

An exploration of organisational culture: the perception of employment regulations in the workplace

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Preface A

This dissertation is submitted in article format as described in rules A.14.4.2, and A13.7.3, A1 3.7.4, A 17.7.5 of the North West University.

This dissertation is submitted in the form of two research articles. The referencing style and editorial approach for this dissertation is in line with the prescriptions of the *South African Journal of Labour Relations* publication guidelines (Annexure A). This dissertation will be prepared using the Harvard formatting style as per the requirements of the publication and the agreement made with the department of Human Resource management. Footnotes will be presented as per the guidelines.

For purposes of this dissertation, the page numbering of the dissertation as a whole is consecutive. However, when publication is considered, each individual article will be numbered starting from page one.

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CHAPTER ONE: RESEARCH PROPOSAL

In chapter one, an overview of the phenomena organisational culture and employment regulations will be explored. This chapter will focus on the introduction, problem statement, objectives of the research and the method to be used. For the purposes of this study, employment regulations will include the following regulating factors: (1) the disciplinary code, (2) grievance procedure, (3) the performance appraisal system and the (4) contract of employment. These factors were identified in a study by Linde, Schalk and Linde (2007) as employment regulating factors. The questionnaire developed by Linde *et al.* (2007) will be used in chapter three.

1. INTRODUCTION

According to Bredenkamp (2002), it is a well known fact in the science of organisational development that a well led, organised, managed, properly planned, resourced and monitored organisation, could be a very powerful tool to improve the quality of the product or service, in order to achieve excellence. Successful organisations able to maintain their competitive advantage learned that adaptation as an ongoing process is needed to maintain a competitive advantage (Kaufman, 1992). In order to attain this goal, top managers need to realise that the management style of companies should be dynamic and need to adjust constantly (Alpander & Lee, 1995). The ongoing situation of instability and transformation in South Africa put organisations under pressure which could make it difficult to reach their potential. Management should steer through a series of obstacles caused by interventions and reactions of the different role players and stakeholders (Luiz & Van der Linde, 2006). A formal intervention was performed by the State in 1995 and 1997 when the Labour Relations Act (66 of 1995) and the Basic Conditions of Employment Act (75 of 1997) amongst others were introduced as regulating mechanisms (Venter, 2004). The Growth, Employment and Redistribution (Gear) strategy was introduced in 1996 (Van Jaarsveld, 2005) to promote economic growth. The Congress of South African Trade Unions (Cosatu) was strongly opposed to

the Gear strategy, protesting in 2000 against what they described as the ongoing loss of jobs in the country's formal economy (Nel, Swanepoel, Kirsten, Erasmus & Tsabadi, 2005). In a report dealing with the different problems facing employability, it was explained that the economic performance of a country depends on the access to and the adoption of new technology as well as the skills of the labour force (Van Jaarsveld, 2005). With regard to the abovementioned, it is clear that each of the three role players in the employment relationship has different expectations that could create a destructive and disruptive relationship.

In order to assist the parties in the employment relationship and to regulate the difficult situation of large scale unemployment, low level of skills and protection of the workforce, the South African Government, as in other countries, implemented specific and sometimes complex labour legislation to regulate the employment relationship (Bendix, 2005, Venter, 2004). This legislation made the implementation of a disciplinary code and procedure, grievance procedure and performance appraisal systems as well as formal contracts of employment, amongst various other regulating aspects, inevitable in the formal South African employment relationship (Linde and Schalk, 2008, Nel *et al.*, 2005 & Venter 2004).

2. INDUSTRIAL RELATIONS

Industrial relations may be defined as all aspects of job regulation including the making and administering of rules that regulate employment relationships. This is regardless of whether these are seen as being formal or informal, structured or unstructured (Bain & Clegg, 1974). It was defined by Flanders (1965) as a study of the institutions in job regulation and by Hyman (1975) who focussed on the process of industrial relations, as the control over the process of work relations, including job regulation. Industrial Relations as study field is rooted in the perceived injustices of the past, firstly originating in the agricultural period, classic civilisations with forms of slavery and then later to the industrial revolution (Nel *et al.*, 2005; Venter, 2004). Employees were given more

protection with the development of industrial relation systems by becoming the sellers of their labour to the owners of wealth, the employers (Bendix, 2005; Nel *et al.*, 2005). Early, primarily sociological, perspectives such as the merchant capitalist system which was seen in the industrial revolution that started in the mid-18th century in England, focussed mainly on conflict regulations in institutions (Nel *et al.*, 2005). More recently, the scope broadened, not only focussing on conflict regulations, but also on the cooperation of the parties involved (Nel *et al.*, 2005). It was recorded by:

"...commentators agree that the field of industrial relations should expand to take account of the wider aspects of the employment relationship ...in its broadest sense, industrial relations is about the behaviour and interaction of people at work. It is concerned with how individuals, groups, organisations and institutions make decisions that shape employment relationship".¹

With the broader focus of Industrial Relations, focussing on the cooperation of the parties in the employment relationship, change and development resulted within the employment relationship (Deery, Plowman & Walsh, 1997). There are three parties to the employment relationship: the state, the employer and the employee (Bendix, 2005) with the primary relationship between the employer and the employee and the State in a secondary role as regulator (Venter, 2004). The State plays a less than equal role in the relationship, unless the State is an employer himself, and the main focus is therefore between the employer and employee (Nel *et al.* 2005, Venter, 2004). In the relationship between employer and employee, certain workplace rules, policies and procedures exist (Robbins, Odendaal & Roodt, 2004). Workplace regulations refer to the formal policies and procedures as well as workplace rules and regulations that guide and regulate the direction in any organisation (Venter, 2004). Linde and Schalk (2008) agreed that the workplace regulations include all aspects of the formal relationship between the employer and employee. The need for workplace regulations is imbedded in the conflict

¹ S. Deery, D. Plowman and J. Walsh, "Industrial Relations: a contemporary analysis (Sydney:McGraw-Hill, 1997): 1-2.

caused by divergent interests amongst the employer and employee (Venter, 2004; Nel *et al.*, 2005). Divergent expectations refer to the desire to exert control from the employer and the employee; this being an inherent characteristic of the primary employment relationship (Cappelli, 1999; Nel *et al.*, 2005). The application and experience of the regulations create perceptions within the employment relationship (Venter, 2004). Perception for the purposes of this study would be a unified awareness derived from sensory processes while a stimulus is present (Oxford, 2008). The stimulus would refer to the application of the workplace regulations which will lead to behaviour and expressions and be manifested within the organisational culture (Brown, 1998).

2.1 Organisational culture as indicator of perception of workplace regulations

Broadly defined, an organisation is a system of consciously coordinated activities or forces of two or more persons (Kreitner & Kinicki, 2004). It entails everything that governs, guides and shapes the relationships among people in the organisation (Bredenkamp, 2002). Artefacts, norms, attitudes, beliefs, values and basic assumptions of the organisation are some of the features of organisational culture and these features can be changed or manipulated with certain interventions by the management (Brown, 1998; Cummings & Worley, 2005). Mosby (2001) argues that the workplace environment portrays much more of the organisational culture than is generally believed. He adds that the setting of an organisation is a silent language that expresses the culture of the space, behavioural norms and the framework for relating to the physical work environment and the way people behave and relate to it. Schein (2004) p. 14 stated that organisational culture could be described as a “...way things are done around here...” with reference to individual organisations. With these explanations of organisational culture in mind, the perception of the relationship between the employer and employee (primary relationship) would be manifested in the organisational culture (Brown, 1998).

It is clear from the discussion about organisational culture that the working environment and the people who work in it, will exist in relation to each other. Kreitner and Kinicki (2004) confirmed the relation when they named four functions of organisational culture:

1. It gives members an organisational identity, in other words, it creates a sense of belonging amongst people in the organisation.
2. It facilitates collective commitment. If people feel that they mean something to the organisation, they will feel more committed to work towards the goal of creating a successful organisation.
3. The culture promotes system stability. Control in the company will determine the commitment to hard work or to create a strong identification with the company.
4. It shapes the behaviour of people involved in the organisation.

With the above functions of organisational culture in mind, application of employment regulations especially the way it treat, value and trust the employees would create perceptions with the employer and employees. The way they respond to the application of the workplace rules and regulations as a result of the perceptions could be the deciding factor whether identification with the organisational culture occurred or not. (Bredenkamp, 2002).

3. PROBLEM STATEMENT

The organisational culture can be viewed amongst other aspects, as the embodiment of the relationship between the employer and the employee as influenced and regulated by workplace regulations within a framework of legislation. According to Schein (2004), a positive organisational culture is likely to ensure a high level of employee loyalty, good organisational citizenship and more productivity. A positive and supportive culture would therefore promote correct application of the workplace regulations and encourages a positive employee perception of the application thereof. In a study conducted by Moskal as cited in Robbins *et al.* (2004) found that almost 77 percent of

the participants agreed that more organisational loyalty was experienced in 1988 than in 1993. A further 60 percent of the participants stated that the phenomenon of organisational loyalty has almost disappeared. It is clear from the study by Moskal that positive perception of the organisational culture is disappearing and organisations should focus on recreating a culture that is supported by both parties within the employment relationship. This challenge in the relationship between the employer and the employee has brought pressure to the traditional idea of the employer-employee relationship (Luiz & Van der Linde, 2006) because the importance of organisational culture is situated in the fact that it has an influence on organisational effectiveness (Cameron & Quinn, 2006). Organisational culture affects performance through its embodiment of the perception of the employer-employee relationships. Positive and loyal employees form the backbone of effective organisations and are therefore the people who guarantee growth, quality and loyal customers (Waddock, 2005). If perceptions of the application of regulations are negative in the relationship between the employer and the employee, a negative perception or belief about the organisational culture could exist (Robbins *et al.*, 2004). This in turn could lead to a lack of growth and poor quality in performance and service. Bredenkamp (2002) stated that the situations and how it is perceived by a group or individual will result in behaviour and unforeseen behaviour is what should be avoided to ensure and promote an effective organisation. When employers know how employees perceive their work environment and the regulating factors in the employment relationship, they can work towards an organisational culture that promotes a positive perception of the employment regulations that could lead to a constructive and positive organisational culture. This however is an idealistic approach to the employment relationship and a crisis can occur anytime and anywhere. The central concern of industrial relations would be how disputes arise and be resolved and also how organisations and other role players respond to it (Robbins *et al.*, 2004). In the past, attempts were made to handle complex environments through a general systems approach and not through controlling and managing the chaos itself (Uys, 2002). The more complex society becomes, the more concepts have to be created and the more paradigms emerge to describe and explain

these phenomena. This situation reflects the chaos in the modern business community (Verwey, Crystal & Bloom, 2002). The chaos theory as a framework could explain the situation in modern companies as a result of the uncertainty of constant change as well as the divergent interests of the parties involved (Uys, 2002). The reasons for investigating the chaos theory would be to develop sensitivity for complex interaction in the working environment, and to be able to control the prerequisites for or effects of the chaos on the internal performance of the organisation (Bredenkamp, 2002; Uys, 2002). Whatever the size, modern companies all have to operate in a crisis situation (Verwey *et al.*, 2002). Murphy (1996) states that from a managerial point of view, workplace relations is above all an effort to mitigate uncertainty either through manipulating behaviour, or through achieving sufficient harmony with people so that they are unlikely to react in uncertain ways. If the employee's perception about the workplace regulations can be measured and the current perceived organisational culture be determined, could the employer be able to work towards an organisational culture where employment regulations is perceived and applied constructively and where unpredictable behaviour could be minimised.

4. AIM OF THE RESEARCH

The research consists of a general objective and specific objectives.

4.1 General objective

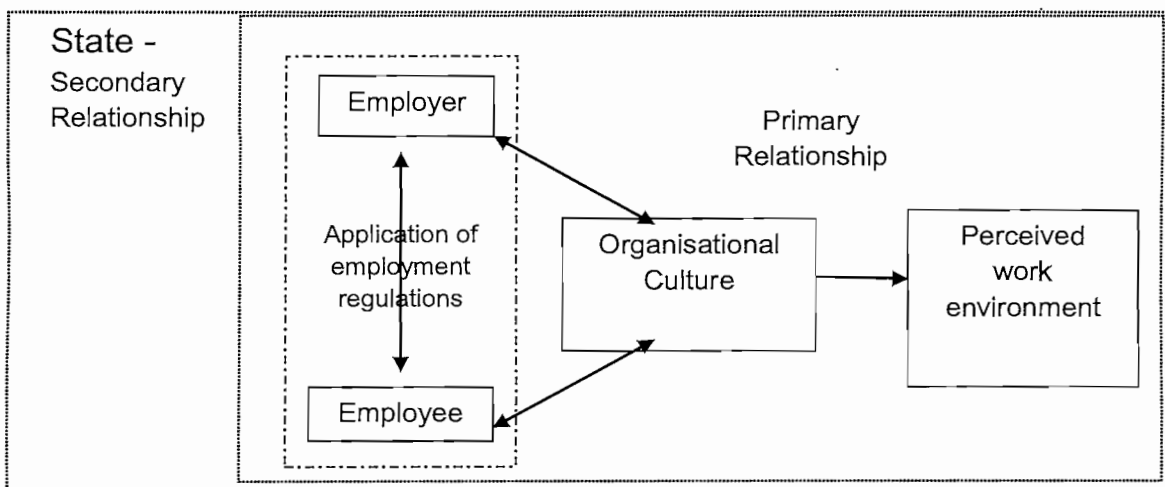
The general objective of this study is to determine if there are any correlations between the current organisational culture and the perceived application of employment regulations.

4.2 Specific objectives

The specific research objectives are as follows:

- To determine how the current organisational culture is perceived in the three different departments (head office, projects and integrated solutions).
- To determine how the participants perceive the application of workplace regulations.
- To examine the current perceptions of organisational culture and applied workplace regulations in order to identify where similar types of organisational culture and applied workplace regulations are present.

Figure 1: Proposed conceptual model to explain the possible relationship between organisational culture and perceived employment regulations.



Source: Adapted and illustrated from A. Venter (2004). *Labour Relations in South Africa, 2nd Ed.* p. 8 - 12

The conceptual model illustrated in Figure 1 was adapted from Venter (2004). The model was conceptualised by the researcher to explain the possible relationship between organisational culture and workplace regulations. The primary and the secondary relationship, as illustrated above, both include the employer and the employee, the two parties to the primary relationship. The parties to the primary relationship are involved or affected by the regulations as prescribed by the secondary relationship. The secondary relationship influences the primary relationship in that the workplace regulations are applied and perceived within the framework of the prescribed

interventions by the State. This perception will then be embodied by and visible through measuring the organisational culture. The reason why the employer wants to determine the perception of the employment regulations would be to be informed about the perception of the application of the workplace regulations, which can be influenced or changed. In receiving this information, the potential loss to the company if the employee leaves or is unproductive as a result of negative perceptions can be calculated. Companies invest in their employees and if an employee leaves the company or organisation, a lot of experience, knowledge and money invested in training and development of the employee, will be lost. Synovate found in a recent study that "replacing an employee could run as much as five times their annual compensation."² The management of a company should work towards a culture where the employees can operate in a supportive and secure environment where their experience of employment regulations is consistence and fair application. This secure environment can only be created when the employer has insight into the employee's perception of the employment regulations and organisational culture (Schein, 2004).

5. RESEARCH METHODOLOGY

The research method consists of a literature study and an empirical study.

5.1 Literature review

Each of the two articles will have their own literature review. The first article will consist of a literature study to explain and explore what organisational culture is and how it is perceived in organisations. The literature review in the second article will determine what the reasons and theory for workplace regulations are and also focus on the reasons for a formal employment contract of employment, disciplinary code and procedure, grievance procedure as well as a performance appraisal system.

² "Is employee loyalty a thing of the past?" *Journal for Business Community* (4 May 2006): 1.

