

# **MANAGING DIVERSITY IN THE SOUTH AFRICAN WORKPLACE: A LITERATURE PERSPECTIVE**

by

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**Dedicated to:**

**My partner, Mahmood**

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## ABSTRACT

A literature review, delving into the most recent writing by academics and business leaders, was undertaken to study both Global and South African perspectives on managing diversity in the workplace. This study was considered timely and of practical importance to South African organisations, due to the recent legislation of the Employment Equity Act (EE A), and the resistance and lack of compliance being demonstrated by South African managers. [The aim of the study was to generate a clear understanding of the breadth and complexity of diversity issues, initiatives and management, and then to isolate practical and successful diversity practices to overcome the barriers and challenges specific to the South African workplace.

Successful, [management of diversity], as was demonstrated by Kandola and Fullerton (1998: 35), purport the following proven, debatable and indirect benefits to organisations:

### **Proven Benefits:**

***Access to talent:*** By making it easier to recruit scarce labour and reducing costs associated with excessive turnover and absenteeism.

***Flexibility:*** By enhancing organisational flexibility.

### **Debatable Benefits:**

***Teams:*** Promoting team creativity and innovation as well as improving problem solving and decision-making.

**Customers:** By improving customer service and increasing sales to members of minority culture groups.

**Quality:** By improving quality.

**Indirect benefits:**

- Satisfying work environments
- Improving morale and job satisfaction
- Improving relations between different groups of workers
- Greater productivity
- Competitive edge
- Better public image.

The literature found that many of the reasons for managing diversity in the workplace, in both Global and South African organisations, were similar. The similarities included; 1) Demographic changes in the workforce; 2) Organisational restructuring; and 3) Equity legislation. However, the South African situation, as demonstrated by the World Competitiveness Report 2000, also included the need for higher levels of sustainable productivity, greater competitiveness, securing and retaining skilled labour, and an improvement in management skills. The literature also revealed that South African diversity dynamics are very different to those experienced by international organisations. Presently, South African organisations, due to the dehumanising after-effects of the apartheid system, are generally fraught with internal conflict and polarisation within their diverse work forces. A 1996 national survey of a sample of the top 100 companies in South Africa (Thomas, 1996:94), found that Chief Executive Officers and Human

Resource Directors were finding the following situations common in the workplace:

- Lack of trust and confidence between sub-groups;
- Breakdown in communications between subgroups;
- Prejudices and stereotypes; poor teamwork;
- Decreased productivity; inter-group conflict;
- High staff turnover especially among those previously disadvantaged people recruited to companies; and
- Unhealthy competition.

The best practices of international organisations in regards to diversity management was found to include: 1) The CEO leads diversity plan; 2) Blacks, women and disabled people visible in top management; 3) The rewards system is tied to diversity goals; 4) A focus on employee retention; 5) Mentoring programs; 6) Diversity training programs; and, 7) Community development programs.

A comparison of South African and Global diversity perspectives revealed that South African initiatives toward managing diversity are generally reactive to the new EE A legislation, and do not go beyond. The following factors describe the current state of diversity dynamics in South African organisations:

- “Westcentric”, white male club culture, an exclusionary organisational climate.
- Formal, rigid, command and control based management style with emphasis on production and profit.
- Diversity is narrowly defined, based on targets in EE A legislation.

- Diversity management practices are independent short-term strategies reactive to the new EE A law.
- South African organisations have not adequately recognised the bottom line reasons for managing diversity.
- Presently diversity initiatives are a resentful compliance to EE A laws. A short-term strategy, administered by the human resources department. It is based on targets and quotas.

The literature specifically revealed that six critical success factors must be present to ensure successful diversity management, they are that the diversity initiative be; 1) organisation specific; 2) developed and implemented through participation by diverse employees from all levels of the organisation; 3) championed and led by the CEO and/or top management of the organisation; 4) a long-term cultural change strategy; 5) systematically integrated into goals, objectives, policy, functions, and operations throughout the organisation; and finally 6) strategically linked to the organisations business case.

Based on the findings from the literature review, the following recommendations were presented as a new way forward for South African organisations in their pursuit for successful diversity management:

1. Create a climate conducive to successful diversity management by injecting positivism, values and African pride.
2. A transformational mind-shift on the part of South African manager/leaders.
3. Diversity management as a long-term cultural change program. A strategy incorporating the six success factors outlined above.

- 4. Utilise diversity training as an ongoing, integral component of the diversity program.

The above recommendations are considered essential in ensuring the long-term effectiveness of diversity initiatives in South African organisations, as well as ensuring sustained improvement in productivity and competitiveness.

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## **CHAPTER 1:**

### **INTRODUCTORY PERSPECTIVES**

#### **1.1 INTRODUCTION:**

South Africa has in its recent past, a devastating history of using state-based oppression to effectively divide and separate people of diverse cultures, races, languages, education and abilities through discriminatory laws, coercion, and inhuman third force activities. Since 1994, and the democratisation of South Africa, the legacy of this negative power-based form of controlling diversity continues to undermine the global competitiveness of South African business. Having recently re-entered the global marketplace, after years of isolation due to international boycotts, South African businesses are currently struggling to survive, catch-up, restructure, and compete within today's turbulent economic environment and the global arena. The old way of doing business is no longer relevant in the year 2000. The rules, the scope, the skills, the tools and the parameters are continuously changing, and the only certainty there is ... is change itself. The terms, "adaptable, creative, flexible, and innovative" are being used to describe those firms, which are today successfully competing and growing. To make matters worse, the very "diversity", which the previous South African government considered best, kept separate, is now being encouraged, supported, and drawn on by international business as a competitive advantage in the market place. Those South African firms who continue to "do things the way we have always done them around here", are starting to wake up and are

struggling to determine how to go about changing their organisational culture to gain the competitive advantages associated with the new business mindset. However, although international diversity practices may be successful in their organisations of origin, managing diversity is not a “one-off” approach, nor is there a “one-size fits all” solution. South African managers must seek solutions, which address South African businesses unique socio-economic circumstances, including; the lack of a trained and skilled labour pool, the recent employment equity legislation, as well as the mindset of the people within their organisations (at all levels) whose values, attitudes, perceptions, as well as ethnocentrism, were shaped by the country’s apartheid past.

#### **1.1.2 South African Competitiveness:**

The International Institute for Management Development (IMD), located in Switzerland, undertake an annual competitiveness ranking of 47 countries. The competitiveness scores are measured using 290 criteria based on “how national environments sustain the domestic and global competitiveness of the firms that operate in the countries covered (IMD, 2000: <http://www.imd.ch>). “ The World Competitiveness Yearbook 2000 rankings placed South Africa in 39<sup>th</sup> position up from 42<sup>nd</sup> in 1999, on their “Competitiveness Scoreboard” out of a possible 47 emerging and industrialised economies. In the category of “Management”, South Africa rates particularly poorly. Out of a possible 47 countries, South Africa rates 47<sup>th</sup> in “Industrial relations”, 46<sup>th</sup> in “Worker motivation”, 45<sup>th</sup> in “International experience”, 43<sup>rd</sup> in “Customer orientation”, and 42<sup>nd</sup> in “Industrial disputes”. These rankings speak volumes about the business milieu in the country.

South Africa as a developing nation, still has a long road ahead to compete on even ground with developed countries. According to Dr. Lalita Yadavalli, senior economist at the National Productivity Institute, "Rome was not built in a day and a paradise lies ahead for South Africa too ... (she quotes Lester Thurow) ... We are moving to a world dominated by the knowledge industries and the key assets become the brain power of individuals and you cannot own individual human beings (Vadavalli, L., 1998:15)." Herein lies the challenge of creating an environment which encourages individual workers to be all that they can be, embracing their individual diversity, and thereby retaining and growing potential and concrete human capital to contribute to the bottom line of South African business.

## **1.2 PROBLEM STATEMENT:**

Competitiveness and increasing levels of productivity are the most significant challenges currently facing South African businesses. South African workplaces are made up of people from many different racial and language groups and the challenge is to effectively align these diverse peoples toward the common goal of keeping businesses running competitively in the present day economic turbulence. The extent to which this is achieved will have a significant bearing on organisations' competitive and economic results. Therefore the subject under discussion here is to identify diversity practices to overcome the barriers and challenges to managing diversity in the South African workplace.

### 1.3 AIM OF THE RESEARCH:

The main aim of this research paper is to describe in detail the current literature on managing diversity in the workforce both from an international and South African perspective, to bring about an understanding of the complexity and breadth of workplace diversity issues. Having reviewed the literature it is important to isolate practical and successful diversity practices to overcome the specific barriers and challenges to managing diversity in the South African workplace.

### 1.4 IMPORTANCE OF THE RESEARCH:

This research study is particularly beneficial to South African managers today, to assist them in recognising that developing their diverse workforce is a "bottom line issue" for their organisation. Some South African employers confuse managing diversity with affirmative action or the new Employment Equity legislation. In general terms, managing diversity is a holistic, proactive approach toward growing all staff members, enabling them to excel and be productive contributors to the success of the firm. Whereas the new Employment Equity Act (EE A) passed during the 1998 Parliamentary Session, is a government-enforced program to readdress the inequities of the past and assist the previously disadvantaged population in entering the workforce. To comprehend diversity issues and its importance to the competitiveness of organisations, it is helpful to understand the disparity between managing diversity and Affirmative Action (AA) programs. Fernandez (1993) summarises the differences in the following table:

**Table 1: The Differences Between Managing Diversity and AA/EEO**

| <b><i>Managing Diversity</i></b>                                                                                                                                              | <b><i>AA/EEO</i></b>                                                                                                            |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|
| <i>Reason: Proactive and based on business reality and needs</i>                                                                                                              | <i>Reason: Reactive and based on governmental law and moral imperatives.</i>                                                    |
| 1. Top management plays crucial leading roles                                                                                                                                 | 1. Top management delegates the leading roles to a AA/EEO administrators                                                        |
| 2. AA/EEO is a crucial part of the diversity strategy                                                                                                                         | 2. AA/EEO is a separate strategy                                                                                                |
| 3. Strategic part of the business plan                                                                                                                                        | 3. Nonstrategic, not tied into the business plan (except in progressive companies)                                              |
| 4. A strong linkage to managerial performance evaluations and rewards                                                                                                         | 4. No real linkage to managerial performance evaluations and rewards                                                            |
| 5. A crucial strategy linked to team-building and quality efforts                                                                                                             | 5. A corporate strategy not linked to team-building and quality efforts                                                         |
| 6. A wide variety of programs that affect the organization's cultural values and norms                                                                                        | 6. Targeted special programs with little strategic focus that have no significant impact on the organization's cultural values. |
| 7. Long-term linked commitments that use ongoing acquired knowledge as building blocks for future strategies and goals                                                        | 7. Short-term, unlinked commitments with very little building on acquired knowledge for the next steps                          |
| 8. Emphasizes strategies to more effectively manage a diverse customer base, a more diverse stakeholder base, and a more diverse influencer base                              | 8. Emphasize strategies to deal primarily with employees, not customers, influencers, and stakeholders                          |
| 9. Inclusive (focus on all employees regardless of race, ethnicity, gender, age, religion, language, personality, sexual orientation, physical/mental limitations, and so on) | 9. Exclusive (primarily focuses on women and people of color)                                                                   |
| 10. Respects, values, understands, and appreciates differences                                                                                                                | 10. Attempts to make individuals conform to organizational norms                                                                |
| 11. Produces significant change in reward, recognition, and benefit programs                                                                                                  | 11. Reward, recognition, and benefit programs are not changed                                                                   |

12. Both an internal strategy (i.e., a crucial aspect is to be actively involved in community and social issues around diversity) and an external strategy

Source: Fernandez (1993), pp. 294-295.

12. Primarily an internal strategy (i.e., only a limited involvement in community and societal issues to meet governmental requirements)

As suggested above, the new EE A legislation can be successfully integrated into a diversity program. However, many South African companies resent the new law, and feel that by basic compliance with the law they are fulfilling their requirement. Therefore, this research project is very relevant given the resistance South African managers themselves are exhibiting as well as facing in regards to the changing character of society, workforce and new legal requirements. As Pieterse (1998: 39) suggests: "Affirmative Action is not a foreign concept to (South African) whites. In fact, it is with the assistance of affirmative action that the majority of whites enjoy their present economic status. Affirmative action was implemented with so much vigour that it eliminated the poor white problem . . . Their affirmative action was also implemented at the expense of the already disadvantaged people of colour, whilst this time, affirmative action has the objective to correct the imbalances of the past." Although, a great deal of resistance to societal changes is evident, there are a minority of progressive South African companies that are embracing diversity practices and are beginning to lead the way.

#### **1.4.1 Why South African Organisations Should Learn To Value And Manage Diversity:**

There has recently been significant interest by academics, consultants and governments in diversity and surrounding issues. The term "diversity" has

become another “buzzword” in management jargon, along with quality, flexibility and rightsizing for example. Given the benefits listed by international, particularly American and multi-national firms, the interest is warranted. According to Kandola and Fullerton (1998: 35), “writers are quick to cite an array of benefits, but rarely do they question or examine the underlying evidence”. Therefore, by examining benefits evidence in the literature, the above-mentioned authors came up with the following “Categorisation of the perceived benefits”, of managing diversity.

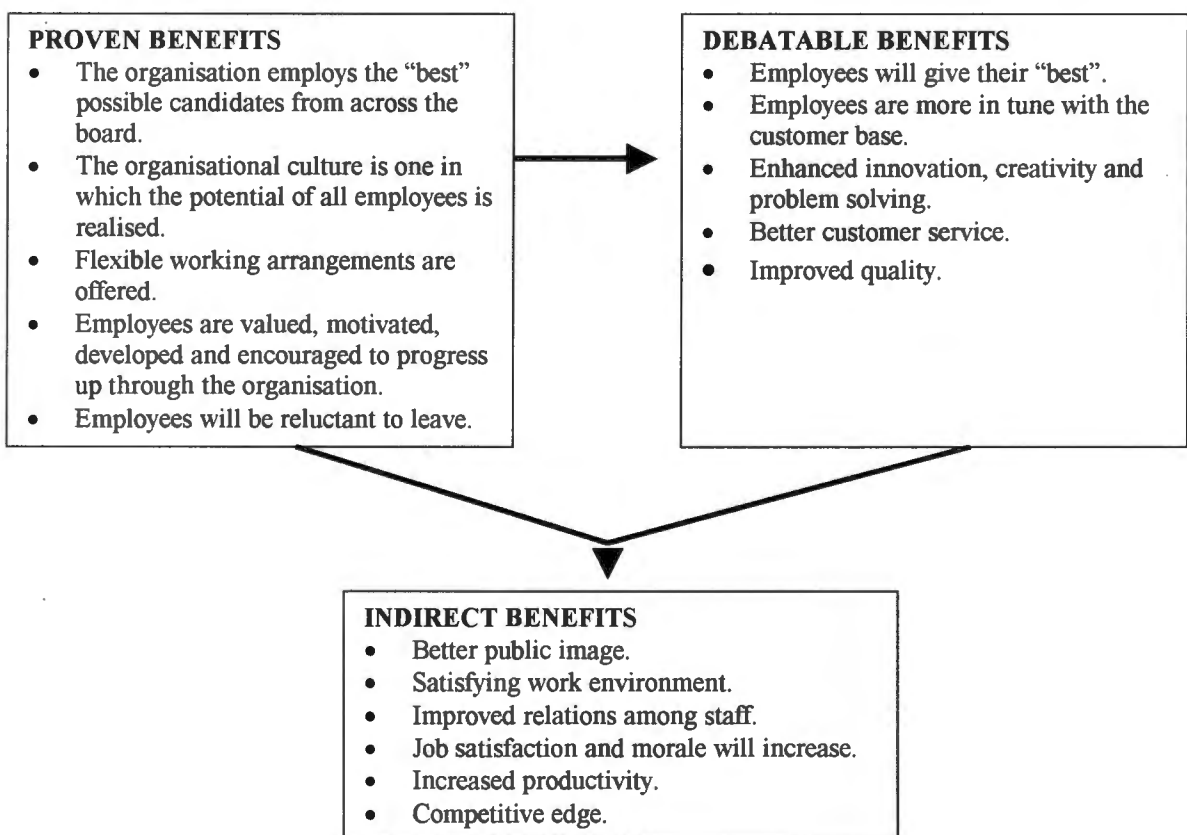
**Table 2:      Categorisation of the Perceived Benefits**

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Proven Benefits</b></p> <p><i>Access to talent:</i></p> <ul style="list-style-type: none"> <li>- making it easier to recruit scarce labour.</li> <li>- reducing costs associated with excessive turnover and absenteeism</li> </ul> <p><i>Flexibility:</i></p> <ul style="list-style-type: none"> <li>- enhancing organisational flexibility.</li> </ul> <p><b>Debatable Benefits</b></p> <p><i>Teams:</i></p> <ul style="list-style-type: none"> <li>- promoting team creativity and innovation</li> <li>- improving problem solving</li> <li>- better decision making.</li> </ul> <p><i>Customers:</i></p> <ul style="list-style-type: none"> <li>- improving customer service</li> <li>- increasing sales to members of minority culture groups.</li> </ul> <p><i>Quality:</i></p> <ul style="list-style-type: none"> <li>- improving quality.</li> </ul> <p><b>Indirect benefits</b></p> <ul style="list-style-type: none"> <li>- satisfying work environments</li> <li>- improving morale and job satisfaction</li> <li>- improving relations between different groups of workers</li> <li>- greater productivity</li> <li>- competitive edge</li> <li>- better public image.</li> </ul> |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

As the table above indicates, organisational savings in the area of recruitment, attrition and training, a wider pool of candidates, and increased flexibility of the firm are proven benefits of effective management of diversity in the workplace.

