

Key Leadership Factors towards Business Process Improvement: A Managerial Focus

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Abstract--Complex systems require leaders that are able to deliver the highest quality products and services. Therefore it is critical that organisations hire the right leaders, who possess the right skills in the right roles. The shortage of leaders and leadership skills is creating a challenge for the embattled clothing and textile industry over the past four decades. Competition is forcing organisations to focus their energy on "core competencies." The clothing and textile sector is witnessing changes in technology, diversification of labour, managerial implications while competing on the global market. Managerial competencies are essential in a dynamic working environment where collaboration and team effort is vital for organisational progress. The South African manufacturing industry is plagued with inefficiency and productivity is at its worst level with a 1.35% growth rate. The industry's ability to generate sustainable and productive employment varies according to geographical locations. The aim of this article is to highlight the lack of managerial and leadership competencies in the implementation of business improvement strategies that can be implemented at manufacturers' to improve the productivity levels while trying to save jobs in the industry. An extensive review of literature was undertaken to identify leadership competencies applicable to the South African context. Six leadership competencies were identified and were validated by expert opinion. Both qualitative and quantitative data was used in the survey.

I. BACKGROUND

The clothing and textile industry had suffered job losses between 2002 and 2012 as a result of cheap imports, poor training and a lack of investment by companies, among other factors. The latest employment numbers from Sactwu (the South African Clothing and Textiles workers union) indicate that there is a slowdown in job losses [1]. A fortnight ago, (25 September 2014) the union said the number of jobs lost had declined by 66 percent between a 12-month period in 2010 and the corresponding period last year. In 2010, a total of 10 119 jobs were lost; this dropped to 5 338 job losses in 2011. In 2012, the industry suffered a further 5 330 job losses, while 3 416 posts were cut last year. The clothing and textile industry downsized by 20 percent in the past three years and job losses were estimated at 29 500 between 2007 and 2010 [14].

Economic Development Minister Ebrahim Patel mentioned at an annual bargaining council meeting of the South African Clothing and Textiles Union in Durban on Thursday 6 November 2014 that the clothing and textile industry is slowly regaining its strength if supported by government. Minister Patel mentioned that the sector benefited in terms of incentives and support in the region of

R4 billion which was conditional based on increased competitiveness.

The production incentives are under the Clothing and Textile Competitiveness Improvement Programme, which assists clothing and textile organisations to improve competitiveness and invest in capital upgrading. The government had approved R2.2 billion production incentive fund for the clothing, textile, footwear and leather sector that has come from the department of trade and industry (DTI). An additional R2.2 billion was given by the Industrial Development Corporation in the form of loans and investments. It needs to be noted that technological investments do not operate without manpower, which leads to the question of management and leadership competencies in the achievement of organisational objectives [14].

II. LITERATURE REVIEW

A. The current state of leadership in South Africa

The corporate landscape in South Africa has undergone substantial transformation since we entered our new democracy in 1994. Over sixteen years later, the scars remain of three decades of political and economic isolation during which South African corporates could not participate in the global market and local markets were dominated by a small group of diversified companies.

It is vital to understand what sets the South African business landscape apart from other developed and developing countries. As suggested by the State President, this country is a country of two nations in one, with a small part of it characteristic of the developed world and the most part a developing country.

Most certainly, the multicultural demographics and diversity of the South African population differentiates it from other countries. Diversity in the workplace has only just started to occur with management diversity making considerable progress although, Spicer & Godsell [26] state that there is active debate about whether the pace and scope of transformation in leadership has been adequate to achieve aspirations within the real constraints imposed by the operating and social environment. Some of the unique challenges faced in South Africa include demographics, geographic, languages, literacy levels, etc. and all of these issues influences organizations in some way. Jansen [10] found that South Africans have a predominately individual i.e. self-centred and masculine culture.

There have been significant changes in management and leadership in South Africa within a relatively short period of time. These changes have been driven by legislative

requirements and the implications of corporate governance. Considering the context of corporate governance, the implications of the King III report have extended within the broader context of business such as communication with stakeholders, both internal and external has been placed at board level for the first time.

Skills development is a major area that still requires a lot of resources. Two thirds of respondents in the Business Leadership South Africa member survey identified an inadequate supply of skilled people as a key requirement for rapid growth [26]. The Skills Development Act provides incentives to employers to promote workplace learning for employees. Boninelli et al [2] states that management education and training and leadership development currently feature very prominently on South African companies' training agendas, in the form of their workplace skills plan.

The launch of the National Skills Development Strategy (NSDS) in 2001 was to fulfill the objective of providing South Africa with the skills required for success in the global market and offering opportunities to individuals and communities for self-advancement allowing them to make a positive contribution towards a more productive society. Spicer & Godsell [26] stated that in a recent survey of Business Leadership South Africa members, it was found that companies were spending on average about 5% of payroll on skills development.

Nienaber [16], states, "we need to be preparing for change, the unexpected, it is critical for people to understand what is driving the change so they can not only manage it, but shape it; so that we can set our sails and not be tossed around by these winds of change." Spangenberg [25] predicts that demographic trends to watch include an ageing population, rising life expectancy, plummeting fertility rates, the potential for generational conflict, migration and diversity. This view is also expressed by van Wyk [27] who cites the high turnover of young professionals, increasing mortality rate of young people due to HIV/ Aids, higher rate of early retirement of older professionals and the widening generation gap as reasons for poor knowledge transfer and organizational learning.

South Africa has the potential to achieve such levels of success but leaders need to take charge and implement employment equity and skills development plans effectively. People development-focused leaders need to boost performance levels and reduce the severe skills shortage. This will ensure South Africa becomes a strong player in the global marketplace.