6.2 Research design

The research methodological model that is to be used in this study will be based on a quantitative method of data gathering. This study will be conducted descriptively by utilizing two questionnaires. The first questionnaire compiled by Cameron and Quinn (2006) will be used to determine the current perceived organisational culture and will provide results to define the organisational culture into one or more of the four quadrants of a matrix as identified by the authors. The second questionnaire compiled and tested by Linde and Schalk (2008) will be used to determine the perception of the application of workplace regulations. This questionnaire will focus on the disciplinary code and procedure, grievance procedure, performance appraisal system and the contract of employment as regulating factors. These two questionnaires will be presented as part one and part two of the same questionnaire and the same participants will complete both parts of the questionnaire. Possible correlations between the results of the two questionnaires will be explored through statistical analysis using SPSS. The questionnaires will be distributed via the electronic mailing system in the company and all employees with access to a computer and a registered electronic mail address will receive the questionnaire and be requested to participate in the study.

6.3 Participants

The participants in the research are members of the same multinational organisation within the engineering and construction industry with 80 percent of its income generated from the petrochemical industry. Participants will range from the top management of the organisation to the lower level employees, mostly focussed on administration personnel. Biographical information will be completed by participants to determine if any differences exist with regard to age, gender, years of service and level of management. According to Struwig and Stead (2004), a large sample of between 100 and 150 participants would provide an acceptable reflection of the population and would also account for non responses and increased statistical precision.

6.4 Data gathering

The questionnaire will consist of two parts. The first part is a questionnaire compiled by Cameron and Quinn (2006), will be used to measure the perception of the current organisational culture in the organisation. The questionnaire was used in many multinational organisations and the validity and reliability was proved and will be discussed in the first article. The second part of the questionnaire is a questionnaire compiled by Linde and Schalk (2008) to measure the perception of the workplace regulations and the validity and reliability of the questionnaire was proved and will be discussed in the second article. The two parts will be presented as one questionnaire and all the participants using the electronic mail system of the organisation will receive a questionnaire.

6.5 Data analysis

The results of the questionnaires will be analysed by using SPSS, a statistical analysis system. The statistical consultation service of the North-West University assisted with the analysis. The results of the two individual questionnaires will first be explored and discussed. The results of the two questionnaires will then be measured against each other and correlations, if any will be identified. Descriptive statistics will be utilised to provide summaries of the data in order to provide an inclusive framework of the gathered data for interpretation (Struwig & Stead, 2004). The researcher will then attempt to identify certain patterns and test it against the proposed model where the results would be discussed, conclusions be drawn and possible recommendations as well as possible focus areas for further study would be identified.

7 DIVISION OF CHAPTERS

The division of chapters in the dissertation is outlined as follows:

Chapter 1: Research proposal

Chapter 2: Research article one – The perception of organisational culture in the South African division of a multi-national construction company

Chapter 3: Research article two – Perception of workplace regulations in the South African division of a multi-national construction company

Chapter 4: Conclusion, limitations and recommendations

8 CHAPTER SUMMARY

In the first chapter of the study, the terms organisational culture and employment regulations as well as a possible relationship were identified and shortly explained. The next chapter will comprise of the first of two articles. It will investigate the organisational culture as phenomenon as well as the perception of the current organisational culture in the participating organisation.

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CHAPTER TWO – ARTICLE ONE

THE PERCEPTION OF ORGANISATIONAL CULTURE IN THE SOUTH AFRICAN DIVISION OF A MULTI-NATIONAL CONSTRUCTION COMPANY

1. INTRODUCTION

After the industrial revolution, a fascination with organisational dynamics developed and traditional systems and structures in organisations as well as the role of individuals and groups changed (Venter, 2004). As a result, a need arose for research attempting to understand why some organisations function in certain ways and why differences between organisations exist; still a relevant question today (Robbins, Odendaal & Roodt, 2004). According to Schein (2004), the way individuals and groups within organisations interact have a significant influence on organisational behaviour and the focus shifted to organisational behaviour as process towards organisational effectiveness (Robbins *et al.*, 2004). One of the aspects that forms part of organisational behaviour is the interactions of individuals and groups within the organisation. These individuals and groups need to be effectively managed if the organisation wants to reach the set objectives (Robbins *et al.*, 2004). Organisational performance is then partially measured through the products or services delivered (Brown, 1998). People in organisations are therefore not only seen as part of the means to reach the objectives, but the behaviour and reactions of people within organisations become a vital part of organisational behaviour and therefore a contribution towards organisational performance (Kreitner & Kinicki, 2004).

In an attempt by employers and researchers to determine the attitudes and beliefs of employees within the organisation, only organisational climate was initially explored (Brown, 1998; Kreitner & Kinicki, 2004). It quickly became apparent that a more in depth and holistic approach towards the organisation was needed according to Brown (1998) and various academics and researchers started to define organisational climate in terms

of the organisational culture. Organisational culture can be defined as "...the customary and traditional way of thinking and of doing things.. ." ³ and "...the unique configuration of norms, values, beliefs, ways of behaving..." ⁴ Louis (1980) indicated that a set of shared meanings or understandings would explain an organisational culture. According to Schwartz and Davis (1981), the beliefs and expectations would be transformed into norms which then shape and influence the behaviour of the individuals and groups within the organisation, representing a dynamic process. Brown (1998) also stated that organisational culture is adaptable and can be influenced by external and internal stimuli. With organisational culture that can be influenced, Kreitner and Kinicki (2004) indicated that both managers and academic researchers believe that organisational culture can be a driver of employee attitudes, organisational effectiveness and performance. This then implies that organisational culture has a great influence on individual attitudes and behaviour. It can therefore be accepted that organisations would want to adopt a culture that promote effectiveness and stability (Brown, 1998; Kreitner & Kinicki, 2004; Swanepoel, Erasmus, Van Wyk & Schenk, 2003). According to Brown (1998), initial founders of organisations or management structures create the initial organisational culture, but the same management could later influence and adapt the culture if needed. This is done through communicating a set of values, norms, and beliefs to the groups and individuals in the organisation and then implementing it with rituals, policies and procedures (Wilson, 1997). These values would in time be shared by the employees and could lead to higher productivity and greater competitive advantage (De Bruin & Rothmann, 2003). It should however be noted that a strong organisational culture is not always supportive and a self-destructive and almost change resistant group of people could be created (Kreitner & Kinicki, 2004). As is the case for most organisations, constant adaptation and transformation are inevitable to create or maintain a competitive advantage (Van Jaarsveld, 2005). Knowledge of the perceived organisational culture among the individuals and groups of the organisation

³ E. Jaques, "The changing culture of a factory", 1952

⁴ J.E.T. Eldrige & A.D. Crombie. *A sociology of Organisations*, 1974.

should therefore be an integral part of the strategic process (Martins & Martins, 2001). It is presented that an organisational culture creates a feeling of belonging, builds a feeling of collective commitment, promotes social stability and shapes behaviour among employees (Kreitner & Kinicki, 2004). Organisational culture also promotes adaptation, which normally brings a lot of uncertainty and resistance. It was however found by Cameron and Quinn (2006) that the presence of a dynamic and adaptive organisational culture would lead to improved organisational performance.

Frequent and chaotic changes in the working environment create the risk that the existing organisational culture will inhibit rather than contribute to adaptation and future corporate success (Cameron & Quinn, 2006). The adaptive organisational culture should therefore form part of any corporate strategy because of the rapidly changing environment (De Bruin & Rothmann, 2003). Uys (2002) explained that complex work environments could be understood with the focus on the perceived chaotic environment South African organisations need to operate in. Handy (1990) indicated that the modern business environment would be one with less control, more trust and a lot more creativity where the management of any organisation is directly involved.

This is a clear indication that emphasis should be placed on ongoing research in organisational culture as well as the role of management in managing the organisational culture. According to the framework of the chaos theory, behaviour could move in two directions: (1) it could either lead to a higher order of synthesis, (2) or to a state of chaos (Williams, 1997). Uys (2002) indicated that science realises that the world consists of systems which move in self-organising ways with unpredictable results. Models of the systems theory, as a possible framework to explain behaviour in modern organisations, always adapt towards equilibrium which is idealistic and definitely not certain (Uys, 2002). The chaos theory was conceptualised from the systems theory as basis to serve as alternative framework in order to understand that in the sometimes perceived chaotic modern work environment, systems can exist and function (Williams, 1997). With the chaos theory as framework, a better understanding of the complexity of

the contemporary organisation is created and an alternative approach can be adopted by management of organisations where creativity and positive feedback could be used to promote organisational effectiveness (Uys, 2002).

The chaos theory provides a framework of ways and behaviour where organisations are adaptive and dynamic in an attempt to be prepared for the uncertain and unforeseen obstacles in the work environment. According to Stacy (1995) organisations adapt to its environment by restructuring itself in a purposeful and rational way. The framework of the chaos theory does not eliminate the general systems, but creates room for alternatives. It therefore acknowledges that a system can work in equilibrium, but also shift to chaos and back to a state of order (Williams, 1997). A direct relationship between cause and effect is not acknowledged within the framework of the chaos theory and unforeseen and unintended behaviour could emerge at any time. With feedback from employees, the perceived organisational culture can be determined and management will be able to influence the organisational culture with certain internal interventions to avoid uncertain and unpredictable behaviour and improve organisational performance (Schein, 2004). The role of organisational culture in organisational effectiveness will now be explored.

2. ORGANISATIONAL CULTURE

Organisational culture is “the set of shared, taken-for-granted implicit assumptions that a group holds and that determines how it perceives, thinks about, and reacts to its various environments”.⁵ Further definitions of organisational culture include; “Culture is commonly held and relatively stable beliefs, attitudes and values that exist within the organisation,”⁶ and “Culture represents an interdependent set of values and ways of

⁵ E.H. Schein, “Culture: The missing concept in Organisation Studies,” *Administrative Science Quarterly*, June 1996, p. 236.

behaving that are common in a community and that tend to perpetuate themselves sometimes over long periods of time.”⁷ Unless otherwise stated, the definition of organisational culture for this study will be a reference to the pattern of beliefs, values and learned ways of coping with experience that have developed during the course of an organisation’s history, and which tend to be manifested in its material arrangements and in the behaviour of its members (Brown, 1998).

Three important aspects of organisational culture are highlighted from these definitions. Firstly, organisational culture is passed on to new employees through socialisation. Secondly, the organisational culture influences behaviour at work and finally, organisational culture operates at different levels in any organisation (Kreitner & Kinicki, 2004). Organisational culture influences the type of organisational structure adopted by a company or organisation as well as the practices, policies and characteristics, which in turn influence the social processes and in the end influence the employees’ behaviour in the organisation (Kreitner & Kinicki, 2004). The reason why organisations and/or companies should focus on the organisational culture is therefore clear. Only if the management of an organisation or company is aware of the perception of the current organisational culture among its members, can the future be predicted to some extent and unwanted and unforeseen behaviour be avoided or prevented. Cameron and Quinn (2006) is of the opinion that unremitting, unpredictable and alarming uncertainty makes it difficult for any organisation to stay relevant, predict and prepare for the future, and to maintain direction. The management of an organisation can create a positive and supportive work environment by influencing the organisational culture. Unwanted and unforeseen behaviour can therefore be effectively managed through organisational culture (Brown, 1998). Organisational culture as part of effective management can only

⁶ S. Deery, D. Plowman and J. Walsh, “Industrial Relations: a contemporary analysis (Sydney:McGraw-Hill, 1997): 1-2.

⁷ J.P. Kotter & J.L. Heskitt *Corporate culture and performance*, New York: The free press 1992 p.141

be utilised if management understands the manifestation and different typologies of organisational culture (Venter, 2004).

3. TYPOLOGIES OF ORGANISATIONAL CULTURE

A large number of different typologies or classifications of organisational cultures has been developed (Brown, 1998). Broad overviews of variations existing between cultures can be studied as a result of the various forms and models of organisational culture. In 1978 a model developed by Harrison and then adapted by Handy as cited in Brown (1998) identified four possible organisational cultures. The first was named the *power culture* where a single source of power exists within the organisation where emphasis is placed on trust, empathy and personal communication. The second type of culture identified is the *role culture*. The role culture is a bureaucracy and the principles of the organisation are rational and logical. A small strong group of individuals gives the direction in the organisation. This type of culture can normally be found in a financial or high production industry. The third type of culture identified is the *task culture*. In this culture, power is somewhat diffused. Expertise and personal drive is central in this culture where teams are normally assigned to perform the work. Focus is on joint completion of the job with the appropriate people and resources. The last type of culture identified by Harrison and Handy is the *person culture*. This culture is typical in a group of people who decided to work together because it would be in their collective interest. Experts like doctors and architects are normally amongst such groups where the collective relationship is a result of collective mechanisms, but not the work itself (Brown, 1998).

Scholz (1987) also developed a model where three dimensions of organisational culture typologies were identified. The first dimension was explained as the *evolution* and explained how organisational cultures develop over time. Secondly, the *internal dimension* was explained as the internal circumstances of the organisation and how it

affects the culture. The third dimension identified as the *external-induced* dealt with the way the organisation operates and influences its external environment. Scholz (1987) borrowed the idea of the external-induced dimension from Deal and Kennedy which was then used to identify three types of culture namely production, bureaucratic and professional cultures (Brown, 1998).

Quinn and McGrath (1985) identified four generic culture types on an analysis of the transactions associated with information exchange in organisations. This model was named the "Competing Values Framework" (Cameron & Quinn, 2006). This framework refers to whether the members of the organisation have a predominantly external or internal focus and if they strive for flexibility and individuality or stability and control (Cameron & Quinn, 2006). Six organisational culture dimensions were identified with four major culture types (Cameron & Quinn, 2006). The four culture types are the clan culture, adhocracy culture, market culture and hierarchy culture (Brown, 1998; Cameron and Quinn, 2006; Kreitner & Kinicki, 2004). The competing values framework as developed by Cameron and Quinn can be used to construct an organisational culture profile. Through the use of the "Organisational Culture Assessment Instrument" (OCAI) as developed and improved by Cameron and Quinn (2006), an organisational profile can be drawn by establishing the organisation's dominant culture type characteristics.

The culture type of the organisation can then be described as:

- A *clan* culture where focus is on internal maintenance with flexibility, concern for people and sensitivity for customers; or
- A *hierarchy* culture where the organisation concentrates on the internal maintenance with a need for stability and control; or
- An *adhocracy* culture where the focus lies on external positioning with a high level of flexibility and individuality; or

- A *market* culture that focuses on external maintenance with a need for stability and control.

The model developed by Cameron and Quinn (2006) will be used in this study to explain the current perceived organisational culture because of the practical approach towards the manifestation of the culture. It should however be noted that the use of typologies and models is sometimes highly interpretable and the reality is that organisations are too complex to be captured in this way (Brown, 1998). Models and typologies are set up to use in idealistic circumstances to guide our thoughts when we study organisational culture (Brown, 1998 and Kreitner & Kinicki, 2004). For this reason no organisation would fit perfectly in any of the four culture types and aspects from all four of the culture types could be present in any organisation (Cameron & Quinn, 2006).

4. PURPOSE OF THIS STUDY

The purpose of this study is to describe the dominant culture type within the participating organisation. The engineering and construction company where this research was conducted has been established in 1914 and forms part of a bigger international group with the head office in Clonmel, Ireland. Operations in Southern Africa started in 1980 and work is conducted on major projects within the petrochemical, mining and power generating industries. The perception of the organisational culture plays an important role in the current stage of the organisation since it was recently listed as a public company on the London stock exchange which brought about new and different policies and procedures. The company also implemented an Integrated Management System (IMS) to align all the business procedures and policies worldwide. The Group Chief Executive Officer recently stated that the IMS system has been successfully implemented from the top structures down, and that implementation from the bottom up would be the next challenge. This research study was designed as an

evaluation survey with the purpose of exploring and describing employees' current perception of the organisational culture within the South African Region of the organisation. The study can also be seen as an organisational survey because the results from this study could be used in organisational change. Such changes can include leadership development, teamwork, improved management behaviour and the effect and impact of these on employee perceptions (Wagner & Spencer, 1996).