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 manage diversity within their organisations. As well, Kandola and Fullerton (1998:35), acknowledge, “Lack of evidence does not necessarily imply that the claims about benefits are inaccurate or misleading; rather, by breaking down the evidence into our three categories a clearer picture emerges.” In the following flow chart they demonstrate the links between the proven benefits and the two other categories of benefits they found cited in the literature:

**Figure 1: Links Between the Diversity Benefits**



### **1.4.2 Barriers To Managing Workplace Diversity In South Africa:**

Given the proven, debatable and indirect benefits, managing diversity can be described as a viability issue for many South African organisations. As stated earlier, South African organisations are generally fraught with internal conflict, due to the polarisation of their diverse work forces. A 1996 national survey of a sample of the top 100 companies in South Africa (Thomas, 1996:94), found that Chief Executive Officers and Human Resource Directors were finding the following situations common in the workplace:

- Lack of trust and confidence between sub-groups;
- Breakdown in communications between subgroups;
- Prejudices and stereotypes; poor teamwork;
- Decreased productivity; inter-group conflict;
- High staff turnover especially among those previously disadvantaged people recruited to companies; and
- Unhealthy competition.

According to Martins (2000:32) of Unisa, a 1995 South African study found the results of an Affirmative Action Employment Equity and Diversity Audit of seven companies (7,000 employees), indicated the following negative aspects of the organisational assessment:

- Best workers leave the organisation;
- Lack of knowledge of the roles and functions of the Employment Equity forum/committee;
- Lack of action by immediate managers to train employees to become managers/supervisors;

- Disrespect for the property and other possessions of the organisation;
- Distrust between employees and management;
- Negative perceptions regarding leadership;
- Lack of understanding of the different cultural groups in organisations;
- Appointment of people on merit;
- Difficulty of employees to adapt to new policies and work procedures;
- Unequal grading system, salaries and benefits for employees on the same levels;
- Unequal opportunities for promotions and appointments;
- Lack of caring for employees;
- No involvement of employees in decision-making;
- Dissatisfaction with the amount of time, money and energy the organisation is spending on employee development; and
- Services (internally and externally) that are hampered by discrimination.

There are numerous barriers, which inhibit the employment, functioning and advancement of diverse groups in the workplace. Some of the most frequently discussed barriers found in the literature, all of which are exhibited in South African workplaces, are described below.

#### **1.4.2.1 Stereotypes and Prejudice:**

Stereotypes are a set of beliefs about others and their characteristics; prejudice is a general positive or negative feeling towards a certain group. Stereotypes and prejudice can lead to poor decisions as well as create barriers for women, the disabled and blacks, causing a lack of employee loyalty, job satisfaction, and

advancement. Stereotypes and prejudice are two very real issues within the present day South African workplace. Evidence shows that extremely negative stereotypes and perceptions are still evident between black and white staff members. Mbigi, (1998:37-38) found the following negative attitudes in a participative survey on racial perceptions of over three thousand employees in ten South African organisations:

**Negative Perceptions of Whites as Viewed by Blacks:**

- They perceived whites as cold racists.
- They perceived whites as having a superiority attitude over blacks and not treating their black colleagues as equals.
- Whites were perceived as sticking together to further their interests at the expense of blacks.
- Whites were also seen as constantly engaging in sabotaging affirmative action by deliberately withholding information, skills, and co-operative efforts from blacks.
- Whites were also seen as patronising pretenders.
- Whites were perceived as being rigid, intolerant, exploitative and selfish.
- Whites were seen as having unforgiving attitudes.
- Whites were perceived as permanent conspirators against black agendas and progress.
- Whites were perceived to be reactionaries who are against change.
- Whites are seen as persistently undervaluing black talent, contributions and culture.
- Whites cannot accept black leadership and authority.

**The Main Positive Perceptions By Blacks About Whites Were:**

- They were perceived as being loyal, hard-working employees with expertise.
- They were perceived as being good at timekeeping and keeping promises.
- They were seen as being decisive and action-orientated.
- Whites were seen as respectful of authority.

- Whites have strong commitment and are task focused.
- Whites were seen as stubborn and persistent.

#### **The Main Negative Perceptions of Blacks as Viewed by Whites Were:**

- They perceived blacks to be non-contributors, with limited knowledge and expertise, and with an entitlement mentality.
- Blacks were perceived as being unreliable particularly at time keeping, appointments and promises.
- Whites perceive blacks as disrespectful of personal space or distance.
- Blacks were seen as having a diminished sense of personal accountability.
- Blacks were seen as being grumpy and constantly complaining about the past.
- Blacks were perceived to be disorganised, dirty and with little respect for property.
- Blacks were seen as slow and possessing limited intelligence.
- Blacks were perceived to be unruly and uncouth, with a tendency towards violence and loudness.
- Blacks were perceived as being easily intimidated.

#### **The Main Positive Perceptions of Blacks by Whites Were:**

- Blacks were seen to have solidarity and have the capacity to stick together around selected issues.
- Blacks were perceived to be more sociable and having a capacity to enjoy themselves.
- Blacks were seen to be very artistic, particularly in music and dance.
- Blacks have the ability to mobilise support around a common cause.
- Blacks were seen as having the ability to do boring and repetitive work.
- Whites admired their respect for older people.
- Blacks have a unique ability to look after each other and extended family members.

Although stereotypes and prejudice surrounding “black and white” issues are prevalent within South African society and workplaces, stereotypes surrounding gender, age, sexual preference and disability, for example, are also experienced.

#### **1.4.2.2 Discrimination:**

The South African government has integrated non-discrimination clauses in a number of laws, acts and legislation including the South African Constitution. Although, discrimination is against the law and victims have legal recourse, cases of discrimination continue to occur. Women in particular, although constituting 45.8% of the workforce in 1996, account for 68.4% of all service sector employees and more than half of all clerical and sales positions. (Naidoo, in an article entitled *Empowerment of Women in the Current World*, as cited in Booyesen, L., 2000 : 34) Booyesen goes on to state, “in South Africa, women of all races are still disadvantaged, hold hardly any senior positions, especially in the corporate world and still is a wasted resource.”

#### **1.4.2.3 Harassment:**

Harassment can come in many forms, both subtle and blatant. Poole (1997) defines harassment as “any conduct or comment based on sexual, racial, or any other differences employees may have that is likely to cause offence and humiliation.” Racial harassment may come in the form of antagonism, exclusion, and verbal abuse. While sexual harassment, often power-based, can come in the form of unwanted touching, comments and pressurised requests for sexual favours. Both forms of harassment are debilitating both to the employee and the

employer. In addition, the organisation can be faced with costly legal retribution, as well as embarrassing publicity.

#### **1.4.2.4 Difficulty Balancing Work and Family:**

Working women can have difficulty balancing work and family, due to the male value system, which dominates corporate South Africa. Women often have to postpone or stop their career advancement if they decide to have children. The responsibilities of motherhood can conflict with the demands of a career. Evening work and frequent travel may no longer be possible for women once they have children. Many employers are not sympathetic towards women who find themselves competing with the demands of work and family.

#### **1.4.2.5 Poor Career Planning and Development:**

Kreitner and Kinicki, (1998:48), associate this barrier with the lack of opportunities for diverse employees to get the type of work assignments that qualify them for senior management positions. Morrison (1992) found that women and minorities in the United States are usually given tasks that are less stimulating and demanding, less visible, and not as vital as the ones given to white males. As a result, women and minorities do not accumulate the kind of experience and skills necessary to be promoted to top positions.

#### **1.4.2.6 Lack of Organisational Political Savvy:**

Thomas and Schonken (1998:73), propose that large South African businesses demonstrate "club culture". Club culture they explain is when "Power is exercised from particular nodal positions, and advancement within the organisation

depends upon becoming able vicariously to share in this power by “joining the club””. Given the dominance of a white male value system within South African organisations, women of all races, the disabled and black males have difficulty in fitting into the “club culture”, conforming to company norms, the organisational culture, knowing whom to align themselves with, or understanding the underlying informal power structure. These groups are also not privy to information shared in “the old boys network”, and therefore are at a further disadvantage.

#### **1.4.2.7        Unsupportive Work Environment:**

Blacks, the disabled and women of all races are constantly under scrutiny and pressure to produce and perform to high expectations. Due to this ongoing pressure they are reluctant to ask for assistance when they need it. They are afraid that they will be considered incompetent if they ask for help. The lack of asking for clarification can in itself cause errors and missed deadlines.

#### **1.4.2.8        Exclusion and Isolation:**

Although changes are underway, the majority of managers in South African business today, are still white males. It is true that most people tend to feel more comfortable with people like themselves, and hire, promote, give choice assignments to them, rather than to people who are different than themselves (Wentling, R.M. & Palma-Riva, N., 1997:21). Therefore, women, the disabled and blacks are at a disadvantage. In addition, these groups do not receive as much feedback as other employees, due to the fact that white male managers do not know how the feedback will be received, as well as the wish to avoid conflict.

Without valuable feedback, women, the disabled and blacks are not allowed to improve and learn, which affects long-term career advancement.

#### **1.4.2.9      Qualifications and Performance Questioned:**

As stated above, women, the disabled and blacks are continuously under scrutiny to perform and produce. To be recognised and receive the respect they deserve they must actually outperform white males. In addition, although they have come through the interview and/or job appraisal process, their qualifications and abilities continue to be regarded with scepticism. This is particularly true, when they are considered to be Affirmative Action candidates. The societal assumption that you should expect less from women, the disabled and blacks is so wide spread, that it can be internalised by these groups as well (Morrison, 1992).

#### **1.4.2.10      Lack of Mentors:**

Another barrier, which is associated with an unsupportive work environment, is the lack of mentors and role models for women, the disabled and blacks in middle to upper management. Mentors can provide a necessary support to women, disabled and black managers, who must “learn the ropes”. However, due to the barriers being presented here, there are few such supports available (Morrison, 1992).

#### **1.4.2.11      Backlash:**

Chemers, Oskamp, and Constanzo (1995:106), explain that backlash is the: “Negative reaction(s) to the development of power by women and minorities (which) can be characterized by a form of backlash. This may be called diversity

backlash when applied to organizations, which occurs when minority members are perceived as attempting to develop power by individual or collective means. Diversity backlash can be characterized as a pre-emptive strike against the development of power of groups lacking power in organisations. Typically, it occurs before power has actually been obtained by minority groups; it is a reaction to the threat of loss of power by the majority group.” Backlash in the South African context can be renamed as fear of reverse discrimination and/or resistance to the new EE A laws. As Kreitner and Kinicki (1998:48) suggest, some employees believe that managing diversity is a smoke screen for reverse discrimination. This belief intensifies resistance to change programs intended to foster inclusion within the organisation.

To summarise, the barriers described above have managed to suppress women, the disabled and blacks from advancing in South African organisations. The challenge for today’s organisations is to effectively eliminate the barriers and to create organisations which value diversity and provide the same opportunities for all of its employees.

## **1.5 RESEARCH METHODOLOGY:**

This research involves two perspectives, the first being a literature review on the current global “perspectives” on managing diversity in the workplace, and the second being a literature review on the current South African “perspectives” on managing diversity in the workplace. Chapter two includes an introduction, global definitions of diversity, global reasons for managing workplace diversity, diversity initiatives and future trends in diversity. Chapter three involves an introduction,

then a review of South African demographics and the South African psyche. The South African organisational climate is then examined, under a number of relevant headings. South African diversity trends, diversity initiatives, as well as a comparison of how South Africa is approaching diversity management opposed to select international countries, completes the chapter. In Chapter four, Global and South African diversity perspectives are compared on both macro and micro levels. Next the gaps between the present and desired state of diversity management in South African organisations are identified. The final section in this chapter deals with bridging the diversity gaps. Chapter five, based on the findings of the literature review, outlines new directions in diversity management for South African organisations. The way forward is then discussed with emphasis on creating a climate conducive to successful diversity management by including positivism, values and African pride. Next a number of recommendations specific to the South African context are presented. Then some areas for future research are discussed, concluding observations are made, and the study ends with making a case for the imperative of diversity management in South Africa.

## **1.6 LIMITATIONS OF THE RESEARCH:**

The main limitation to this research study is that it is solely a literature review. An empirical study, given the current hypo-sensitivity surrounding the Employment Equity Act and South African companies scrambling to comply, was not presently possible. However, the literature is rich with data and examples of the initiatives, which are being put into practice.

The second limitation is the vast differences in seeking solutions for a developing nation from the experiences of developed nations. It is important to remember that each country and organisation presents it's own set of barriers to managing diversity, as well as it's own methods of working with diversity.

## **CHAPTER 2:**

### **CURRENT GLOBAL PERSPECTIVES ON MANAGING DIVERSITY IN THE WORKPLACE**

#### **2.1 INTRODUCTION:**

The use of the term “managing diversity” and the subsequent development of diversity practices in organisations originated in the United States in the late eighties. The concept of managing diversity suddenly catapulted into the limelight with the Hudson Institutes publishing of a book entitled “Workforce 2000” (Johnson and Packer, 1987). The publication demonstrated how the demographics of the United States would be changing over the next decade. It stated that by the year 2000, white males would be a minority of new entrants to the labour force. Subsequently, the “demographic imperative” continues to create a strong case for managing diversity (Ivancevich, J.M. and Gilbert J.A., 2000: 3). In addition, a 1990 article in the Harvard Business Review entitled “From affirmative action to affirming diversity”, by R.R. Thomas assessed the basis on which affirmative action practices were found, and suggested managing diversity as a superior initiative to that of simply implementing employment equity legislation requirements. This new pro-active approach served as a wake-up call for human resource practitioners, spawning numerous articles and books on the subject, as well as a multitude of diversity related initiatives within government and private organisations in the U.S. To date, the majority of diversity literature continues to come from the United States. However, there are a number of

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studies and articles written, particularly from the UK and Ireland, as well as Canada, Australia, and New Zealand. Due to the high mobility of the global workforce, diversity issues are relevant throughout the world. In addition to diversity practices in individual countries, there is also the concept of managing diversity within organisations operating on a global sphere, such as large multi-national companies.

