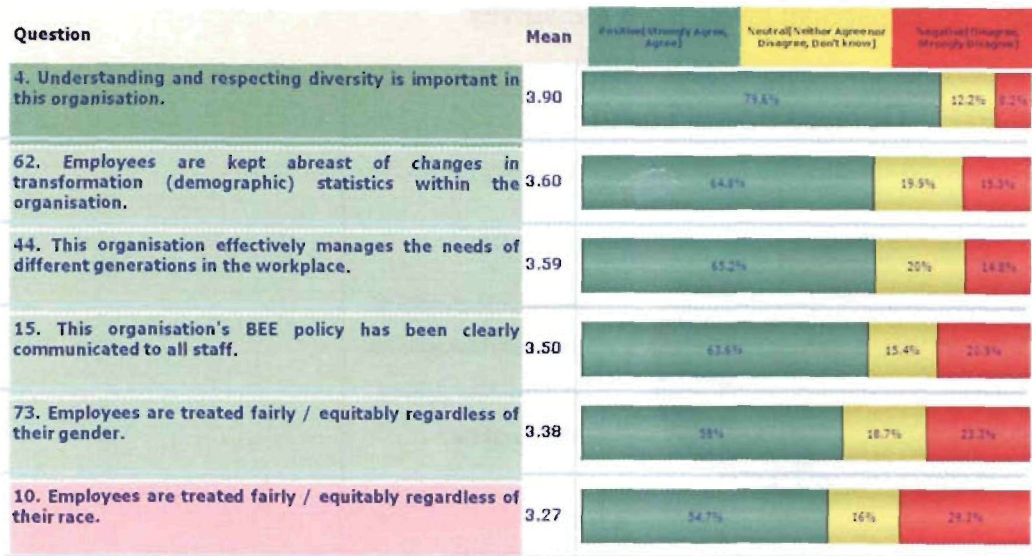


General staff in both surveys are fairly comparable. However, the biggest differences is in the junior and middle management. Almost twice as many junior managers responded to the questionnaire when compared to the “Best Company to Work for” survey.

There are a number of differences in the profiles of both survey respondents, such as race and occupational level. The only close dimension is the gender of the respondents.

According to Deloitte an ‘Employer of Choice’ demonstrates an organisational commitment to diversity and promotes equality of opportunity in order to achieve a workforce that reflects the community we serve. This is of particular relevance in the South African context, which has been characterised by a significant drive towards transformation and leveraging skills from a diverse workforce. This dimension explores diversity management in the workplace with particular focus on the equitable treatment of employees from different ethnic, gender and age groups.

Figure 5.26 Diversity



Source: Deloitte's 2008 "Best Company to Work for"-survey

The results from Deloitte's on the understanding of diversity mirror that of the study's survey questionnaire results in this aspect. However, in other respects they differ significantly. This is may be attributed to the difference in race and occupational level of the respondents.

5.5 Conclusion

There are a number of contradictions from the survey questionnaire and the Deloitte's "Best Company to Work for"-survey. This can be attributed to the sample size, sampling method and familiarity. Familiarity in the sense that the "Best Company to Work for"-survey has become an annual survey that Senwes participates in. The timing of this survey has often been just after the bonuses have been paid to employees. It would appear that employees (respondents) were not entirely confident of the anonymity of the questionnaire and one of them even sent an e-mail to the webmaster enquiring on this aspect. A cause for concern is the apparent intolerance of most of the respondents for gays, lesbians and the disabled in the workplace.

Salary, training and employee turnover data show that there is a rather large discrepancy between races and across gender, such as the fact white males are the highest paid on average when compared to black males. Generally, white women receive more training than other race groups. Perhaps this is symptomatic of the Skills Development Act and Employment Equity Act.

Chapter 6 Conclusion and recommendations

6.1 Introduction

The survey questionnaire was designed to assess employee perceptions on diversity in the work place. The work place in this instance was Senwes Ltd. This is relevant as the company is not only servicing a diverse population, but is made up of diverse employees. The idea is to create dialogue and pose questions around diversity in the workplace. Cummings and Worley (2005: 412) propose how to apply interventions to strategic responses and implementation of workforce diversity:

Table 6.1 Work diversity dimensions and interventions

Workforce Differences	Trends	Implications and needs	Interventions
Age	Increase in median age Distribution of ages changing	Health care Mobility Security	Wellness program Job Design Career planning and development Reward Systems
Gender	% women increasing Dual income families	Child care Maternity/ paternity leave	Job Design Fringe benefits rewards
Disability	The number of people entering the workforce increasing	Job challenge Job skills Physical space Respect and dignity	Performance management Job Design Career planning and development
Culture and values	Rising proportion of PDI	Flexible organisational policies Autonomy Affirmation Respect	Career planning and development Employee involvement Education and training Reward Systems
Sexual orientation	Number of single sex households increasing More liberal attitudes towards sexual orientation	Discrimination	Equal employment opportunities Fringe benefits Education and training

Adapted from Cummings and Worley, 2005

6.2 Recommendations

The main aim of the study was to identify the most prevalent perceptions on diversity within Senwes:

Findings:

Most employees believe they know and understand the meaning of diversity. However, this seems to be regarded as gender and race. Other spheres of diversity such as age, sexual orientation and disability are not highly regarded:

6.2.1 Perceptions of employees on diversity

- a) *Define and discuss diversity* within an organizational leadership context and enable the company to maximize contributions from all employees.
- The workforce should reflect the diverse nature of our country and community at all levels.
 - Diversity must be acknowledged as business strength by employees, customers, communities, and other stakeholders.
 - Diversity must be integrated into the organization's culture.
 - Ensure career growth opportunities at all levels throughout the company.
 - Senwes must be acknowledged for excellence in promoting and managing diversity throughout all levels of the organization.

b) *Create action plans* regarding the full utilization of the entire workforce regardless of individual differences.

- Suggested strategies :
 - Institute training and education programs
 - ✓ Ensure commitment and support from top management
 - Those involved in managing a diverse work force must first become aware and appreciate the concept of diversity
 - ✓ Include diversity as part of the organisational strategic plan
 - ✓ Demand and enforce attendance
 - Put in place organizational policies that mandate fairness equity for all employees
 - Put in place mentoring programs
 - Put in place career development programs

The second primary objective was to evaluate the status of diversity within Senwes

Findings:

Senwes employee race and gender profiles do not mirror the national race and gender profiles. The most obvious deviations include Indians and people with disabilities. More worrying, is the perception amongst employees that people with disabilities will only “burden” the company. Employment equity (or the lack thereof) is another concern, as reflected by the company’s performance in that dimension. This manifests in various forms, such as salary disparities across gender and race. A further concern is that training activities are carried out along the same basis, and further perpetuate employment inequity indirectly. Over the last five years, training expenditure has been below the 85% threshold for designated groups. The importance of one’s culture seems to be the one area that which Senwes employees in general feel strongly about. This may be a cause for concern as often culture means different things to different people. Lieberman (2008) laments against two common mistakes in diversity management: company photo diversity and diversity in numbers.