According to Mollo, Groenewald & Stanz [15], the problem of poor organisational performance is rife in many organisations in South Africa. They state that this problem is further highlighted by the annual research conducted and published by the World Economic Forum. The World Competitive Reports of 1994, 1995, 1996, 1997, 1998 & 1999 indicate that South African business organisations fare exceptionally poorly when compared to other developed and developing nations.

Furthermore, a few of the more disconcerting facts are that the capacity of management to identify and implement competitive practices falls in the bottom 25% for all developed and developing nations and South African organisations fall in the bottom 10% for productivity when compared with other developing nations. Mollo et al. [15] stated that this situation requires leadership of organizations in South Africa particularly to take responsibility for developing new management skills and applying these skills sensitively to their specific workforce situation.

According to Daft [3], the mandate for current and future leadership is founded upon results-oriented, solutions-driven and performance-based criteria and actions. According to leadership online [11] authentic leaders distinguish themselves in difficult times - they make their mark in a turbulent environment, characterised by uncertainty, dynamic change and major upheaval, conditions which are all symptomatic of South Africa today.

B. Leadership defined

The concept of leadership has been an area of significant interest to historians and philosophers since ancient times. Scientific studies on leadership only began to emerge in the twentieth century. Many scholars and writers attempted to uncover their own definitions of leadership. Daft [3] stated that one authority on the subject of leadership concluded that leadership "is one of the most observed and least understood phenomena on earth." Daft [3] elaborates that the difficulties in trying to define leadership are due to the fact that the nature of leadership itself is complex.

Daft [3] defines leadership as "an influence relationship among leaders and followers who intend real changes and outcomes that reflect their shared purpose" and uses the following diagram to summarise the key elements of his definition:

Influence: Leadership involves the use of influence. Influence occurs among people. There is no submissive relationship among people.

Intention: Leadership involves intention since it requires both leaders and followers to be actively involved in the pursuit of change.

Personal responsibility and integrity: Leadership involves people taking personal responsibility to bring about the desirable future [22].

Change: Leadership involves creating changes which are reflective of purposes that are shared by leaders and followers.

Shared purpose: Leadership involves an influence relationship between leaders and followers who are wanted to achieve change and see results that reflect their shared purpose.

Followers: Leadership involves followers since it occurs among people. Good leaders must also know how to follow so that they can set an example for others to follow.

Foster [5] defines leadership as the process which a leader uses to influence a group of people towards achieving

“superordinate goals.” These are goals which aim to achieve a higher end so that the benefits are realized by the entire group and not only certain individuals.

Finally from a total quality perspective, Goetsch & Davis [7] define leadership as “the ability to inspire people to make a total, willing, and voluntary commitment to accomplishing or exceeding organizational goals.” In Goetsch and Davis [7] opinion, the ability of a leader to motivate people is a short term external stimulus but the ability to inspire people makes them internalize motivation within themselves resulting in total, willing, and voluntary commitment described in the above definition to follow naturally.

Irrespective of a leader’s background, [17;18] states that good leader’s exhibit five characteristics described below:

Balanced commitment: A good leader is able to ensure a balance between their commitment to the job that needs to be done and the people who need to do the job.

Positive role model: A leader must be a good role model to employees by consistently leading by example.

Good communication skills: Good leaders are effective listeners and are able to convey their ideas in a clear, concise manner where employees do not feel intimidated.

Positive influence: Leaders must be able to use their authority and credibility to influence their employees in a positive manner.

Persuasiveness: Good leaders must be able to use their communication skills and influence to persuade people and help them make a total, willing, and voluntary commitment to their point of view.

III. METHODOLOGY

The research process underpinning this investigation comprises a mixed-method approach which involves the collection and analysis of data through both qualitative and quantitative means. The mixed method approach involves philosophical assumptions with the mixing of both approaches in the study. The discretion of the researcher is applied in determining the magnitude of one approach over the other which is aligned with the purpose of the study. The approach can serve numerous purposes which include triangulation, development, initiation, and expansion. The mixed method approach has both inductive and deductive strategies. Thus, using both methods would enable active collaboration thus enabling better understanding of the phenomena.

The investigation comprises a literature review particularly in managerial and leadership competencies, and individual interviews. The research methodology adopted in the investigation included a literature review of available documents, relevant research reports from the DHET, NADEOSA, journal articles such as the International Journal of Higher Education Policy and Management, interviews and discussions with organisational staff and leadership at managerial level. Questionnaires were developed and sent to managerial level staff with permission from higher levels of

management. People were explained about the objective of the study through both the telephone, email. [13;28].

IV. QUALITATIVE AND QUANTITATIVE FINDINGS AND DISCUSSION

A. Introduction

This section presents the results and discusses the findings obtained for the questionnaire in this study. The results will be presented in the form of graphs, cross tabulations and other figures.

B. Response rate

The response rate was acceptable as 52 completed questionnaires received after a total of 105 questionnaires were emailed. This equates to a response rate of 50%. Some companies refused to participate in the study as they were too busy. Despite repeated telephone calls and follow-up emails the response rate was not improved.

C. Descriptive Statistics

This section presents the descriptive statistics based on the demographic information of the study.

59% of companies surveyed were from the clothing industry, 18% from the leather industry, 9% from the textile industry, 9% from the footwear industry and 4.5% from the medical industry.

TABLE 1.COMPANY SIZE OF RESPONDENTS

| Company size | Count | % |
|-------------------|-----------|------------|
| Small: 1 to 50 | 35 | 67.3% |
| Medium: 51 to 200 | 10 | 19.2% |
| Large: > 200 | 7 | 13.4% |
| Total | 52 | 100 |

Companies were categorised in terms of the number of employees in line with the National Small Business Act 1996 as amended in 2004 which stipulates varying definitions for each industry sector including number of employees, turnover and value of assets. The table above shows the breakdown of small, medium and large companies. 67% of companies surveyed were SMEs. There was no trend found between company size and the extent of application of improvement strategies.