## **2.2 GLOBAL DEFINITIONS OF MANAGING DIVERSITY:**

There are numerous global (mainly originating in the United States) definitions and approaches toward interpreting the term “managing diversity”. Originally, the term and concept was narrowly defined and synonymous with government enforced employment equity legislation. The emphasis was on managing issues around race, gender, and disability. The employment equity legislation effectively created a diverse workforce. Assimilation was used as the method to manage the resulting diversity. People were expected to acclimatise and fit into the mould of the company’s dominant culture, essentially discarding their personal differences. Individual and group differences were discouraged and considered disruptive to workplace harmony, as well as considered difficult to manage.

Thomas (1990:107-117) introduced a broader definition of managing diversity. He defined the concept as “a commitment on the part of organizations to recruit, retain, reward, and promote a heterogeneous mix of productive, motivated, and committed workers including people of color, whites, females, and the physically challenged”. Thomas’ work launched a flurry of literature on the subject,

introducing a host of broad-based definitions of managing diversity, which are varied and rich in complexity and scope.

According to Bland (2000:45), diversity theory “encompasses all areas in which employees are different, including race, culture, age, gender, nationality, religion, sexual preference, social status, economic background and physical ability. It seeks to be all-inclusive, considering also the needs and concerns of traditional majority members such as white males”.

Another definition, a Canadian example, defines diversity as “a workforce made...distinct by the presence of many religions, cultures or skin colors, both sexes (in non-stereotypical roles), differing sexual orientations, varying styles of behavior, differing capabilities, and usually, unlike backgrounds (Canadian Institute of Chartered Accountants and Society of Management Accountants of Canada, 1996 – as cited in Miller, G and Rowney, J.I.A., 1999:307). “

An Australian definition, as used by the State of Victoria, Department of Education asserts, “Managing and Valuing Diversity is a key component of effective people management. It focuses on improving the performance of the organisation and promotes practices that enhance the productivity of all staff. The dimensions of diversity include gender, race, culture, age, family/career status, religion and disability. Diversity also embraces the range of individual skills, educational qualifications, work experience and background, language and other relevant attributes and experiences which differentiate individuals [Available

on Internet: <http://www.sofweb.vic.edu.au/hrm/mandiv/managdiv.htm> Date of access: 8 Aug. 2000].”

R. Roosevelt Thomas, Jr., (1996: [Available on Internet: <http://jalmc.org/re-defdv.htm> Date of access: 27 June 2000]), President of the American Institute for Managing Diversity, suggests that it is time to redefine the term diversity and subsequently the management of diversity. He describes the current use of the term diversity as a “verbal shorthand for a workforce that is multiracial, multicultural, and multiethnic – which means it comes preloaded with people’s own individual perceptions and biases. For HR managers, it has become a kind of semantic umbrella that encompasses an assortment of HR programs”. He goes on to suggest that a much broader view of the term should be taken: “Diversity is not synonymous with differences, but encompasses differences and similarities. ... Diversity refers to the collective (all-inclusive) mixture of differences and similarities along a given dimension. ... The component elements in diversity mixtures can vary, and so a discussion of diversity must specify the dimensions in question.” Thomas’ view of diversity management includes differences and similarities, and goes beyond exclusively applying diversity practices to people, but also includes processes, such as distribution channels, profitability ratios, customer bases, and development costs. He suggests the same “Diversity Management Process” can be effectively used to manage all diversity elements.

Carr (1994:67), in citing diversity as an important ingredient in the realisation of the competitive advantages of continuous creativity in an organisation, provides a

further expansion of the term diversity. He states that: "Diversity is a product of cultural, group, sexual, functional, and occupational differences. It is just as surely a product of individual differences. In fact, it is only the acceptance of the validity of individual differences that can temper the divisive effects of a purely multi-cultural (and thus ultimately rigid) understanding of diversity." He suggests limiting diversity as purely "intercultural and intersexual difference", gives rise to two interrelated weaknesses; firstly he explains that, "as long as we treat cultural differences as somehow absolute, we will continue to speak in stereotypes", and secondly, "A focus on cultural and group differences tends to "balkanise" groups, including groups in organisations." Therefore diversity becomes a divisive force, whereby the different groups each pursue their own agenda competing with each other rather than working toward common organisational goals.

### **2.3 GLOBAL REASONS FOR MANAGING WORKPLACE DIVERSITY:**

Global diversity initiatives are fuelled by a host of socio-economic changes, which have directly impacted the structures, functions and practices of businesses, as well as numerous other societal institutions worldwide. A 1995 study by Kearney, a United States based executive search firm determined that 72% of the top 50 U.S. corporations have diversity programs in place. Another 8% were developing such programs, and another 8% had partial diversity programs operating (as cited in Ivancevich, J.M. and Gilbert, J.A., 2000).

Some of the reasons Australian institutions and organisations are interested in seeking solutions to diversity issues, as described by the State of Victoria

(Department of Education) [Available on Internet: <http://www.sofweb.vic.edu.au/hrm/mandiv/managdiv.htm> Date of access: 8 Aug. 2000].” include:

**Demographic changes in the workforce:**

- Highest ever levels of employment participation by women, including women in leadership and decision making positions.
- A significant percentage of the workforce with dependant children or ‘carer’ responsibilities.
- Increased number of dual income families.
- Changes in the family structures of employees eg; sole parents, fewer men and women in traditional family roles.
- An ageing workforce.
- High levels of cultural and linguistic diversity.

**Organisational restructuring:**

- Significant changes to organisations as a result of downsizing and outsourcing.
- Fewer levels of management and a reduction in ‘command and control’ styles of management.
- Impact of globalisation and technology on work practices.
- Trend towards longer hours of business and knowledge work.

**Legislation:**

- Federal and State equal opportunity legislation, which makes discrimination in workplaces unlawful specifies rights and responsibilities and makes employers and individuals accountable.

Ellis (1998:3), writing from an American perspective, states that “Diversity in organizations is an important issue for three reasons: 1) issues of equity/fairness, 2) the changed demography of net new entrants to the labor force, and 3) the need to maintain competitiveness. Ellis further elaborates by stating that changes in “the nature of work and structures of the economy” have

created the situation whereby it has become necessary for diverse peoples to work well together. Teamwork is now recognised as a highly successful way of organising work, allowing for greater employee participation and empowerment. In addition, the dominance of the service economy has accelerated the importance of effective interpersonal skills (in dealing with the internal customer as well as the external customer) and excellent communication skills.

Another important phenomena is the increased economic interdependence of the world. For example, in 1995, Colgate Palmolive derived 70% and McDonald's 54% of gross sales outside the U.S.; Toyota realised 52% of its revenues outside of Japan; Siemens AG made 57% of their gross revenues outside Germany, Grand Metropolitan received 90% outside the U.K., and Phillips Electronics sold 95% of its goods outside the Netherlands (Schell, 1997:1). Organisations conducting business in the international arena have come to understand the challenge of approaching new markets with cultural sensitivity. Diversity management also becomes a core consideration when new international alliances are forged, particularly when international mergers take place.

## **2.4 GLOBAL DIVERSITY INITIATIVES:**

To provide a preliminary framework for the discussion of global diversity initiatives, Loden and Rosener, (1991:27-28), describe the assumptions American managers and institutions traditionally operated under when dealing with staff member diversity. They include:

- Otherness is a deficiency.
- Diversity poses a threat to the organization's effective functioning.
- Expressed discomfort with the dominant group's values is oversensitivity.

- Members of all diverse groups want to become and should be more like the dominant group.
- Equal treatment means the same treatment.
- Managing diversity requires changing the people, not the organizational culture.

Given the 1995 study by Kearney, as cited above, whereby 72% of the top 50 U.S. corporations reported diversity programs in place, these traditional assumptions may have lost some of their historical prevalence. One example of a progressive multi-national organisation, currently serving clients in 133 countries around the world, including South Africa, is Deloitte and Touche. Betty Maple (Deloitte & Touche, 2000: [www.dttus.com](http://www.dttus.com)), National Director, Diversity, describes the company's diversity initiative: "Our Diversity Initiative is comprehensive, focusing on four key areas: visible and active leadership, diversity education, creation of a firm-wide infrastructure, and the retention and promotion of a diverse workforce." On a practical level, their action steps include, 1) development and implementation of diversity plans for local practices, 2) diversity education, 3) cross-company and cross-firm formal mentoring programs, and 4) a comprehensive diversity communication strategy. In addition to the diversity initiative, Deloitte & Touche recognise that creative people need control over their lives. Since 1994, the firm has offered flexible work arrangements and work/life balance assistance programs including assistance in child and elder care, school selection, adoption assistance, and locating personal and convenience services. In 1999, these programs resulted in high employee satisfaction levels with 83% of their staff reporting that they would recommend the firm as a place to work to friends and family.

Diversity initiatives vary greatly and are designed to address the needs of individual institutions and organisations. Jackson (1992:3) in describing the range of diversity programs being initiated in organisations identified: flex-time; home work situations; education and training programs to reduce stereotyping, increase cultural awareness, and develop effective skills for working in multi-cultural environments; career management programs; mentoring programs; inclusion in informal networks; and extended employee benefits, for example parental leave and dependent-care assistance.

In a study undertaken for The Conference Board, Wheeler (1995) surveyed and interviewed 69 diversity managers, consultants, and academics. He found the following leading edge diversity practices being implemented:

- Incorporation of diversity into mission statement,
- Diversity action plans,
- Accountability in business objectives,
- Employee involvement from all levels and functions,
- Career development and planning,
- Community involvement and outreach,
- Long-term initiatives directed at overall culture change.

Although, the literature is rich with examples of how diversity can benefit organisations, the underlying truth is that diversity can also result in disruptive conflict. Carr (1995:77-78) in discussing diversity and conflict as two sides of the same coin recommends ways of harnessing the two to promote innovation in the organisation. He suggests the following eight factors must be present to successfully use diversity as a competitive advantage: 1) Take positive steps to ensure that all positions, including those at the very highest levels in the

organisation, are open to everyone; 2) Understand and actively further diversity without limiting it to a narrow multicultural understanding; 3) Through policy and practice, communicate to all members at all levels that they are important players, essential to the success of the organization; 4) Ensure that everyone focuses on goals and the objectives required to achieve them, not on narrow requirements or procedures; 5) Accept the validity of individual goals and needs of all members and constantly structure the organization to meet them as fully as possible; 6) Allow and encourage everyone to communicate with everyone else and insist this occurs across functional, ethnic and any other divisions; 7) Expect conflict to be helpful, expect it to be openly expressed, and train members in effective conflict resolution techniques; 8) Have an affirmative action program in place that empowers members of minority groups, women, and the disabled to express their own goals and to work to achieve them.

Although it is recognised that there is no generic solution to managing diversity, and that each organisation requires it's own unique and strategic approach to managing it's diversity profile, there have been a number of individuals/organisations who have offered a ready-made process and/or action steps to assist firms in carrying out successful diversity initiatives.

Walker (1997) in a report written for the ABA Commission on Opportunities for Minorities in the Legal Profession, suggested that the following factors be considered in starting a diversity initiative: To begin with, the program should be intentional, well-planned, appropriate for the particular environment, and not taken lightly. The diversity initiative should start with a diagnostic assessment to

identify the organisational culture, issues, strengths, obstacles, challenges, and perceptions. She suggests the following techniques may be helpful: consultant or client/community observation, focus groups, individual interviews and inventory surveys. It is imperative that it is a wholly inclusive process. Walker then suggests that based on the needs identified by the diagnostic assessment, a training program should be implemented. She explains that: "Diversity training focuses on cognitive (thinking), affective (feeling), and behavioural (doing) changes. For the training to have maximum effect, support must come from throughout the organization – different departments, hierarchal levels, and cultural groups. The initiative is less likely to succeed if it is viewed as only a program for people of color or for women." She suggests that short-term intervention strategies are legitimate, however for sustained impact, the short-term steps must be part of an integrated, holistic approach. Walker states that the success of the program will be particularly dependent on the inclusion of all organisational cultural groups, a clear vision and mission for the diversity initiative, which the organisation articulates and all the stakeholders adopt. In addition, the initiative should carry a clear set of values, state program goals and objectives, and establish a procedure for program evaluation.

Some of the United States Governmental Departments are at the leading edge of diversity practice, and much can be learned from their practical application of diversity initiatives. The U.S. Department of Commerce: National Oceanic and Atmospheric Administration (NOAA) have a comprehensive Diversity Plan (described as a living document) complete with an established Diversity Council, a Diversity Vision Statement, 5 Action Steps, including their objectives, their

expected outcomes, time frame, responsible officials, and partners. NOAA's vision statement is: "To achieve our goal of becoming the premiere environmental voice in the world community, we will create an inclusive, supportive, open, challenging and innovative work environment. Through this positive and creative work environment we will become an employer of choice and reach our full potential to better accomplish the present and future work of NOAA (NOAA, 1997:4). NOAA's Diversity Action Steps and Expected Outcomes are outlined below:

**Step 1: Advocacy**

**Expected Outcome:** *An employee population educated about the role of organizational culture and understanding differences in employee behavior; the business case for managing diversity; the inclusivity of diversity; the importance of executive support; and the culture change required to manage NOAA's internal and external diversity. Creation of a more enlightened, educated workforce by conveying messages in many fora and in a variety of ways to facilitate the education process. Managing diversity has every opportunity to become a part of the way we do business. Partnerships are established. The modelled behavior of our leaders will help educate others about managing diversity and change our culture.*

**Step 2: Organizational Assessment**

**Expected Outcome:** *The business case for diversity; the gap between the future state and present state and how it can be bridged; perceptions of the quality of work life at NOAA revealed; and a determination of whether NOAA's systems, policies and practices support the NOAA vision for the organization, its employees and customers. Climate assessment tools determine what drives organization behaviors. Specific outcomes involve baseline information, needs assessment, identification of roots, behaviors, measures and plans for substantive change.*

**Step 3: Fostering Diversity in the NOAA Workplace: Quality of Worklife**

**Expected Outcome:** Management accommodates flexible work practices to meet business objectives. Flexible work practices championed as an employee relations [application] plus to better enable employees to balance business and employees needs and meet the worklife challenges of the present (for example, dual incomes, older employees, non-traditional families) by creating flexible and supportive systems.

**Step 4: Developing NOAA's workforce for the 21<sup>st</sup> Century and Promoting Career Interests**

**Expected Outcome:** Employees empowered to reach professional goals and maximize contributions towards organizational mission.

**Expected Outcome:** NOAA viewed as a premiere agency attracting and retaining the best and the brightest high calibre diverse employees in all areas; an increased pool of prospective employees developed with specialized skills through proactivity with schools. Educate potential employees about NOAA's contribution to society and employment opportunities.

**Step 5: Measures and Accountability**

**Measures should:**

1. Set forth clear and decisive expectations for accountability for managing diversity with objectives incorporated into all performance plans; partner with unions as appropriate.
2. Align accountability with rewards for those who achieve desired outcomes; and consequences for those who fail to meet them.
3. Create ownership and accountability for culture change.
4. Charge professional support staff and facilitators to implement or support culture change as appropriate.
5. Use organizational assessment data to design activities and improve local environments.
6. Relate data back to implementation and operating plans and correlate results achieved with organizational culture feedback.
7. Use the data to set goals, design processes, modify systems, and develop measures for upcoming years.