6.2.2 Status of diversity within the organisation

- a) *Foster and cultivate the unison Senwes culture* that does not reflect the dominance of one culture over the other. Managing diversity means changing the culture. This challenges the employees and management to be curious, to inquire, interact, reflect and experiment.
- b) *Define diversity in its broadest sense* to include all the different characteristics that make one individual different from another. This will ensure that it is an all-inclusive concept that recognizes that everyone should be valued.
- c) Ensure that *company value statements* include references to diversity and inclusion.

Secondary objectives of the study were mainly to advise on recruitment, selection and retention, this in order to inform amongst others talent management and remuneration policy.

Findings

Total number of black males that left the company is higher the sum total of whites (females and males) and black females together. This number was determined on two diversity aspects (in this case race and gender). The amount of money spent on training is not in line with set employment equity targets, on the contrary it serves to perpetuate the status quo. Salary differences exist at most job grades in the company, whether on race or gender.

6.3.3 Talent management, remuneration, recruitment and Employee Assistance Programmes

6.3.3.1 Talent Management

- Identify the company's critical jobs and have processes in place to target potential gaps:
 - ✓ *Identify potential successors*; career succession planning must integrate and encompass the company diversity initiatives
 - ✓ *Build the skills of all managers* using communications techniques that can enhance the effectiveness of the talent mindset and interpersonal communications;
 - ✓ *Use a clear leadership model* to show importance and focus on topics, such as appreciative inquiry.
 - ✓ *Develop and communicate the specific behaviours* expected relative to the leadership model or leadership competencies; include behaviours at all levels.

- ✓ *Evaluate performance and potential.* Inform employees on possible career development paths; be clear on the options and the value proposition for them and the company. Use talent management as a way to inculcate workforce diversity and build a culture of inclusion.
- ✓ *Use talent management together with change management.*
- ✓ *Set retention goals per employee occupational level,* monitors, predicts, and acts to enhance retention.
- ✓ *Integrate employee satisfaction to the short term incentive bonus scheme.*
- ✓ *Use of Balanced Scorecards* may provide useful ways to include human capital measures in overall performance evaluations.
- ✓ *Share talent management measures and progress* with the board of directors.
- ✓ *Track percentages of individuals in key positions* who are promoted from within versus those who are hired from outside. Focus on diversity in key positions, in particular.
- ✓ *Establish a central unit or appoint a person,* with a cross-functional and divisional perspective, in order to measure talent management effectiveness. This helps integrate various initiatives. This unit or the person must report to the board.

6.3.3.2 Remuneration

As a point of departure, it must be recognised that remuneration differentials are permitted when they are based on seniority, merit, quantity or quality of production, or a factor other than gender, race, sexual orientation or any other illegal basis. It should be the employer's burden to prove that they apply on any other basis other than diversity related aspects.

- *Value the non-financial elements* of the working relationship such as recognition, work/life balance, culture, development, and the work environment.
- *Take steps to ensure equity in terms of the financial elements of employee's compensation packages,* including:

- ✓ *Comparing compensation and benefits* of employees of different gender and races.
 - *Compare compensation and benefit strategies* in different markets/regions
 - *Take local practices and cultures into account* in the design of compensation and benefits strategies
 - *Extending short-term variable pay to all employees* throughout the company
 - *Conduct regular equality audits* of pay for men and women
 - *Conduct other types of equal pay audits*
 - *Take corrective actions* as a result of pay audits
 - *Base managers' performance evaluations on achievement of diversity targets*
- ✓ *Be alert to the differences in needs and values* that need to be reflected through an appropriate compensation and benefits strategy.
- ✓ *Regularly review who is eligible for benefit provision* to avoid claims of discrimination. The legal framework on equality has been greatly extended, and recognises amongst others same sex marriages.

6.3.3.3 Diversity recruitment

- *Explain in detail the recruitment process used in the organisation.* This can be done by posting it on the Senwes' website, with a flow chart, sample interview questions, sample CV's. Transparency in the selection and recruitment is paramount.
- *Be culturally self-aware* and consider just how culturally prescribed the recruitment and selection process is.
- *Use assessment tests devoid of cultural bias.* Often Western cultures are implicitly embedded in the tests through vocabulary, situations, and expectations.

6.3.3.4 Employee Assistance Programmes (EAP)

- *Ensure that training, seminars and workshops are gender specific and culturally sensitive.*
- *Ensure that referral networks include treatment providers who specialize or are culturally sensitive to the needs of women and all racial groups.*
- *Counsellors have to be trained in issues of racial bias, discrimination and stereotyping.*
- *Screening tools should be culturally sensitive and adaptive for gender and unique populations.*
- *Ensure that there diversity is among the EAP staff.*
- *Marketing and sales presentations must be all-inclusive.*
- *Put in place services or access to interpreters, and handicap needs.*

6.4 Conclusion

Diversity issues permeate the whole country and the world. Diversity programs have become fully accepted, at least by most people. The real difference in companies is not in whether there is a chief diversity officer or global vice president of diversity programs, but it is in the details and follow-through in both hiring and organizational diversity interventions. A lot of hard and careful work remains for all types of talent to be effectively deployed within organizations.

A number of justifications for diversity include, but are not limited to the following:

Talent Case

The talent case is the argument that any company that restricts access to talent will lose in the global economy. If people of a certain race, ethnic background, age, religion, sexual orientation, physical stature or sex are excluded, the company forfeits its competitive position. If companies do not have enough of the right people, anything else they might do will have minimal impact.

Compliance Case

This has been dealt with in Chapter 3. It means that the company can be sued if it does not abide by the law. Senwes has established employment equity targets, and these standards need to be met for the good of the company, as well as to proactively deal with any Employment Equity Act related issues that might occur. This is a clear message to the organization, especially if it is reinforced through management attention and direct manager accountability.

Business Case

The business case is about adding value, increasing revenue and increasing the growth of the company. This is embodied in arguments such as better decisions throughout the company; improved service and support of existing and new diverse customer base; ability to open new African markets in line with the current strategy; and improved employment brand and talent attraction.

The study has shown that Senwes as a company still has a number of diversity related matters outstanding.