5. METHODOLOGY OF THE STUDY

5.1 Research design

The study was structured to be descriptive-correlational. The current culture types and selected demographic characteristics were analysed in order to establish an organisational culture profile for the participating organisation. The study was guided by the following objectives:

5.1.1 Primary Objective

To determine the organisational culture as currently perceived among the employees in the South African division of an international construction and engineering company.

5.1.2 Secondary objectives

- To determine the dominant culture as currently perceived;
- Describe the strength of the culture type;
- Describe the culture profile findings in the organisation by using demographic characteristics among groups within the organisation.

Quantative data gathering as method was used to gather the data required for the study. The questionnaire as developed by Cameron and Quinn (2006) was utilised to measure the perceptions of the organisational culture.

5.2 Participants

The target and accessible populations were employees in the South African division of a multinational construction and engineering company. The focus was on highly trained tradesmen (e.g. engineers, technicians etc.), administrative and management personnel. Focus was placed on these groups because they are recognised as part of the core staff with a long term relationship with the company. The organisation normally make use of contract staff for semi-skilled and general worker positions. These employment contracts are normally on a relative short fixed term basis and these employees were therefore specifically excluded from the study. A random sample of 50 participants was drawn from the population (N=180) of permanent staff or staff classified as administration, qualified tradesmen or management as authorised by the management of the organisation. The sample was drawn from the whole South African division. The South African division has four departments namely Head Office, Projects, Integrated Solutions and Maintenance and Shuts. There was no intention to have a representative sample from each department and the indication of different departments were used as part of the biographical information. A widely representative sample group participated including representatives from nine of the eleven official language groups in South Africa. Participants that preferred English as language made out 46% of the participants while South Sotho and Swazi were each represented with 4.9%. North Sotho, Venda, Ndebele and Tswana speaking participants made out 2.4% respectively while Zulu speaking participants made out 14.6%. Afrikaans speaking participants made out 19.5% of the participants. From the group of participants, 66% were male and 34% female.

Four different age groups were identified to ease the process of analysis and group the biographical data into digestible portions. In the sample group 0.7% was between 18 and 25 years, 43% between 26 and 35 years, 41% between 36 and 45 years and 0.5 percent in the age group between 46 and 55 years. With regard to their position, 17% were tradesmen, 44% in administrative and 39% in managerial positions. The participants from the Head Office made out 24% of the sample, 59% were on projects, 15% from Integrated Solutions and 2% from Maintenance and Shuts. With regard to years of service, 10% had one year or less, 56% had 2 to 5 years, 10% had 6 to 10 years and 24% had more than 10 years service with the organisation. The participants were requested to indicate if they are permanently employed or on a fixed term contract.

The participants that were permanently employed made out 68% and participants on a fixed term contract 32% of the sample group. The majority of the participants had some form of diploma or certificate. This group made out 61% of the sample group. Participants with metric certificate or less were 15% of the sample group while 10% had a degree and 12% a post graduate degree. The questionnaires were distributed among the participants by using the internal electronic mail system. For purposes of confidentiality, the completed questionnaires were returned to an anonymous electronic mail account.

5.3 Data gathering

The questionnaire used to gather the data was the "Organisational Culture Assessment Instrument" (OCAI) developed and adapted by Cameron and Quinn (2006) and attached as Annexure B. The OCAI instrument was developed to measure and describe the organisational culture profile. The data was received and the responses were recorded as discreet ordinal where the values were sequentially ordered to represent mutually exclusive categories. The sample drawn from the population consisted of 50 participants, and a return rate of 65% was received after the first mailing. A reminder was sent out and after the second mailing another 15% of the

participants responded. In total a response rate of 80% was established with a 100% usable rate for the study.

5.4 Data analysis

The results from the questionnaire were first explored by using the original proposed model of Cameron and Quinn (2006). The proposed method by Cameron and Quinn (2006) make use of a matrix where averages of the results are recorded. These results then indicates a graph on the matrix to indicate the more prominent culture type. The average of all the results received from the participants were recorded in Figure 1 (p. 37). The matrixes of the individual participants were attached as Annexure C.

Figure 1 illustrates the organisational culture as it was perceived at the time the questionnaire was administered. This matrix is drawn by using a series of arithmetic calculations. The questionnaire (Annexure B) is divided in six items of four statements each. The four statements in each item measure the four culture types respectively. The four statements per item are then categorised in a first, second, third and fourth choice. The statements measuring each culture type are then calculated to obtain an average score and recorded on the matrix.

Statistical analysis were then used as alternative method to verify the results received from the OCAI questionnaire. The reliability of the results received was established. The coefficient of internal consistency was calculated using Cronbach's alpha methodology (Santos, 1999). This was done to ensure the reliability of the scales that was used in the questionnaire. The reliability results for the OCAI are shown in Table 1.

Table 1: Coefficients of internal consistence using Cronbach Alpha Mrthodology

Coefficients of Internal Consistence using Cornbach's Alpha Methodology		
Culture Type	Reliability Coefficients for Organisational Culture	Comparison reliability Coefficients*
Clan	.68	.74
Adhocracy	.63	.79
Market	.62	.73
Hierachy	.66	.71

**Reliability coefficients reported by Cameron and Quinn (2006)*

Source: SPSS

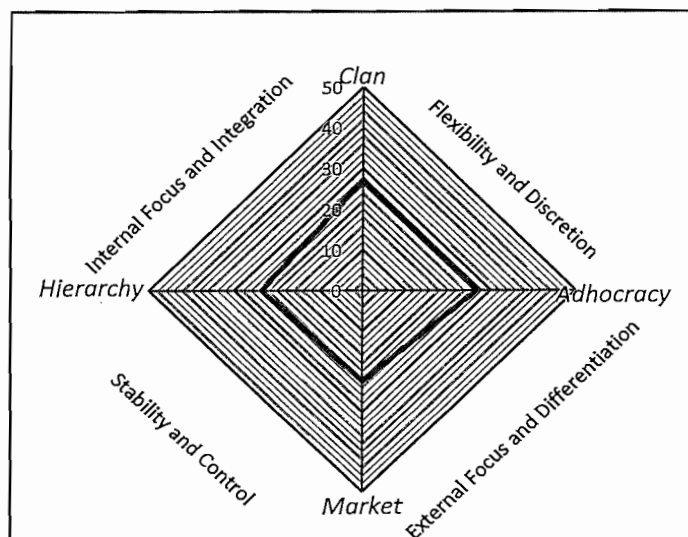
Cronbach's alpha-coefficient is recommended by Dewberry (2004) when research in organisations is done and also when questionnaires are developed. Dewberry (2004) stated that a Cronbach Alpha measurement of 0.6 to 0.7 will normally be considered to be acceptable while a Cronbach alpha-coefficient of 0.8 and above be desired as good. It is observed in Table 1 that the recorded reliability coefficients in this study are close to the 0.65 level. Although this is not a good indication for internal consistency, it is sti;ll proved that the OCAI and the results will be useful. There is however a considerable difference between the recorded coefficients and the comparison reliability coefficients provided by Cameron and Quinn (2006). Reasons for these lower reliability recordings could be the relatively small participating population. It was stated by Cameron and Quinn (2006) that studies within larger population groups could lead to higher reliability coefficient measurements. The management of the participating company however only allowed the total involvement of 50 participants. With the relatively small but specific

population group, a usable coefficient was still obtained according to Dewberry's guideline of 0.65 (Dewberry, 2004). The validity of the assessment instrument was proved by using Kendall's coefficient of concordance. A produced coefficient of 0.764 ($p < .001$) was recorded and this provided support for both convergent and discriminant validity of the model and instrument (Cameron & Quinn, 2006).

6. RESULTS AND DISCUSSION

As stated previously, the Organisational Culture Assessment Instrument (OCAI) is scored firstly by using the original method as developed by Cameron and Quinn (2006) and then a statistical analysis was done with the same responses received from the participants. The dominant culture type will now be explored using the original scoring method followed by the statistical analysis.

Figure 1: The current organisational culture matrix as perceived by the participants



Source: Adapted from Cameron and Quinn (2006)

According to the averages that was calculated and recorded as seen on Figure 1, the organisational culture is widely spread. This means that although there are two culture types that show more dominant characteristics, all four cultures types had meaningful support. The strength of the dominant culture as seen on Figure 1 is related to the number of points assigned to a specific culture type. At the time the study was conducted, the Clan and Adhocracy culture types could be considered as stronger than the Market and Hierarchy culture types. Although the Clan culture type presented as the dominant culture type, it should be noted that all culture types presented only moderately. With the wide spread on the matrix in Figure 1, considerable differences of the perceived organisational culture among the participants are noticed. Figure 1 is an illustration of the means of the total scores assigned by all the participants. The Clan and Adhocracy culture types are both dominantly supported in the organisation. According to the model developed by Cameron and Quinn (2006), the Clan and Adhocracy culture types fall in the second quadrant of the matrix illustrated in Figure 1. This quadrant is defined as the culture situation where flexibility and discretion is strongly supported. These two more dominant culture types are however only moderately supported. Although the dominant culture type perceived by each individual participant is recorded, the other culture types are listed as the participant's second, third and fourth choice influencing the average score and therefore also recorded in the calculations. This leads to the wider spread of culture types illustrated in Figure 1.

The responses of the participants of this study were attached in annexure C and should be considered for better insight. Among the participants, 46 percent perceived the current dominant culture in the organisation as a Clan culture, 34 percent the Adhocracy culture, 0.7 percent the Market culture and 0.1 percent the Hierarchy culture. This original scoring method developed by Cameron and Quinn (2006) indicated only the overall perception of the organisational culture as it was perceived at the time the questionnaire was administered. To expand the possible interpretations of the questionnaire, the results were also statistically analysed. The results from the

questionnaire was analysed with SPSS, a statistical analysis program. Table 2 illustrates the mean scores of the four culture types.

Table 2: Dominant culture type of the perceived organisational culture

Dominant Culture Type of the Perceived Organisational Culture		
Culture Type	Mean	S.D
Clan	2.61	1.070
Adhocracy	2.59	0.887
Market	2.12	0.791
Hierarchy	2.06	0.962

Source: SPSS

The results received from the statistical analysis proved that the Clan and Adhocracy culture types are more prevalent than the others, with the Clan culture type indicated as dominant. This correlates with the findings on Figure 1 where the original method developed by Cameron and Quinn (2006) was used. To obtain a wider range of comparable results, statistical analysis was used to test the results in specific groups. The biographical information was used for this purpose. The results from this analysis were used to determine the differences in perception among participants. These results are recorded in Table 3.

Table 3: Dominant culture type of the perception of organisational culture in biographical groups

Dominant Culture Type of the Perception in Biographical Groups				
Category	N	Mean	S.D.	Dominant Culture (Identified with the means procedure - SPSS)
Total Group	41			Clan
Gender				
Male	27	2.66	1.017	Adhocracy
Female	14	2.83	1.051	Clan
Respondent Age				
18-25	3	2.56	1.024	Hierarchy
26-35	19	2.94	0.902	Clan
36-45	17	2.84	0.981	Adhocracy
46-55	2	2.17	1.650	Hierarchy
Position in Company A				
Tradesman	7	2.86	0.942	Adhocracy
Administration	18	2.85	1.074	Clan
Management	16	2.72	1.031	Adhocracy
Position in Company B				
Head Office	10	2.83	0.796	Market
Projects	24	2.84	1.137	Clan
Integrated Solutions	6	3.00	0.920	Clan
Years with Company				
0-1 years	4	2.92	1.040	Clan
2-5 years	23	2.82	1.092	Clan

Table 3: continued

6-10 years	4	3.25	0.888	Clan
More than 10 years	10	2.85	0.900	Hierarchy
Type of Contract				
Permanent	28	2.79	0.988	Adhocracy
Fixed Term	13	2.71	1.052	Clan
Supervise Others?				
Yes	22	2.68	1.214	Clan
No	19	2.74	1.032	Clan
Highest Qualification				
Grade 12 or less	6	2.70	1.332	Hierarchy
Diploma/Certificate	25	2.81	1.133	Clan
Degree	4	2.92	1.076	Clan
Post Graduate	5	2.37	1.269	Clan

The dominant culture type overall perceived by the participants of the study is the Clan culture. In the category "gender", the male participants indicated that the Adhocracy culture type is the preferred type, and the female respondents indicated the Clan type as dominant. The Adhocracy culture is supporting a very innovative and experimenting work environment. In the construction industry and also the participating population, males are still more represented in core positions, while females are in supportive or administrative positions. This could be the reason for the females preferring the friendly and sharing workplace while their male counterparts preferred the fast paced and creative work environment.

The "respondent age" category indicated that three culture types are perceived as dominant in the organisation namely the hierarchy, clan and adhocracy culture types. The youngest (18 to 25 years) and oldest (46 to 55 years) participants indicated a Hierarchy culture type which indicates a very formal and structured workplace. It could be interpreted that younger participants, with a short history perceive a formal workplace because of a limited exposure to other employees or the accepted social

environment of the organisation. The participants with the highest age are also these in the higher positions and could experience this formal and structured workplace because this is the way they are treated by other employees.

The category "position in company A" indicated that the tradesmen and management perceives the organisational culture as the Adhocracy type, while the administration perceives it as a Clan culture type. In this case, the administrative personnel preferred the warm, open and friendly culture type explained by a Clan culture while the Tradesmen and Management who are actively involved the execution of the tasks preferred the Adhocracy culture. This culture type supports entrepreneurial work methods where risks are taken and innovativeness is supported as part of the high pressured work environment. This also directs to the similar conclusion that was made in the category of "gender" where it was indicated that females are more in administrative positions which also preferred the Clan culture type.

The group "head office" perceives a Market culture type, while the participants on "projects" and within "integrated solutions" preferred a Clan culture type. The group "head office" is situated in a specific location with the same team members and working conditions every day while the participants on projects are working with dynamic teams for periods of time and then move on to new teams at new projects. The Market culture preferred by the "head office" supports a results oriented approach with the major concern to get the job done with pressure from the leaders where success is measured in terms of market share. "Projects" and "Integrated solutions" preferred the Clan culture type, the friendly culture that supports interpersonal relationships and team commitment where participants share a lot of themselves. This can be explained by the working conditions where team members on a project work together, stay together and socialize together for periods of time. They get to know each other on a very personal basis with a strong focus on teamwork.

In the category "years with company", all the groups except the participants with longer than 10 years service perceived a Clan culture type. Participants with longer than 10

years service perceived a Hierarchy culture type. Similar results have been seen from the category “respondent age”, where the oldest participants experienced the culture as very formal and structured. This could again be the participant’s experience because other employees treat them as such where longer serving employees are treated with some level of respect.

The “type of contract” category indicated a Clan culture among the participants currently on a fixed term contract and an Adhocracy culture among the permanent employees. It could be possible that the permanent employees perceive a more entrepreneurial and creative workplace because they foresee a possible longer term relationship with the organisation where they want to prove themselves and their abilities. The participants on a fixed term contract could perceive their situation as acceptable and open but with shorter term expectations.

The category that asked the question “do you supervise others?” indicated the Clan culture type as dominant. The Clan culture type was preferred by participants both supervising and non-supervising others. A positive and friendly workplace perceived by supervisors and non-supervisors is a desirable result since this culture type would promote higher commitment that could lead to improved organisational effectiveness. The “qualifications” category indicated a Clan culture type as dominant among the employees with a certificate or diploma, degree and post-graduate degree while participants with a high school qualification or less preferred an Adhocracy culture. It could be accepted that employees with higher formal qualifications could be in higher positions with more responsibilities but with less direct supervision. This culture type supports a friendly and sharing work environment and could be the result of the working conditions associated with a higher job rank or position in the organisation. Employees with a matric certificate or lesser qualification perceived the Hierarchy type culture characterised with formal structures and formalised working procedures. These participants could be in a position with less opportunity for personal decision making and more formal supervision. This could lead to a perception of less freedom and therefore a more regulated work environment.