D. Performance of the industry

The clothing industry in SA is performing in the region of 85% labour efficiency. Capital expenditure on new assets averaged approximately 1.4% of sales [19]. With clothing manufacture being labour intensive it is important to advance through the investment in capital requirement and technological innovations to overcome the competitive nature of the industry. Exports decreased, while imports increased. Labour efficiency of the SA clothing operators is

approximately on par with the United Kingdom, European Union and the United States but it is the application of technology, working culture and productivity levels that are a matter of concern.

E. Description of the industry

The clothing industry is dispersed throughout South Africa, but is condensed in the provinces of KwaZulu-Natal and the Western Cape. In Kwa-Zulu Natal, the clothing and textile facilities are found in and around the Durban Metropolitan area with pockets in the north and south coasts, Newcastle, Ladysmith, and Qwa-Qwa. In the Durban metropolitan region (only) there are about 300 organisations employing over 15000 workers. The major part of the South African clothing industry is dominated by small and average sized organisations, i.e. those employing less than 200 employees which make up the majority of CMT manufacturers [9;18]

According to the National Bargaining Council statistics, it is estimated that there is approximately 827 formal (registered) clothing companies in South Africa. The clothing and textile industry in South Africa is predominantly South African owned. There are a substantial number of foreign-owned organisations which are located in non-metropolitan areas. The majority of CMT manufacturers, as well as micro-manufacturers receive their customer orders from the larger independent organisations [19].

Many industrialists from Chinese origin established clothing and textile operations in areas such as Hammarsdale, Mooi-river, Ladysmith, Isithebe and Newcastle. Clothing manufacturers appear to be medium-sized and focused on exclusive outer-wear for the middle to upper-end of the market. These manufacturers sometimes outsource their production to CMT (cut, make, trim) operations. The investigation focused on a limited number of “larger” organisations as these organisations restructured their facilities totally.

V. QUANTITATIVE FINDINGS AND DISCUSSION

A. Introduction

Schultz et al. [23] provide an interesting perspective on authentic African leadership. The relevance of the vast number of leadership theories derived from international studies to the South African context can be questioned. A leadership perspective needs to be developed that takes into consideration the findings of international leadership theories but is also uniquely South African. Schultz et al. [23], the uniqueness of our country lies in who we are and we have to deal with our humanity to discover the answer to these questions.

Schultz et al. [23] proposes the most popular South African idea, the concept of “ubuntu.” The word “ubuntu” literally translates to “we are what we are through our interaction with others. Schultz et al. [23] suggests that when leaders get in touch with their own humanity, they will in turn

enable their people and organizations to discover their own authenticity. Schultz et al. [23] urges South African leaders to actively find and develop a homegrown concept of ubuntu. This requires a lot more involvement in relation to participative management practices.

B. Leadership dimensions

Leadership dimensions help to define the effectiveness of leaders. The trait dimension is one of the earliest academic approaches to leadership. This theory was based on the assumption that leaders were born and not made. The trait theory attempted to identify physical or personality traits that differentiated leaders from followers [20;21;23]. However, Daft [3] stated that in general, research only found a weak relationship between personal traits and the success of a leader. Recently there has been renewed interest in studying leadership traits. Some of the traits considered important across trait research over the years include optimism and self-confidence, honesty, integrity and drive [11;12].

In a study conducted by Mollo et al. [15], a manufacturing company in Gauteng was experiencing many problems according to reports and perception surveys. Poor performance at the company was alleged to be due to the lack of effective leadership however, poor performance can be attributed to many factors including structures, systems, and procedures, organisational and interactive systems in place. Semi-structured interviews were used to research the problem since it was not clear what was contributing to poor performance at the company. Participants were selected through purposeful sampling. The population was divided into four sub-populations i.e. operators, supervisors, middle managers and executive managers. Information was obtained through purposeful discussions with the participants with the focus on leadership competencies.

Mollo et al. [15] recommended that the main focus of the manufacturing company should be instilling the following competencies; leadership with credibility, having a sense of mission and purpose, ability to communicate a vision, ability to inspire others, emotional intelligence, ability to participate fully with people on all levels, ability to detect positive qualities in others, and the willingness to share responsibility in a measure appropriate to those qualities and willingness to learn, adapt and grow since change is often a step into the unknown [8].

A diverse group of leadership and human resource experts ranked the fifteen leadership capabilities in terms of importance and relevance. The top ranked leadership capabilities were further consolidated by O’Brien et al. [17] resulting in a total of nine leadership competencies. O’Brien et al. [17] identified nine leadership competencies including authenticity, agility, resilience, foresight, self-mastery, G-localism, intuition, presence and creativity from the study.

Boninelli et al. [2;4;6]states, in his article on developing extraordinary leaders that top leaders need to acknowledge that leadership development and personal growth should be a

way of life and that leaders also require consistent development.

The rationale for organizations who dedicate time, energy and money into leadership development is questioned by Boninelli et al. [2] and he answers that some reasons may include:

- To get managers to think and act more like leaders
- To improve skills of their leaders to enable them to deliver on company strategy
- To ensure that managers treat people well resulting in happy and productive employees and
- To ensure the future legacy of the organisation

However, Boninelli et al. [2] adds that none of the above objectives will materialise unless the prospective leader to be developed first looks inward and then at people and situations around him differently. This change of focus then follows a change in behaviour and the prospective leader should then change the way he does things. In this way an organization achieves their return on investment in developing leaders.