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APPENDIX A SURVEY QUESTIONNAIRE

Employees' perception on diversity in the workplace: Questionnaire

Section A: Biographical/ Demographical Information

1. Ethnicity (Please select one)

- African
 - Coloured
 - Indian
 - White
 - Other (Please Specify)
-

2. Age (Please select one)

- 18-29
- 30-39
- 40-49
- 50-55
- 56+

3. Education (Please select one)

- Primary School
- High School
- College Diploma
- Technikon Diploma
- Bachelors Degree
- Masters Degree
- PhD

4. Gender (Please select one)

- Female
- Male

5. Religion (Please select one)

- None
- Buddhist
- Christian
- Hindu
- Jewish
- Muslim
- Other (Please Specify)
-

6. Sexual orientation r (Please select one)

- Heterosexual
- Gay
- Lesbian
- Bisexual

7. Parental Status (Please select all that apply to you in the role as care provider)

- No Children
- Children
- Grandchildren
- Elderly Parent(s)

8. Current Marital Status (Please select one)

- Single
- Married
- Domestic Partner

9. Job Grade

- Less than 2
- Between 2 and 3
- Between 4 and 5
- Between 6 and 7
- Between 8 and 9
- Between 10 and 11
- Between 12 and 13
- Between 14 and 15
- Between 16 and 17
- Between 18 or more

10. Languages that you speak (Please check any that apply)

- Sesotho
 - Setswana
 - IsiXhosa
 - IsiZulu
 - TshiVenda
 - Shangaan
 - Sepedi
 - English
 - Afrikaans
 - Other (Please Specify)
-

11. Years of Service

- Less than 2
- 2 to 5
- 6 to 10
- 11 to 15
- 16 to 20
- 21 to 25
- Greater than 26

Section B Valuing Diversity – knowledge of values and understanding

Please indicate how strongly you agree or disagree with the following statements.

1. I know and understand the meaning of diversity.

1 2 3 4 5
Strongly Neutral Strongly
Disagree Agree

2. I understand the business case for diversity.

1 2 3 4 5
Strongly Neutral Strongly
Disagree Agree

3. I am comfortable initiating diversity issues with my colleagues

1 2 3 4 5
Strongly Neutral Strongly
Disagree Agree

4. Our organization's stance on the value of diversity is communicated regularly.

1 2 3 4 5
Strongly Neutral Strongly
Disagree Agree

5. Our organization has a diversity values statement.

1 2 3 4 5
Strongly Neutral Strongly
Disagree Agree

6. Management's behaviour's reflects the standards set in our values diversity values statement

1 2 3 4 5
Strongly Neutral Strongly
Disagree Agree

7. Diversity is valued in our company.

1 2 3 4 5
Strongly Neutral Strongly
Disagree Agree

8. Diversity has an important role in ensuring a sustainable future for our company.

1 2 3 4 5
Strongly Disagree Neutral Strongly Agree

9. Diversity in the workplace will affect productivity positively

1 2 3 4 5
Strongly Disagree Neutral Strongly Agree

10. AA, EE and diversity management is one and the same thing

1 2 3 4 5
Strongly Disagree Neutral Strongly Agree

11. Employees take care not to make statements that reinforce prejudice or bias in the workplace.

1 2 3 4 5
Strongly Disagree Neutral Strongly Agree

12. Management treats everyone the same irrespective of their race.

1 2 3 4 5
Strongly Disagree Neutral Strongly Agree

13. Disabled people can only be a burden to our company

1 2 3 4 5
Strongly Disagree Neutral Strongly Agree

14. There is only one uniform culture in the workplace, ship in or ship out!

1 2 3 4 5
Strongly Disagree Neutral Strongly Agree

15. Black people can do the job just as well as white people.

1 2 3 4 5
Strongly Disagree Neutral Strongly Agree

16. White males still dominate the organisation.

1 2 3 4 5
Strongly Disagree Neutral Strongly Agree

17. Gender determines the capability and performance of an individual

1 2 3 4 5
Strongly Disagree Neutral Strongly Agree

18. There is no place for homosexuals in our company.

1 2 3 4 5
Strongly Disagree Neutral Strongly Agree

19. Diversity is primarily about ethnicity and gender issues.

1 2 3 4 5
Strongly Disagree Neutral Strongly Agree

20. Race determines the capability and performance of an individual

1 2 3 4 5
Strongly Disagree Neutral Strongly Agree

Section C: Acceptance and Behaviour

1. It is my opinion that one race is not better than the other

1 2 3 4 5
Strongly Disagree Neutral Strongly Agree

2. I am comfortable working with gays, lesbians and bisexuals.

1 2 3 4 5
Strongly Disagree Neutral Strongly Agree

3. In the workplace, people of colour earn their position

1 2 3 4 5
Strongly Disagree Neutral Strongly Agree

4. I believe certain jobs can only be performed by white males.

1 2 3 4 5
Strongly Disagree Neutral Strongly Agree

5. Men are better suited to perform certain jobs than women

1 2 3 4 5
Strongly Disagree Neutral Strongly Agree

6. I enjoy the music at company social functions

1 2 3 4 5
Strongly Disagree Neutral Strongly Agree

7. Cultural differences create disharmony in the workplace.

1 2 3 4 5
Strongly Disagree Neutral Strongly Agree

8. My contribution in the workplace is highly regarded, irrespective of my background.

1 2 3 4 5
Strongly Neutral Strongly
Disagree Agree

9. Under-represented people promoted into supervisory positions are treated with respect, irrespective of their colour, gender or sexual orientation.

1 2 3 4 5
Strongly Neutral Strongly
Disagree Agree

10. I have difficulty in accepting instructions from a colleague from a different cultural background.

1 2 3 4 5
Strongly Neutral Strongly
Disagree Agree

11. I let others know how I feel when I am offended, irrespective of their ethnic background.

1 2 3 4 5
Strongly Neutral Strongly
Disagree Agree

12. I do not impose my values and beliefs on others.

1 2 3 4 5
Strongly Neutral Strongly
Disagree Agree

13. Company social functions often reflect the diverse cultures found within.

1 2 3 4 5
Strongly Neutral Strongly
Disagree Agree

14. I am proud of my cultural background.

1 2 3 4 5
Strongly Neutral Strongly
Disagree Agree

15. My supervisor is sensitive to my beliefs

1 2 3 4 5
Strongly Neutral Strongly
Disagree Agree

16. In company social functions I often mingle with people of the same race as myself

1 2 3 4 5
Strongly Neutral Strongly
Disagree Agree

17. I express my disapproval when unhappy with the behaviour of a colleague without being personal.

1 2 3 4 5
Strongly Neutral Strongly
Disagree Agree

18. Differences in language amongst employees do not bother me.

1 2 3 4 5
Strongly Neutral Strongly
Disagree Agree

19. I know my history and am proud of it

1 2 3 4 5
Strongly Neutral Strongly
Disagree Agree

20. I do not impose my beliefs on others

1 2 3 4 5

Strongly
Disagree

Neutral

Strongly
Agree

Werknemers se persepsie van diversiteit in die werksplek: Vraelys

Afdeling A: Biografies/Demokratiese Inligting

1. Etnisiteit (Kies asseblief een)

- Swart
 - Kleurling
 - Indier
 - Wit
 - Ander (Spesifiseer)
-

2. Ouderdom (Kies asseblief een)

- 18-29
- 30-39
- 40-49
- 50-55
- 56+

3. Opleiding (Kies asseblief een)

- Laerskool
- Hoërskool
- Kollege Diploma
- Tegnikon Diploma
- Baccalareurs Artium Graad
- Meesters Graad
- PhD