Six dimensions were analysed by the OCAI in using the competing values framework. The six dimensions were the (i) Dominant organisational characteristics, (ii) Organisational leadership, (iii) Management of the organisation, (iv) Organisational glue, (v) Strategic emphases and (vi) Criteria for success. The highest mean score for each of the culture types are shown in Table 4.

Table 4: Highest means scores for the organisational culture dimensions

Dimension	Mean	S.D.	Culture Type
Dominant Characteristics	2.78	1.173	Clan
Organisational leadership	3.00	1.00	Market
Management	2.83	1.160	Adhocracy
Organisational Glue	2.80	1.054	Adhocracy
Strategic Emphases	3.10	1.068	Clan
Criteria for Success	2.88	1.005	Adhocracy

In the current perceived situation, the highest mean score recorded was for the strategic emphases dimension (mean = 3.10), while the lowest mean score recorded was for the dominant characteristics dimension (mean = 2.78). The dimension of strategic emphases with the highest mean score indicated a Clan culture type. The lowest recorded mean score was the dominant characteristic dimension and also indicated a Clan culture type. The dimensions management, organisational glue and criteria for success indicated an Adhocracy culture type, and the organisational leadership dimension a Market culture type. This analysis again indicated a strong support for the Clan and Adhocracy culture types. This correlates with the findings on Figure 1 as well as Tables 2 and 3 indicating the Clan culture type as dominant. I should be noted that

the Adhocracy culture type still shows a meaningful support and influence. Both culture types indicate situations where flexibility and discretion are supported.

7. CONCLUSION AND RECOMMENDATIONS

Companies in the construction industry have numerous problems in creating and maintaining a supportive and applied culture that leads to quality performance as a result of the complicated nature of the industry (Nummelin, 2006). This is also indicated by the participants when considering the individual responses of the OCAI (annexure B). Challenges in the construction industry include high competitiveness, diversified work conditions and relatively short periods of work within specific teams. Work conditions are normally associated with a high safety risk environment and sometimes less than ideal living conditions where people are working far away from their homes. This is again evident in the different perceptions of the organisational culture by the participants from different divisions in the participating population. The findings of this study are in agreement with another international study done within the construction industry (Nummelin, 2006). This study conducted by Nummelin (2006) indicated that a wide diversity of organisational culture types is normally seen in organisations within the construction industry. It was found that the preferred culture type within the construction industry is focussed on a supportive organisational culture with characteristics of flexibility and discreet employee involvement. This description of the organisational culture is closely related to the characteristics of the Clan culture described by Cameron and Quinn (2006). Work is normally done in teams that can have autonomous roles and the customers or clients are generally seen as partners actively involved in the day to day execution of the project objectives.

This is in line with the findings of this study where the Clan culture type was indicated as the preferred organisational culture type. The results are also in line with the characteristics of the construction industry where dynamic teams are working in a highly paced and pressured work environment for relatively short periods. The clients are

normally directly involved in the execution of the tasks and bring about high levels of work pressure. From the results by Nummelin (2006), it can be accepted that the Clan culture is currently dominant is most probably the best fit to the company type. However, due to the only moderate domination of the Clan culture, it can be concluded that more has be done to further establish and promote the Clan culture in this company. The following recommendations can be made in this respect:

- Employee survey programmes should be utilised to determine and monitor employee attitudes and ideas. Teams on projects can be subdivided into groups to work on making changes that were identified in a survey conducted within the specific team on a specific project. All people have different needs and expectations. These needs and expectations will also differ when the environment or situation change. These surveys will have to be project and site specific.
- Involve employees in more phases of strategic planning. This proposal is normally very difficult to implement in the fast paced and highly pressured work environment. It is however accepted that when people are recognised and consulted in situations that influence them, the changed situation or adapted work conditions are perceived as less threatening.
- Programmes that promote facilitation and team player skills should be developed and implemented. Managers and employees should both be involved in these programmes. A formal plan or schedule should also be implemented to monitor constant communication and ongoing involvement.
- A strong focus on employee diversity is important working towards a warm and friendly work environment. South African employers are pressured to implement diversity strategies (Venter, 2004), and by developing practical strategies and communicating those through all levels will improve the perception of a supportive culture. With more focus on diversity, a proper succession plan should be in place

where possible candidates are identified and trained to succeed superiors in a specific position or task.

- Middle level managers are central to the success of any change or implementation of organisational culture. The expectations that drive middle level managers should be investigated and incentive systems as well as freedom to experiment could be implemented to empower and challenge these managers. This could lead to better commitment and involvement in executing the planned strategies and programmes. Programmes could include employee reward and recognition systems where the incentives are accessible to middle level managers.
- Assessments for training needs should be conducted on a regular basis within teams or business units. The needs should firstly be identified and then prioritised. A strategy that includes managers and employees can be developed to address the specific needs. One way to achieve this level of involvement is to have the management or immediate supervision conduct the training of the identified needs. The supervisor could be trained as a facilitator which will also improve his communication and supervisory skills.
- In creating a warm work environment, it is important to ensure subordinates that they are heard. A method to involve subordinates in this process is to implement a performance evaluation system where superiors are also evaluated by their subordinates. This evaluation by the subordinates should form part of the formal appraisal process. Another method is to open the communication lines between the supervision and subordinates. Supervision could be facilitated in ways and methods to be effective in supervising and supporting subordinates. Sessions could be arranged and facilitated where communication blocks are addressed and collective strategies are developed to overcome or avoid similar situations in future.

The above recommendations were proposed with the aim to strengthen the organisational culture type already present in the participating organisation. With results

applicable only to this organisation, a limitation to this study was identified. The results regarding organisational culture only explained the organisational culture type at the time of administering this study within the participating organisation and it would be difficult to make general conclusions. A further recommendation could be that a study of similar nature could be expanded and the construction industry of South Africa could be analysed. This could then be measured against the findings of this study and some generalisations could be made.

The Clan culture type was identified from the study as dominant. The people in the company are mostly sharing a congruent value system where teamwork and warm interpersonal relationships are valued. Evidence gained support the finding that the most effective culture type in the construction industry is the Clan culture (Nummelin, 2006). In addition, it was stated that organisational success is dependent on the effective matching of the culture type and the demands of the work environment (Cameron & Quinn, 2006). With the collectively supported culture and the information received from this study to develop more support for this culture type, the organisation has a significant advantage in working towards a competitive market share.

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CHAPTER 3 – ARTICLE 2

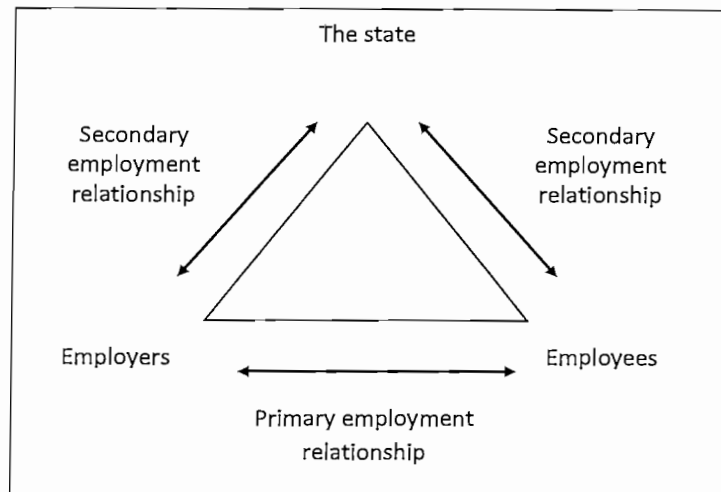
PERCEPTION OF WORKPLACE REGULATIONS IN THE SOUTH AFRICAN DIVISION OF A MULTI-NATIONAL CONSTRUCTION ORGANISATION

1. INTRODUCTION

The desire for justice is central to the human existence. It can be accepted that justice or fairness would be one of the core values in any group of people (Nel, Swanepoel, Kirsten, Erasmus & Tsabadi, 2005). In striving towards universal fairness, the need for rules and regulations are inevitable although not always achievable. According to Basson, Christianson, Garbers, Le Roux, Mischke and Strydom, (2002), humans in any given society have become accustomed to their lives being regulated by rules and regulations. Organisations or companies are smaller groups within the wider society and within these groups the accepted systems are just as valid (Nel *et al.*, 2005). The employment relationship, specifically industrial relations or employment relations as it is generally known is an all-encompassing term used to describe the dynamic complexities of the various relationships between parties in the workplace (Venter, 2004).

According to Basson *et al.* (2002), parties to the employment relationship include the employer, the employee, the trade unions and employer's organisations as well as the state. Venter (2004) describes the relationship between the state, the employer and the employee as a tripartite relationship where the primary relationship exists between the employer and the employee while the secondary relationship exists between the primary relationship (employer and employee) and the state. This relationship is illustrated in the following diagram.

Figure 1: Illustration of the three parties in the employment relationship



Source: R. Venter, *Labour Relations of South Africa* (2004), p. 8

The above illustrated diagram is a widely accepted illustration of the three parties involved in the employment relationship. The primary relationship is between the employer and the employee. The state has a secondary role as part of the relationship in that it regulates the primary relationship through specific legislation. This legislation is then applied by and enforced on both parties in the primary relationship.

For the purpose of this study, focus will be on the primary relationship and the workplace regulations, regulating this relationship. According to Capelli (1999), desire to exert control is an inherent characteristic of the employment relationship and this results in a constant negotiation process between the two parties. Aspects that could give rise to the conflict to exert control include among other aspects, exploitation of either of the parties, conflict within the relationship, employment condition disputes, wage disputes, scarcity of resources and sometimes the inherent divergences of the roles as expected by the parties (Nel *et al*, 2005; Venter, 2004). The employment relationship is partially regulated through legislation and also dynamically negotiated. These negotiated

regulations and imposed legislation form an integral part of the employment relationship (Basson *et al.*, 2005).

Linde, Schalk and Linde (2008) identified two concepts to define the employment regulations namely *explicit* and *implicit* workplace regulations. The implicit regulations are instituted and enforced by the government through legislation. The Labour Relations Act (66 of 1995), Basic Conditions of Employment Act (75 of 1997), the Employment Equity Act (55 of 1998) and the Skills Development Act (97 of 1998) are the most prominent parts of the *implicit* regulations (legislation) in the South African employment relations system (Nel *et al.*, 2005; Venter, 2004). With the state playing a less than equal role in the relationship, the conflict to exert power is mainly between the employer and the employee (Venter, 2004) and the implicit regulations are practically applied in the workplace through *explicit* workplace regulations. Policies, disciplinary codes and procedures, performance appraisal systems, recognition agreements and the employment contracts are examples of the practical application of adapted *explicit* regulations (Linde *et al.*, 2008). In a study conducted by Pierre and Sharpetta (2004), it was found that the application of workplace regulations has a direct impact on an organisation's performance and that measurable perceptions are created among employees. With workplace regulations playing a considerable part in organisational effectiveness, application of workplace regulations should therefore be further explored.

2. APPLICATION AND EXPERIENCE OF EMPLOYMENT REGULATIONS

The primary relationship as illustrated in Figure 1 has two role players, the employer and the employee (Venter, 2004). Basson *et al.*, (2002) stated that Trade Unions and Employer Organisations can also be included in the primary relationship on request of the different parties. Their involvement however lies outside the scope of this study and the focus will only be on the relationship between the employer and employee. Within the primary relationship, the employer can be described as the regulator while the employee is the regulated (Swanepoel, Erasmus, Van Wyk & Schenk, 2003). As

indicated earlier, to exert control results in ongoing conflict and negotiation between the employer and employee (Capelli, 1999). The specific capacities of the two parties in the primary relationship are central to understanding the conflict to exert control. The concept of the employer will first be explored.

In a small to medium organisation, the owner or owners would normally be considered as the employer (Nel *et al.*, 2005; Robbins, Odendaal & Roodt, 2004). Cilliers as cited in Venter (2004) indicated the employer will be the entity itself in a private or publicly held organisation. An organisation in itself however is an empty shell and is not able to perform any functions without the people managing it. The employer's role in a medium to larger organisation could include the shareholders as the owners of an organisation as well as the directors. The directors as part of the top level management of the organisation in turn employ managers who perform the daily tasks associated with the running of the organisation (Swanepoel *et al.*, 2005; Venter, 2004). It therefore appears that the concept of employer will rely strongly on the level or role of a specific person within an organisation and differ according to his or her position and seniority (Venter, 2004). Top level managers would lead the organisation while the middle level managers would attend to the implementation of the tactical and strategic planning. The lower level managers are then directly responsible for the day-to-day running of the organisation (Venter, 2004). A manager per se can be an employee, and one manager could be the employer of another manager, pending on the position. A clear definition of employer is also not provided for in the Labour Relations Act (66 of 1995) (LRA) and this could be a result of the diverse and infinite complexity of the concept. The definition of an employer can only be understood if it is read alongside the definition of the employee as recorded in the LRA. The LRA defines an employee as "any person who is employed by or works for an employer and who receives or is entitled to receive any remuneration or who works under the supervision of an employer or any other person" (Nel *et al.*, 2005). The employer is the provider and regulator of work. The employer needs employees to perform the duties associated to complete the tasks. This is done for an agreed remuneration and the employer therefore perceives to have a right to

regulate the employee (Nel *et al.*, 2005). The employee in return would sometimes feel the employer should provide better remuneration, materials and working conditions because the employee renders time and skills to the advantage of the employer. This leads to a clear difference in expectation within the employment relationship resulting in conflict (Venter, 2004). With this conflict between the parties to exert power, the need for applied policies and workplace regulations becomes very clear. Policies and procedures are applied in the employment relationship to guide and manage the conflict within the primary relationship (Bendix, 2005; Venter, 2004). Handy (1990) stated that the primary relationship in current organisations consists of different groups of people. These groups include persons with diverse expectations, including those that need to be managed differently, those who need to be compensated differently and those that need to be motivated differently amongst other things. Every organisation has different and unique needs and therefore different and unique policies and procedures guiding the workplace regulations (Swanepoel *et al.*, 2003). It can be accepted that although all South African organisations operate within the same legislative framework, definite differences in application and interpretation would exist.

3. ORGANISATIONS AS DYNAMIC SYSTEMS

Organisations adapt to their environment by restructuring themselves in a purposeful and rational way (Stacy, 1995). It is accepted that successful organisations or companies are those that are driven by certain processes aimed towards ensuring a predictable state in its environment. Within a predictable state where control is exercised by management, organisations can be effectively managed over the longer term (Uys, 2002). The general systems approach remains primarily a theoretical model within technical management, strategy planning and strategy utilisation. General system models hold the idea that the results of management actions and interventions are predictable and therefore manageable (Uys, 2002). The drawback of the general systems approach however is that system models resist change and strive towards the previous accepted equilibrium, even if it were detrimental or dysfunctional (Williams,

1997). The general systems approach is therefore idealistic. Optimisation of systems within organisations in the modern work environment is highly unlikely if fast adaptation doesn't occur (Van Gigch, 1978). An alternative approach was therefore needed where science accepts that systems can suddenly change in unpredictable ways (Uys, 2002). The chaos theory originated from the systems theory but other than the systems theory, the chaos theory provides room for a system in a chaotic environment (Uys, 2002). Although workplace regulations would always attempt to ensure harmony and equilibrium within the framework of the systems theory, the chaos theory recognises that within the modern business environment, the idealistic equilibrium is not always attainable (Uys, 2002).