Six leadership competencies were derived from extensive review of literature and expert opinion to compile a list of leadership competencies which were required business improvement implementation and most importantly were relevant to the South African manufacturing sector. The six competencies are authenticity, foresight, empowerment, agility, systematic and diversity.

These leadership competencies can be used by organisations to provide top management with insight into the key leadership competencies necessary for successful implementation of business improvement strategies in South African manufacturing industry.

C. Quantitative findings

1. Authenticity competency

Although nearly 82% of the respondents believed that management foster trust by acting fairly and honestly, only a little more than half (54.5%) of the respondents believed that management’s leadership maintains a culture of strong mutual trust and respect. These results contradict each other.

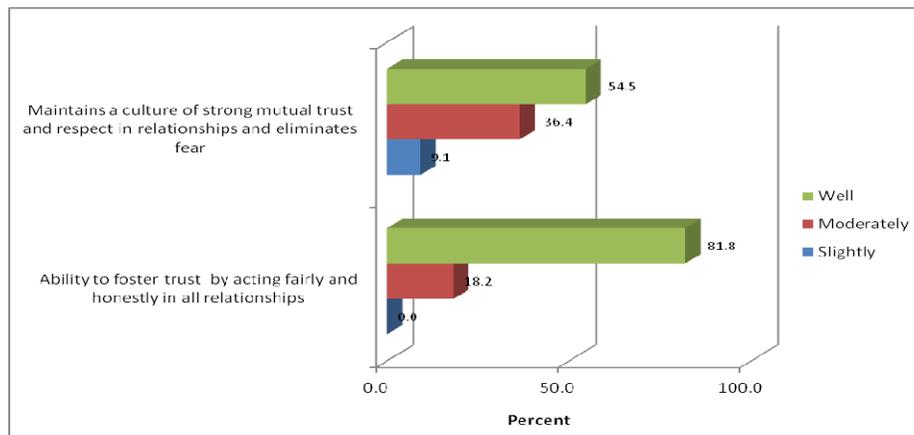


Figure 1: Graph illustrating respondents scores for the Authenticity competency

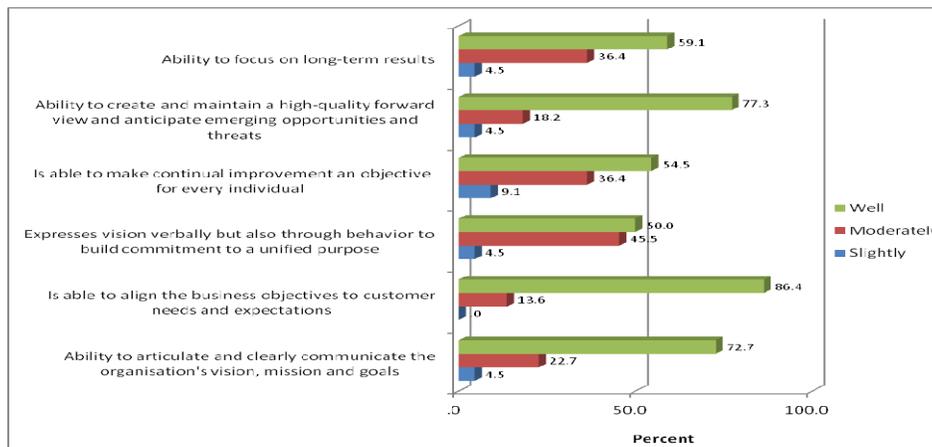


Figure 2: Graph illustrating respondents scores for the Foresight competency

2. Foresight competency

It was disappointing to observe that only 50% of respondents rated top management at their company as being able to lead by example in expressing the company vision through their behaviour. Although 73% of top management may be able to articulate and clearly communicate the company’s vision, mission and goals however, their ability to express their vision in their behaviour appears lacking.

Another critical area in the implementation of business improvement strategies is the ability of top management to focus on long term results, however, this ability was only exhibited by 59% of top management. A positive note was that 86% of top management was able to align the business objectives of the company to customer needs and expectations.

3. Empowerment competency

The scores for the empowerment competency were quite disappointing which indicates that leadership in South Africa still needs to develop this competency.

4. Agility competency

The ability of top management to be flexible, responsive, adaptable and show initiative during change or uncertainty was only considered to be exhibited well by 64% of respondents with a further 27% of respondents considering top management at their company to exhibit this competency moderately. This competency is especially necessary in dynamic environments and a core leadership competency required to meet the needs of the future business environment [17;27].

