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# HR FUTURE

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**SUCCESSION  
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COST TO COMPANY  
**REMUNERATION  
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PROTECTIVE  
**RETRENCHMENT**

**STRATEGIC  
POSITIONING**  
BEYOND 2010

In this issue  
**LINE UP**  
IT 4 HR

Human Capital Management: The Heart of Smart Business Management



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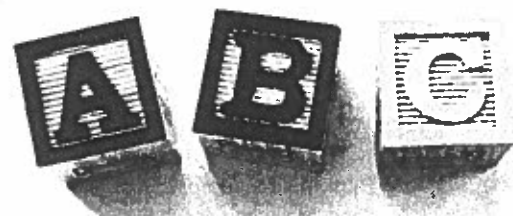
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# SURVEY RESULT TRENDS FROM SA COMPANIES IN 2004

It appears as if South African companies are seeking employees' views to a growing extent to improve their business performance. How did we come to that assumption?

**BY LOOKING AT THE NUMBER OF COMPANIES WHO PARTICIPATE IN EMPLOYEE OPINION OR SATISFACTION SURVEYS DURING 2004. SOME OF THE LIKELY REASONS WHY COMPANIES USE ORGANISATIONAL SURVEYS MORE OFTEN ARE TO:**

- > obtain unbiased information about the organisation;
- > understand and explore employee opinions and attitudes;
- > provide a general or specific assessment of organisational and leadership practices;
- > benchmark results;
- > use the data as a tool in driving organisational change; and
- > improve employee satisfaction and thus customer service.

During 2004 we were fortunate to conduct various organisational surveys involving 33 companies and 39 468 employees. The surveys covered various types of surveys. The most prominent were:

- > employee satisfaction;
- > climate surveys;
- > culture surveys;
- > diversity surveys;
- > human resources effectiveness surveys; and
- > 360° competency analysis.

Some interesting new needs emerged in the market, such as safety and health audits with the focus on the impact of employee attitudes, the reasons for turnover in specialised job categories and surveys tracking the effectiveness of organisational change. Of the mentioned companies, 55% used paper based surveys while the rest did their surveys via the Intranet. The companies who conducted their surveys via the intranet, however, represented 80% of the total number of 39 468 employees who participated in the surveys in 2004.

## **SPECIFIC SURVEY TRENDS**

More companies are now moving towards electronic surveys which are more cost effective, timeous and reliable. About 90% of the companies which were surveyed in 2004 used very specifically developed questionnaires focusing on their company's needs. They did not use generic questionnaires. Companies are also ensuring that their surveys are done more professionally by requesting that their questionnaires be tested for reliability and validity.

An interesting development is that many organisations are using both quantitative information (questionnaires) and qualitative information (interviews and focus groups) to interpret and understand the survey results.

## **RED FLAGS IN THE MARKET**

The positive trends mentioned are, however, sometimes clouded by unprofessional surveys and decision-making by some companies. In one major South African company, for example, the management team decided to use an unreliable and invalid questionnaire although the consultants advised them to adapt the questionnaire. These results were used to assess managers. The risk is that if managers are aware that the instrument which is being used is unreliable, they can take legal action against the company. In another company the results were discussed with no immediate action planning and action plans were only developed after 12 months. Actions were therefore based on results that may not have been applicable at that stage anymore due to the rapidly changing environment that organisations operate in.

## **TRENDS IN RESULTS OF SURVEYS**

Positive as well as disturbing results emerged from the surveys done in 2004. The survey results indicate a trend towards a renewed focus on leadership and the role of managers in leading and managing organisational change. The following positive and negative trends emerged:

### **Positive trends**

- > a high level of job satisfaction in private companies;
- > an understanding of the company's strategic focus, vision, mission and values in private companies;
- > satisfaction with training and development;
- > satisfaction with management practices in private companies;
- > satisfaction with systems, procedures and technology in private companies;
- > confidence and pride in working for the company; and
- > an improvement of communication processes in private companies.

### **Negative trends**

- > dissatisfaction with performance management systems;
- > dissatisfaction with policies and procedures in non-private organisations;
- > high stress levels;
- > a perception that employees are not rewarded for hard work (financial and non-financial);

- a growing dissatisfaction with the implementation of employment equity/diversity;
- a perception that the most qualified people are not selected for appointments and promotions;
- non-management and insufficient communication of change; and
- not motivating employees.

It is also interesting to note that some of the positive/negative trends in SA are also experienced by other countries or are supported by other SA survey results.

#### COMPARATIVE RESULTS

A survey by HSRC in 2003 showed that 87% of South Africans perceived their income as too unequal and 86.6% felt the differences in income in South Africa were too large. These underlying problems might be the reasons why respondents are dissatisfied with performance management systems and the perceptions that employees are not rewarded for hard work.

A survey by Gantz Wiley Research in the USA indicates that less than a third of US workers are satisfied with the company diversity initiatives. It appears as if companies in the US are also struggling to identify proven methods for implementing diversity practices. Similar to our research, this study by Gantz Wiley Research supports the link between employee perceptions and business performance.

#### USING OR APPLYING SURVEY RESULTS

A very promising trend is that many of the participating organisations use the results of the surveys for the development of action plans to influence future interventions, for the development of managers (leader development), to improve customer relations/service and to track change initiatives.

It is evident from our involvement in the market that organisational surveys are playing an increasing role in helping leaders obtain meaningful information that is important for organisational outcomes such as customer satisfaction and business performance. Research has indicated that a five-point improvement in customer satisfaction will drive a 0.5% improvement in revenue growth – powerful stuff for human resources/people management! **HR Professor Nico Martins is the Head: Centre for Industrial and Organisational Psychology at Unisa ([www.unisa.co.za](http://www.unisa.co.za)).**

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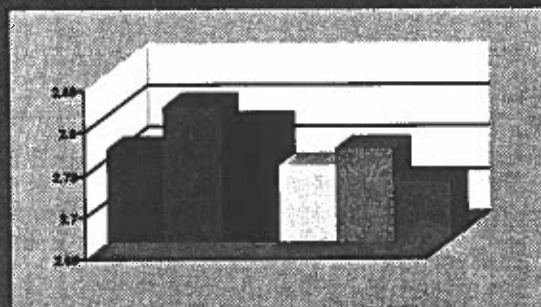
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## ORGANISATIONAL SURVEYS

- Improve your Best Company Profile
- Improve employee commitment
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- Customer satisfaction
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