LEADERSHIP STYLE TO SUSTAIN ORGANISATIONAL CULTURE

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(RESEARCH REPORT FOR UNISA 2006)
EXECUTIVE SUMMARY

One of Kumba Resources’ strategic objectives is to create a high performance culture amongst its employees. The Hay-group identified through worldwide studies that leadership style has a 70% influence on organisational culture, which in turn explains a 28% increase in revenues and profits. In view of the fact that leadership can have a positive influence on the bottom line it was identified as one of the key drivers to enhance performance. Thabazimbi iron ore mine implemented this leadership model to impact on the culture to move towards a ‘high performance’ culture. Thabazimbi developed an organisational culture model that is aligned to the foundational values (caring, accountability, fairness, integrity and respect) of Kumba Resources. Thabazimbi is in the process of building a strong organisational culture by creating an environment for its employees to perform in. The latest Organisational Culture Assessment that was conducted during November 2005 indicates that Thabazimbi’s culture is a ‘moderate high performance’ culture.

As a mine progresses towards the end of its economic life it reduces non-core activities and in the case of Thabazimbi waste stripping was scaled down. This reduction in activities has the consequence that less equipment is needed and therefore it resulted in the redundancy of some employees. This redundancy culminated into a downsizing process that could have a negative impact on the mine's organisational culture if an inappropriate leadership style was used.

This study identified the prevailing leadership style of middle management as well as the most appropriate leadership style to be used by middle management to ensure that the organisational culture is sustained during this downsizing process. The unit of analysis is Thabazimbi’s middle management team.

In order to address the research problem and sub-problems the following propositions and conclusions can be made:

- In the consideration of the leadership continuum the dominant styles should be transactional- and/or transformational leadership. In the past transformational leadership was emphasised and a high performance culture was established. *(From a literature as well as a research point of view this proposition is definitely valid.)*
The management team of Thabazimbi will predominantly prefer a transformational leadership style, as they want to sustain or improve the organisational culture. (*In view of the research findings it is evident that the proposition is invalid, as the management team prefer both styles equally.*)

The subordinates may need a more structured leadership style during the downsizing exercise. (*This proposition is valid from the literature as well as the survey results obtained.*)

The employees with longer service experienced more changes in the organisation and would prefer a transformational leadership style. (*This proposition is invalid due to an equal preference of both leadership styles.*)

The desired leadership style preference differs between floor level employees and first line managers. (*A difference in the desired leadership style between the levels was observed and this proposition is therefore valid.*)

A Multifactor Leadership Questionnaire, developed by Bass & Avolio (1994), was used to determine how often leaders employed a specific leadership style. This was determined from a sub-ordinate’s as well as from a manager’s perspective.

Swanepoel, Erasmus, van Wyk & Schenk (2003) describe that transactional- and transformational leadership styles are complimentary to each other and not opposing each other. This study supports this viewpoint and is of opinion that the choice of leadership style should be guided by the dynamics of the situation. Differences in actual and desired leadership styles suggest that middle managers should improve their transactional- and transformational leadership skills and utilise them to sustain the organisational culture during the downscaling process.
CONTENTS

FIGURES AND TABLES ........................................................................................................ VI
DECLARATION ..................................................................................................................... VII
ACKNOWLEDGEMENT ................................................................................................. VIII
GLOSSARY ...................................................................................................................... IX

1. INTRODUCTION ........................................................................................................ 1
   1.1. Background ........................................................................................................ 1
   1.2. Problem statement ......................................................................................... 10
   1.3. Purpose of study ........................................................................................... 11
   1.4. Research question ........................................................................................ 11
   1.5. Unit of analysis ............................................................................................ 12

2. LITERATURE REVIEW .......................................................................................... 13
   2.1. Leadership ........................................................................................................ 13
   2.2. Organisational culture .................................................................................. 20
   2.3. Change management ..................................................................................... 25
   2.4. Integrating leadership, culture and change ................................................... 33

3. RESEARCH DESIGN .............................................................................................. 38
   3.1. Design strategy ............................................................................................... 38
   3.2. Sample design ................................................................................................ 40
   3.3. Measurement ................................................................................................... 42
   3.4. Measurement tool .......................................................................................... 43
   3.5. Questionnaire profiles ................................................................................... 44
   3.6. Expectations .................................................................................................... 45

4. RESEARCH METHODOLOGY AND RESULTS .................................................... 47
   4.1. Method of data collection ............................................................................ 47
   4.2. Data description ............................................................................................. 48
   4.3. Statistical method .......................................................................................... 50
   4.4. Results obtained ............................................................................................ 52

5. DISCUSSION OF THE RESULTS .......................................................................... 59
   5.1. Dominant leadership styles .......................................................................... 59
   5.2. The preference of the management team ..................................................... 59
   5.3. The preference of the sub-ordinates .............................................................. 60
   5.4. Service ............................................................................................................ 60
5.5. Level ........................................................................................................ 61
6. CONCLUSIONS AND RECOMMENDATIONS ........................................ 62
  6.1. Conclusions regarding the propositions .............................................. 62
  6.2. General conclusion ............................................................................ 66
  6.3. Recommendations ............................................................................ 66
  6.4. Proposed further study ..................................................................... 68
7. BIBLIOGRAPHY ..................................................................................... 69
ANNEXURE 1 ................................................................................................ 72
FIGURES AND TABLES