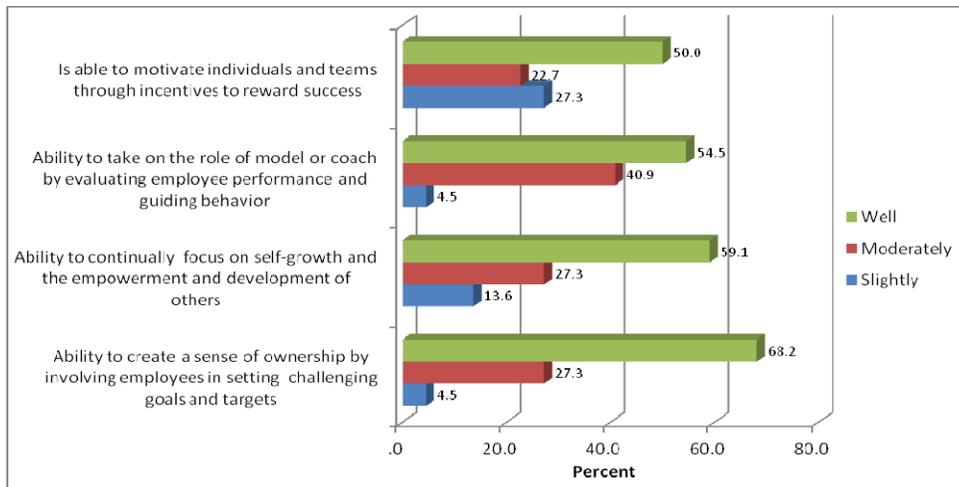


Figure 3 Graph illustrating respondents scores for the Empowerment competency

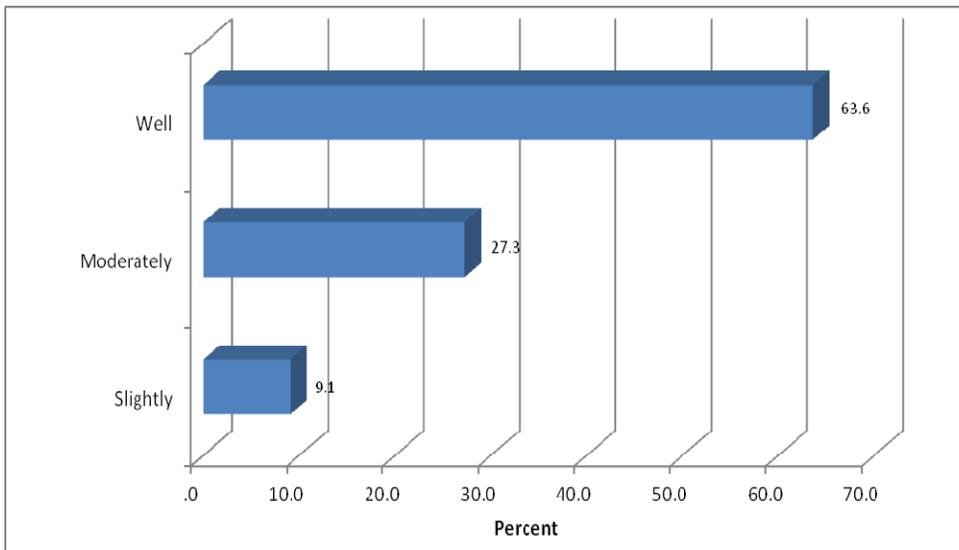


Figure 4: Graph illustrating respondents scores for the Agility competency

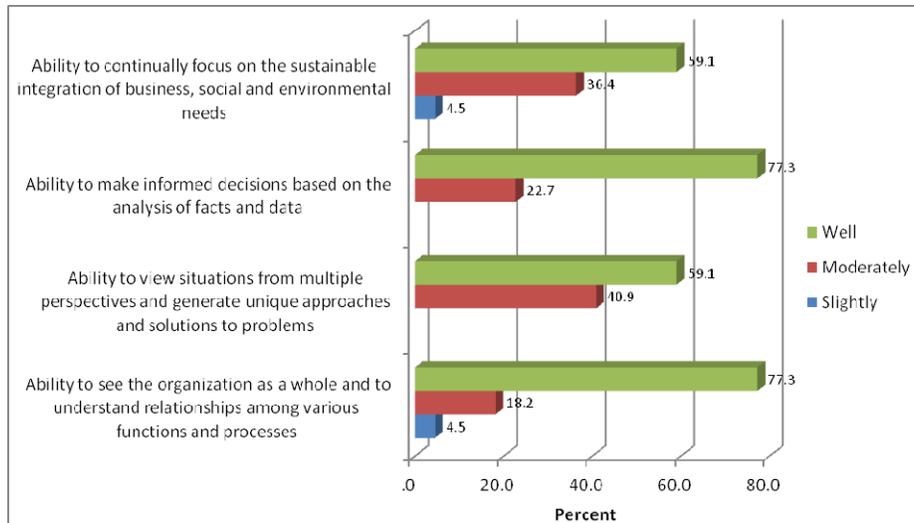


Figure 5: Graph illustrating respondents scores for the Systematic competency

5. Systematic competency

Customers are what drives a company and recent developments have seen many customers putting pressure on their suppliers to not only provide good quality products at fair prices but also invest in corporate social responsibility. Companies need to respond to customer needs and expectations. The results however show that only 59% of top management was rated well in their ability to continually focus on the integration of business, social and environmental needs. In addition only 59% rated their top management's ability to view situations from multiple perspectives and generate unique approaches and solutions to problems. This ability can be linked to the creativity competency and conceptual flexibility competency [17;24;27].

6. Diversity competency

The ability of top management to exhibit the diversity competency achieved the poorest scores with none of the statements scoring above 60%. In a country which is characterised by its diversity it appears the individual culture is still predominant[10]. It appears from the findings that top management in South African manufacturing companies are far from developing a collaborative culture and promoting teamwork. Certainly this is a major area that will likely impact on a company's efforts in implementing business improvement strategies.