4. Geslag (Kies asseblief een)

- Vroulik
- Manlik

5. Geloof (Kies asseblief een)

- Geen
- Boeddhis
- Christelik
- Hindoo
- Joods
- Moslem
- Other (Spesifiseer)

6. Seksuele Orientasie (Kies asseblief een)

- Heteroseksueel
- Homoseksueel
- Lesbies
- Biseksueel

7. Ouerstatus (Kies asseblief alles wat van toepassing is op jou as versorger)

- Geen kinders
- Kinders
- Kleinkinders
- Bejaarde ouer(s)

8. Huidige huwelikstatus (Kies asseblief een)

- Ongetroud
- Getroud
- Lewensmaat

9. Posgraad

- Laer as 2
- Tussen 2 en 3
- Tussen 4 en 5
- Tussen 6 en 7
- Tussen 8 en 9
- Tussen 10 en 11
- Tussen 12 en 13
- Tussen 14 en 15
- Tussen 16 en 17
- Tussen 18 en meer

10. Tale magtig (Kan meer as een kies)

- Sesotho
 - Setswana
 - IsiXhosa
 - IsiZulu
 - TshiVenda
 - Shangaan
 - Sepedi
 - Engels
 - Afrikaans
 - Ander (Spesifiseer asseblief)
-

11. Jare diens

- Minder as 2
- 2 tot 5
- 6 tot 10
- 11 tot 15
- 16 tot 20
- 21 tot 25
- Langer as 26

Afdeling B: Waardering van Diversiteit – kennis en verstaanbaarheid van waarde

Dui asseblief aan hoe sterk jy saamstem of verskil met die volgende punte.

1. Ek ken en verstaan die betekenins van diversiteit.

1 2 3 4 5
Verskil Neutraal Stem
ten sterkste volkome saam

2. Ek verstaan die besigheidsaspek van diversiteit.

1 2 3 4 5
Verskil Neutraal Stem
ten sterkste volkome saam

3. Ek is gemaklik om diversiteitsaspekte met my kollegas te inisieer.

1 2 3 4 5
Verskil Neutraal Stem
ten sterkste volkome saam

4. Ons organisasie se standpunt tov die waarde van diversiteit word gereeld aan ons gekommunikeer.

1 2 3 4 5
Verskil Neutraal Stem
ten sterkste volkome saam

5. Ons organisasie het 'n diversiteitswaardestelsel.

1 2 3 4 5
Verskil Neutraal Stem
ten sterkste volkome saam

6. Bestuur se gedrag reflekteer die standard wat gestel is in ons diversiteitswaardestelsel.

1 2 3 4 5
Verskil Neutraal Stem
ten sterkste volkome saam

7. Waarde word geheg aan diversiteit in ons organisasie.

1 2 3 4 5
Verskil Neutraal Stem
ten sterkste volkome saam

8. Diversiteit speel 'n belangrike rol om die toekomstige volhoubaarheid van ons organisasie te verseker.

1 2 3 4 5
Verskil Neutraal Stem
ten sterkste volkome saam

9. Diversiteit in die werksomgewing sal 'n positiewe uitwerking hê op produktiwiteit.

1 2 3 4 5
Verskil Neutraal Stem
ten sterkste volkome saam

10. Gelyke indiensneming en die bestuur van diversiteit is een en dieselfde.

1 2 3 4 5
Verskil Neutraal Stem
ten sterkste volkome saam

11. Werknemers is versigtig om nie uitlatings te maak wat bevooroordeling of benadeling in die werksplek sal veroorsaak.

1 2 3 4 5
Verskil Neutraal Stem
ten sterkste volkome saam

12. Bestuur behandel almal dieselfde, ongeag van ras.

1 2 3 4 5
Verskil Neutraal Stem
ten sterkste volkome saam

13. Gestremde mense is net 'n las vir ons maatskappy.

1 2 3 4 5
Verskil Neutraal Stem
ten sterkste volkome saam

14. Daar is slegs een vorm van kultuur in die werksplek, werk saam of loop!

1 2 3 4 5
Verskil Neutraal Stem
ten sterkste volkome saam

15. Swart mense kan die werk net so goed soos wit mense uitvoer.

1 2 3 4 5
Verskil Neutraal Stem
ten sterkste volkome saam

16. Wit mense domineer nogsteeds in die organisasie.

1 2 3 4 5
Verskil Neutraal Stem
ten sterkste volkome saam

17. Geslag bepaal die vermoë en prestasie van 'n individu.

Verskil Neutraal Stem
ten sterkste volkome saam

18. Daar is geen plek vir homoseksuele persone in ons organisasie nie.

1 2 3 4 5
Verskil Neutraal Stem
ten sterkste volkome saam

19. Diversiteit handel hoofsaaklik oor etniese en geslagskwessies.

1 2 3 4 5
Verskil Neutraal Stem
ten sterkste volkome saam

20. In Ras bepaal die vermoë en prestasie van 'n individu.

1 2 3 4 5
Verskil Neutraal Stem
ten sterkste volkome saam

Afdeling C: Aanvaarding en gedrag

1. In my opinie is die een ras nie beter as die ander nie.

1 2 3 4 5
Verskil Neutraal Stem
ten sterkste volkome saam

2. Ek is gemaklik om saam met homoseksuele, lesbiese en biseksuele mense te werk.

1 2 3 4 5
Verskil Neutraal Stem
ten sterkste volkome saam

3. Mense van kleur moet hulle posisie in die werksplek verdien.

1 2 3 4 5
Verskil Neutraal Stem
ten sterkste volkome saam

4. Ek glo dat sekere werk slegs deur blanke mans beoefen kan word.

1 2 3 4 5
Verskil Neutraal Stem
ten sterkste volkome saam

5. Mans is beter geskik as vrouens om sekere werk te beoefen.

1 2 3 4 5
Verskil Neutraal Stem
ten sterkste volkome saam

6. Ek geniet die musiek by die Maatskappy se sosiale funksies.

1 2 3 4 5
Verskil Neutraal Stem
ten sterkste volkome saam

7. Kultuurverskille veroorsaak onenigheid in die werksplek.

1 2 3 4 5
Verskil Neutraal Stem
ten sterkste volkome saam

8. My bydrae in die werksplek word hoog aangeskrewe ongeag my agtergrond.

1 2 3 4 5
Verskil Neutraal Stem
ten sterkste volkome saam

9. Onder verteenwoordigende personeel wat bevorder word in toesighoudende poste word met respek behandel, ongeag hulle ras, geslag of seksuele oreintasie.