Within this uncertain and constant changing modern work environment, less trust and control and more instability can exist. In this context the chaos theory can provide organisations with insight to assess when control is reasonable, when control is possible as well as the extent of the control appropriate within the existing environment (Handy, 1990; Williams, 1997). The chaos theory was conceptualised to understand, explain and analyse the work environment more clearly and to formulate suggestions as an aid to recognise, describe and even effectively deal with situations of uncertainty in modern organisations (Uys, 2002; Williams, 1997). Feedback from employees can be used within the framework of the chaos theory and utilised in corporate strategies. Strategy conceptualisation using the chaos theory framework could lead to implementation and development of creative and adaptable organisational structures (Uys, 2002). With the complex labour relations system of South Africa and the constant changing modern environment, these new structures can be applied through the workplace regulations and by doing so uncertain or unavoidable behaviour can to some extent be managed (Uys, 2002).

4. EMPLOYMENT REGULATIONS

Employment regulations as collective term include all forms of legislation or negotiated rules that guide the employment relationship. For the purposes of this study, the focus will be specifically on the employment contract, the disciplinary code and procedure, the grievance procedure and the performance appraisal system as parts of the employment regulations.

Linde *et al.*, (2008) identified two prerequisites for employees to perceive these employment regulations as fair. The first prerequisite is the *clarity* of the reasons and contents in the workplace regulations. Based on the integrated model proposed and validated by Linde *et al.*, (2008: 89), *clarity* is subdivided in three parts namely availability, ascertainment and understanding. Policies and procedures should be made available to employees. Availability in itself is not satisfactory. The employees should also understand the purpose and functions of such policies. Secondly, the employees should also be made aware of the availability of the policies and the manner in which it is applied. According to Linde *et al.*, (2008), the employee will sometimes take own initiative to ascertain the contents of the workplace regulations or even involve the trade unions for interpretation. This leads to the last subdivision of clarity namely understanding. Understanding the employment regulations is a major part of the successful implementation of dynamic regulating systems in any organisation. Workplace regulations are put in place to regulate the primary relationship and if unclear, the effectiveness of the regulating systems could be compromised (Swanepoel *et al.*, 2003; Venter, 2004).

The second prerequisite is *trust* focusing specifically on the fair and consistent application of workplace regulations. *Trust* as prerequisite is subdivided into acceptance and consistency in application of employment regulations. Successful implementation of any workplace regulating policy or procedure would need the acceptance from employees (Nel *et al.*, 2005; Robbins *et al.*, 2004). Trust in the application and the

consistency would unlikely be achieved where the employees do not accept the workplace regulations (Swanepoel *et al.*, 2003). Without a clear perception and understanding of the application of workplace regulations, the relationship between the employer and employee would be difficult to manage and the success of the organisational structures or effectiveness could be compromised.

Based on the literature that was discussed, the need for clarity and trust in the application of workplace regulations in the primary relationship is clear. According to the framework of the chaos theory, the only method of aligning objectives in the uncertain and chaotic modern work environment is through feedback (Uys, 2002). A survey within an organisation would present feedback from the employees on their perceptions with regard to trust and clarity of the applied employment regulations. Employment regulations have a direct impact on the effectiveness of an organisation and the development of more adaptive systems within the primary relationship is of great value to any modern organisation (Pierre & Sharpetta, 2004). With this background, the following study objectives were identified.

5. STUDY OBJECTIVES

5.1 Primary objective

To measure the employees' current perception of the application of employment regulations within the South African division of an International Engineering and Construction Organisation.

5.2 Secondary objectives

- To measure which workplace regulations are currently perceived as *clear*;
- To measure which applied employee regulations are currently perceived as *fair*;
- To determine if different perceptions exist among groups in the organisation.

6. METHODOLOGY OF THE STUDY

The Engineering and Construction Organisation where this research was conducted has been established in 1914 and forms part of a bigger international group with the head office based in Clonmel, Ireland. Operations in Southern Africa started in 1980 and work is conducted on major projects within the petrochemical, mining and power generating industries. The South African division is the second largest within the organisation. It was recently listed on the London Stock Exchange resulting in extensive policy and process changes over the last year. The organisation also implemented an Integrated Management System (IMS) to align all the business procedures and policies worldwide. It was recently stated by the Group Chief Executive Officer that the IMS system has been successfully implemented from the top structures down, and that implementation from the bottom up would be the next challenge. The need for a study of the perceptions of employees was thus welcomed. This research study was designed as an evaluation survey with the purpose of exploring and describing the current perception by employees of the employment regulations within the South African Region of the organisation. The study can also be seen as an organisational survey as the results from this study can be used in organisational change and development ventures including leadership, teamwork and management behaviour development (Wagner & Spencer, 1996). Quantative data gathering as method was used in the study by utilising a questionnaire. A questionnaire developed and validated by Linde *et al.*, (2008) called the Experience of Employment Regulations Questionnaire (EERQ), was distributed to measure the employees' current perceptions of the applied employment regulations.

6.1 Study population

The target and accessible populations were employees in the South African division of a multinational construction and engineering organisation. The focus was on highly trained tradesmen (e.g. engineers, technicians etc.), administrative and management personnel. A random sample of 50 participants was drawn from the population (N=180)

as authorised by the management of the organisation. The sample was drawn from four divisions in the organisation namely Head Office, Projects, Integrated Solutions and Maintenance and Shuts. There was no intention to ensure equal representation from the different departments. A widely representative sample group participated including representatives from nine of the eleven official language groups in South Africa. Participants that preferred English as language made out 46% of the participants while South Sotho and Swazi were each represented with 4.9%. North Sotho, Venda, Ndebele and Tswana speaking participants made out 2.4% respectively while Zulu speaking participants made out 14.6%. Afrikaans speaking participants made out 19.5% of the participants. From the sample group, 66% were male and 34% female. Four different age groups were identified. In the sample group 0.7% was between 18 and 25 years, 43% between 26 and 35 years, 41% between 36 and 45 years and 0.5 percent in the age group between 46 and 55 years. With regard to their position, 17% were tradesmen, 44% in administrative and 39% in managerial positions. The participants from the Head Office constituted 24% of the sample, 59% were on projects, 15% from Integrated Solutions and 2% from Maintenance and Shuts. With regard to years of service, 10% had one year or less, 56% had 2 to 5 years, 10% had 6 to 10 years and 24% had more than 10 years service with the organisation. The participants were requested to indicate if they are permanently employed or on a fixed term contract. The participants that were permanently employed constituted 68% and participants on a fixed term contract 32% of the sample group. The majority of the participants had some form of diploma or certificate. This group made out 61% of the sample group. Participants with a matric certificate or lesser qualification were 15% of the sample group while 10% had a degree and 12% a post graduate degree. The questionnaires were distributed among the participants by using the internal electronic mail system. For purposes of confidentiality, the completed questionnaires were returned to an anonymous electronic mail account. After the first mailing of the questionnaires, a response rate of 65 percent was received. A reminder was then sent to the participants, and a total of 41 of the 50 (82 percent) questionnaires were received with a 100 percent usable rate.

6.2 The Measuring Instrument

With the Experience of Employment Relations Questionnaire (EERQ) distributed, feedback with regard to the perception of the application of the employment regulations was received. The feedback was provided by means of the EERQ questionnaire reported on a five point Likert scale (Annexure C). The scale provided for a scoring system where the participant can totally agree or totally disagree with the statements in the questionnaire and positive and negative feedback will thus be available to utilise in the analysis and discussion of the findings. It should be noted that two statements from the original EERQ questionnaire were omitted from the distributed questionnaire. The two items (a) *I know where to find the disciplinary code on my employer's website* and (b) *I know where to find the grievance procedure on my employer's website* were not relevant to the participating organisation. The website in this organisation is not used for communication between management and employees, and these two statements were therefore not included in the questionnaire.

The items to measure the explicit workplace regulations were divided in two groups. *Clarity* is measured with 39 items and *trust* with the remaining 22 items. According to the discussion by Linde *et al.*, (2008), clarity refers to the knowledge the employees have regarding the explicit employment regulations. The items reflect the subcontracts namely availability (15 items), ascertainment (12 items) and understanding (12 items). *Trust* referred to the perception of fairness and consistency in application of the workplace regulations (Linde *et al.*, 2008).

6.3 Statistical Analysis

The EERQ measuring instrument was developed and validated by Linde *et al.*, (2008) and with the validity already established it was not tested again. For the purposes of the study the reliability was however established. The coefficient of internal consistency was calculated using Cronbach's alpha methodology (Santos, 1999). This was done to

ensure the reliability of the scales that was used in the questionnaire. The reliability results for the OCAI are shown in Table 1.

Table 1: Coefficients of Internal Consistence using Cornbach’s Alpha Methodology

Coefficients of Internal Consistence using Cornbach’s Alpha Methodology		
Factor	Reliability Coefficients for the “EERQ”	Comparison reliability Coefficients*
Clarity		
Employment Contract	.88	.86
Disciplinary and Grievance procedures	.87	.89
Performance appraisal and other	.96	.91
General Employment Related	.88	.88
Trust		
Employment Contract	.94	.85
Disciplinary and Grievance procedures	.98	.96
General Employment Related	.97	.94

**Reliability coefficients reported by Linde Schalk and Linde (2008).*

Dewberry (2004) recommends the use of Cronbach’s alpha coefficient when research is done within organisations. He stated that an alpha of 0.65 is normally considered as an acceptable level. As observed in Table 1, high Cronbach’s Alpha results were retrieved from the data and this correlates with the results reported by Linde *et al.*, (2008). A high

Cronbach's Alpha coefficient indicates a high level of reliability. It can therefore be accepted that the participants understood the questionnaire and that the results received can be used for further analysis (Dewberry, 2004). Descriptive statistics through the means procedure were then used to analyse the data in the two categories namely trust and clarity. Clarity was then divided in four factors, and trust in three factors (Linde *et al.*, 2008). The results for the descriptive statistics are reported in table 2.

Table 2: Descriptive Statistics of Clarity and Trust

Descriptive Statistics of Clarity and Trust					
Factor	N	Mean	S.D.	Minimum (average)	Maximum (average)
Clarity					
Employment Contract	41	3.47	0.84	1.75	5.00
Disciplinary and Grievance procedures	41	2.72	0.96	1.00	4.50
Performance appraisal and other	41	2.89	0.97	1.27	4.91
General Employment Related	41	2.92	0.79	1.42	4.50
Trust					
Employment Contract	41	2.95	1.23	1.00	5.00
Disciplinary and Grievance procedures	41	2.92	1.12	1.20	5.00

Performance appraisal and other	41	2.87	1.05	1.00	5.00
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The results in table 2 indicate the means, the standard deviation, the minimum and the maximum. The mean will be used to describe the strength of the perception of a specific factor. The means in Table 2 indicate that in the category clarity, the factor employment contract is perceived as the most clear of the included employment regulations with a calculated mean of $\mu = 3.47$. The lowest mean score in the category of clarity is the disciplinary code and grievance procedure with a calculated mean of $\mu = 2.72$. This indicated that the participants perceived the disciplinary code and grievance procedures as the most unclear employment regulating mechanisms. The factors of general employment related with a mean score of $\mu = 2.92$ and a mean score for the factor performance appraisal and other of $\mu = 2.89$ were also recorded. It should be noted that both the means of general employment related and performance appraisal and others were significantly closer to the lowest mean score in this category, and this indicated a lower level of clarity.

For the category trust in application, the factor employment contract recorded the highest mean score as $\mu = 2.95$. The lowest mean score in this category was the factor, performance appraisal and other with $\mu = 2.87$. The other factor disciplinary code and grievance procedure recorded a mean of $\mu = 2.92$.

The two categories identified by Linde *et al.*, (2008) namely *clarity* and *trust* were further subdivided. The next step in analysing the results from the EERQ, was to analyse the differences between groups within the organisation. The participants were requested to provide biographical information with the questionnaire. The biographical categories will now be used to group specific participants in analysing the results. These results are reported in Table 3. The seven factors were individually analysed. For space saving purposes on Table 3, the seven factors will be named differently. The labels will be as follows: Clarity A (employment contract), Clarity B (disciplinary and grievance

procedure), Clarity C (performance appraisal and other) and Clarity D (general employment related). The factors for trust will be labelled as Trust A (employment contract), Trust B (disciplinary and grievance procedures) and Trust C (performance appraisal and others).

Table 3: Descriptive statistics analysed in biographical categories

Descriptive statistics analysed in biographical categories								
Biographical Category	N	Clarity A Mean/SD	Clarity B Mean/SD	Clarity C Mean/SD	Clarity D Mean/SD	Trust A Mean/SD	Trust B Mean/SD	Trust C Mean/SD
Age								
18-25	3	3.33 / 0.94	2.44 / 0.67	2.82 / 0.48	2.72 / 0.70	3.33 / 1.53	2.83 / 0.76	3.04 / 0.94
26-35	19	3.19 / 0.74	2.72 / 0.94	2.66 / 0.85	2.85 / 0.79	2.75 / 1.05	2.79 / 1.04	2.70 / 0.88
36-45	17	3.79 / 0.78	2.81 / 1.08	3.12 / 0.99	3.04 / 0.78	3.06 / 1.34	3.03 / 1.19	2.99 / 1.15
46-55	2	3.69 / 1.86	2.42 / 1.06	3.18 / 2.44	2.83 / 1.65	3.33 / 2.36	3.30 / 2.40	3.28 / 2.44
Gender								
Male	27	3.45 / 0.93	2.77 / 0.95	2.94 / 1.03	2.93 / 0.85	2.98 / 1.29	2.92 / 1.09	2.88 / 1.07
Female	14	3.52 / 0.66	2.64 / 1.03	2.79 / 0.85	2.89 / 0.69	2.90 / 1.14	2.91 / 1.21	2.85 / 1.05
Position in Organisation A								
Tradesmen	7	3.09 / 0.82	2.52 / 1.11	2.47 / 0.84	2.56 / 0.59	2.52 / 1.18	2.24 / 0.87	2.57 / 0.97
Administration	18	3.42 / 0.63	2.77 / 0.95	2.64 / 0.92	2.89 / 0.74	2.80 / 1.15	2.92 / 1.10	2.79 / 1.08
Management	16	3.70 / 1.02	2.76 / 0.96	3.35 / 0.93	3.11 / 0.89	3.31 / 1.31	3.21 / 1.16	3.10 / 1.07
Position in Organisation B								
Head Office	10	4.13 / 0.77	3.03 / 0.73	3.67 / 0.71	3.44 / 0.47	3.87 / 0.83	3.70 / 1.12	3.44 / 1.06
Projects Based	24	3.28 / 0.80	2.56 / 1.01	2.72 / 0.87	2.80 / 0.83	2.79 / 1.21	2.73 / 1.04	2.73 / 0.99
Integrated Solutions	6	3.40 / 0.45	2.81 / 1.19	2.48 / 1.02	2.65 / 0.74	2.28 / 1.20	2.55 / 0.99	2.69 / 1.13
Years service								
Less than a year	4	3.06 / 0.70	3.25 / 0.29	2.32 / 0.69	2.58 / 0.45	2.58 / 0.92	2.68 / 0.77	2.69 / 0.61
One to five years	23	3.27 / 0.65	2.67 / 1.05	2.71 / 0.86	2.85 / 0.82	2.74 / 1.16	2.73 / 1.10	2.69 / 1.01
Five to ten years	4	3.56 / 1.40	1.92 / 0.40	2.77 / 1.29	2.85 / 1.17	3.08 / 1.69	3.00 / 1.57	2.81 / 1.60

More than ten years	10	4.06 / 0.84	2.95 / 0.93	3.57 / 0.94	3.24 / 0.67	3.53 / 1.28	3.42 / 1.09	3.39 / 1.02
Type of Contract								
Permanent	28	3.52 / 0.94	2.68 / 0.87	2.83 / 1.03	2.86 / 0.76	2.88 / 1.30	2.88 / 1.13	2.82 / 1.06
Fixed Term	13	3.38 / 0.60	2.82 / 1.17	3.00 / 0.83	3.04 / 0.87	3.10 / 1.08	3.01 / 1.14	2.98 / 1.07
Supervise?								
Yes	22	3.44 / 0.92	2.92 / 1.00	2.98 / 1.06	2.87 / 0.83	2.89 / 1.32	2.96 / 1.14	2.87 / 1.10
No	19	3.51 / 0.75	2.49 / 0.89	2.78 / 0.87	2.97 / 0.76	3.02 / 1.15	2.86 / 1.12	2.87 / 1.02

The results in Table 3 indicate the different factors as divided in the different biographical categories. The first biographical category that was used was labelled “age”. The group of participants between the age of 18 and 25 indicated the contract of employment had the most clarity to them and that they trust the application thereof the most as employment regulating mechanism. They further indicated that they have the least clarity on the disciplinary code and grievance procedure and also that they trust the application of these procedures the least. The age group between 26 and 35 also indicated the employment contract as the employment regulating mechanism with the most clarity while the performance appraisal system was perceived to be the least clear mechanism included in the study. This group also indicated that the application of the performance appraisal and other policies was the least trusted, but that they trusted the application of the disciplinary and grievance procedures. The age group between 36 and 45 indicated that employment contract as clear, but the disciplinary and grievance procedures as the least clear. This group did not trust the application of the performance appraisal system and other policies, but perceived the highest level of trust for application of the employment contract. The last age group, of the participants between the age of 46 and 55, the employment contract is perceived to be clear and the application thereof as trustworthy. They feel that the disciplinary and grievance procedures are not clear enough and that the application of the performance appraisal procedure and other policies are the least trusted. In the biographical category of “age”, the employment contract was dominantly perceived as fair and the application to be trusted while the disciplinary code and grievance procedures were perceived as

unclear. The application of the performance appraisal procedure and other policies were indicated with the lowest level of trust.