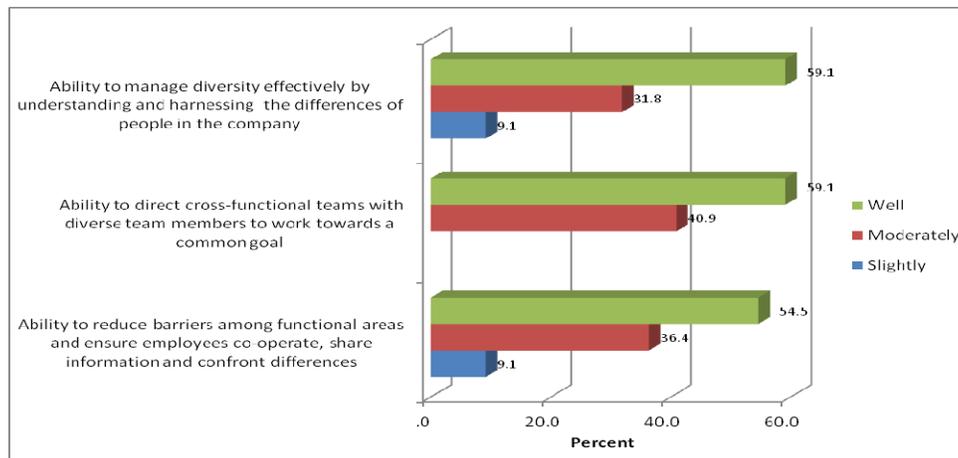


Figure 6: Graph illustrating respondents scores for the Diversity competency

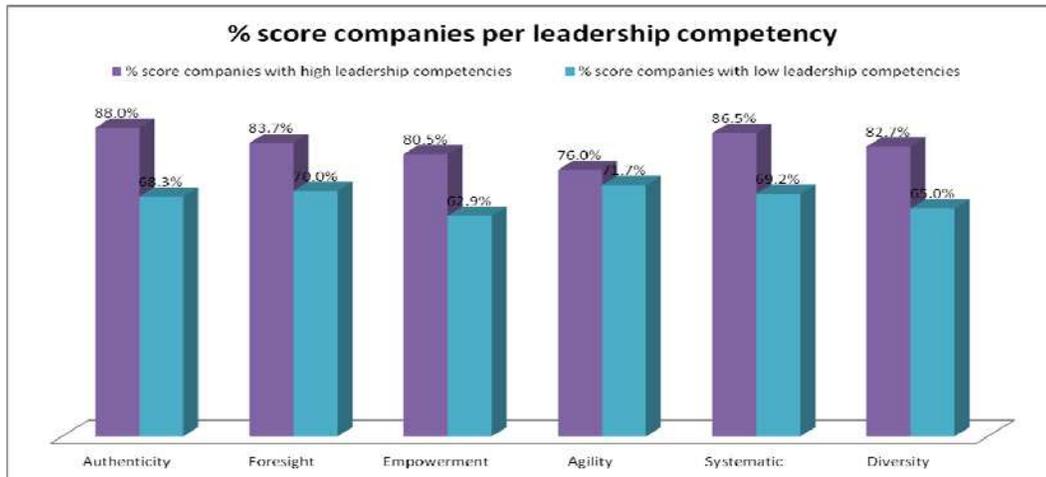


Figure 7: Graph illustrating the scores obtained by companies for each leadership competency

7. Comparison of companies

The above graph illustrates the significant differences of scores obtained for each competency by companies with low leadership competencies and companies with high leadership competencies. The overall percentage mean score for leadership competencies in companies with high leadership competencies was 83% and 68% for companies with low leadership competencies. This is a difference of 15% in the extent that the six leadership competencies were exhibited by top management at companies. Agility and foresight competencies were exhibited to a higher extent in companies with low leadership competencies. In contrast, the authenticity and systematic competencies were exhibited to a higher extent in companies with high leadership competencies [4;17].

VI. IMPLEMENTATION OF BUSINESS IMPROVEMENT STRATEGIES

3 organisations were chosen for the implementation of work study principles and the results are as follows:

ORGANISATION A

This organisation employed 150 people. One line (25) operators were chosen on the manufacture of blouses. The researcher evaluated the current status with the production of 75 units per hour. The researcher performed work measurement through the performance of time studies on all operations. Methods of operation and the layout of the workplace were evaluated to improve the handling of garments on all 25 operations. The operations were balanced to minimise time between operations. The layout was adjusted to improve the flow of products to improve work flow between operations. Over a period of two weeks the production rate improved to 120 units per hour. This was an efficiency improvement of 62.5%. Thus, through fundamental work-study practices the output of the line improved by approximately 63%.

ORGANISATION B

This organisation employed 350 people and manufactures men’s trousers. One line of 45 operators was chosen. The researcher evaluated the current status of the production line and observed the following:

- lack of performance standards;
- lack of line balancing;
- inefficient flow of materials;
- machinists waiting for work;
- Inefficient work layout and ergonomics.

The output averaged 80 units per hour. The researcher spoke to management and the machinists to inform them of the current status. With the application of work-study principles discussed in the researcher changed the following:

- changed the method of handling the garment with ergonomics in mind
- improved the flow of work
- balanced the operations
- eliminated wastage in the form of time, unnecessary movement of materials and non-value adding activities
- set time standards for each operation

The production output performance improved to an average of 145 units per hour. This was an efficiency improvement of 57% within 3 weeks.

ORGANISATION C

This organisation employed 100 people for the manufacture of shoulder pads as trims for the clothing industry. The managing director requested an evaluation of the plant and the researcher was willing to conduct the evaluation. The organisation produced 80 pairs of shoulder pads per hour.

The researcher found the following inefficiencies:

- lack of time standards
- lack of performance management

- poor work methods
- inefficient flow of materials
- poor work organization
- lack of space and inventory stored “all over the place”
- lack of motivation and poor leadership
- lack of line balancing
- poor environmental conditions with insufficient lighting and poor air circulation

The researcher addressed the above issues through the application of work-study principles and achieved an output of 150 pairs of shoulder pads per hour.

The researcher is confident that with the application of fundamental process improvement strategies coupled with effective managerial and leadership qualities, the clothing industry could improve efficiency by approximately 30%. Management needs to take the initiative of getting in the required skills to implement these changes, which could almost double their current profitability.