1 2 3 4 5
Verskil Neutraal Stem
ten sterkste volkome saam

10. Ek vind dit moeilik om instruksies uit te voer wat ontvang word vanaf 'n kollega met 'n verskillende kulturele agtergrond as myne.

1 2 3 4 5
Verskil Neutraal Stem
ten sterkste volkome saam

11. Ek laat ander verstaan hoe ek voel as ek te nagekom is ongeag hulle etniese agtergrond.

1 2 3 4 5
Verskil Neutraal Stem
ten sterkste volkome saam

12. Ek dring nie my waardes en menings op ander af nie.

1 2 3 4 5
Verskil Neutraal Stem
ten sterkste volkome saam

13. Korporatiewe sosiale funksies reflekteer dikwels die diverse kulture binne die maatskappy.

1 2 3 4 5
Verskil Neutraal Stem
ten sterkste volkome saam

14. Ek is trots op my kulturele agtergrond.

1 2 3 4 5
Verskil Neutraal Stem
ten sterkste volkome saam

15. My hoof tree sensitief op teenoor my siening.

1 2 3 4 5
Verskil Neutraal Stem
ten sterkste volkome saam

16. By Maatskappy funksies meng ek dikwels met mense van dieselfde ras as ek.

1 2 3 4 5
Verskil Neutraal Stem
ten sterkste volkome saam

17. Ek spreek my afkeuring uit wanneer ek ongelukkig voel oor die optrede van 'n kollega sonder om persoonlik te raak.

1 2 3 4 5
Verskil Neutraal Stem
ten sterkste volkome saam

18. Verskille in tale tussen kollegas pla my nie.

1	2	3	4	5
Verskil ten sterkste		Neutraal		Stem volkome saam

19. Ek ken my geskiedenis en is trots daarop.

1	2	3	4	5
Verskil ten sterkste		Neutraal		Stem volkome saam

20. Ek dring nie my seining af op ander mense nie.

1	2	3	4	5
Verskil ten sterkste		Neutraal		Stem volkome saam

APPENDIX B: SENWES EMPLOYEE EQUITY STATISTICS

EMPLOYMENT EQUITY STATISTICS AS AT 30 SEPTEMBER 2004 : SENWES

OCCUPATIONAL LEVEL	GRADE	MALE				FEMALE				TOTAL a to h
		a	b	c	d	e	f	g	h	
		B L A C K	C O L O U R E D	I N D I A N	W H I T E	B L A C K	C O L O U R E D	I N D I A N	W H I T E	
TOP MANAGEMENT	F (24 +)				3					3
SENIOR MANAGEMENT	E (19 - 23)	1			9			0		10
MIDDLE MANAGEMENT	D (14 - 18)	0			105			0	2	107
SKILLED & JUNIOR MANAGEMENT	C (9 - 13)	21	3	3	354	3	0	0	61	445
OPERATIONAL & SEMI LITERATE	B (4 - 8)	159	15	1	156	17	17	1	360	726
ILLITERATE	A 1 - 3)	757	16	1	6	49	8	0	6	843
TOTAL PERMANENT		938	34	5	633	69	25	1	429	2134
CASUAL		292	2	0	43	161	6	1	45	554
TOTAL		1230	36	5	676	230	31	2	478	2688

EMPLOYMENT EQUITY STATISTICS AS AT 30 SEPTEMBER 2006 : SENWES

OCCUPATIONAL LEVEL	GRADE	MALE				FEMALE				TOTAL a to h
		a	b	c	d	e	f	g	h	
		B L A C K	C O L O U R E D	I N D I A N	W H I T E	B L A C K	C O L O U R E D	I N D I A N	W H I T E	
TOP MANAGEMENT	F (24 +)				3					3
SENIOR MANAGEMENT	E (19 - 23)	1			9			0		10
MIDDLE MANAGEMENT	D (14 - 18)	1	1		98	1		1	4	106
SKILLED & JUNIOR MANAGEMENT	C (9 - 13)	26	4	2	341	3	1	0	61	438
OPERATIONAL & SEMI LITERATE	B (4 - 8)	175	19	0	136	22	23	1	340	716
ILLITERATE	A 1 - 3)	711	16	0	8	47	8	0	5	795
TOTAL PERMANENT		914	40	2	595	73	32	2	410	2068
CASUAL		293	0	0	30	163	4	0	50	540
TOTAL		1207	40	2	625	236	36	2	460	2608

EMPLOYMENT EQUITY STATISTICS AS AT 30 SEPTEMBER 2006 : SENWES

OCCUPATIONAL LEVEL	GRADE	MALE				FEMALE				TOTAL a to h
		a	b	c	d	e	f	g	h	
		B L A C K	C O L O U R E D	I N D I A N	W H I T E	B L A C K	C O L O U R E D	I N D I A N	W H I T E	
TOP MANAGEMENT	F (24 +)	0	0	0	3	0	0	0	0	3
SENIOR MANAGEMENT	E (19 - 23)	1	0	0	7	0	0	0	0	8
MIDDLE MANAGEMENT	D (14 - 18)	2	2	1	79	0	1	1	2	88
SKILLED & JUNIOR MANAGEMENT	C (9 - 13)	18	5	2	286	5	2	0	63	381
OPERATIONAL & SEMI LITERATE	B (4 - 8)	146	18	1	92	23	32	0	287	599
ILLITERATE	A 1 - 3)	602	17	0	6	43	9	0	2	679
TOTAL PERMANENT		769	42	4	473	71	44	1	354	1758
CASUAL		141	3	0	17	9	7	0	34	211
TOTAL		910	45	4	490	80	51	1	388	1969

EMPLOYMENT EQUITY STATISTICS AS AT 30 SEPTEMBER 2007 : SENWES

OCCUPATIONAL LEVEL	GRADE	MALE				FEMALE				TOTAL a to h
		a	b	c	d	e	f	g	h	
		B L A C K	C O L O U R E D	I N D I A N	W H I T E	B L A C K	C O L O U R E D	I N D I A N	W H I T E	
TOP MANAGEMENT	F (24 +)	0	0	0	3	0	0	0	0	3
SENIOR MANAGEMENT	E (19 - 23)	2	0	0	7	0	0	0	1	10
MIDDLE MANAGEMENT	D (14 - 18)	3	2	0	80	1	1	0	4	91
SKILLED & JUNIOR MANAGEMENT	C (9 - 13)	16	10	1	270	2	3	0	66	368
OPERATIONAL & SEMI LITERATE	B (4 - 8)	170	28	1	85	37	46	0	253	620
ILLITERATE	A 1 - 3)	632	18	0	2	43	10	0	0	705
TOTAL PERMANENT		823	58	2	447	83	60	0	324	1797
CASUAL		68	2	0	22	4	4	0	29	129
TOTAL		891	60	2	469	87	64	0	353	1926