The next biographical category was "gender". The male participants perceived the employment contract as the clearest of the included regulating mechanisms and agreed that the application of the employment contract is trustworthy. This group also perceived the disciplinary and grievance procedures as the least clear and indicated the application of the performance appraisal procedure and other policies is to be the least trusted. The female participants also perceived the employment contract as the clearest regulating mechanism, but indicated that the application of the disciplinary and grievance procedures was to be trusted the most. The females therefore indicate that whenever the disciplinary procedure is applied or a grievance is lodged, the application and outcome of the process would be fair. The disciplinary and grievance procedures were however indicated as the most unclear. This is interesting since this group indicated that they trust the application of these procedures. The application of the performance appraisal procedure was perceived to be the least trusted.

The biographical groups were also divided according to the positions in the organisation. The first group were labelled "position in organisation A", and measured the organisation workforce in terms of tradesmen, administration and management. The tradesmen perceived the employment contract as the clearest while the performance appraisal and other procedures are perceived as the most unclear. The application of the performance appraisal and other policies indicated the highest level of trust. This group indicated that they trust the application of the performance appraisal system but then indicated that the application of the disciplinary and grievance procedures was least trusted. The reason for the high level of trust in the performance appraisal procedure could be the well established internal career development system in the organisation. Tradesmen and trainees are all included in the program and the development of these people is closely monitored. They are also involved in a

mentoring program where their performance and work related issues are discussed on a regular basis.

Administration participants perceived the employment contract as the clearest and trusted the application of the employment contract the most. The least clear mechanism perceived by this group was the disciplinary and grievance procedures, and the application of the performance appraisal and other policies was trusted the least. Management participating in the study perceived the employment contract as clear and also trusted the application. disciplinary and grievance procedures recorded the lowest means score with regard to clarity and the applied performance appraisal and other policies were least trusted.

“Position B in the organisation” measured the perception with regard to the location of the participants. Participants in the head office perceived the employment contract as clear and trusted the application. The disciplinary and grievance procedures were the least clear and the application of the performance appraisal and other policies was least trusted. Participants based on projects, also indicated the employment contract as clear and the application thereof as trustworthy while the disciplinary and grievance procedures were perceived as the least clear of the regulating mechanisms. The application of the disciplinary and grievance procedures as well as the performance appraisal and other policies were perceived as equally unclear with low mean scores. Integrated solutions perceived the employment contract as the clearest mechanism, but did not trust the application of the contents of the employment contract. This is a different division with a different management and different leadership methods could be applied. This group perceived the application of the performance appraisal and other policies as the most trustworthy, and the least trustworthy mechanism is the employment contract. This group also trusted the application of the performance appraisal procedure and other policies indicating that these procedures could be applied with other methods where the employees were acknowledged and where the outcomes

were perceived as consistent and fair. The employment contract is the least trusted and this correlates with the result that it is also perceived as unclear.

“Years of service” was the next category. The employees with less than one year of service indicated that the disciplinary and grievance procedures were the clearest employment regulating mechanism and they trusted the application of the performance appraisal procedure the most. This group least trusted the employment contract and perceived the performance appraisal system as the most unclear. These participants do not have a long service history with the organisation and the communication of these policies could still be clear as it was discussed at induction and orientation. The participants indicate that they perceive the performance appraisal system as clear, but did not trust the application thereof. The reason could be that they did not partake in any of these procedures because of a short employment history with the organisation. Participants with between one and five years service perceived the employment contract as clear and also trusted the application of the conditions thereof. The disciplinary code and grievance procedures were not perceived as clear and they did not trust the application of the performance appraisal procedure and other policies. The group between five to ten years service also perceived the employment contract as the clearest, and trusted the application thereof. A very low means score was recorded in this group with regard to the disciplinary code and grievance procedure indicating a very unclear perception, and they indicated the least trust for the performance appraisal process and other policies. The participants with more than ten years service were the last group and a very high mean score was recorded to clarity with regard to the employment contract as well as trust in the application thereof. This group indicated that the disciplinary code and procedure is not clear to them and they least trusted the application of the performance appraisal procedure and others. The low level of clarity recorded by the participants with longer service could be due to a lack of training and involvement in the processes. The disciplinary code and procedure as well as the grievance procedures were discussed at organisation induction and orientation but

without ongoing and regular follow up sessions, the information will become less clear over time.

The difference between the perceptions with focus on the “type of contract” was then explored. The participants employed permanently indicated the employment contract as the clearest mechanism. These would also be the participants with longer service and this correlates with the results in the previous discussed category. The trust in application of the employment contract and the disciplinary code and grievance procedure was equally positive perceived. Participants on a fixed term contract also indicated the employment contract as the clearest, and also the application thereof. The lowest mean score with regard to clarity was recorded for the disciplinary code and grievance procedure and the application of the performance appraisal procedure and others was the least trusted. The perceived lower levels of trust could be due to shorter employment histories as result of the fixed contract work these participants were placed on.

The last biographical category measured was the question whether the participant supervise others or not? The participants supervising others perceived the employment contract as the clearest but the factor general employment related as the most unclear. The application of the disciplinary code and grievance procedure was mostly trusted while the least trusted factor was indicated as the application of the performance appraisal procedure and other policies. The participants not supervising others indicated the employment contract as the clearest employment mechanism and also trusted the application thereof. The least clear mechanism perceived by this group was the disciplinary code and grievance procedure and they also indicated that the application of the same factor is the least trusted. This low level of clarity and trust with regard to the disciplinary procedure could be their lack of involvement. The participants in this group do not supervise others and were therefore not required to know the contents of these policies and procedures that well.

7. CONCLUSION AND RECOMMENDATIONS

Throughout the results, the employment contract was predominantly perceived as the clearest regulating mechanism and the application thereof was also perceived to be trusted the most. The employment contract is the primary agreement between an employer and employee. This could be the reason for the strong support among all the biographical groups. The employment contract is discussed at the time of employment and this would be the first document to consult should any dispute arise. This is normally a mutually signed document where specific personal arrangements regarding work conditions are agreed on. There is however some alarming results retrieved with regard to the disciplinary and grievance procedures as well as the performance appraisal and other employment related policies. It was found that a dominant perception of unclear policies as well as a low level of trust in the application of these policies was perceived. As discussed in the literature review earlier in this paper, the disciplinary code, grievance procedure, performance appraisal and other policies are the adapted explicit regulations in any organisation (Linde *et al.*, 2008). Where members of an organisation indicate that they do not understand these policies and they perceive it as unclear, cooperation and adherence to these policies would be highly unlikely. The disciplinary code and grievance procedures are both mechanisms where the needs and rights of the employer and employee are explained and applied. These are the mechanisms applying the relevant employment legislation such as the labour Relations Act (66 of 1995) and the Basic Conditions of Employment Act (75 of 1997) (Venter, 2004). The results from this study indicate an unclear perception and therefore a low level of understanding with regard to the policies. This could then indicate a low level of understanding of the relevant legislation.

The same can be expected where a low level of trust exists with the application of these policies. The participants indicated that they especially did not trust the application of the performance appraisal procedure and other employment related policies. A policy such as the performance appraisal procedure is a vital method of

evaluating the performance of the workforce. Important decisions such as promotions, bonuses and increments are based on the results of the performance appraisal system. The participants indicated that they do not trust the application of this procedure and this could mean that they perceive some level of unfairness with regard to personal recognition and employment relations within the organisation. With the results from the study discussed, the following recommendations could be considered:

- The organisation should focus on promoting sound and consistent labour relation systems within the organisation. Employees could perceive their work situation as unfair and negative although not necessarily treated in such a way. With a negative perception, a lack of commitment can quickly develop.
- Members of the organisation should be trained in and reminded of the contents of the policies and procedures. If the members of an organisation are not reminded about the contents of policies and procedures, a negative perception can be developed as a result of lack of understanding. Codetermination can only be achieved if the employees accept the fairness and application of these policies and procedures.
- More attention should be given to the Performance Appraisal system and specifically the application thereof in the organisation. It is dominantly experienced that the application of Performance Appraisal system could not be trusted as employment regulation mechanism. The organisation could make the process more transparent with employees being more involved in the evaluation process. The 360° evaluation process where employees also receive an opportunity to evaluate their superiors could be specifically implemented focusing on specific divisions of the organisation. The processes in the head office and the process on projects should be adapted according to the specific situational needs and circumstances. A general approach with the same processes might not be sufficient. Training of relevant people in the different situations play an integral part to the success of a situational evaluation process.

Policies and procedures applied as part of employment regulating mechanisms are vital in any organisation. The results from this study indicated a need for clarity, especially on the Disciplinary code and Grievance procedures. With this information, the management of the organisation could focus on strategies and specifically design training sessions to improve the understanding of these policies. A low level of trust in the application of policies and procedures with specific reference to the Performance Appraisal procedure and other related employment policies was also reported. A transparent procedure could change this perception. The management could intervene and create systems where employees could be heard and where their opinions and insights are attended to. In the literature review, the importance of employment regulating systems was discussed. The organisation could positively utilise its employment regulating policies and procedures in order to improve their competitive advantage.

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CHAPTER 4 – DISCUSSION AND CONCLUSIONS, LIMITATIONS OF THE STUDY AND SUGGESTIONS FOR FUTURE RESEARCH

1. INTRODUCTION

In this chapter a discussion of the results from the literature and empirical studies is included. Thereafter conclusions, limitations as well as recommendations and suggestions for future research are discussed.

2. DISCUSSION AND CONCLUSIONS

In the first chapter of the study the two concepts organisational culture and employment regulations were discussed. It was explained that the organisational culture can be viewed amongst other aspects, as the embodiment of the relationship between the employer and the employee. This relationship is however influenced and regulated by workplace regulations as applied within a legislative framework as discussed in the second article. The two articles were prepared as part of the study where the first article focussed on the perception of the current organisational culture and the second article on the perceived application of the workplace regulations. The focus of this study was based on the idea that if the employer is aware of the employee's perceptions, a specific type of culture can be promoted where employment regulations can be applied in such a manner that unpredictable behaviour is regulated and minimized. A negative perception of an organisational culture has a direct negative impact on organisational effectiveness (Bredenkamp, 2002). It was also stated after a study conducted by Pierre and Sharpetta (2004) that a definite correlation exists between the employees' perception of the applied workplace regulations and organisational effectiveness. Organisational effectiveness is thus influenced by both the organisational culture and employment regulations. It is for this reason important that a relationship between the two phenomena be explored. If the perception of organisational culture and workplace

regulations is combined, a stronger approach can be instituted by employers to create and sustain organisational effectiveness.

The first study objective was to determine what the current organisational culture in the organisation was and also how it was perceived among the members. In the second chapter, a literature study was conducted to explore organisational culture as well as different approaches towards organisational culture. The study was conducted as an evaluation survey in the South African division of a multi-national construction company. The results were obtained from a questionnaire named the Organisational Culture Assessment Instrument (OCAI) as developed by Cameron and Quinn (2006). The results explained that a strong support existed for the current perceived organisational culture as the clan culture. The second strongest culture type was the adhocracy culture. Both these culture types have characteristics of less control and where more flexibility and discretion exist on the employee's part with less formal intervention from the management (Cameron & Quinn, 2006). It was further found in a culture evaluation study by Nummelin (2007) that the Clan culture is deemed to be the best fit for the construction industry. The Clan culture type was mostly supported, but the results however indicated that the other culture types were also mildly supported. It was proposed that more focus on the development of a general supported Clan culture could assist the company in reaching a stronger market share.

The second objective of the study was to determine how the applied workplace regulations were currently perceived. In the literature study, it was found that the application of the workplace regulations exists within a framework of the South African legislation specifically developed to guide and facilitate workplace relations. All the organisations in South Africa operate within the same statutory framework, but the application and interpretation of the legislation differs between organisations. A questionnaire developed by Linde, Scalk and Linde (2008) named the Experience of Employment Regulations Questionnaire (EERQ) was used to gather the data for the empirical study. It was found that the application of the employment contract was

trusted in most cases, and that it was also perceived to be the clearest form of employment regulating mechanism. The application of the disciplinary code and procedure as well as the performance appraisal systems were perceived to be less trusted and it was also identified as the most unclear of the employment regulating mechanisms. It was found in a study conducted by Pierre and Sharpetta (2004) that the employees' perception of the application of employment regulations has a direct influence on organisational effectiveness. With the results from the empirical study, it was proposed that the company focus on training and constant updating of the employment regulating mechanisms. The company should evaluate the perceptions among employees regarding the application of the employment regulating mechanisms. The final objective of the study was to determine whether different perceptions in the organisation existed and of possible reason could be identified. This objective is answered with the results from both articles with specific focus on the biographical groups that were used as categories for empirical examination. It was found that there were clear differences between the groups regarding the preferred perceived organisational culture. The participants with a shorter employment history indicated a more formal and regulated culture, while the longer serving employees perceived a more flexible approach. The reason for this could be that longer serving employees were part of the organisation for a longer period and therefore feel more at home, while the shorter serving participants are still regulated and not yet part of the organisation as a group. It was also found that longer serving employees trust the performance appraisal system more than the shorter serving employees. This tendency is also present with the age of the participants as well as the position in the company. The younger serving employees trusted the application of the disciplinary code and procedure more, but perceived the application of the performance appraisal system as unclear and not to be trusted. The reason could be that the two groups mentioned here are in two positions regarding the procedures. The longer serving, older participants are mostly in the application role as management or supervision while the younger participants with a shorter service were mostly in the receiving role. This difference in position or role creates a difference in perception and therefore a difference in

experience. The management of a company should be aware of these differences to manage a company towards a strong competitive advantage.

A competitive advantage could lead to a stronger market share in any organisation's specific industry. Different approaches and mechanisms could assist a company in obtaining this stronger market share. The general study objective proposed was to determine if a tendency between the current perceived organisational culture and the perception of the applied workplace regulations exist. In this last chapter, results from both empirical studies will be examined and compared to determine if a tendency between the two mentioned phenomena exists. The relationship between the two phenomena could provide managements with a better insight of the perception regarding the organisational culture and perceived workplace regulations. The relationship between the two phenomena could then be used as a mechanism towards a competitive advantage leading to a stronger market share. Table one as illustrated below indicates and compares the results from both empirical studies.