VII. QUANTITATIVE ANALYSIS AFTER IMPLEMENTATION OF PROCESS IMPROVEMENT

A. Introduction

The workforce of the majority of the organisations sampled complained that management did not treat them as “assets” of the organisation. They claimed that they are often treated poorly and management would not consider their views on issues. Labour relations are considered “sub-standard” as management regard workers as another “input” for production. Workers mentioned that all management is concerned about is production, and didn’t care how it is achieved. The portrayal of an authoritative management style is common in the clothing industry due to its labour intensity. But the ability to improve the morale through the philosophy of total management could have a positive impact on the output performance of the industry [8;20;21].

Organisations are positive about their future in the industry and adopted an attitude of “survival of the fittest.” Managers are reluctant to believe that the implementation of process improvement methodologies within the production environment would enhance productivity levels.

B. Management commitment

Any change in the organisation stems from top management. Commitment from management drives the process of change and nothing can be achieved if management does not support the initiative. Once management gives their approval any change is possible, but employees need to understand and support the changes for it to be successful.

Management realised that in order to counteract the threat of imports they would try out the team-working concept although employees wished for “the good old days.” They could not afford huge piles of inventory on the machine floor.

Employees were delighted that the plant manager supported the initiative and frequently visited to find out how they were performing. An employee of the team briefly summarized how he felt and mentioned that any project has to have the support of management and the acceptance from employees for it to be successful. The managing director of the organisation initiated the process of change as funding in terms of labour is involved. Support from management, especially in terms of funding is important for a project of this nature.

The planning, organising, leading and controlling of the project are important as it would benefit the organisation over a period of time. The clothing industry is in need of radical change that would be able to counteract the competition faced. Employees were thankful that they had commitment and the necessary expertise from the management team.

C. Education and training

A number of training sessions were held with the team of employees to provide orientation with the objectives of the project. Employees held discussions regarding their concerns so that everybody understood their role in the project. The researcher explained that this was a pilot project for the purpose of adding value to the organisation and if it did not work, they would go back to the assembly line system using the bundle system methodology.

The organisation invested in training and development of employees on an ongoing basis. It was mentioned that training of employees in the latest developments would enhance employee skills and workers would embrace changes in future. Another employee’s experiences was that people would be willing to change if they knew what the change was all about and how it would impact on their work. Mention was made that employee involvement from the very outset would clear any negativity that may be spread through the grapevine within the organisation. It was said that management discussions behind closed doors regarding changes are unhealthy for an organisation. Open communication and the building of trust among the people are extremely important.

An employee mentioned that learning can only take place by change in attitude and behaviour. She mentioned that training makes employees aware of the current occurrences, what employees should expect and the manner in which barriers could be reduced. This is a great motivator for the workforce.

Employees were enlightened on the benefits of team-work and how it could change the entire organisation. An employee mentioned that training made them understand the current status in the clothing industry and how they could rise above the competition. It was mentioned that they are setting an example for the industry to follow and they could be the best manufacturer in the clothing industry. The advantages they experienced created team-spirit and they found that they were responsible for the making this project a success.

Another employee mentioned that the concept would be ineffective and that government intervention was the only way that the industry could be saved. The researcher interacted with the individual and convinced him of the way forward.

The employee admitted that he was sceptical and did not want change, but since there was communication with management and training of workers, he would “go with the flow.” The comments suggest that a project such as this needs education, training, communication and management support.

Open communication is important in a project. The sharing of information between management and employees enhances the success of the project. It was mentioned that the dissemination of too much information and the interpretation of the information could cause problems within the work environment. The “grapevine” misinterprets information and employees become despondent. It was mentioned that 15 years ago operators were not allowed to speak and at present communication is encouraged in team-work.

An employee mentioned that this was quite a change for “them.” It was mentioned that approximately 15 years ago the floor manager had an elevated office at a centralised point on the machine floor where there was a clear view of all employees. “Management by walk about” (MBWA) has become a prominent feature in the clothing industry. It was mentioned that the manager should be a part of the team on the production floor, know the employees by name and understand the problems experienced. Much could be achieved if team-work is implemented throughout the organisation and all employees strive to achieve the mission and vision of the organisation. Human assets need to be appreciated to enhance their motivational level. Working together could “change a mountain into a molehill,” mentioned an employee.

It was mentioned that employees were often ignored and management made all the decisions. Issues such as product quality, customer expectations, productivity were never disclosed to employees. A motivated workforce can achieve labour efficiency without the pressure from management. It was explained that communication among the employees and management improved quality of production and an empowered employee could definitely add value to the organisation, no matter what problems were faced.

It was mentioned that customer focus and expectations, together with quality and on time delivery is an organisational problem, and not only the responsibility of the floor manager’s. The team effort created a change in the working climate with information sharing that enables employees to better understand the operational aspects of an organisation.

The implementation process outcome indicates that active employee participation with knowledge sharing could improve the performance of the organisation. Sharing information about the costs that go into production and the financial position of the organisation makes employees understand the importance of “right the first time, every

time.” With work-study officers involved in the process, all work measurement and method study evaluations were done with the team that shared ideas on methods and ergonomics. With the adoption of transparency in all activities employees understood their situation and that of the organisation.

D. Benefits of the new system

Encouraging results were achieved with a participative management style. On a general note, the sharing of information created a positive atmosphere. Due to the fact that this was a learning curve for the purposes of the research some of the benefits did not materialize. The multi-skilling of the employees helped overcome the effects of absenteeism. Employees, who normally sat at their machines for the entire day with one task, were now given the opportunity to teach and learn from others to resolve problems and become efficient team players. This was a challenging task.

The organisation benefited overall as the productivity of the line improved by 10%, while labour efficiency improved by 15% and the morale of the employees improved with education, training, open communication and above all, being treated with dignity. Absenteeism had minimal effect on the cell, and employees going on a personal break were supported by the team.