**8. Institute system of continuous feedback, improvement and measures.**

The NOAA diversity plan purports to incorporate many of the principles developed by the American Institute for Managing Diversity. Thomas (1996:1-5), president of The American Institute for Managing Diversity in Atlanta, Georgia and a proponent of a broad (all-inclusive) definition of managing diversity has formulated “The Diversity Management Process”. As described previously, his view of “the diversity mixture” includes people, functions, as well as organisational aspects. The Diversity Management Process involves: 1) Understanding the problem, 2) Analysing the diversity mixture, 3) Look for diversity tension – is it good tension or bad tension? and finally, 4) Review action options. The key to the process is determining where, if at all, the diversity tension lies. Thomas explains that counterproductive tension is usually obvious. It results in: “Interpersonal relationships disintegrate (ing) into constant squabbling; petty rivalries between departments end up paralysing work; functions and work groups that are nominally collaborating are in fact sabotaging each other. Even when goodwill is intact, the complex nature of the situation can create tensions that cripple productivity.” Thomas, in a bid to assist managers in solving diversity tension designed the “Diversity Paradigm”, from which managers can select the appropriate solution or solutions to the diversity problem they are encountering.

**The Diversity Paradigm's Action Options**

| Option          | Description                                                                                                                                       |
|-----------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| Include/exclude | Include by expanding the number and variability of mixture components. Or exclude by minimizing the number and variability of mixture components. |
| Deny            | Minimize mixture diversity by explaining it away.                                                                                                 |

|                          |                                                                                                                                       |
|--------------------------|---------------------------------------------------------------------------------------------------------------------------------------|
| Assimilate               | Minimize mixture diversity by insisting the “minority” components conform to the norms of the dominant factor.                        |
| Suppress                 | Minimize mixture diversity by removing it from your consciousness – by assigning it to the subconscious.                              |
| Isolate                  | Address diversity by including and setting “different” mixture components off to one side.                                            |
| Tolerate                 | Address diversity by fostering a room-for-all attitude, albeit with limited superficial interactions among the mixture components.    |
| Build relationships      | Address diversity by fostering quality relationships – characterized by acceptance and understanding – among the components.          |
| Foster mutual adaptation | Address diversity by fostering mutual adaptation in which all components change somewhat for the sake of achieving common objectives. |

Based on the global diversity initiatives and practices outlined above, it is clear that they are generally based on a broad definition of diversity and they are carefully designed to optimally influence the organisations business case. It is important now to review general trends in diversity on a global scale.

### 2.5 GLOBAL TRENDS IN DIVERSITY

Clearly, international organisations have come to understand the value of managing diversity with one of its vital benefits being economic rewards. The business case for managing diversity has become the driving force and a compelling reason for initiation of a diversity program. Many large multi-nationals have had diversity initiatives in place for more than ten years. From the experiences of these firms, it is evident that there are overlapping trends and specific factors, which facilitate and constitute successful diversity practices. A review of the practices of thriving multi-national corporations makes a strong case for the inclusion of the following initiatives in the overall diversity strategy (Black Enterprise, 1998: <http://www.findarticles.com>):

- Support from the CEO. Top management support is crucial for a successful program.
- Senior Management Visibility. People of color and women at Top management, the executive level-presidents of divisions or CEO subsidiaries are excellent role models and are highly sought by recruiters.
- Compensation Tie-In. More companies are tying compensation to meeting diversity or “parity” goals.
- Stronger Retention Initiatives. Plans for greater formal professional development, job rotations and succession planning, for minorities and women must be developed/executed.
- More Mentoring. As more companies recognize their value, formal mentoring programs are becoming a standard element of diversity programs.
- Active Vendor Programs. Despite some legislative rollbacks, large corporations still strongly support their minority and women-owned business vendor programs.
- Diversity Training at ALL Levels. According to experts, Managing Cultural Diversity (MCD) programs, the foundation of many diversity efforts, are a good starting point. A study by the American Management Association released a few years ago found that organizations with formal MCD programs show a somewhat higher level of minorities in management positions.
- Global Initiatives. U.S. companies with multiple offices or subsidiaries abroad find it necessary to tailor diversity programs to each country or region’s specific conditions.
- Education/Special Initiatives. Companies understand the importance of their initiatives aimed at graduate students of color for achieving diversity objectives.

A resounding diversity trend, prevalent and crucial to all diversity initiatives is diversity training. As demonstrated above, diversity training is considered to be an essential support tool vital for the successful achievement of organisational diversity goals. It also serves as a complement to the other components of the

diversity strategy. However, unless it is well thought out and presented, it can become a vehicle for backlash and resistance to the overall diversity program. Therefore, it is important through reviewing successes and failures, to determine the “best practices” of diversity training. The following table has been compiled and adapted based on the practical hands-on experiences of Velasquez, a diversity-training expert (1998: <http://www.diversitydtg.com/articles/topten.html>):

### **Ten Reasons Why Diversity Training Fails:**

1. Diversity training is based on Affirmative Action legislation.
  - Diversity training must come from the whole organisation through a diversity steering committee made up of employees from a representative cross-section of the organization. Don't give the EEO/AA backlash camp ammunition for their resistance.
2. Diversity training is being done because it is the “right” thing or “moral” thing to do.
  - The organisation must understand the connection between diversity and the bottom line, and make a clear business case to all stakeholders. A welfare approach to diversity training plays into the hands of those arguing the EEO/AA argument – results in backlash.
3. Diversity training is the entire diversity initiative.
  - The organisation is not reviewing or scrutinizing their hiring, promotion, leadership development, and business practices. They do not have a formal mentoring program in place. They are not seeking new competitive advantages in the marketplace through better meeting customer needs.
4. The diversity training has management's (resource) support, but not their commitment.
  - Management's lack of participation is all the evidence the rest of the organization needs to resist the training and consider it the next fad – They will wait and let it pass.
5. The training being conducted is “off-the-shelf, and not designed to meet the specific needs of the organization.”
  - The training fails because participants were not engaged, not interested, and did not find the training practical, pertinent and compelling.
6. The training is developed and led solely by external diversity consultants and trainers.
  - The training is thus the consultant's program and not a program developed by the employees of the organization, for the organization. No ownership or buy-in is solicited and thus none is secured and the program eventually perishes and the

external diversity trainer is the “fall guy.”

7. Diversity training is designed and developed without a formal needs analysis or diagnosis of the organization.
  - The training is not addressing the specific needs and requirements of the organisation.
8. Your diversity training is awareness-based but provides no skills, no practical, “hands-on”, everyday tools.
  - A diversity “skill/tool kit” must be developed providing practical ways of handling differences and conflicts.
9. No value has been added to the internal resources of the organisation.
  - Internal resources are not formed, developed, and encouraged, i.e., internal diversity change agents, facilitators, and an internal resource center and/or office. To continue the work once the external diversity trainer has left, an internal diversity steering committee and trained internal change agents are needed to “keep the fires burning.”
10. The training has no formal follow-up.
  - The training is a once off event, and no one takes ownership or follows upon action items. Internally driven initiatives supported by senior management commitment must keep the momentum going.
  - An evaluation process must be developed, providing valuable information for the ongoing revision of the diversity initiative.

## **Ten Reasons Why Diversity Training Programs Succeed:**

### ***Successful diversity training ....***

1. ... is developed through a partnership of internal employees (diversity steering committee) and an external subject matter expert (diversity consultant and trainer).
  - The training is non-confrontational.
  - The facilitator leads and follows.
  - Positive examples of difference are used.
  - Is participant-centered.
  - No platform for backlash.
  - It unifies participants.
2. ... has a senior-level advocate or champion. The champion of the internal diversity steering committee is the President and/or CEO of the organization. He/she participates in workshops where all of the diversity training consultant candidates considered are asked to present and train. He/She chooses the right external diversity trainer.
3. ... is supported by sound research. The organization presents the business rationale, the bottom-line of doing the diversity work. The costs of not doing the work are compared. The company does the work because it's future,

- market share, retention of talent, and performance depend on understanding and anticipating the needs of an increasingly diverse workplace and marketplace.
- Mandatory pre-work and post-work.
  - Is customized – eclectic.
  - Always on target.
4. ...occurs in a supportive corporate culture, one that reflects an ongoing commitment to continuous learning. A resource or learning center where books, articles, and other support and educational materials are available would be beneficial.
- The training is positive.
  - Present/Future oriented.
  - Unifies.
5. ... is “skills-based.” All diversity training is awareness based. It is also important to actually develop a set of skills or “tools” for staff members’ individual diversity skill/tool kit.
- Training is skills and knowledge-based.
  - The participants leave knowing what to do.
  - It emphasises shared responsibilities.
6. ... ensures transfer of skills from the training room to the workplace. Diversity training should educate and empower all employees with new skills and tools. Skills taught may include:
- Coaching
  - Empowering.
  - Giving feedback to diverse individuals.
  - Interviewing.
  - Mentoring.
  - Delegating.
  - Conflict Resolution.
7. ... is not dependent on a “savior.” Should not rely on one person (Diversity trainer or manager of diversity) to save the organization. A steering committee representing the whole organization must uniformly champion all of the initiatives.
- The training is internally driven (committee/council).
  - Diversity trainer takes advisor role.
  - Client/trainer partnership.
8. ... does not occur in a vacuum and must be supported by other initiatives and activities. Training alone is not the “cure-all.” A formal mentoring program that includes and encourages all employees to participate is another potential diversity initiative.
- Training based on organizational philosophy.
  - Diversity initiative is holistic, organization-wide.
9. ... is thoroughly planned, implemented, and measured for it’s impact on the organization.
- It is a proactive approach to inclusivity.
  - There is a clear and compelling business case.

10. ... takes on a life of its' own. Employees are fired up and asked to participate, to carry the torch forward. Employees are encouraged to get involved, develop and lead brown-bag discussions, mini-training, and other activities. There is an ongoing and continuous commitment to creating and promoting a more inclusive work environment that values individual differences.
  - No longer a program.
  - It becomes a way of doing business/ a corporate philosophy.

As described above, diversity training can be a powerful initiative, when embedded within a well-planned and well-researched diversity strategy. Diversity training has become an entrenched practice of successful organisations and will have to continue be so, as to prepare managers in the future to deal with even greater diversity in the workforce. Nelton (1995:27), explains that successful managers in the future will require the following six characteristics: 1) They will have to be multilingual; 2) They will have to be well-travelled; 3) They will have to be well-read; 4) They will have to feel comfortable crossing cultural lines; 5) They will have to be open-minded; and 6) They will have to demonstrate commitment and fairness to employees.

In the future, diversity issues will continue to be at the forefront of management issues. The high mobility of people throughout the world, as well as the rapid globalisation of company's, points to ever increasing diversity in the workplace. As diversity is compounded, the management of diversity through diversity training and other diversity initiatives will continue to be essential elements of successful international business practice and strategy.

In Chapter 3 the focus of the study will shift from global perspectives on managing diversity toward South African perspectives on managing diversity in the workplace.

## **CHAPTER 3:**

### **CURRENT SOUTH AFRICAN PERSPECTIVES ON MANAGING DIVERSITY IN THE WORKPLACE**

#### **3.1 INTRODUCTION:**

Having outlined the multi-faceted rationale as to why international organisations are determinedly pursuing diversity management initiatives and practices, it is important to understand that the South African situation is vastly different to that of the above mentioned first world examples. One cannot unilaterally transplant a successful diversity practice from the United States, for example, and implement it within a South African organisation. The two countries, and their peoples come from vastly different historical, economical, sociological and ideological backgrounds. Managing diversity is a relatively new concept in South African organisations. There are few concrete examples of diversity initiatives in the South African literature. Therefore, an alternative approach to the method used above in reviewing current literature on managing diversity in international firms is utilised. To begin with, a brief review of South Africa's demographics and the South African psyche is provided, with the belief that it will provide insight into the diversity challenges facing the country. The South African organisational climate is then examined, under a number of relevant headings. Diversity trends, examples of South African diversity initiatives, as well as a comparison of how South Africa is approaching diversity management opposed to select international countries, completes the chapter.

### **3.1.1 South African Statistical Makeup:**

The country of South Africa, with a population of approximately 42 million, is rich in all aspects of human diversity. The government of the day has proclaimed eleven official languages, according to Central Statistics (CSS), in 1996, 23% of the population spoke Zulu as a home language, followed by Xhosa with 18%, 14% spoke Afrikaans, and 9% spoke English as their home language. The bridging language of business and government is English, in line with their international counterparts. CSS in October 1995 estimated that 34.6% of the population was economically active, of which 63.4% were male, and 45.8% were female. The unemployment rate in the country at the time was estimated at 29.3%, of which from the male population, 87.4% were Africans, 7.8% were Coloureds, 3.2% were Whites and 1.7% were Indians. The unemployed female population was comprised of, 87.8% Africans, 7.2% Coloureds, 3.7% Whites, and 1.4% Indians. Issues of poverty, education, illiteracy, health care, and housing are major societal concerns, which government is working to address with limited resources as well as in partnership with business and labour. Government is promoting international investment in the country, prime development of the South African tourist industry, improved training and education of human resources, and technological advancement as key avenues of addressing the countries unemployment and economic woes.

### **3.1.2. The South African Psyche:**

South Africa is in a transition period trying to reverse the destructive consequences that the apartheid system has left in its wake. The most pervasive is what it has done to the psyche of people, their belief systems, their mind-set,

and their perceptions of fellow South Africans. Apartheid carried with it ideological and practical elements, which were powerful in differentially shaping racial and political perceptions in South African people. According to Gauvain (1995:25-45), most white South African children were “reared in an ideologically complementary set of ecocultural niches.” Coinciding teaching and training in “the home, the school, the church, the military system and cultural organisations ensured a degree of continuity in children’s exposure to the dominant political ideology and increased the probability that they would see the racist political order as “normal” and to be defended” (Finchilescu, 1998:1-2). Segregation of schools, sports activities, social and cultural events and residence ensured that there was minimum contact between groups. As the “war” intensified in the 1980’s the apartheid governments’ rhetoric intensified, increasingly portraying blacks as violent terrorists and communists, further heightening white fear of blacks.

Black education, employment and living conditions were sub-standard, and their lives vastly opposite to the privileged position of whites in South Africa. As Finchilescu (1998:2) states, the education curriculum “ensured that white versions of South African culture and history, as well as justification of the political order, were presented to school pupils”. Early internalisation of this negative portrayal of black peoples and their characteristics impacted black children’s self esteem, reducing pride in their African cultures, as was the intention of the Apartheid regime. While their white counterparts were being educated in Christian National Education, the young black children from 1976 onward began mobilizing for radical change. Education, even at the inferior level provided, was no longer as important as “the struggle”.

Black South African children were reared in the chaos of the struggle against oppression, and this experience has shaped their perceptions of whites, as well as their view of their role in the new South African society.

It is impossible to provide a lengthy analysis here of how apartheid has been internalised in all the diverse groups in South Africa. However it is clear that people's respective ideological and socio-economic positions under apartheid have shaped their perceptions of each other. The underlying question from a managing diversity point of view is, how does this socialisation manifest itself in people's behaviour in the workplace toward diverse groups ... and just as importantly, what does this mean for diversity training, it's length, it's scope, and it's content, for example.

The following statistics, which were included in a memorandum accompanying the EE A Bill, outlined how the apartheid system distorted the South African workplace (Israelstam, I, 1999:41-42):

- A white South African male is 5000 times more likely than an African woman to be in a top management position.
- Although African people represent 76% of South Africa's population, they account for fewer than 5% of managers across the economy in 1996.
- In 1996 women occupied only 12.2% of senior management positions.
- While Africans constitute 67% of the public service, they constituted only 31% of management.
- 0.02% of public service employees are disabled people.
- One percent of disabled people have a job on the open labour market.