Table 1: Comparing results: Current Organisational culture and Perception of Employment Regulations

Comparing results: Current Organisational culture and Perception of Employment Regulations										
Category	N	Org Culture Mean / S.D.	Dominant Culture	Clarity A Mean/SD	Clarity B Mean/SD	Clarity C Mean/SD	Clarity D Mean/SD	Trust A Mean/SD	Trust B Mean/SD	Trust C Mean/SD
Total Group	41		Clan							
Gender										
Male	27	2.66 / 1.017	Adhocracy	3.45 / 0.93	2.77 / 0.95	2.94 / 1.03	2.93 / 0.85	2.98 / 1.29	2.92 / 1.09	2.88 / 1.07
Female	14	2.83 / 1.051	Clan	3.52 / 0.66	2.64 / 1.03	2.79 / 0.85	2.89 / 0.69	2.90 / 1.14	2.91 / 1.21	2.85 / 1.05
Respondent Age										

18-25	3	2.56 / 1.024	Hierarchy	3.33 / 0.94	2.44 / 0.67	2.82 / 0.48	2.72 / 0.70	3.33 / 1.53	2.83 / 0.76	3.04 / 0.94
26-35	19	2.94 / 0.902	Clan	3.19 / 0.74	2.72 / 0.94	2.66 / 0.85	2.85 / 0.79	2.75 / 1.05	2.79 / 1.04	2.70 / 0.88
36-45	17	2.84 / 0.981	Adhocracy	3.79 / 0.78	2.81 / 1.08	3.12 / 0.99	3.04 / 0.78	3.06 / 1.34	3.03 / 1.19	2.99 / 1.15
46-55	2	2.17 / 1.650	Hierarchy	3.69 / 1.86	2.42 / 1.06	3.18 / 2.44	2.83 / 1.65	3.33 / 2.36	3.30 / 2.40	3.28 / 2.44
Position in Company A										
Tradesman	7	2.86 / 0.942	Adhocracy	3.09 / 0.82	2.52 / 1.11	2.47 / 0.84	2.56 / 0.59	2.52 / 1.18	2.24 / 0.87	2.57 / 0.97
Administration	18	2.85 / 1.074	Clan	3.42 / 0.63	2.77 / 0.95	2.64 / 0.92	2.89 / 0.74	2.80 / 1.15	2.92 / 1.10	2.79 / 1.08
Management	16	2.72 / 1.031	Adhocracy	3.70 / 1.02	2.76 / 0.96	3.35 / 0.93	3.11 / 0.89	3.31 / 1.31	3.21 / 1.16	3.10 / 1.07
Position in Company B										
Head Office	10	2.83 / 0.796	Market	4.13 / 0.77	3.03 / 0.73	3.67 / 0.71	3.44 / 0.47	3.87 / 0.83	3.70 / 1.12	3.44 / 1.06
Projects	24	2.84 / 1.137	Clan	3.28 / 0.80	2.56 / 1.01	2.72 / 0.87	2.80 / 0.83	2.79 / 1.21	2.73 / 1.04	2.73 / 0.99
Integrated Solutions	6	3.00 / 0.920	Clan	3.40 / 0.45	2.81 / 1.19	2.48 / 1.02	2.65 / 0.74	2.28 / 1.20	2.55 / 0.99	2.69 / 1.13
Years with Company										
0-1 years	4	2.92 / 1.040	Clan	3.06 / 0.70	3.25 / 0.29	2.32 / 0.69	2.58 / 0.45	2.58 / 0.92	2.68 / 0.77	2.69 / 0.61
2-5 years	23	2.82 / 1.092	Clan	3.27 / 0.65	2.67 / 1.05	2.71 / 0.86	2.85 / 0.82	2.74 / 1.16	2.73 / 1.10	2.69 / 1.01
6-10 years	4	3.25 / 0.888	Clan	3.56 / 1.40	1.92 / 0.40	2.77 / 1.29	2.85 / 1.17	3.08 / 1.69	3.00 / 1.57	2.81 / 1.60
More than 10 years	10	2.85 / 0.900	Hierarchy	4.06 / 0.84	2.95 / 0.93	3.57 / 0.94	3.24 / 0.67	3.53 / 1.28	3.42 / 1.09	3.39 / 1.02
Type of Contract										
Permanent	28	2.79 / 0.988	Adhocracy	3.52 / 0.94	2.68 / 0.87	2.83 / 1.03	2.86 / 0.76	2.88 / 1.30	2.88 / 1.13	2.82 / 1.06
Fixed Term	13	2.71 / 1.052	Clan	3.38 / 0.60	2.82 / 1.17	3.00 / 0.83	3.04 / 0.87	3.10 / 1.08	3.01 / 1.14	2.98 / 1.07
Supervise Others?										
Yes	22	2.68 / 1.214	Clan	3.44 / 0.92	2.92 / 1.00	2.98 / 1.06	2.87 / 0.83	2.89 / 1.32	2.96 / 1.14	2.87 / 1.10
No	19	2.74 / 1.032	Clan	3.51 / 0.75	2.49 / 0.89	2.78 / 0.87	2.97 / 0.76	3.02 / 1.15	2.86 / 1.12	2.87 / 1.02

The averages received from the empirical study in chapter two indicated that the clan culture was the strongest culture currently perceived in the organisation. In chapter three, the clarity and trust of the employment regulating mechanisms were explored. The four regulating mechanisms included in the study were the (i) employment contract, the (ii) disciplinary and grievance procedure, the (iii) performance appraisal procedure and also (iv) other related policies and procedures. It was found that the employment contract was mostly supported as the clearest regulating mechanism, and that the application of the employment contract as regulating mechanism was also trusted the most. The biographical categories will now be individually discussed to determine if any tendencies between the perceived organisational culture and the perception of employment regulations can be identified.

In the biographical group “gender”, the strongest support for the clan culture was among the females. This group perceived the employment contract as the clearest regulating mechanism but trusted the application of the disciplinary code and grievance procedure. The males indicated an adhocracy culture type as preferred, perceived the employment contract as the clearest and also trusted the application of the employment contract. It is seen from the results that both groups in the category “gender” preferred a culture type that accepts more flexibility and discretion. Both of these groups perceived the employment contract as the clearest form of regulating mechanism. The employment contract as a negotiated agreement between both parties provides opportunity for the employee to negotiate certain terms and conditions. The other employment regulating mechanisms are instituted by the employer with only little or no consultation from the employees, therefore a process of more formal mechanism with less discretion and flexibility. In the category “age”, the highest mean was recorded by the groups between 26 and 35 and they preferred the clan culture type. This group also perceived the employment contract as the clearest form of regulating mechanism and trusted the application of the disciplinary and grievance procedures the most. The group between the age 36 and 45 recorded the second strongest average and preferred the adhocracy culture type. They perceived the employment contract as the clearest form of regulating

mechanism and trusted the application of the disciplinary and grievance procedures. The participants between the age of 18 and 25 indicated a hierarchy culture type but also perceived the employment contract as clear and trusted the application of the disciplinary and grievance procedures. Participants between the age groups 46 and 55 also preferred a hierarchy culture type and perceived the employment contract as the clearest regulating mechanism. They also indicated that they trust the application of the disciplinary and grievance procedures. This finding indicated that all the groups in this category perceived the employment contract as the clearest regulating mechanism. All the groups also trusted the application of the disciplinary and grievance procedure. The averages recorded by the groups which preferred the hierarchy culture type is however significantly lower than the two groups that preferred the clan and adhocracy type cultures. In this category it is seen again that the employment contract as agreement is preferred where both parties negotiate terms and conditions is perceived to be clear. All the groups in this category trusted the application of the disciplinary code and procedure.

In the category "position in the company A," the perceptions between qualified tradesman, administration personnel and management were explored. The strongest mean recorded for the culture type was by the tradesman preferring an adhocracy culture. They perceived the employment to be the clearest form of regulating mechanism, but preferred the application of the performance appraisal procedure. The second strongest culture type perceived was by the administration personnel who preferred a clan culture type. This group perceived the employment contract as the clearest regulating mechanism but trusted the application of the disciplinary and grievance procedure. Management perceived an adhocracy culture type, perceived the employment contract as the clearest and also trusted the application thereof. In this biographical category, the more flexible culture types were preferred and the employment contract as negotiated mechanism again perceived to be the clearest. The application of the disciplinary and grievance procedures were again mostly trusted in application. "Position in company B" measured the perceptions regarding the place of

work. The three places were identified as (i) head Office, (ii) projects and (iii) integrated solutions. The personnel at Head office recorded the second strongest mean indicating a preferred market culture. They perceived the employment contract as the clearest regulating mechanism and had the most trust in the application thereof. The strongest culture type was recorded by Integrated solutions which perceived a clan culture type. They preferred the employment contract as the clearest regulating mechanism and trusted the application of the performance appraisal procedure. The group on projects perceived a clan culture type and indicated the employment contract as the clearest mechanism and also trusted the application thereof the most. In this category, a strong support for flexibility is observed and this with a perception of the employment contract as the clearest regulating mechanism.

The next biographical category used to identify trends in the study was “years service with the company”. The strongest culture was recorded by the participants who had six to ten years service and they perceive the current culture as a clan type. They perceived the employment contract as clear and the application of the disciplinary and grievance procedures were to be trusted. The second strongest culture was perceived by the participants with less than one year of service. This group perceived the disciplinary and grievance procedure as the clearest regulating mechanism and trusted the application of the performance appraisal procedure. The group with more than 10 years of service indicated a perceived hierarchy culture and perceived the employment contract as clear and also the application thereof to be trusted. The last group between two and five years service with the company also identified a clan culture with a perception of clarity regarding the employment contract. This group also trusted the application of the employment contract the most. A less clear reflection regarding a possible tendency between the clan culture type and the employment contract as regulating mechanism was recorded. The participants with a long service history perceived a hierarchy culture type, but also perceived the employment contract to be the clearest regulating mechanism.

In the category "type of contract" the participants were divided between a permanent contract and a fixed term contract. The strongest support was indicated by the participants on a permanent contract perceiving an adhocracy culture type. This group perceived the employment contract as the clearest regulating mechanism and showed equal support for the application of the disciplinary and grievance procedure and performance appraisal procedures. The participants on a fixed term contract perceived the current culture as a clan culture type. They trusted the application of the employment contract and also perceived as the clearest regulating mechanism. In this category, the support for a culture where flexibility and discretion is supported is again seen. Both these groups perceived the employment contract to be the clearest form of regulating mechanism. In the last category, the participants were asked whether they "supervise others?". The group that answered yes to the posed question perceived the current culture type as a clan culture. This group perceived the employment contract as the clearest regulating mechanism and indicated trust towards the application of the disciplinary and grievance procedures. The participants that answered no to the question had an even stronger support for the clan culture type. They trusted the application of the employment contract the most and also perceived the same mechanism to be the clearest. The possible relation between the flexibility and discretion as characteristics of the culture type and the negotiated nature of the employment contract is again present from this last biographical category.

In the above discussion and interpretation of the results compared that the strongest support was generally for the clan culture type with the adhocracy culture also significantly supported. Flexibility and discretion is the a general characteristic of both these culture types and it appears to be present where most of the groups also identified the employment contract as the clearest form of regulating mechanism. The employment contract is the only negotiated regulating mechanism where negotiation between the employer and employee takes place. The other employment regulating mechanisms are normally developed by the employer and implemented with little or no consultation with employees. Employee participation or at least involvement of

employee perception seems to be an important result from this study. The participants perceived a flexible culture closely related to the employment contract. The application of the employment contract was also trusted in most of the cases, but with less significant support. The general objective of the study was to identify whether a relationship between the perceived organisational culture and the employment regulations exists, and there seems to be a tendency towards flexibility and discretion and employee participation. There were other groups in the biographical categories that showed support for the same regulating mechanisms, but preferred a different culture type. These groups were however a lot less significant. It would be premature to view this study as concluded and exhausted. A tendency was certainly identified and the two phenomena exist in a relationship to some extent. Further study will be required to identify the specific nature of the relationship.

3. LIMITATIONS OF THE RESEARCH

The most significant limitations of the research are as follows:

- A significant limitation of the research is that only 42 employees participated. The management of the company only authorised 50 participants to take part in the study. There are different divisions in the company and a more representative group from each division could provide more reliable results. These smaller groups from each division could not be representative of the whole company and hence not be a true reflection of the perception of the organisational culture and the perception of employment regulations.
- The study was conducted in the South African division of a multi-national construction company. It would therefore be difficult to use the results from this research in a more general approach in the larger organisation.

- Only skilled staff was included in the study due to the complexity of the phenomena explored. A lot of the staff was therefore excluded and the fragmentation perspective of Martin (1992) could not be verified. The studies in the fragmentation perspective seek to understand the interaction and conflict between opposing sub-cultures (Martin 1992).
- The data gathering method was limited to the completion of questionnaires sent to the participants. Other methods like interviews could also supply further valuable information regarding the perceptions of participants.

4. RECOMMENDATIONS FOR FUTURE RESEARCH

The construction company where the research was conducted made a great effort to establish a set of procedures globally identifiable with the implementation of the Internal Management System (IMS). The corporate leaders of the organisation understand that the implementation of the IMS could be developed and applied from the top structures downwards, but that training and development of the lower level employees is vital to the success of the IMS.

The following recommendations are hereby presented based on the findings of the research:

- This company is in a process of redesigning all the procedures. The organisation was recently listed on the London stock exchange. This change from a private company to a public company brought major development in terms of the applied procedures. Ongoing projects should be developed and instituted to measure and facilitate the employees' perceptions.
- It was determined from the results that the disciplinary and grievance procedures, the performance appraisal procedure as well as other employment related policies

was perceived as less clear than the employment contract. Programs to train the employees in the unclear policies should be instituted where after another survey should be conducted. The results from the second survey should be measured against the results from the first survey to determine the success of the training and development programs.

- Most of the groups from the biographical divisions indicated a strong support for the clan culture type. The support was however only on a moderate level and development towards a stronger support for this culture should be developed. The groups that preferred another culture type should also be examined and guided towards more support for the clan culture type.
- An experimental study can be conducted of the training programmes as mentioned above to determine the effect of the training programmes.
- A follow up study should be conducted where more employees participate in the study to gather more reliable data for better results. This follow up study can also be conducted before and after the training programmes were presented.
- It is also recommended that the study be developed and applied in the global organisation. This would however create a need for adaption of the current data gathering mechanisms since the questionnaires were specifically designed for the South African context.

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Annexure A

EDITORIAL POLICY AND GUIDELINES FOR CONTRIBUTORS EDITORIAL MISSION

It is the purpose of the journal to promote and facilitate the understanding and development of theories and practices concerned with people in relation to employment in its broadest sense, by providing a forum for constructive debate, discussion, analysis, report and commentary.

SCOPE OF THE JOURNAL

Apart from articles of an academic nature which are research based, the journal will publish commentaries, analyses, overviews, case studies, survey results and reports on aspects related to employment relations (in the broadest sense) in South and southern Africa in particular — as well as any relevant international issues in terms of current ideas, theory-building and developments in practice. While interested authors from any country are invited to submit their work for possible publication, Africa-related themes are especially encouraged in the context of the dire need to develop indigenous theory and understanding of people management in the African context. "Employment relations" is a term which is broadly defined as including aspects related to: work, employment and unemployment; labour and trade unionism; organisational behaviour, change and development; education, training and management development; labour law; collective bargaining, direct and indirect forms of worker participation and industrial democracy at all levels from the shop floor to the national level of tripartism; labour economics and labour market developments; forms of industrial conflict; organisational and crosscultural communication; national labour policy trends and developments; human resource management topics, including, but not limited to, equal opportunities, affirmative action, discrimination, diversified and multi-cultural workforces, human resource planning, job and work design, recruitment and selection, organisation entry, performance management, career and succession management, health, safety and employee well-being, motivation, leadership, remuneration and reward management; broader environmental trends as they relate to employment; and international comparative employment relations and themes related to people management strategies and practices in general. The journal will therefore be of interest to practitioners, researchers, academics, trainers and educators as well as policy-makers in the private, public and semi-public sectors of South Africa and other countries.