The changing of jobs created better efficiency as operators became attuned to multi-tasking with a reduction in boredom as operators normally performed the same task for many years. It was, in a sense, a revival of energy that was experienced during the project.

It was mentioned that modular manufacturing produced the garment quicker, with no work in progress. There was an improvement in the visibility of tasks and operators, as there was minimal work in progress (approximately two units per operator). The team approach seemed to push the garments faster. It enabled operators to respond to customer requirements much quicker. Work in progress has reduced from a week to a day. People were taking responsibility for their processes as there were no rejects as the team ensured quality at each stage. Education and training improved that morale of the team with an improved output performance. Indirect labour was eliminated as members performed both direct and indirect operations. Supervision among team players was reduced as each member took ownership of the performance of the group.

E. Complaints about the new system

There were many challenges for the new system. Two employees complained and seemed to be negative about the system saying that they did not like moving around and were used to sitting in one place and working and did not like change. The concerns revolved around the following issues:

- multi-skilling, education and training;
- team-understanding and formation; and
- payment systems.

F. Multi-skilling, education and training

This was a drastic change from the norm as employees never experienced change for a decade and preferred remaining in a comfort zone. Therefore ongoing training on innovative business processes is imperative for an organisation. The concept of team-work (modular/cell manufacturing) was developed over 50 years ago, and operators in this plant were never exposed to it.

It was mentioned that in order for employees to accept change, there needs to be open communication among employees with the required education and training.

G. Team understanding and formation

The composition of the team is of the utmost importance. Members need to understand each other especially with regards to diversity. Therefore, team-members need to be thoroughly interviewed to determine whether they fit into teams. A series on education and training sessions are required to create an understanding of the dynamics of team-work. Personality clashes should be avoided, and should there be a problem, it needs to be addressed immediately.

H. Payment systems

The rate of pay of machinists is a contentious issue. Employees were willing to go through the training but wanted a higher rate of pay. Team members felt that they were not rewarded for their input.

VIII. RECOMMENDATIONS AND CONCLUSION

Although not perfect, the team approach was perceived by most of the employees interviewed in this case study as being superior to the traditional bundle system. This new management approach may not work for all companies, but for many it has proved feasible. Using the case study approach, this research provides insight about key components in the transition to a team system. One of the keys to success in this plant was having upper level managers committed to the team system because it takes a great deal of time and financial resources in the beginning and it does not happen without careful planning.

In addition, employees attributed the success of the transition to the plant manager. The manager not only harnessed the potential of the skills of the team, but empowered them to manage themselves. A successful organisation harnesses the potential of its workforce through open communication and the breakdown of barriers that prevent effective performance. Key elements to note are management commitment, education and training and leadership that drive the organisation towards the attainment of organisational goals.

The results of all companies surveyed indicated that the empowerment competency scored the least in comparison to the other competencies. This is indicative of the culture in South Africa which is a very individual-centred culture. However, empowerment of employees is vital in involving

them and making them feel a part of the system. The poor score for the empowerment competency can be related to the lack of involvement of employees in the organization. The diversity competency also scored quite poorly indicating that top management needs to change its views on diversity before it can attempt to instill a culture of collaboration and teamwork.

Change is initiated by leadership with strategic vision for the success of an organisation. The vision and mission comes from the organisation's leadership [22;24]. Visionary leadership drives the organisation towards the attainment of organisational objectives through the transfer of decision-making ability to the workforce. Thus the efficiency in the utilisation of resources is improved through the creation of trust [12;29].

Visionary leaders create and articulate a realistic, credible, and attractive vision of the future that grows out of and improves upon the present. Visionary leaders have three skills: ability to explain the vision, ability to express the vision, and ability to extend the vision. The leader needs to be proactive and use the current threat as an opportunity towards the creation of a competitive industry. The barriers in communication should be eliminated through the application of communication skills and the respect for others [8]. The sharing and learning in the workplace develops an increase in morale and the exposure of employee capabilities [22].

It was the researcher's observation that there is a need for ongoing research and technological developments that would enhance the viability of the sewing operation in order to achieve maximum efficiency and productivity. Further, in order for the South African clothing industry to survive global competition, manufacturing systems with a focus on training and development of human assets, customer service and delivery and quality management principles need to be implemented.

The study concluded that the clothing manufacturing industry in South Africa presents significant challenges for management. A large percentage (75%) of organisations is experiencing marginal profitability and could not afford skills that would enhance productivity. For these organisations, either government support in terms of funding work-study officers or the sharing of work-study officers would definitely make a change in the status of manufacturing. Motivated managers are able to develop inexpensive and ingenious solutions to many of the problems that are brought to their attention.

The study reveals that many plants still operate under an unenlightened management philosophy that rejects the application of process improvement practices. Managers fear that the introduction of such practices would "plant seeds of suspicion" in the minds of the workforce that may lead to unhealthy relations.

The challenge for a clothing production manager is to minimise input costs while achieving improved productivity and remaining flexible and meeting customer demands. Labour savings and increased productivity could be achieved

by reducing the ratio of number of workers to number of machines. Increased productivity for human activity could be achieved through multitask operations (i.e. cross-training operators) and other methods that would allow the same amount of work to be done in less time.

In the South African clothing industry, management commitment in supporting improvement initiatives, the management of a diversified workplace and the allocation of resources are essential for performance improvement. Through simple, innovative and creative thinking, the current status of the industry could be improved through the application of the process improvement tools and techniques. The researcher would like to conclude by emphasising that process improvement methodologies need to be implemented through a structured plan of action. Lastly, it is important to note that leadership combined with managerial competencies in a diversified working environment would drive the organisation towards its strategic objectives.

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