To further this study on managing diversity from a South African perspective, it is important to understand how diverse groups experience the South African work

place. Current South African literature is rich with examples, and can provide evidence of the kinds of issues diversity management practices will need to address in the South African organisation.

### **3.2 SOUTH AFRICAN WORKPLACE CLIMATE:**

The “climate” of an organisation is a “set of “conditions” which members of the organisation “experience” at any particular point in time (Coetsee, 2000:44). In Chapter one, some of the standard barriers to successful implementation of diversity management programs were outlined. However, the South African workplace involves numerous additional complexities or conditions, which affect the way that diverse people experience the organisation. They are discussed under relevant headings below.

#### **3.2.1. Organisational Culture:**

As Hoecklin (1995:54), points out there are three basic characteristics that organisations throughout the world must have to survive and prosper. They are:

1. Cohesion among their members about common purposes.
2. Cooperation between various parts of the organisation.
3. Some form of hierarchical order that is recognized as legitimate, acceptable, proper and preferably motivating.

The extent to which an organisation demonstrates these characteristics is dependant upon achieving an organisational culture, which provides an enabling climate. Organisational culture, as described by Legum (1998:44), is an organisations “rituals, formal and informal, languages used, art displayed, food, ceremonies, clothes worn, greetings, symbols, systems of discipline, approved activities out of work, networks. All of these tell us who is expected and welcome

and who needs to adapt themselves to fit in.” The following description of how one professional black person experiences his work place, demonstrates that South African organisations still have a long way to go towards providing the necessary climate to include and motivate all of its members, (Magasela, 2000:28):

“The forces of change, driven by the principles of democracy, justice, equality, freedom and rights, have delivered you to the organisation among unwilling partners to the changes. Unable to employ the tactics of the good old days, they devise new strategies to deal with you. They refuse to see you, hear you or acknowledge your presence. You become, in their eyes, invisible – pastless, presenceless, futureless and mindless... In the workplace highly educated blacks become perpetual ‘boys’ or ‘maids’ with degrees, experience and exposure, who are made to feel that they are no different to a messenger, photocopy operator or driver.”

One of the glaring features, which compound the isolation blacks feel in white organisations, is the predominately Western business practice commonly used in the workplace.

### **3.2.2. Westcentricism In The Workplace:**

Motsabi (in Human, 1991:120) observes that a narrow “Westcentric” business culture in South African organisations exists and that many blacks continue to experience it as alienating and therefore remain marginalized. This alienation results in what has been termed “job hopping”, or looking for a better organisational fit. Some of the reasons that black staff experience alienation in white South African organisations are considered below.

### **3.2.3. Individualism Vs. Communitarianism:**

As Munro (1999:24), speaking from a white male perspective notes, South African organisations have the additional challenge of instilling in managers the need to acknowledge and understand that customers, decision-makers, workers and the public that they are dealing with may have a different ideology from their own. He is particularly concerned with the two differing ideologies of individualism and collectivism. Individualism is defined as a "concern for yourself as an individual as opposed to concern for the priorities and rules of the group to which you belong (Hofstede, in Hoecklin, 1995:35)." According to Trompenaars (in Hoecklin, 1995:42), countries such as the USA, the UK, Sweden, and Australia are characterised by an individualistic society. Individualism is a "Westcentric" characteristic and also operates within predominantly white South African businesses.

In contrast, countries such as Singapore, Thailand, Japan and France are characterised by a collectivist or communitarian society. Communitarian societies place a large emphasis on the interests of the group. Black South Africans are generally group orientated. The group to which one belongs provides identity and is recognised with lifelong loyalty. According to Koopman (1991:51), "Any company in Africa will lose organizational effectiveness if it continues to exalt the individual."

### 3.2.4. Multiculturalism, Diverse Languages And Communication:

Prior to the abolishment of the apartheid system, South Africans of diverse races were separated, providing little opportunity to get to know one another. Today, the workplace, is often the first real instance where people's of diverse races encounter, and seek to reach an understanding of one another's culture and communication behaviour.

Dadoo (1998:26) notes: "It is clear that the beliefs, values and needs of a society are reflected in its language. The vocabulary and style of a language are indicators of what is culturally important in a particular society. Misunderstanding can arise when one society underestimates the importance that another society attaches to some phenomenon or item in the physical or social environment." He suggests that people draw conclusions about speakers' intelligence; level of education, competence and cordiality, this form of judgement is termed "subjective inequality". Due to the increased diversity of South African workplaces, a greater need for sensitivity during verbal communication has arisen, and managers should be aware of nuances within varying cultures, as well as the misuse of power in discourse.

The findings of a 1993 survey participated in by 26 South African organisations, of a wide-range of sectors, conducted by Steinberg (1995:52) "support the argument that a prime consideration is to establish sound work relationships through interpersonal and intercultural communication skills, and the ability to listen efficiently." The study responses indicated that in the majority of organisations, there was a deficiency in and a need for training in the following

communication skills: non-verbal communication, conducting interviews, being interviewed, handling conflict, conducting meetings, participating in meetings, using graphics, delivering oral presentations, using visual equipment, training staff in communication skills, and understanding group dynamics/teamwork.

### **3.2.5. Organisational Leadership:**

Continuing on the topic of communication, organisational leaders have a pivotal role to play as chief communicator in organisations, as Swift (1999:37) suggests: "We have noticed that few companies have even a communication strategy in place. Internal communication is also mainly Eurocentric, relying primarily on written messages, pitched at literacy levels well beyond that of most of the work force... Neither is there a crisis communication strategy in place, a phenomenon often leading to botched decisions, miscommunication and wildcat strikes." Swift furthers his argument by stating that it is the role of the CEO and management to make the "soft" issues, or human resource issues a priority. It also depends on organisational leadership to provide a clear vision of where the firm is going and the key role that each individual can play in reaching strategic objectives and goals.

The so called, "soft issues" of management, such as human resource management, have become a primary consideration in the process of aligning a diverse work force to share common goals. As Pretorius (1998:28-29) states: "In light of our past experience we should become obsessed with human resource development. We have a huge untapped ability in South Africa as opposed to some critical shortages in a number of areas. Good Leadership must provide the

perfect match within their own organisations ... Leaders are the architects of human possibilities. Growth should come through people and for that reason we should create a culture of continuous learning.”

According to Human (in Mittner, 1999:24) many studies have found that SA's managers are largely fixed on control and not on motivation and participative management. She suggests that a new, positive culture will dictate that total control be relinquished. More transparent management, several aspects of Ubuntu, increased communication, and the inclusion of the voice of employees is required. Human believes a change in management practices from the “old hierarchical, patronising and unparticipatory practices of the past” is necessary. It is clear that the challenges facing South African managers are many, however, as Mittner (1999:24) suggests: “The interesting fact is that many of the new management styles required in SA's companies are fully compatible with the best working practices worldwide”.

### **3.3 SOUTH AFRICAN TRENDS IN DIVERSITY:**

Although there are few known and documented cases of strategy-linked diversity management programs being implemented in South African organisations, South African academics and business gurus have developed the following South African responses and models to managing diversity. One such response, which has been mentioned earlier, is that of Ubuntu.

### 3.3.1. Ubuntu:

A group of contemporary South African writers, who are being labelled “the African management movement”, are calling for South African business to adopt “an African style” of management (Mbigi, L., & Maree, J., 1995, in Thomas & Schonken, 1998:53).

Although not accepted by some South African academics, this African style of management they believe should include the principle of “Ubuntu”, “where the collectivist notion of the interdependence of people, specifically black people, is recognised in the workplace (Thomas & Schonken, 1998: 67).

As part of the larger “African Renaissance”, Mbigi & Westbrook (1998:24) suggest, “There is a dire need to search for an African business cultural renaissance.” They suggest Ubuntu as a starting point because it encompasses people as well as the unifying values of solidarity, interdependence and love. They continue by stating that Africa is not known for its product and process innovation, instead Africa’s expertise lies in people care, or Ubuntu. The crux of the argument is that Africa must include the values of Ubuntu in its business culture. These values they explain, include:

- Teamwork – habit of working in the spirit of harmony;
- Interdependence – the dire need to create team based organisations;
- Solidarity – a habit for caring for one another;
- Human dignity;
- Acceptance and;
- Love.

Mbigi and Westbrook (1998:28), believe that “transitional societies, their institutions and people should not be held hostages of known frameworks, models and ideologies; they should seek for the best answer which might lie outside conventional ideas. We need blue-sky thinking in African organisations.”

Mittner (1999:24), agrees that Ubuntu in the work place is a “doable” solution, “particularly teamwork, problem solving, learning new ways of doing things and personal integrity (which) make a comfortable fit with Ubuntu...”

The management of diversity, through embracing “Ubuntu” values comes from a cultural perspective, while the following model of interpersonal competencies for the management of diversity comes from the “individual” perspective.

### **3.3.2. Interpersonal Competencies/Relationship Building:**

Kemp (1998:4) undertook a study to develop a model of interpersonal competencies for the management of diversity. His study suggests that to manage diversity, it goes beyond culture exclusively, and in fact he asserts that managing diversity can be reduced to managing individuals. Kemp (1998:6) defines interpersonal competencies as “all those behaviours, that is skills, knowledge, and attitudes, which enable people to relate effectively to others so that co-operative interpersonal relationships develop between them for purposes of working successfully toward achieving organisational goals.” A model of competencies to manage diversity was established and then tested through distribution of a survey to a sample of human resource practitioners. A respectable 30% response generally indicated agreement and support for the model of interpersonal competencies for the management of diversity. The following dimensions received the strongest support, indicating the importance for management to have or develop these skills:

- Knowledge of labour law;
- Knowledge of industrial relations;
- Interpersonal skills to define constructive relationships with employees;

- Knowledge of the legal rights and obligations of each party (employer and employee);
- Competence to take corrective action when the relationship deviates from the ideal;
- The ability to negotiate rules of conduct which will govern how the parties relate to each other in order to enhance the management of diversity;
- Having the ability to use interpersonal manoeuvres consciously and deliberately for purposes of influencing others;
- The competence to recognise the impact (effect, influence) which the other party has on people;
- The competence to recognise the impact (effect, influence) which others have on people/oneself;
- The ability to manage conflict constructively;
- Effective communication skills;
- An attitude of accepting that a cooperative interpersonal style is the most productive;
- The ability to recognise who is in control of the definition of the relationship (where the power lies);
- Having the skill to predict what effect a certain person will have on others according to his/her interactional style;
- The ability to be non-judgemental of peoples' cultural or other group identity differences;
- The ability to accept people as they are as opposed to expecting them to be like oneself;
- The ability to take the perspective of other people and put oneself in their place;
- The ability to consciously adopt an open minded attitude toward all people and not perceiving them according to preconceived stereotypes or stigmas;
- Having the skill to adjust roles to fit in with people who are different;
- Having a wide role repertoire as opposed to suffering from role rigidity;
- The ability to be flexible and adaptable to play the different roles a manager must play;

- The ability to recognise when a vicious circle, that could lead to conflict, has developed;
- The ability to break a vicious circle that has developed;
- Having the ability to build positive relationships which set in motion a beneficent circle of good relationships (as opposed to a vicious one) and;
- Possessing the necessary knowledge of circular causality and how it works.

The findings of Johnson, Johnson, and Maruyama (in Kemp, 1997:22-23) define the following factors' as determinants of whether cross ethnic contact will produce positive attitudes and relationships in the workplace:

- Interaction within a co-operative goal orientation is strongly advocated.
- Forming sound cross-cultural work relationships through the realistic and actual dynamic nature of the interaction that takes place between people.
- The composition of work teams and the allocation of assignment should be aimed at mixing people from different cultures.
- Encouraging members in diverse groups to support one another. This can be done through basing incentive bonuses on group achievement, not individual achievement.
- Employees must be encouraged to put themselves in the shoes of their colleagues who come from different cultures. It will help them understand their colleague's behaviour.
- Better heterogeneous relationships by encouraging staff to be realistic about others, their good and bad points, and to have the ability to adjust their perception of others as new information becomes available.
- Promote staff member self-esteem. There is evidence that increases in self-esteem are associated with decreases in prejudice.
- Basing incentives on group achievements where members are forced to work together can encourage a co-operative orientation.
- If an individual expects his/her interaction with people of different ethnic groups to be successful and rewarding, it increases his/her acceptance of those people and the result will be better relationships with them.

### **3.3.3. Conducive Organisational Climate:**

Verwey (1998:384) reiterates that according to the literature, organisations can only manage their diverse workforces successfully when their corporate cultures are receptive to and supportive of diversity. Verwey states "The success of diversity management depends on the ability of organisational management to foster communication processes through which appropriate plural workplace cultures can be negotiated and expanded to accommodate the diversity of their people." Triebel's study (in Dombai and Verwey, 1999:105), found that the key deficiency of organisations was the need for a sound strategic plan in the management of diversity, as well as the lack of a multi-level communication strategy. Dombai and Verwey (1999:122-123) undertook a multi-step study in a South African parastatal, their results suggest that "the different ways in which people ascribe meaning to the same event, object, or behaviour are determined by organisational factors, in particular the organisational culture that exists." In addition, they found that organisations, based on the organisational culture, treat employees differently due to stereotypes or the perception that they are different. Therefore organisations themselves foster differing individual experiences based on the exclusionary culture of the organisation. As is suggested by Dombai and Verwey, "Affirmative action is one of the main channels through which diversity is injected into the decision making levels of South African organisations. But as long as the way in which an organisation conducts its business does not change in accordance with its workforce demographics, affirmative action targets will elude organisations for years to come. The organisation's culture has to change in order to make allowances for people who need to be treated as individuals, not

members of a uniform group.” This model is again predicated on managing diversity through managing individual differences, rather than group differences.

#### **3.3.4. Education, Training And Development:**

Helepi (2000:35) puts another model for managing diversity forth, he suggests that “Strategic Affirmative Training and Development (SATD)” is a potent method of enabling individuals hired under the EE A legislation, as well as improving the competitiveness of the organisation. Once again, this strategy must be aligned with the total business strategy, including the diversity plan and the human resource management plan of the organisation. Helepi proposes the following steps should be included in SATD planning:

- Step 1: Clarify purpose
- Step 2: Select goals and objectives
- Step 3: Conduct a situational analysis
- Step 4: Compile a situational analysis report
- Step 5: Decide on long-term ATD strategy
- Step 6: Implement Strategy
- Step 7: Evaluate success

Helepi, suggests to assess the success of the ATD strategies, the answers to the following questions should be used to measure direct and indirect successes:

#### **Direct Measures:**

- The number of designated persons in training and development;
- Financial investment in training and development, expressed as a percentage of payroll;
- The number of equity/AA candidates who are working competently;
- The number of equity/AA candidates who are ready for advancement and placement, and who possess the necessary skills and knowledge;
- The number of equity/AA appointees; and

- The length of service of equity/AA appointees.

**Indirect Measures:**

- Appointments made in meaningful positions of real power;
- The appointees' ability to perform effectively;
- The availability of clearly defined career paths;
- Improved and increased productivity levels;
- Basic systems and organisational culture which provides a framework for AA to succeed; and
- Positive qualities and attitudes of staff.

This model demonstrates the interdependence of all of the diversity trends discussed here. Each is inter-related and dependent on the other for success. Together they provide a holistic approach to managing diversity. One aspect, which unifies the trends discussed, is the fact that each must be tied to the organisations business strategy or bottom line strategy.