EMPLOYMENT EQUITY STATISTICS AS AT 30 SEPTEMBER 2008 : SENWES

OCCUPATIONAL LEVEL	GRADE	MALE				FEMALE				TOTAL a to h
		a	b	c	d	e	f	g	h	
		B L A C K	C O L O U R E D	I N D I A N	W H I T E	B L A C K	C O L O U R E D	I N D I A N	W H I T E	
TOP MANAGEMENT	F (24 +)	0	0	0	3	0	0	0	0	3
SENIOR MANAGEMENT	E (19 - 23)	2	0	0	8	0	0	0	1	11
MIDDLE MANAGEMENT	D (14 - 18)	6	4	0	77	1	1	0	5	94
SKILLED & JUNIOR MANAGEMENT	C (9 - 13)	17	17	0	269	3	4	0	79	389
OPERATIONAL & SEMI LITERATE	B (4 - 8)	207	31	1	77	50	65	0	240	671
ILLITERATE	A 1 - 3)	645	23	0	1	51	16	0	1	737
TOTAL PERMANENT		877	75	1	435	105	86	0	326	1905
CASUAL		263	7	0	31	10	1	0	41	353
TOTAL		1140	82	1	466	115	87	0	367	2258

APPENDIX C: SENWES BEE SCORECARD



BEE ONLINE (Pty) Ltd SCORECARD FOR

Senwes Limited

OWNERSHIP ELEMENT	Description	Senwes Limited	Senwes Limited	Generic Scorecard Weighting Points
		Score % = to Target	Target % Points Scored	
OWNERSHIP ELEMENT	Exercisable Voting Rights in the Enterprise of black people	27.10%	25.00%	3.00
	Exercisable Voting Rights in the Enterprise of black women	13.55%	10.00%	2.00
	Economic Interest in the Enterprise to which black people are entitled	27.10%	25.00%	4.00
	Economic Interest in the Enterprise to which black women are entitled	13.55%	10.00%	2.00
	Economic Interest in the Enterprise to which defined natural persons are entitled	27.10%	2.50%	1.00
	Ownership fulfillment	1.00%	-	1.00
	Net Value	27.10%	-	7.00
	Bonus points/black New Entrants	0.00%	10.00%	0.00
	Bonus points Black Participants	18.97%	10.00%	0.02
	Points scored	-	-	20.02
MANAGEMENT AND CONTROL	Voting Rights held by black Members of the Board	23.33%	50.00%	1.40
	Black Executive Directors of the Board	0.00%	50.00%	0.00
	Black Senior Top Management	0.00%	40.00%	0.00
	Black Other Top Management	15.87%	40.00%	0.83
	Bonus for Black Independent Non-Executive Board Members	66.67%	40.00%	1.00
	Points scored	-	-	3.23
EMPLOYMENT EQUITY	Black employees with disabilities	0.00%	2.00%	0.00
	Black Senior Management	7.14%	43.00%	0.00
	Black Middle Management	8.93%	63.00%	0.00
	Black Junior Management	7.11%	68.00%	0.00
	EAP Targets meeting or exceeding	No	-	0.00
	Points scored	-	-	0.00
SKILLS DEVELOPMENT	Compliance with Skills Development Act & Skills Development Levies Act	Yes	-	-
	Registered with the applicable SETA	Yes	-	-
	Developed a Workplace Skills Plan	Yes	-	-
	Developed a Skills programme for black employees	Yes	-	-
	Skills Development Spend on black employees as a percentage of Leviable Amount	0.47%	3.00%	0.95
	Skills Development Spend on black employees with disabilities	0.00%	0.30%	0.00
	Black employees on SETA accredited Learnerships	1.52%	3.00%	1.33
	Points scored	-	-	2.76
PREFERENTIAL PROCUREMENT	Procurement spend ALL Suppliers	55.34%	50.00%	12.00
	Procurement spend from QSE's & EME's	1.56%	10.00%	0.47
	Suppliers who are 50% Black Owned	0.00%	9.00%	0.00
	Suppliers who are 30% Black Women Owned	0.00%	6.00%	0.00
	Points scored	-	-	12.47
ENTERPRISE DEVELOPMENT	Enterprise Development Contributions	1.47%	3.00%	7.34
Points scored	-	-	7.34	15.00
SOCIO-ECONOMIC DEVELOPMENT	Socio Economic Contributions	0.48%	1.00%	2.40
	Points scored	-	-	2.40
Total points Scored		-	-	48.23