SUBMISSION

The journal welcomes the submission of manuscripts by policymakers, practitioners, academics and researchers. Contributions for the *Academic* section (accredited) are especially welcome. The criteria for acceptance are based on the soundness of the research base and/or the academic rigour of the arguments provided. Also welcome for the *Forum* section (non-accredited) are comments and/or reports on interesting and relevant developments and/or case studies with significant practical value but without the necessary theoretical or academic underpinning. As far as possible, manuscripts should display a fine balance between wellattested facts and well-informed opinion and argument and a writing style which is intelligible to specialists and non-specialists. Manuscripts should preferably be submitted in English, in double-spaced typescript with wide margins. Articles for the *Academic* section should be between 5 000 and 10 000 words, and those for the *Forum* section between 2 000 and 5 000 words. All submissions should have a title of preferably no more than fifteen words and should be accompanied by a brief autobiographical note which includes the name(s) if the author(s), the position held and the name of the employer as well as an abstract of 100-150 words. The abstract and the note should be typed on separate pages. As far as possible, manuscripts should be produced on a computer with an IBM PC-compatible package (preferably WP8). **Three copies** of the manuscript should be submitted together with the **disk**. The word-processing package and the name of the document should be clearly indicated on the disk and the manuscript. The disk may be returned to the author on request. Clearly numbered graphs and figures should be typed or drawn on separate sheets, preferably in the form of camera-ready copies. The place in the text where figures, graphs or tables should be inserted must be clearly marked. The Harvard system of referencing should be used. Footnotes should be avoided; if notes are necessary these should be endnotes. Italics (underlining) should be avoided and should be reserved for emphasis. (Prospective

contributors may use recent copies of the journal as guidelines.) The Editor reserves the right to accept other styles, to make minor alterations to the style of to reject any manuscript because of style, content or other deficiencies.

REFEREEING PROCEDURE

The Editor will decide whether to publish an article or not. Manuscripts may be evaluated by members of the Editorial Committee - especially those intended for the Academic section of the journal. The journal subscribes to a "blind" refereeing procedure.

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Annexure B. The Organisational Culture Assessment Instrument

BIOGRAPHICAL INFORMATION

Age (please state your age eg. "33")

Home Language Mark with an "X" where appropriate (click in the grey box and press "X")

- | | | |
|------------------------------------|---|---------------------------------------|
| ☐ English | ☐ Southern Sotho | ☐ Swazi |
| ☐ Afrikaans | ☐ Northern Sotho | ☐ Venda |
| ☐ Zulu | ☐ Tsonga | ☐ Ndebele |
| ☐ Xhosa | ☐ Tswana | ☐ Other: _____ |

Gender Mark with an "X" where appropriate

- ☐ Male ☐ Female

Position in Company

Mark with an "X" where appropriate

- ☐ Tradesman
☐ Administrative
☐ Management

- ☐ Head office
☐ Project based
☐ Integrated Solutions
☐ Maintenance and Shuts

For how long have you been working at the organisation?

Mark with an "X" where appropriate

Less than one year

☐

One to five years

☐

Five to ten years

☐

More than ten years

☐

Type of contract

Mark with an "X" where appropriate

Permanent contract

☐

Fixed term contract

☐

Do you supervise other employees?

Mark with an "X" where appropriate

☐

Yes

☐

No

Academic Qualification/Equivalence

Mark with an "X" where appropriate

☐

Grade 12 or less

☐

Diploma/Certificate

☐

Degree

☐

Post-graduate degree

☐

Other:

Please type other qualification if not listed

QUESTIONNAIRE

ORGANISATIONAL CULTURE

Below is a list of statements that describe organisational culture. Please consider each group of statements and rank them from 1 to 4.

Scale

- 1 = First choice of statement
- 2 = Second choice of statement
- 3 = Third choice of statement
- 4 = Fourth choice of statement

Example:

STATEMENT	SCALE
I like ice cream because it cold.	4
I like ice cream because of its colour.	2
I like ice cream because of the hot weather?	3
I like ice cream because it tastes nice.	1

	STATEMENT	SCALE
A	The organisation defines success on the basis of the development of human resources, teamwork, employee commitment, and concern for people.	
B	The organisation defines success on the basis of having the most unique or newest products. It is a product leader and innovator.	
C	The organisation defines success on the basis of winning in the marketplace and outpacing the competition. Competitive market leadership is key.	
D	The organisation defines success on the basis of efficiency. Dependable delivery, smooth scheduling, and low-cost production are critical.	

	STATEMENT	SCALE
A	The leadership of the organisation is generally considered to exemplify mentoring, facilitating, or nurturing.	
B	The leadership of the organisation is generally considered to exemplify entrepreneurship, innovation, or risk taking.	
C	The leadership of the organisation is generally considered to exemplify a no-nonsense, aggressive, results-orientated focus.	
D	The leadership of the organisation is generally considered to exemplify coordinating, organising, or smooth-running efficiency.	

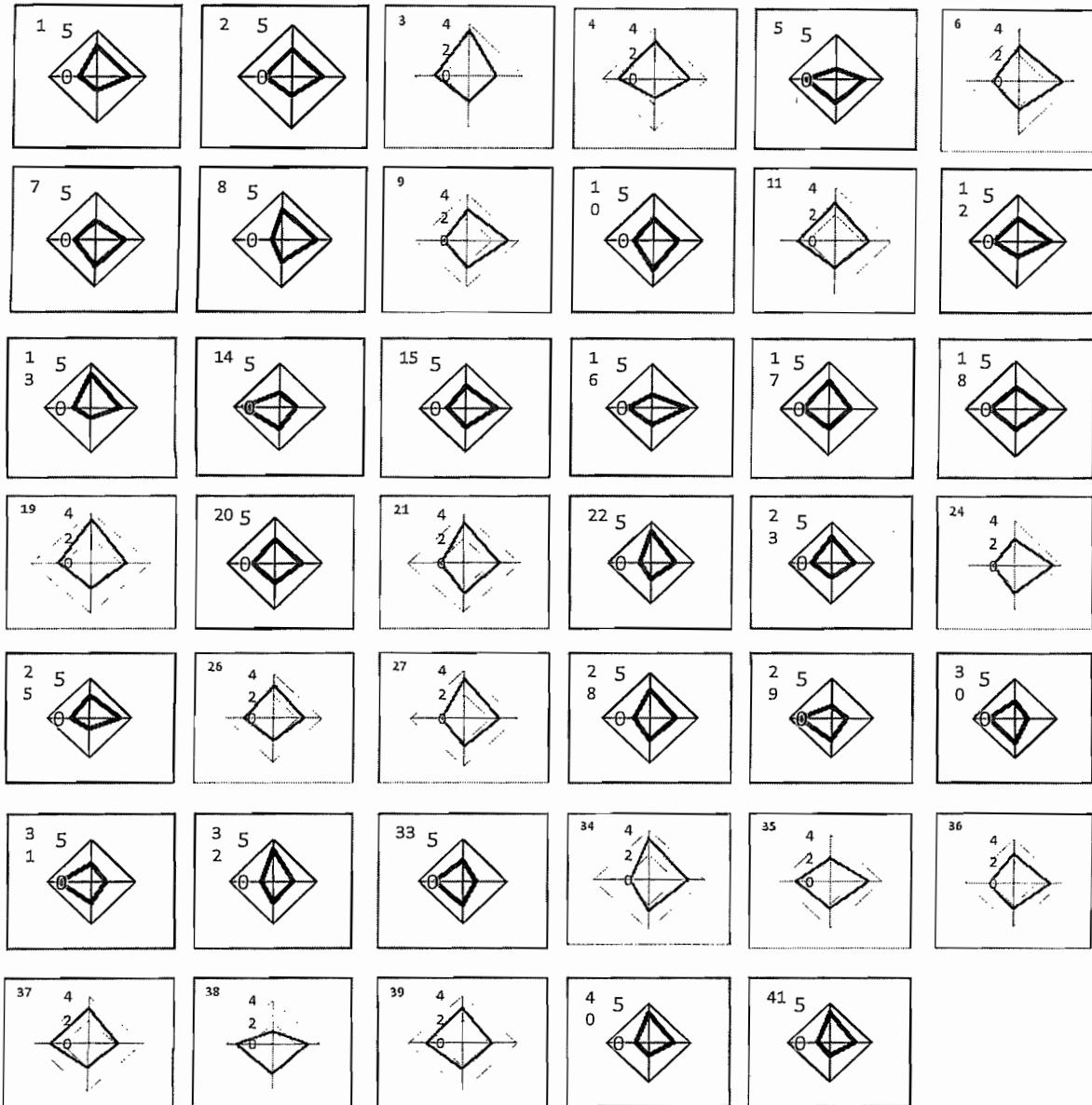
	STATEMENT	SCALE
A	The management of the organisation is characterised by teamwork, consensus and participation.	
B	The management style of the organisation is characterised by individual risk taking, innovation, freedom, and uniqueness.	
C	The management style in the organisation is characterised by hard-driving competitiveness, high demands, and achievement.	
D	The management style of the organisation is characterised by security of employment, conformity, predictability, and stability in relationships.	

	STATEMENT	SCALE
A	The organisation emphasises human development. High trust, openness, and participation persist.	
B	The organisation emphasises acquiring new resources and creating new challenges. Trying new things and prospecting for opportunities are valued.	
C	The organisation emphasises competitive actions and achievement. Hitting stretch targets and winning in the marketplace are dominant.	
D	The organisation emphasises permanence and stability. Efficiency, control, and smooth operations are important.	

	STATEMENT	SCALE
A	The organisation is a very personal place. It is like an extended family. People seem to share a lot of themselves.	
B	The organisation is a very dynamic and entrepreneurial place. People are willing to stick their necks out and take risks.	
C	The organisation is very results orientated. A major concern is with getting the job done. People are very competitive and achievement-orientated.	
D	The organisation is a very controlled and structured place. Formal procedures generally govern what people do.	

	STATEMENT	SCALE
A	The glue that holds the organisation together is loyalty and mutual trust. Commitment to this organisation runs high.	
B	The glue that holds the organisation together is commitment to innovation and development. There is an emphasis on being on the cutting edge.	
C	The glue that holds the organisation together is the emphasis on achievement and goal accomplishment.	
D	The glue that holds the organisation together is formal rules and policies. Maintaining a smooth running organisation is important.	

Annexure C – Individual Participant “OCAI” Results



Annexure D. The Experience of Employment Regulations Questionnaire

BIOGRAPHICAL INFORMATION

Age

(please state your age eg. "33")

Home Language

Mark with an "X" where appropriate (click in the grey box and press "X")

☐

English

☐

Southern Sotho

☐

Swazi

☐

Afrikaans

☐

Northern Sotho

☐

Venda

☐

Zulu

☐

Tsonga

☐

Ndebele

☐

Xhosa

☐

Tswana

☐

Other: _____

Gender

Mark with an "X" where appropriate

☐

Male

☐

Female

Position in Organisation

Mark with an "X" where appropriate

☐

Tradesman

☐

Administrative

☐

Management

☐

Head office

☐

Project based

☐

Integrated Solutions

☐

Maintenance and Shuts

For how long have you been working at the organisation?

Mark with an "X" where appropriate

Less than one year

☐

One to five years

☐

Five to ten years

☐

More than ten years

☐

Type of contract

Mark with an "X" where appropriate

Permanent contract

☐

Fixed term contract

☐

Do you supervise other employees?

Mark with an "X" where appropriate

☐

Yes

☐

No

Academic Qualification/Equivalence

Mark with an "X" where appropriate

☐

Grade 12 or less

☐

Diploma/Certificate

☐

Degree

☐

Post-graduate degree

☐

Other:

Please type other qualification if not listed

EXPERIENCE OF EMPLOYMENT REGULATIONS QUESTIONNAIRE

Please complete the questionnaire with regards to Employment Regulations below. Please mark with an "x" in the appropriate box.

Scale

1 = Strongly disagree	2 = Disagree	3 = Neutral	4 = Agree	5 = Strongly agree
--------------------------	-----------------	----------------	--------------	-----------------------

Example:

SCALE		1	2	3	4	5
a	I like ice cream.				x	

SCALE		1	2	3	4	5
1	I received a copy of my conditions of employment when I was employed.					
2	I know where my copy of my conditions of employment is.					
3	I know how to get another copy of my conditions of employment					
4	I received a copy of the disciplinary procedure when I was employed.					

5	I know where to find the disciplinary procedure.					
SCALE		1	2	3	4	5
6	I am sure that I have been informed of any changes regarding the disciplinary procedure.					
7	I received a copy of the grievance procedure when I was employed.					
8	I know where to find the grievance procedure.					
9	I am sure that I have been informed of any changes regarding the grievance procedure.					
10	I received a copy of the performance appraisal procedure when I was employed.					
SCALE		1	2	3	4	5
11	I know how to get another copy of the performance appraisal procedure.					
12	I am aware of all the employment related policies.					
13	I know how to find the employment related policies.					
14	I read my conditions of employment when employed.					
15	My contract of employment is clear to me.					
SCALE		1	2	3	4	5
16	I know whom to contact in the personnel department if I need more clarity concerning my conditions of employment.					
17	I have contacted the person in the personnel department who can give me clarity concerning my conditions of employment.					
18	I will contact my labour union for clarity on my conditions of employment.					
19	I have contacted my labour union for clarity on my conditions of employment.					
20	The conditions of employment were explained to me by the personnel					

	manager or supervisor when I was employed.					
	SCALE	1	2	3	4	5
21	I know the disciplinary procedure.					
22	The disciplinary procedure is clear to me.					
23	The grievance procedure is clear to me.					
24	The performance appraisal procedure is clear to me.					
25	The other employment related policies are clear to me.					
	SCALE	1	2	3	4	5
26	I understand the contents of my conditions of employment.					
27	I understand how the conditions of employment are applied (eg. How and when my salary is paid).					
28	I understand the contents of the disciplinary procedure.					
29	I understand why the disciplinary procedure is used.					
30	I understand the contents of the grievance procedure.					
	SCALE	1	2	3	4	5
31	I understand the reason for the grievance procedure.					
32	I understand the process of performance appraisal.					
33	I understand the reason for performance appraisal.					
34	I understand the outcomes of the performance appraisal procedure.					
35	I understand the other employment related policies.					
	SCALE	1	2	3	4	5
36	I understand the reasons for the other employment related policies.					
37	I understand the outcomes of the other employment related policies.					

38	I accept my conditions of employment as fair.					
39	I trust the application of my conditions of employment.					
40	I trust and believe that the conditions of employment are applied consistently fair in the workplace.					
	SCALE	1	2	3	4	5
41	I accept the disciplinary procedure to be fair.					
42	I agree with the process associated with the disciplinary procedure to be fair.					
43	I perceive the use and outcomes of the disciplinary procedure as fair.					
44	I trust the application of the disciplinary procedure.					
45	I trust that the disciplinary procedure is applied consistently fair in the workplace.					
	SCALE	1	2	3	4	5
46	I accept the grievance procedure as fair.					
47	I agree with the process associated with the grievance procedure as fair.					
48	I perceive the outcomes of the grievance procedure as fair.					
49	I trust the application of the grievance procedure.					
50	I trust and believe that the grievance procedure is applied consistently fair in the workplace.					
	SCALE	1	2	3	4	5
51	I agree with the process associated with the performance appraisal procedure as fair.					
52	I perceive the outcomes of the performance appraisal procedure as fair.					
53	I trust the application of the performance appraisal procedure					

54	I trust and believe that the performance appraisal procedure is applied consistently fair in the workplace.					
55	I accept the other employment related policies as fair.					
SCALE		1	2	3	4	5
56	I agree that the other employment related policies are fair.					
57	I perceive the use and outcomes of the other employment related policies as fair.					
58	I trust the application of the other employment related policies.					
59	I trust and believe that the other employment related policies are applied consistently fair in the workplace.					

THE END