**3.3.5. HIV/AIDS:**

It is impossible to discuss diversity trends in South Africa, without including the phenomenon of HIV/AIDS. The statistics supplied by Metropolitan Employee Benefits (in Succeed Magazine Special Publication, Aug/Sept 2000:5), predict that the number of HIV-positive people in South Africa between the ages of 15 and 59 will rise from 3,5 million in 2000 to over 5,5 million by 2010. According to Ian Harebottle, a top strategic business consultant specialising in HIV/AIDS, "Business will find that AIDS will change their markets dramatically. Many families will lose their breadwinners and there will be less money to spend. Spending patterns will switch from luxury goods to healthcare products. Death

and loss of disposable income also means that companies will no longer be able to sell on credit to high-risk marketplaces.”

For managers and organisations, HIV/AIDS will have a tremendous impact on productivity, profitability and costs. The laws surrounding HIV/AIDS in the workplace provide for the protection for individuals with the virus, they include:

**The Employment Equity Act of 1998:** People with HIV/AIDS cannot be discriminated against in any way, including being denied promotion or training opportunities. They cannot be forced to use separate facilities from other employees and their HIV status cannot influence performance evaluations.

**The Labour Relations Act No.66 of 1995:** states that workers on probation, employees who are performing poorly and those who are suffering ill health or injury can be dismissed on grounds of incapacity, but first every effort must be made to accommodate them by adapting work duties or finding alternative work. The onus is on the employer to prove that the reason for dismissal is a fair one and standard procedures have been followed. All HIV/AIDS testing must be voluntary. Pre-employment and pre-benefit testing is illegal. However, in some instances the Labour Court may determine testing to be justifiable.

**The Medical Schemes Act of 1998:** States that a medical scheme may not unfairly discriminate against anyone on grounds of health. Also, a member's state of health may not be taken into account when determining his or her contributions. The Act also caters for a

minimum scale of benefits that every medical scheme is obliged to provide.

**The Constitution:** Protects the individual's rights to privacy. This means that an HIV-positive employee whose confidentiality is breached can sue both the person who breached it and the company, for damages. (Succeed, 2000:6-7)

Organisational leadership has a responsibility to put in place policies and procedures, which address the legal aspects of HIV/AIDS as well as safety measures in the workplace. In addition there is the psychological responses to HIV/AIDS, from the person living with the viruses perspective, as well as their co-workers perspective. AIDS awareness training and education should be utilised to assist management and staff members in ensuring a safe and supportive workplace for all.

### **3.4 SOUTH AFRICAN DIVERSITY INITIATIVES:**

Two examples of successful South African diversity initiatives are provided here. The first is a "home-grown" initiative and the second is the local initiatives of a multi-national organisation operating in South Africa.

Group Africa (Ndlovu, 1998:134-136), is the parent company, under which a number of diverse companies were founded. The CEO, Mike Boon, understands that his market is largely black, and he takes the approach that the consumer is number one. The diversity program in Group Africa was mitigated largely due to the need to understand the customer and communities serviced by the

organisation. The factors, which make Group Africa unique in the South African business world, are:

**Management style: African Interactive Leadership**

Boon defines this style as combining:

- strong leadership,
- participative management,
- a deep care for people, internal and external,
- far-sighted strategic planning,
- a hands-on approach to all aspects of the business,
- a belief that success in business and a happy home life are compatible, and
- a strong belief that interactions between diverse groups should be based on respect for each other's differences

**Group Africa's Statement of Values and Beliefs:**

- |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"><li>➤ caring,</li><li>➤ understanding/good interaction,</li><li>➤ respect,</li><li>➤ pride in what we do,</li><li>➤ openness,</li><li>➤ listening and hearing,</li><li>➤ loyalty,</li><li>➤ pro-active behaviour,</li><li>➤ natural drive to draw close to other cultures,</li><li>➤ being "of Africa",</li><li>➤ personal relationship,</li><li>➤ integrity,</li><li>➤ honesty,</li><li>➤ acceptance of only the highest standards,</li><li>➤ non-discriminatory practices,</li><li>➤ empathy,</li><li>➤ self-discipline,</li><li>➤ drive for personal development</li><li>➤ acceptance of constructive criticism.</li></ul> | <ul style="list-style-type: none"><li>➤ ability to offer constructive criticism with respect,</li><li>➤ having fun,</li><li>➤ willingness to share,</li><li>➤ showing good manners,</li><li>➤ recognising achievement,</li><li>➤ leading the way: "khokela" (Xhosa),</li><li>➤ participation in management and leadership,</li><li>➤ professionalism and dedication to task,</li><li>➤ enthusiasm and passion,</li><li>➤ doing it ourselves,</li><li>➤ having faith in ourselves and in each other's abilities</li><li>➤ willingness to delegate to enable others to learn and grow,</li><li>➤ being a team of friends and doing team based work,</li><li>➤ demonstrating fairness,</li><li>➤ trusting each other and the company.</li></ul> |
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According to the case study Ndlovu (1998:118) undertook, he found that "there is a consistency among the divisions in the extent and focus on their cultural

diversity management practices and adherence to values". The company is reaping the benefits of their corporate culture, through very low employee turnover, staff who are committed, feel respected and experience a high degree of job satisfaction. What Ndlovu found so unique about Group Africa, was that it was a company, although white owned and operated, which celebrated, and deliberately incorporated "the spirit of Africaness", into everyday business practice. "Being of Africa", can be interpreted as Group Africa's competitive edge.

The second successful, diversity management program, currently being practiced in South Africa is 3M's (Succeed, 1999:1-15). 3M is a multi-national corporation, its head office is located in Minnesota, U.S.A. The company has a diverse product range and views South Africa as a "spring-board" into the rest of Africa. Paul Gorder, Managing Director of South Africa, sums up the 3M culture by stating: "In 3M we value diversity of experience – we consciously set out to build a broad range of experience in our people". Gorder's style of management is to lead, rather than direct. He considers 3M a "team effort", based on the underlying goal of being number one in Africa. He believes that his responsibility lies in "helping to clear the barriers that may arise, then stand aside and let our people get on with it."

3M also comes from a strong social development history. Here in South Africa, their social development mission statement (1999:6) reads, "To upgrade the quality of life of those who are still suffering under the legacy of apartheid and to contribute to the generation of balanced, sustainable economic growth through

the creation and support of SMME's whilst at the same time ensuring that we ease the burden of the previously disadvantaged communities via charity organisations and NGO's."

3M is dedicated to enabling their staff to grow and achieve their potential. Staff are exposed to different jobs, in different divisions, in different parts of the world. Education and training is encouraged, and tuition refunds are given to staff members who successfully complete courses. The drive is to create a group of educated and experienced employees from which they can draw on as needed.

The company is committed to employment equity: "and will ensure our management structure reflects the country's demographics. We are and will continue to shun the negative connotation of tokenism and lowered standards that the term Affirmative Action has come to represent. Our programme of accelerated training and development has resulted in a wave of promising previously disadvantaged people coming through the ranks. The accent is placed on partnership in which there is a recognition that as the company grows, so should the people who have made a contribution to the organisation."

Marion Burgess is the General Manager of 3M's Health Care Group. She is proud of the "family feel" in her team, of whom approximately 70% are women. Members of her team are constantly improving their levels of education, and a few are even working on MBA's. Walker (1999:11), the General Manager of 3M's Traffic and Personal Safety Group, believes that "Trust is the key". He believes that "it is not important if someone makes a mistake ... Challenging and effective

people make some mistakes. The important thing is that they continue to risk, but don't make the same mistake twice."

It is obvious that 3M derives its competitive edge from a corporate culture which values people, is innovative, flexible, and responsive to the real needs of its customers, in whatever part of the world that they are operating in.

### **3.5 HOW DO SOUTH AFRICAN DIVERSITY INITIATIVES COMPARE:**

Research undertaken in 1996, by Kandola (in Martins, 1999:30) to determine what organisations are doing to promote managing diversity, their plans in the coming year, and factors underpinning the current approach to managing diversity, included South Africa along with organisations across the UK, Ireland, and North America. There were 18 questionnaires completed by South African organisations, 254 from UK, 62 from Ireland, and 68 from North America. The following breakdown outlines how diversity practices compared within the four countries:

#### **1. Most frequently implemented initiatives:**

- *South Africa, UK, Ireland* diversity initiatives were most frequently system and process orientated, with a particular emphasis on selection and induction. They also focus strongly on communication initiatives, which help in creating a culture that empowers.
- *North American* organisations focus more on flexibility (in terms of uniform, equipment, and working practices), and on the individual.

**2. Least frequently implemented initiatives:**

- *South Africa, UK, and Ireland* least frequently implemented training staff and managers in diversity, and adopting a strategic approach to managing diversity were low priorities for these organisations. Mentoring schemes for staff are low on the list of priorities for all four of the countries.

**3. The most successful initiatives:**

- For *UK and Ireland*, the most successful initiatives relate to objective and fair processes (eg. in terms of selection, induction and open criteria), and to creating a culture that empowers.
- For *North America*, the most successful initiatives relate to flexibility and an individual focus.
- For *South Africa*, the most successful initiatives relate to fair processes (eg in terms of selection), but then focus on flexibility (uniforms, benefits).

**4. The least successful initiatives:**

- In all *four countries*, there is a common difficulty with decision making in organisations.
- For *South Africa, UK and North America*, there is a concern regarding the success of “open criteria”. This is interesting as the survey suggests that open criteria are frequently being implemented, but not being successful.
- For *South Africa, UK and Irish* organisations, concerns also lie in the success of appraisal training. *South African* organisations are also struggling with outlining diversity as a business objective and a strategy for managing diversity.

**5. The highest priority actions for the next year:**

- The *UK and Irish* organisations priority actions focus on legislation and policy, and reviewing processes to ensure they are objective and fair. Flexible working is also considered a high priority.

- *North American and South African* organisations have a more strategic focus and also consider training in diversity as a priority.

**6. The lowest priority actions for the next year:**

- The *UK and Irish* will consider strategy-related initiatives such as strategic implementation and training in diversity.
- All four countries rate flexible benefits consistently as a low priority.
- Interestingly, in *South Africa* developing a diversity policy and publicising the organisation as a diversity-orientated organisation is very low on the list.

**7. Confidence in progress on managing diversity:**

- The results clearly indicate that *North American* organisations are remarkably more confident that they will make progress in managing diversity over the next year.
- *South African, UK and Irish* organisations were not very confident. *North American* confidence may be related to the fact that they are more strategically focused in terms of managing diversity.

It is important to remember that there were only 18 South African organisations represented in the survey, and that the survey was undertaken in 1996. However, the comparison of diversity initiatives, successes and failures, priorities and confidence provide some interesting divergences.

In Chapter 4, a comparison of Global and South African diversity perspectives provides a framework for change as well as some further insights into South African diversity dynamics.

## **CHAPTER 4:**

### **CHALLENGES UNIQUE TO SOUTH AFRICAN DIVERSITY DYNAMICS**

#### **4.1 INTRODUCTION:**

What makes South African diversity challenges different and unique to those found in the global literature? How can this South African uniqueness translate into practical and doable diversity practices, which will positively impact the profitability, productivity and human relations in organisations? What are the gaps, and how can they be addressed from a uniquely South African perspective? The answers to these questions are complex and multi-dimensional. However, one can begin to understand what the South African diversity challenges are by comparing the global and South African diversity perspectives utilising the information presented in the literature review above. South African diversity dynamics will become transparent, and successful practices to address them can then result.

#### **4.2 COMPARING GLOBAL AND SOUTH AFRICAN DIVERSITY**

##### **PERSPECTIVES:**

With the intention of providing a holistic framework for comparing the two perspectives, both macro and micro diversity factors are discussed to enhance and clarify issues. The macro factors include all of the environmental or external (uncontrollable) dynamics which impact diversity issues, while the micro factors

include all of the organisation-specific or internal (controllable) dynamics which impact diversity issues (Schutte, 1999:10).

#### 4.2.1 Diversity Dynamics - Macro Factors:

|                                  | <b>SOUTH AFRICAN<br/>PERSPECTIVE</b>                                                                                                                                                                                                                              | <b>GLOBAL PERSPECTIVE</b>                                                                                                                                                                            |
|----------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Country Status</b>            | A developing nation.                                                                                                                                                                                                                                              | First world nations.                                                                                                                                                                                 |
| <b>Political<br/>Environment</b> | Long-term instability, politically volatile. Currently in a transitional period, newly democratised. Progressive new laws in place, lack of resources to properly implement them. Many issues still to address, for example, poverty, unemployment, and HIV/Aids. | Long-term stability.<br>Resources available to maintain high quality living standards for its citizens.<br>Poverty still evident for marginalized individuals and groups.                            |
| <b>Economical<br/>Factors</b>    | Fledging economy characterised by insufficient economic growth. A large and still growing gap between the rich and the disenfranchised of the country.                                                                                                            | The strongest economies in the world. A substantial middle class evident.                                                                                                                            |
| <b>Demographics</b>              | Population of approximately 42 million. Diverse cultures with eleven officially recognised languages. In 1995, the census revealed that only 34.6% of the population was economically                                                                             | Country's citizens generally speak one or two official languages, however rapidly increasing global mobilisation of people, as well as other societal changes are shifting workplace demographics to |

|                                       |                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                              |
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|                                       | active, of which 63.4% were male, and 45.8% were female. White males are the largest segment of the population employed in South Africa.                                                                                                                                                              | reflect more diverse peoples and women who are beginning to out number the historical dominance of a white male workforce.                                                                                                   |
| <b>Regulatory Environment</b>         | The South African Business Sector finds the new labour laws inflexible and repressive to new entrepreneurial initiatives. Unions wield tremendous power. Unions and business do not have a constructive relationship, resulting in loss of productivity and profit due to strikes and work stoppages. | Generally flexible. The United States in particular has grown and become the richest country in the world, due to a concentrated effort to change the regulatory environment to that of an entrepreneurial friendly society. |
| <b>Affirmative Action Legislation</b> | Based on addressing the unequal participation of the <u>majority</u> of the population, as well as women of all races and the disabled into the formal employment sector. EE A legislation recently enforced and currently being implemented for the first time in South African organisations.       | Based on inclusion of <u>minority</u> groups into the employment sector. EE legislation firmly entrenched in workplace practices.                                                                                            |
| <b>Employment Levels</b>              | Unemployment rate of 29.3% in 1996 census. Black majority of South African population comprises largest component of unemployed                                                                                                                                                                       | The unemployment levels in first world countries are the lowest they have been for sometime. The United States for example has an                                                                                            |

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|                               | peoples, over 80%.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | unemployment rate of approx. 4%.                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Skill/Education Levels</b> | <p>A severe shortage of educated, experienced and skilled workers.</p> <p>Management, science and technology skills are particularly lacking. In addition, emigration of skilled workers is further depleting the already low levels.</p> <p>Education and literacy levels are lacking, particularly within the majority black population.</p>                                                                                                                                                                      | <p>Highly educated, experienced and skilled labour is available in all sections of the labour market. These countries also attract educated and skilled workers from other countries.</p>                                                                                                                                                                                                           |
| <b>Sociological Factors</b>   | <p>The previous apartheid regime propagated fear and a lack of trust between the peoples of South Africa, which has artificially accentuated and negatively affected "differences" based on skin colour and culture.</p> <p>These perceptions remain and permeate all aspects of society, including the workplace, where differing races often come together for the first time.</p> <p>Due to the internalisation of the apartheid era, there is a lot of societal negativity, which translates into a lack of</p> | <p>Nations from the global arena have approached multi-racialism in varying ways.</p> <p>The United States adopted the "melting pot" approach, where all races were encouraged to assimilate to the "American way".</p> <p>In Canada, multi-culturalism was embraced, to ensure varying cultures their right to maintain and celebrate individual cultural practices, languages and identities.</p> |