APPENDIX D: SENWES SALARY BREAKDOWN, BY GENDER AND RACE

JG		2017/2000 ANNUAL JOB SCALES		Number of employees	Average	W	African male	F	African female	W	Coloured male	F	Coloured female	W	Indian male	F	Indian female	W	Average male	F	Average female	W	White male	F	Ymha female	
09	R	R	R	213	R 26 026	163	R 13 936	3	R 10 000	1	R 48 000	2	R 30 000	164	R 14 144	5	R 18 576	22	R 89 460	22	R 32 864					
10	R	R	R	392	R 29 006	342	R 25 584	33	R 20 200	10	R 29 399	7	R 28 800	362	R 29 609	40	R 30 023									
11	R	R	R	495	R 37 550	419	R 33 083	61	R 27 776	2	R 28 308			493	R 35 968	1	R 27 720									
12	R	R	R	158	R 35 192	103	R 35 438	2	R 34 587	5	R 33 824	1	R 32 778	107	R 35 554	10	R 33 582									
13	R	R	R	168	R 31 170	117	R 31 458	1	R 28 444					17	R 31 458	1	R 16 448									
14	R	R	R	118	R 46 126	113	R 46 042	1	R 40 284	4	R 40 835	3	R 46 117	114	R 46 378	4	R 46 405	1	R 45 362							
15	R	R	R	78	R 43 354	74	R 42 374			1	R 48 736			7	R 46 354	0										
16	R	R	R	187	R 47 107	163	R 47 083	19	R 45 811	5	R 45 143	3	R 46 112	180	R 47 081	11	R 46 372	6	R 44 545	10	R 47 500					
17	R	R	R	46	R 36 719	39	R 33 329	3	R 31 400	0	R 35 820	1	R 31 800	37	R 34 767	4	R 31 560	6	R 65 292							
18	R	R	R	104	R 63 276	81	R 59 823	8	R 68 354	1	R 68 747	13	R 62 506	47	R 69 733	21	R 68 122	4	R 73 586	30	R 68 111					
19	R	R	R	15	R 43 000									0												
20	R	R	R	12	R 55 970	1	R 48 737			2	R 64 883	1	R 46 000	0												
21	R	R	R	96	R 66 181	7	R 77 238	7	R 74 873	3	R 69 969	6	R 78 168	10	R 73 863	13	R 76 295	7	R 88 832	66	R 89 734					
22	R	R	R	12	R 77 916	4	R 70 238			1	R 84 682			0												
23	R	R	R	87	R 104 444	1	R 89 728	3	R 98 623	4	R 98 528	3	R 94 593	82	R 103 366	1	R 98 608	10	R 129 834	60	R 105 573					
24	R	R	R	1	R 61 894									0												
25	R	R	R	13	R 75 912	1	R 55 000			1	R 61 150			2	R 78 056	0										
26	R	R	R	30	R 129 224	1	R 161 912			0	R 99 782	2	R 98 959	13	R 143 716	20	R 142 510									
27	R	R	R	20	R 105 008	1	R 86 000			1	R 65 967			2	R 75 904	0										
28	R	R	R	58	R 182 587	5	R 129 169	2	R 111 261	6	R 171 238	3	R 144 923	11	R 182 109	3	R 131 848	20	R 184 095	12	R 133 867					
29	R	R	R	1	R 73 562									0												
30	R	R	R	16	R 120 844	1	R 85 959			1	R 105 500			0												
31	R	R	R	87	R 188 589	1	R 158 866	1	R 201 304	5	R 191 778	1	R 198 000	11	R 187 194	2	R 176 753	14	R 198 771	30	R 172 431					
32	R	R	R	0	R 145 727									0												
33	R	R	R	64	R 211 212	1	R 232 911			1	R 240 000			2	R 229 956	0										
34	R	R	R	16	R 191 946									0												
35	R	R	R	11	R 287 695	1	R 249 636			1	R 295 000			0												
36	R	R	R	1	R 236 774									0												
37	R	R	R	36	R 222 982					1	R 328 000	1	R 224 000	1	R 224 000	21	R 224 000	21	R 224 000	7	R 284 432					
38	R	R	R	34	R 293 176	1	R 337 821	1	R 280 000	2	R 387 373	1	R 456 000	7	R 142 836	2	R 328 000	33	R 420 877	4	R 291 749					
39	R	R	R	20	R 477 211									1	R 408 000	0										
40	R	R	R	2	R 641 436									0												
41	R	R	R	12	R 840 322					1	R 630 000			1	R 630 000	0										
42	R	R	R	1	R 735 877	1	R 720 000							1	R 720 000	0										
43	R	R	R	3	R 1 263 333	1	R 1 040 000							1	R 1 040 000	0										
44	R	R	R	2	R 1 761 296									0												
45	R	R	R	1	R 2 940 000									0												
				1976		993		95		73		79		6		0		1088	174	439			297			

APPENDIX E: FOCUSED OBJECTIVES AND SUCCESS INDICATORS DERIVED FROM SKILLS DEVELOPMENT ACT

National Skills Development Strategy

The equity targets span across all five objectives and state that the beneficiaries of the strategy should be 85% black, 54% female and 4% people with disabilities.

Objective	Success Indicator
1. Developing a culture of high quality lifelong learning.	<p>1.1 By March 2005, 70 % of workers will have at least a level one qualification on the National Qualification Framework.</p> <p>1.2 By March 2005, a minimum of 15 % of workers to have embarked on a structured learning programme, of whom at least 50 % have completed their programme satisfactorily.</p> <p>1.3 By March 2005, an average of 20 enterprises per sector, (to include large, medium and small enterprises), and at least five national government departments, to be committed to, or have achieved, an agreed national standard for enterprise-based people development.</p>
2. Fostering skills development in the formal economy for productivity and employment growth.	<p>2.1 By March 2005, at least 75 % of enterprises with more than 150 workers are receiving skills development grants and the contributions towards productivity and employer and employee benefits are measured.</p> <p>2.2 By March 2005, at least 40 % of enterprises employing between 50 and 150 workers are receiving skills development grants and the contributions towards productivity and employer and employee benefits are measured.</p> <p>2.3 By March 2005, learnerships are available to workers in every sector. (Precise targets will be agreed with each Sector Education and Training Authority.).</p> <p>2.4 By March 2005, all government departments assess and report on budgeted expenditure for skills development relevant to Public Service, sector and departmental priorities.</p>
3. Stimulating and supporting skills development in small businesses.	<p>3.1 By March 2005, at least 20 % of new and existing registered small businesses to be supported in skills development initiatives and the impact of such support to be measured.</p>
4. Promoting skills development for employability and sustainable livelihoods through social development initiatives.	<p>4.1. By March 2003, 100% of the National Skills Fund apportionment to social development is spent on viable development projects.</p> <p>4.2. By March 2005, the impact of the National Skills Fund is measured by project type and duration, including details of placement rates, which shall be at least 70%.</p>
5. Assisting new entrants into employment.	<p>5.1 By March 2005, a minimum of 80 000 people under the age of 30 have entered learnerships.</p> <p>5.2. By March 2005, a minimum of 50% of those who have completed learnerships, within six months of completion are employed (e.g. have a job or are self-employed), in full-time study or further training, or are in a social development programme.</p>

Source: National Skills Development Strategy Implementation Report April 2002 – March 2004

APPENDIX F: EXCERPTS FROM THE DELOITTE'S BEST COMPANY TO WORK FOR SURVEY RESULTS 2008

Deloitte.

The Best Company to Work For Survey 2008
Building and delivering on your employer brand



Deloitte.