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|                                                       | pride of country, product and self.                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                           |
| <b>Societal Perceptions Racism and Discrimination</b> | Due to historical reasons, racial division is extremely high. Racism and discrimination is generally overt. Blatant, racially motivated incidents/crimes occur on a daily basis. Many of which are aimed at employees. South Africans of all races continue to harbour negative perceptions of each other, as well as lack trust in the motives of people different to themselves.                                    | Generally positive race relations. Racism and discrimination is generally covert. Pockets of extremist individuals / groups engaging in periodical racial incidents/crimes.                                                                                                                                                                               |
| <b>Ideological Factors</b>                            | The peoples of South Africa have widely diverging ideological belief systems and mind-sets depending on which side of the "struggle" they found themselves. Those whites that were reared in the Christian National Education system, which condoned and normalised the apartheid system were on one end of the ideological spectrum, while blacks that found themselves in the townships as comrades in the struggle | From the global perspective, there are obviously ideological differences between peoples of a country. However, the differences are not as pronounced and most citizens of a country have commonalities which help to bridge the differences. For example they generally embrace a individualistic approach to life, rather than a collectivist approach. |

|  |                                                                                                                                                                                                                                                                                                                                                                                                     |  |
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|  | <p>were on the opposite end of the ideological spectrum. Seven years have passed since democratisation, however remnants of the “split” are evident. In addition, there is also the differing ideology, which stems from culture. South African whites are generally of European ancestry and follow an individualistic ideology, whilst South African blacks generally adhere to collectivism.</p> |  |
|--|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|

4.2.2 Diversity Dynamics - Micro Factors:

|                                | SOUTH AFRICA                                                                                                                                                                                                                                           | GLOBAL                                                                                                                                                                                                                       |
|--------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Organisational Structure       | Hierarchical/ traditional organisational structures dominate in South African businesses.                                                                                                                                                              | Globally, organisational structures are becoming flatter, flexible/ adaptive, and innovative.                                                                                                                                |
| Organisational Culture/Climate | “Westcentric”, individualistic organisational culture dominated by a white male club culture. Exclusionary organisational climate where diverse peoples are isolated and made to feel that they must assimilate with the dominant culture. Conflict in | Globally, organisations are introducing diversity practices to become more inclusive, and equitable. Globally organisations have recognised that diversity increases creativity, innovation and adaptivity in the workplace. |

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|                                     | <p>the workplace is increasing due to more diversity in the workplace at all levels, as well as more diverse languages being used.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <p><b>Management/Leadership</b></p> | <p>Rigid, control based management.</p> <p>Emphasis is on production, systems, and profitability.</p> <p>The 2000 World Competitiveness Report ranks South Africa at the bottom of the heap for industrial relations, worker motivation, international experience, customer orientation, and industrial disputes.</p> <p>South African managers are generally resisting societal changes, particularly the new EE A legislation. In addition, South African companies are not linking diversity management to top managements' performance evaluations and reward systems.</p> | <p>Organisations in the global arena are focussing on visionary leadership from the CEO and top management.</p> <p>The leader is there to communicate the vision, lead by example, and not to control but to enable staff members to undertake their responsibilities to the best of their abilities.</p> <p>Increasingly, diversity management is being linked to management performance evaluations and rewards.</p> <p>Management is putting greater emphasis on the "soft issues" or human resource issues in organisations.</p> |
| <p><b>Diversity Management</b></p>  | <p>Managing (through oppression) and dividing the diverse cultures in South Africa was the primary focus</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <p>Diversity management has been utilised in some U.S. organisations for over ten years. It was a pro-active</p>                                                                                                                                                                                                                                                                                                                                                                                                                     |

|                                              |                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                            |
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|                                              | <p>of the previous apartheid regime. The positive and pro-active inclusion and support for diversity is a relatively new concept to South African's one which was enabled through democratisation of the country.</p>                                                         | <p>progression from the employment equity legislation, which was enacted to address demographic changes in the country.</p>                                                                                                                                                                                                                                                                |
| <p><b>Defining Diversity</b></p>             | <p>South African employers generally favour a narrow definition of diversity, one that satisfies the EE A legislation. It constitutes, blacks, women and disabled people. The emphasis is on group or culture rather than the individual.</p>                                 | <p>Generally a broad understanding of diversity is used. One including gender, race, culture, age, family/career status, religion, disability, individual skills, educational qualifications, work experience and background, language, and other relevant attributes and experiences which differentiate individuals. The emphasis is on the individual rather than culture or group.</p> |
| <p><b>Reasons For Managing Diversity</b></p> | <p>Some of the reasons South African organisations have for managing diversity include: the EE A legislation, greater diversity in the workforce, need a committed and aligned workforce, low productivity, lack of cooperation between unions and management, low global</p> | <p>Global reasons for managing diversity revolve around social changes for example: more women in the workforce, an ageing workforce, greater labour mobility, high levels of cultural and linguistic diversity, flatter organisational structures, less "command and control" styles of management,</p>                                                                                   |

|                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
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|                                     | <p>competitiveness scores, lack of skilled labour, the need to retain trained and experienced staff, and become competitive in the global market place.</p>                                                                                                                                                                                                                                                                                                                                                                                            | <p>the impact of globalisation and technology on work practices, as well as due to equal opportunity legislation, employers are accountable to workers and the law. In addition to the societal changes, managing diversity has become a bottom line issue, and when successfully carried out positively impacts profitability, productivity and competitiveness.</p>                                                                                                                                                                                                                                    |
| <p><b>Diversity Initiatives</b></p> | <p>Presently, South African managers are resentful of and taking a reactive stance to the new EE A legislation. Diversity initiatives are not linked to the business case, they are a separate strategy, based on the short-term, not linked to changing the organisations culture, the emphasis is on having the right quota of target employees, with no real concern for customers, the market, or other stakeholders, not linked to the reward system, and primarily an internal strategy with limited involvement in community and the larger</p> | <p>Global diversity initiatives are generally pro-active, goes well beyond Affirmative Action legislation, are linked to the business case, the diversity strategy is integrated into all areas of the business, it is a long-term, cultural change program which is based on including and enabling diverse people, including customers and other stakeholders. The diversity program is linked to performance evaluation and the reward system, as well as the community at large. Leading edge diversity practices being implemented include: incorporating diversity into the mission statement,</p> |

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|                         | society.                                                                                                                                                                                                                                                                                           | diversity action plans, accountability in business objectives, employee involvement from all levels and functions, career development and planning, community involvement and outreach, long-term initiatives directed at overall culture change.                                                                                                                                                                                                                       |
| <b>Diversity Trends</b> | South African diversity trends include: Ubuntu (incorporating African values into the South African workplace), building interpersonal competencies or relationship building, creating conducive organisational climates, education, training and development and programs responding to HIV/AIDs. | Global diversity trends include: support for the diversity program from the CEO and top management, people of color and women visible in top management positions, tying compensation to meeting diversity goals, stronger employee retention initiatives, mentoring programs, minority and women-owned business vendor programs, diversity training at all levels, multinationals tailoring diversity programs to local conditions, and education/special initiatives. |

The holistic view of South African diversity dynamics outlined above demonstrates how the workplace becomes a microcosm of the macro environment of a society. Although the macro or external environment of an organisation is generally considered uncontrollable from an organisational point of view, change within organisations, which are controllable, can generate

changes in the general society. South Africa and its' people are in dire need of national renewal in the form of country pride, product pride, and self pride. An "African Business Cultural Renaissance", as Mbigi and Westbrook (1998:24) so aptly brand it, seems to offer a uniquely African solution, which also encompasses the best working practices worldwide.

#### **4.3 SOUTH AFRICAN DIVERSITY DYNAMICS – THE GAPS:**

Having compared the global and South African diversity perspectives, based on the literature review provided in this study, it is evident that significant gaps can be identified, between the present state of diversity management in South African organisations with that of the desired state. The case for diversity management has been clearly made in the literature, and the benefits should be of immense interest to South African organisations wanting to improve productivity and human relations, as well as build competitive edge. What are the gaps? By identifying the differences between the present state of diversity management with that of the desired state, the challenges for diversity management in South Africa become apparent. }

## **THE SOUTH AFRICAN DIVERSITY CHALLENGE**

| <u><b>PRESENT STATE</b></u>                                                                                                                                                                                 | <u><b>GAP</b></u>                                                                   | <u><b>DESIRED STATE</b></u>                                                                                                                                                                                                                          |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <input checked="" type="checkbox"/> Traditional /hierarchical organisational structures.                                                                                                                    |    | <input checked="" type="checkbox"/> Flatter, adaptive, innovative organisational structures.                                                                                                                                                         |
| <input checked="" type="checkbox"/> "Westcentric", white male club culture, exclusionary organisational climate.                                                                                            |    | <input checked="" type="checkbox"/> An inclusive, motivating organisational culture and climate, where equitable practices and diversity are valued.                                                                                                 |
| <input checked="" type="checkbox"/> Formal, rigid, command and control based management style with emphasis on production and profit.                                                                       |    | <input checked="" type="checkbox"/> Visionary leadership. Clear communication of the vision, leading by example, and enabling staff to perform their responsibilities to the best of their abilities. Emphasis has shifted to human resource issues. |
| <input checked="" type="checkbox"/> Diversity is narrowly defined, based on targets in EE A legislation. Diversity management practices are independent short-term strategies reactive to the new EE A law. |  | <input checked="" type="checkbox"/> Diversity is broadly defined. Proactive diversity management practices are strategically tied to the business case.                                                                                              |

## **THE SOUTH AFRICAN DIVERSITY CHALLENGE** (con't)

| <b><u>PRESENT STATE</u></b>                                                                                                                                                                                            | <b><u>GAP</u></b>                                                                 | <b><u>DESIRED STATE</u></b>                                                                                                                                                                                                                                                                                                                             |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <input checked="" type="checkbox"/> Presently, South African organisations have not adequately recognised the bottom line reasons for managing diversity.                                                              |  | <input checked="" type="checkbox"/> Managing diversity becomes a hard-nosed business practice. A strategic response to social change, increased diversity in the workplace, new markets, new internal and external customers.                                                                                                                           |
| <input checked="" type="checkbox"/> Presently diversity initiatives are a resentful compliance to EE A laws. A short-term strategy, administered by the human resources department. It is based on targets and quotas. |  | <input checked="" type="checkbox"/> Diversity initiatives, which are pro-active, linked to the business case, integrated into all functional aspects of the business, a long-term cultural change strategy. Staff member participation from all functional levels, genders, groups and races, for example, in designing diversity practices is crucial. |

#### 4.4 BRIDGING THE DIVERSITY GAPS

The diversity trends described in the South African literature are valuable contributions toward bridging the gaps described above. The trends include:

- ④ Ubuntu,
- ④ Building interpersonal competencies or relationship building,
- ④ Creating organisational climates conducive to diversity management,
- ④ Education, training and development,
  - Inclusion of programs responding to HIV/AIDs.

In addition to adoption of the diversity trends being introduced by South African academics' and business experts, the adoption of the following global trends would be of benefit:

- ④ CEO leads diversity plan, as champion (sponsor),
- ④ Blacks, women and disabled people visible in top management,
- ④ Tie rewards system to diversity goals,
- ④ Focus on employee retention,
- ④ Mentoring programs,
  - Diversity training programs,
  - Community development programs.

Having isolated the specific challenges South African organisations face in managing diversity, as well as identified trends in diversity, which can be seen to address some of the challenges, it is time to outline diversity strategies for those South African organisations, which are seeking to improve their competitiveness and productivity. South Africa is in a period of transition, transformation and vast societal change. South African academics and business experts, as demonstrated in the literature review, are looking for a new way forward. Many are calling for a uniquely African solution to address the negativity being generated by internal organisational friction and tension due to our polarised workforce. In the final chapter recommendations and concluding observations

will be made outlining strategic new directions for South African diversity management.

## **CHAPTER 5:**

### **THE WAY FORWARD: STRATEGIC NEW DIRECTIONS FOR SOUTH AFRICAN DIVERSITY MANAGEMENT**

#### **5.1 INTRODUCTORY OBSERVATIONS:**

The definitive purpose of this study was to create an understanding of the complexity and breadth of workplace diversity issues, by reviewing current literature on the subject both from International and South African perspectives. This exercise was undertaken to determine new directions for diversity management in the South African workplace. The literature specifically revealed that managing diversity must be; 1) organisation specific; 2) developed and implemented through participation by diverse employees from all levels of the organisation; 3) championed and led by the CEO and/or top management of the organisation; 4) a long-term cultural change strategy; 5) systematically integrated into goals, objectives, policy, functions, and operations throughout the organisation; and finally 6) strategically linked to the organisations business case. These are the six critical success factors, which must be present to successfully realise an inclusive organisational culture.

The benefits of successfully managing diversity cannot be disputed. The literature clearly describes managing diversity as a competitive advantage and a viability issue in the present volatile economic environment. Organisations worldwide are faced with the reality of a more diverse workforce and the ensuing

challenge of channelling that diversity away from internal organisational conflict and its damaging results, to transforming diversity into a “win-win” situation for everyone involved with particular emphasis on positively impacting the profitability or bottom line of the organisation.

The South African perspective, although encompassing many of the diversity issues global organisations are dealing with, has its own challenges providing an opportunity for a uniquely South African solution. It is time for South African companies, and in particular their leaders/managers, to recognise the positive characteristics of the country's diverse labour force, as well as the opportunities it presents in the market place and in the organisation.

Recently, Membathisi Mdladlana, the South African Labour Minister, acknowledged that there had been only 60% compliance to the June 1<sup>st</sup>. deadline of submission of reports on employment equity plans and progress by South African employers (Loxton, 2000:7). Mdladlana felt that this was an indication that employers were not taking the equity legislation seriously, and as he explained “It also tells us that, in the absence of legislation, employers will not rectify inequities created by our history”. The country is in a period of transition, however, at the writing of this study, almost seven years have slipped by since democratisation of the country. The time is ripe for South African managers to submit to and more importantly embrace the wider societal changes, or be left behind in the dust.

## **5.2 CREATING A CLIMATE CONDUCIVE TO SUCCESSFUL DIVERSITY MANAGEMENT - INJECTING POSITIVISM, VALUES AND AFRICAN PRIDE:**

South African diversity dynamics are complex and problematic, as has been clearly demonstrated by the results of Mbigi's (1998:37-38) study as outlined in Chapter 1. Reinventing South African organisational diversity dynamics will require long-term cultural organisational change programs. It is apparent that in general, South African organisational climates are not currently conducive to managing diversity in a positive way. A significant mind-shift away from the negative climate of distrust, fear, and alienation, must be made. In addition, the serious lack of support and general hostility blacks, women and the disabled experience on a daily basis, must be eradicated to clear the way forward in order for meaningful diversity management practices to take hold. The objective is to initiate diversity practices, which will positively impact the organisations market place competitiveness.