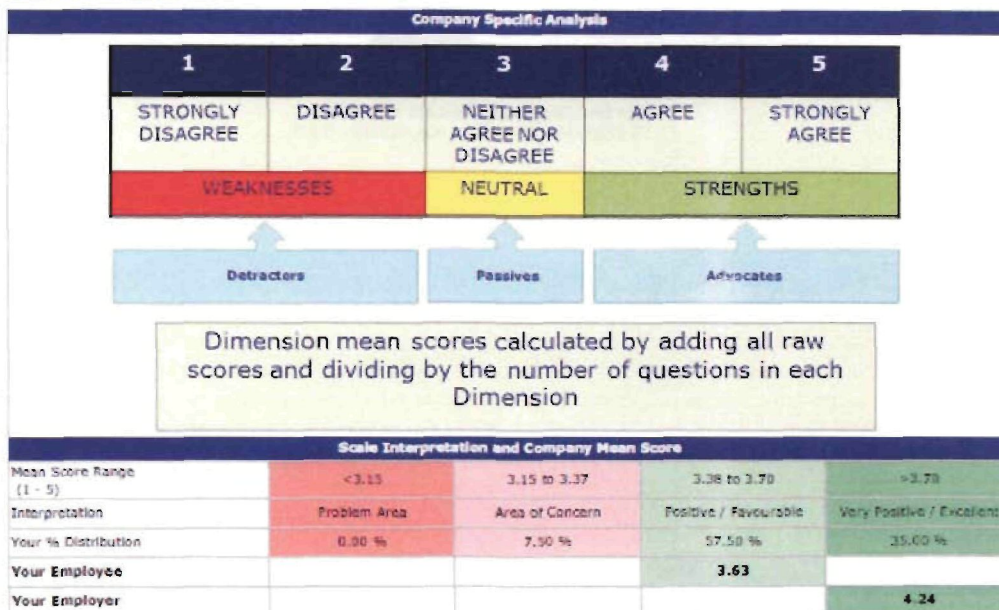
The Best Company to Work For Survey 2008
Building and delivering on your employer brand

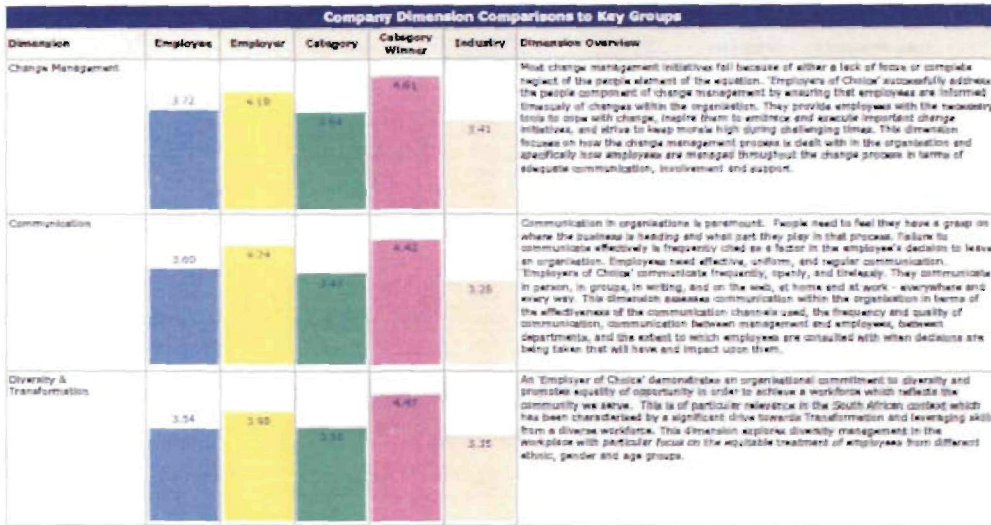
Executive Summary



Senwes Ltd
Ranked 18th out of 48 participants in the Medium Category and ranked 2nd out of 4 participants in the Agriculture Industry.

Year	Category	Category Participants	Category Rank	Industry	Industry Participants	Industry Rank	Sample Size	Response
2008	Medium	48	18	Agriculture	4	2	500	378





Senwes Ltd
 Ranked 18th out of 48 in Category: Medium

Company	Rank
Brandhouse Beverages (Pty) Ltd	1st
McDonald's SA	2nd
Flight Centre SA (Pty) Ltd	3rd
TWP Consulting (Pty) Ltd	4th
NMC (Pty) Ltd	5th
Pfizer Laboratories (Pty) Ltd	6th
Holland Insurance	7th
Medihelp	8th
Kelly, a division of the Kelly Group Limited	9th
Bigen Africa Group Holdings (Pty) Ltd	10th
Senwes Ltd	18th

Employee Engagement Drivers Ranked by Importance					
Question	Very Important	Important	Moderately Important	Of Little Importance	Unimportant
Good communication	64%	28.9%	3.3%	2.2%	1.6%
Having the skills and resources I need to do my job properly	63.3%	32.1%	2.2%	2.2%	0.2%
My remuneration, rewards and benefits	62.6%	25.4%	7.4%	2.2%	2.5%
Equity in the workplace	61%	28.6%	6.3%	1.1%	3%
The working relationships I have with my colleagues	56.8%	35.3%	4.6%	1.9%	1.4%
Opportunities for training and development	55.3%	36.4%	4.7%	1.9%	1.6%
Knowing and believing in the company's vision, mission and values	54.2%	38.4%	6.6%	1.6%	1.1%
Being able to add value	52.3%	37%	7.4%	1.9%	1.4%
The trust I have in leadership	52%	35.1%	7.9%	2.2%	2.2%
The working relationship I have with my manager	51.8%	36.5%	6.3%	4.1%	1.4%
Work-life balance	50.3%	34.3%	9.9%	3.2%	2.2%
Feeling challenged in my job	50%	37.3%	6%	3.3%	3%
A clear career development plan	49.2%	41.8%	5.2%	1.4%	2.5%

Employee Engagement Drivers to Key Comparison Groups					
Question	Very Important	Important	Moderately Important	Of Little Importance	Unimportant
My remuneration, rewards and benefits					
Employee	62.6%	25.4%	7.4%	2.2%	2.5%
Employer	71.4%	28.6%			
Category: Medium	70.9%	22.5%	4.1%	1.6%	1%
Category Winner: Medium	75.4%	20.3%	4%		0.4%
Industry: Agriculture	67.6%	23.1%	5.3%	1.4%	2.4%
The working relationships I have with my colleagues					
Employee	56.8%	35.3%	4.6%	1.9%	1.4%

Overall Satisfaction Levels and Company Perceptions Comparison to Key Groups					
As an Employee, I would describe myself as:					
Group	Extremely Satisfied	Somewhat Satisfied	Neither Satisfied nor Dissatisfied	Somewhat Dissatisfied	Extremely Dissatisfied
Employee	33.1%	41.7%	11.1%	7%	7%
Employer	71.4%	28.6%			
Category: Medium	24.9%	45.1%	12.8%	11.7%	5.5%
Category Winner: Medium	80%	32.4%	3.6%	3.2%	0.7%
Industry: Agriculture	25.6%	42.3%	14.2%	9.5%	7.4%
I believe my company is an employer of choice:					
Group	No Strongly Disagree	No Disagree	Yes Agree	Yes Strongly Agree	
Employee	8.1%	32.3%	50.7%	28.7%	
Employer			42.9%	57.1%	
Category: Medium	6.2%	14.9%	49.7%	29.3%	
Category Winner: Medium	0.4%	3.3%	21.1%	75.3%	
Industry: Agriculture	9.9%	15.6%	50.3%	24.2%	