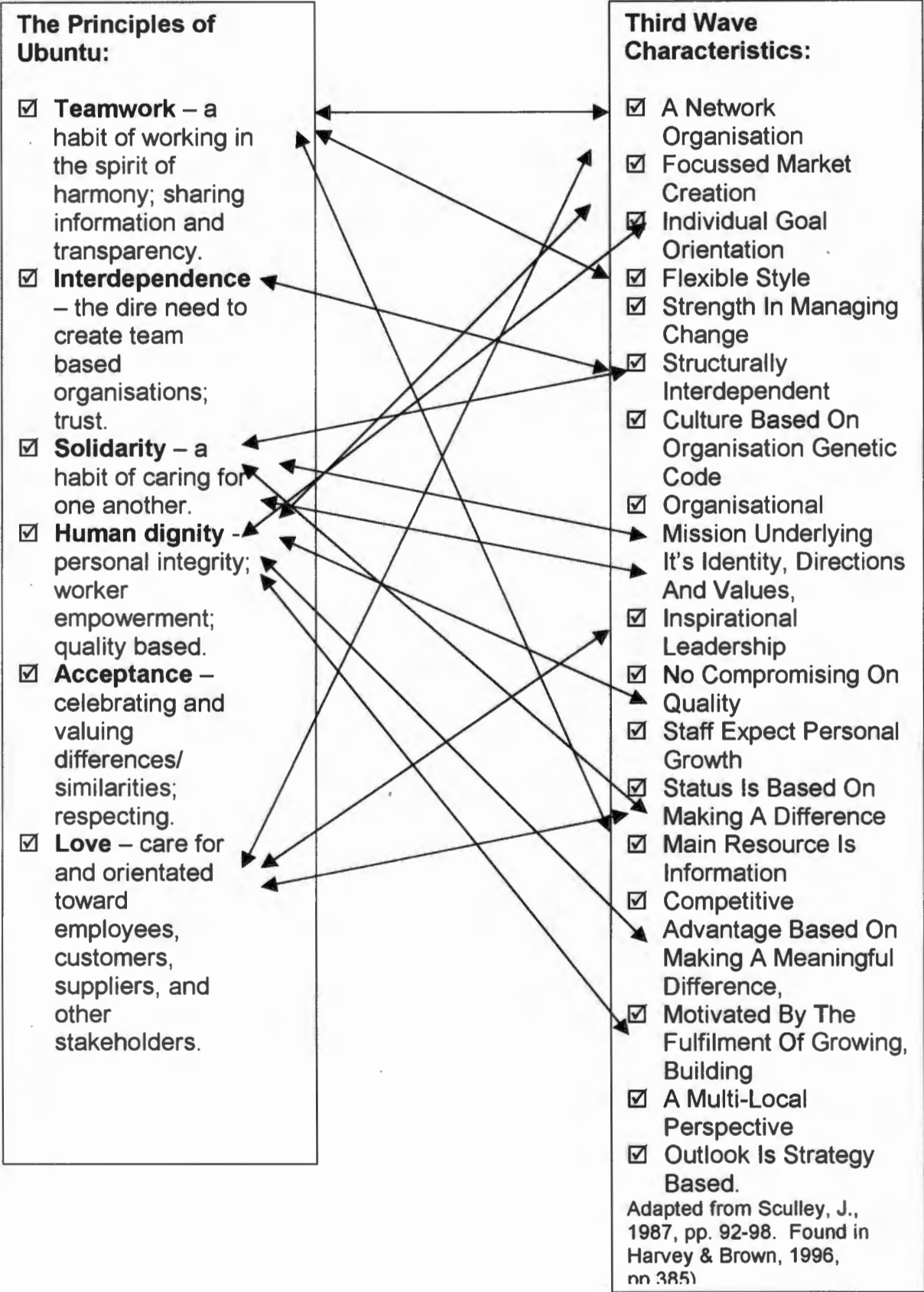
Leaders/managers have a crucial role to play as change agents in this process. Firstly, managers themselves must undergo a significant transformation and give up their redundant highly hierarchical, patronising and unparticipatory management style of the past. Instead, it is important for managers to adopt a positive, people-centred style of management with more emphasis on motivating, growing and retaining valuable human resources. In addition, to counteract the "westcentric" environment, the collectivism vs. individualism dualism, and to instil African pride into organisations, the inclusion of Ubuntu values into South African organisations would provide a fresh and positive approach toward creating a

diversity inclusive climate. Thereby providing a viable, African solution. The following quote by Archbishop Desmond Tutu (found in Mbigi & Westbrook, 1998:26) describing Ubuntu, underlines the deep-seated values of this traditionally African concept:

“Africans have a thing called Ubuntu; it is about the essence of being human, it is part of the gift that Africa is going to give the world. It embraces hospitality, caring about others, being willing to go that extra mile one for another. We believe that a person is a person through other persons; that my humanity is caught up, bound up inextricably in yours. When I dehumanise you, I inexorably dehumanise myself. The solitary human being is a contradiction in terms, and therefore you seek to work for the common good because your humanity comes into its own in community, in belonging”.

The “pillars of Ubuntu” as Mbigi and Westbrook suggest are: 1) Teamwork; 2) Interdependence; 3) Solidarity; 4) Human dignity; 5) Acceptance; and 6) Love. The injection of Ubuntu values into organisations is not an “airy-fairy” concept in fact it is well in line with the best organisational behaviour and diversity management practices world wide. It speaks to the need for organisations to focus on “ the softer issues” or human resource issues as a bottom-line, hard-nosed business concept. After all, people – people who are productive, aligned to a common goal, challenged and motivated to perform to the best of their ability, who are treated with dignity and respect are the most indispensable asset an organisation has. They are the foundation upon which the business is based and on which future growth is dependant. An example of how Ubuntu values are aligned to “Third Wave” or the present “information age”, organisational characteristics is provided in Figure 2 below:

Figure 2: Comparing Ubuntu Principles with Third Wave Characteristics



Therefore, given the compatibility of Ubuntu values with best business practices worldwide, and the dire need for a positive change in South African organisational climates, it is recommended that Ubuntu be utilised as an organisational behaviour tool in South African organisations. As was suggested above, the organisational climate must be conducive to valuing people with all of their differences and similarities. Next, it is important to provide specific and practical recommendations to assist South African Managers in creating an inclusive organisation.

### **5.3 THE WAY FORWARD: SOUTH AFRICAN DIVERSITY MANAGEMENT RECOMMENDATIONS:**

#### **IT IS RECOMMENDED THAT SOUTH AFRICAN ORGANISATIONS ADOPT THE FOLLOWING NEW DIRECTIONS TOWARD MANAGING DIVERSITY:**

(The recommendations have been listed in the order that they should be addressed by the organisation.)

#### **I. Shift the Mindset of South African Managers/Leaders:**

##### ***Leaders/Managers should:***

- ☒ Be accountable and rewarded when they achieve desired diversity-based outcomes with clear consequences for those who fail to meet them. Diversity accountability should not only be realised in regards to EE A requirements, but also based on profitability, productivity,

group/team cohesiveness, staff turn-over, as well as career planning, goal setting and relevant training initiatives for individual staff members.

- ☑ Shift their mindset from “I have to” implement diversity initiatives to “I want to” change the organisational culture to be inclusive of difference in all its manifestations.
- ☑ Create a sense of staff ownership and accountability in the cultural change program.
- ☑ Accept the validity of individual goals and needs of all staff members’ and empower staff to reach professional goals and maximise contributions to the organisation.
- ☑ Actively encourage communication across all functional, ethnic, and any other divisional lines in the organisation.
- ☑ Learn to treat conflict as an opportunity, and be trained in and train staff in conflict resolution techniques.
- ☑ Link diversity strategy to team-building and quality efforts.
- ☑ Develop strong staff retention initiatives by focussing on professional development, job rotations, and succession planning.

- ☑ Model their behaviour to help educate staff about managing diversity and assist the cultural change program.
- ☑ Be open minded, flexible, and demonstrate a commitment to equal and fair treatment for all employees.
- ☑ Develop a formal mentoring program to assist in capacity building and provide the necessary support for those who require it.
- ☑ Incorporate flexibility into workplace practices to assist staff in balancing family and work life.

## **II. Managing Diversity - A Long -Term Cultural Change**

### **Program:**

#### ***The Managing Diversity Strategy should:***

- ☑ Operate within the terms of a broad definition of managing diversity.  
The term managing diversity should embrace a pro-active, integrated, participatory strategy to create an inclusive organisational culture which supports and values all dimensions of individual and group differences and similarities; focusing on improving the productivity, performance and growth of all staff, and strategically linked to the organisations business case.
- ☑ Incorporate diversity into the organisations mission statement and vision.

- ☑ Begin with a process of organisational diagnosis, research, and planning, with participation from all levels of the staff component and unions, to develop a comprehensive diversity plan including diversity action plans, time-lines and individual or group accountability.
- ☑ Clear set of values, state program goals and objectives, and establish a procedure for program evaluation.
- ☑ Use program evaluation data to set goals, design processes, modify systems and develop measures for the future.
- ☑ Have top management playing the leading roles and be highly involved in all aspects of planning, implementation and evaluation.
- ☑ Have EE A requirements integrated into the diversity strategy.
- ☑ Ensure that all positions, including those at the highest level, are open to everyone.
- ☑ Incorporate strategies to more effectively manage a diverse customer base, a more diverse stakeholder base, and a more diverse influencer base.

- ☑ Be an inclusive strategy focusing on all employees regardless of race, ethnicity, gender, age, religion, language, personality, sexual orientation, and physical/mental limitations, for example.
- ☑ Include a HIV/AIDs strategy and awareness program into the overall diversity strategy.
- ☑ Review the organisational communication strategy to address and include language diversity.
- ☑ Be both an internal strategy and an external strategy (i.e., active involvement in community and social issues around diversity.)
- ☑ Include promotion of the organisations diversity values to be seen by society as an employer of choice, attracting and retaining talent with the right diversity attitude and skills.

### **III. Diversity Training:**

#### ***Diversity Training should:***

- ☑ Utilise the skills of an external or internal “change agent” to undertake a diagnostic assessment in identifying the organisational culture, policies, practices, issues, strengths, obstacles, gaps, challenges and perceptions. Then use this information to determine diversity training needs.

- ☑ Be mandatory for every employee – and the CEO and top management should be visibly participating in the program.
- ☑ Developed through a partnership of internal employees (diversity steering committee) and an external subject matter expert (diversity consultant and trainer).
- ☑ Be an integral part of the overall diversity initiative.
- ☑ Be non-confrontational, participant-centred, utilising positive examples of difference and similarities. In the South African context, diversity training should be developed to allow staff members to get to know one another as human beings, rather than just representing a racial group. A sharing of individual history, leading to a better understanding of how people live, the pressures, the pleasures, and the problems.
- ☑ Be both awareness and skills-based. It should train staff in developing a set of practical skills or tools to use in a diverse workplace. It should emphasise the shared responsibility of all staff members to accept and learn to understand people different to them selves.
- ☑ Providing value to the organisation. If an external diversity trainer is utilised, they should only act as a facilitator. They should add value to the organisation by imparting the diversity training skills and knowledge into the organisation for future and ongoing use. Skills taught may

include: Coaching, Empowering, Providing feedback to diverse individuals, Interviewing, Mentoring, Delegating, and Conflict Resolution.

- ☑ Include HIV/AIDs awareness, communication skills, interpersonal skills and relationship building skills training in the curriculum.
- ☑ Be an inclusive, non-threatening activity, which energises staff members to get involved by developing and leading brown-bag discussions, mini-training, and other activities. Inclusivity becomes the corporate philosophy.
- ☑ In the South African context, involve more than only a half-day or full day session. Given the historic diversity obstacles inherited by today's organisations, a longer more in-depth diversity training session should be developed, and then continued monthly by staff lead activities, discussions, mini-training, and other events with the visible and resource support and participation of management.

The above recommendations are based on the results of the literature review outlined above. It is important that the recommendations be implemented simultaneously in order to create the synergy necessary to create an inclusive climate in the workplace.

#### **5.4 AREAS FOR FUTURE RESEARCH:**

Proactive management of diversity in South African workplaces is a relatively new concept. There are wide reaching opportunities available for research and further study. One important area to study, which is current and practical, is how South African organisations are dealing with the new EE A legislation, the barriers they are encountering, the methods they are utilising, and the results they are achieving. The study results could be well utilised by government in streamlining the EE A processes and reporting requirements.

A crucial subject for study is how University Business Schools are approaching managing diversity within their organisational behaviour or human resource course work. In the South African situation, it has become clear that leaders/managers are sorely lacking the knowledge and skills required to create inclusive organisational climates. It would be interesting to find out how much emphasis is being placed on managing diversity in the educational development of South Africa's future managers and human resource practitioners. This information would be beneficial to South African institutions of higher education, in their drive to impart relevant and practical knowledge and skills to future manager/leaders in this country.

Another interesting area for further research would be the design, implementation, evaluation and results of a long-term cultural change program in an actual South African organisation, focussing on managing diversity. Due to the hypo-sensitivity around diversity dynamics, few South African organisations are open to exposing themselves to such close scrutiny, however such a study

would be beneficial for the organisation involved, and the results could provide practical knowledge for other organisations.

## **5.5 CONCLUDING OBSERVATIONS:**

In summary, managing diversity has become an important thrust of organisational behaviour practices worldwide. The global workforce is becoming more diverse, and organisations are changing to incorporate new ways of thinking/being, as well as moving away from the domination of the white male culture. The human resource practitioner's function is broadening and it is apparent that diversity training should be an integral aspect of their development. Globally, there are a range of diversity initiatives being carried out, and although they are carefully designed and implemented, there is no single initiative which can resolve complex diversity dynamics or successfully manage diversity in all organisations. Diversity training is the most widely utilised initiative to address diversity issues in organisations. Needs assessments and evaluation are crucial elements in designing successful initiatives.

The literature clearly demonstrates that there are competitive advantages in successfully managing diversity. The organisation benefits by achieving a better public image, providing a satisfying work environment, improving relations among staff, increased job satisfaction and morale, increased productivity and a competitive edge. All of these achievements lead to greater adaptability, profitability and increased market share.

In the South African context, there are numerous challenges to overcome regarding diversity dynamics. Diversity and diversity dynamics are a sensitive issue, which is often over-charged with emotional and historical perceptions. When comparing South African and International macro and micro environments, one clearly begins to see the gaps and where South African organisations are currently failing in their narrow EE A approach to diversity management. There are large strides to be made, beginning with a transformational shift in the mindset of leaders/managers in South African organisations. However, with the crucial ingredient of a visionary leader and top management with the right mindset/attitude, a long-term cultural change program to successfully manage diversity can be successfully carried out. There are six critical success factors, which must be present to produce success. The managing diversity initiative must be: 1) organisation specific; 2) developed and implemented through participation by diverse employees from all levels of the organisation; 3) championed and led by the CEO and top management of the organisation; 4) a long-term cultural change strategy; 5) systematically integrated into goals, objectives, policy, functions, and operations throughout the organisation; and finally, 6) strategically linked to the organisations business case.

Managing diversity is about people – people accepting people who are different than them selves. It is also about improving productivity and profitability in organisations by reducing the conflict that diversity can create. Through successful diversity initiatives employees improve their interpersonal and communication skills, they learn to accept differences and similarities, they expand their minds to embrace new ways of doing things, new ways of thinking

and in the process the organisation benefits through improved competitiveness. It's a win-win situation for everyone involved.

## **5.6 THE DIVERSITY MANAGEMENT IMPERATIVE:**

In conclusion, and from the perspective of the author of this study, managing diversity in the work place has far reaching implications for the South African society as a whole. Transformation of the South African society through normalisation of diversity dynamics is imperative to the success of the country, it's people and it's organisations. The exercise undertaken in Chapter 4, of comparing global and South African macro and micro diversity perspectives, clearly demonstrates how the South African macro environment negatively impacts the micro environment. The South African perspective describes a developing nation, struggling to find its wings and finally spread them after the devastation, which was apartheid. The deliberate drive to create inclusive organisational cultures whereby employees coming from all rungs of the "rainbow" ladder are encouraged to shed apartheid's negativity and perceptions, to really understand and know one another as humans, as well as individually grow, develop and excel, can become a positive force toward transforming the wider South African society. From an economic aspect, managing diversity has become a viability issue for the country on a macro scale, and for organisations and individuals on a micro scale. Individual organisations must realize their responsibility in terms of creating employment, staff capacity development and contributing to the improvement of the general living standards of all South Africans. The diversity management imperative is real, it is relevant and it needs to be pro-actively addressed.

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