Figure 1.1 Leadership influence on culture and revenue. (Hay Group, 2005) ................. 2
Figure 1.2. Inappropriate and appropriate use of leadership style. ......................... 3
Figure 1.3. The competency model. (Hall, 1994) .................................................. 5
Figure 1.4. Thabazimbi iron ore mine culture model. ........................................ 6
Figure 1.5. OCA results since 2001. .................................................................. 8
Table 1.1. Performance classifications. (Leadership Systems International, 2005) ........................................................................................................ 9
Table 1.2. The reduction of total tons mined. ......................................................... 10
Figure 1.6. Organisation chart of Thabazimbi iron ore mine. ............................. 12
Table 2.1. The difference between management and leadership. (Kotter, 1990: 6) .................................................................................................. 19
Table 3.1. Planned participation list. ................................................................. 41
Figure 3.1. The full range continuum. (Bass & Avolio, 1994) ......................... 43
Table 4.1. Frequency distribution of the independent variables. ....................... 48
Table 4.2. Explanation of the measures in descriptive statistics ....................... 49
Table 4.3. Descriptive statistics of the actual and desired leadership styles ... 50
Figure 4.1. Assumed hypothesis values (H_0) for different leadership styles over a frequency spectrum ........................................................... 51
Figure 4.2. Production team evaluation .......................................................... 53
Figure 4.3. Middle managers evaluation ......................................................... 54
Figure 4.4. Service distribution evaluation ....................................................... 55
Figure 4.5. Affected and unaffected employees evaluation ................................ 56
Figure 4.6. Departmental evaluation .............................................................. 57
Figure 4.7. Hierarchical evaluation ............................................................... 58
Table 6.1. Characteristics and actions of transformational leaders ................. 68
DECLARATION

“I declare that ‘Leadership Style to Sustain Organisational Culture’ is my original work and that all the sources I have used or quoted have been indicated and acknowledged as complete references, and have not been submitted for degree purposes previously.”

_____________   ______
Gerhard Brand   Date
7009 462 4
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I would like to thank:

- My Lord, Almighty God for the courage and perseverance He provided me during this course,
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- All the employees who contributed to the research project.

I deeply appreciate it.

Gerhard Brand
GLOSSARY

4I’s: Transformational leadership styles. (Individualised consideration, Intellectual stimulation, Inspirational motivation and Idealised influence)

Affected employee: This is an employee who was identified as redundant by applying consulted criteria.

Change: In this context change describes downscaling and downsizing.

Confirmation letter: This is a personal letter from the organisation to the affected employee to confirm that he/she is identified as redundant and could possibly be retrenched if not redeployed within a time limit to an alternative position.

Contingent Reward (CR): Classified as transactional a leadership style that is characterised by a transaction wherein the leader agrees with the follower on a target and the follower is rewarded for achieving it.

Downscaling: Reduction in mining activities.

Downsizing: A lowering of budgeted manpower that could lead to retrenchment.

Engineering department: This department is primarily responsible for the acquisition and maintenance of production equipment.

First Line Manager (FLM): A supervisor with direct floor level reports.

Laissez-faire (LF): This is classified as a non-leadership style because it is characterised by the absence of leadership actions.

Management by Exception (MBE): This is classified as non-transactional leadership where the responsible person focuses all their attention on negative deviations from set standards.

Middle management team: This is the 2nd and 3rd level of management on the mine. The 1st level of management is the supervisors direct in charge of the floor workers and the 5th level of management is the mine manager.

Mining department: This department is responsible for the exploration, blasting, loading and transportation of iron ore to the plant.

Moderate high performance culture: This classification is made by using the results of the previous OCA survey done during November 2005 by the consulting company, compared to the company that is researched. The point
obtained by using the ‘desired’ and ‘actual’ ratings is compared on a percentile bases as shown in Table 1.1.

**Multifactor Leadership Questionnaire (MLQ):** A questionnaire to determine the frequency of use of the different leadership- and non-leadership styles.

**Negotiation category:** This is the part of the work force whose salaries are negotiated between the unions and the organisation.

**Organisational Culture Assessment (OCA):** An assessment done by a consultant to determine the organisational culture.

**Plant:** This department is responsible to beneficiate the raw material into a sellable product.

**Production team:** This is the team of middle managers who has direct influence on the production activities and makes day-to-day decisions regarding production.

**Transformational Leadership (TFL):** The leadership style that is characterised by a leader who focuses his/her effort or most of their time on coaching, caring, stimulating, inspiring and motivating followers.
1. INTRODUCTION

Thabazimbi iron ore mine is situated ±200km Northwest of Pretoria. It is owned by Kumba Resources and referred to as ‘Thabazimbi’ in this paper. The 75 year old mine was officially opened on the 28\textsuperscript{th} of March 1931 and is still maintaining full production.

Thabazimbi currently employs 960 permanent employees, 450 contractors and moves 40 million tons of material per annum in their open cast operations. Ore is sent to Mittal Steel in New Castle and Van der Bijlpark. The unbundling contract between Kumba Resources and the former Iscor (now Mittal) stipulated that Thabazimbi would operate as a ‘cost plus’ mine. Mittal will pay the production cost plus a management fee.

In view of a life expectancy of 5 years, a reduction in waste stripping is planned towards the closure of the mine, which implies a reduction in equipment and employees.

1.1. Background

One of Kumba Resources’ strategic objectives is to create a high performance culture amongst its employees. This strategic objective cascaded down to Thabazimbi (business unit level), who was responsible for implementation. During 2000 a unique Thabazimbi strategy was created that included a leadership model to navigate the process towards a high performance culture.

1.1.1. Leadership, competence and organisational culture

The Hay-group identified through worldwide studies that leadership style has a 70% influence on organisational culture, which in turn explains a 28% increase in revenues and profits (Hay Group, 2005). Figure 1.1 is a schematic diagram of business components and indicates that management’s focus areas should be leadership and setting an organisational climate or culture to
improve revenue, profit and shareholder value. Leadership was therefore identified as one of the key drivers to enhance performance.

Figure 1.1 Leadership influence on culture and revenue. (Hay Group, 2005)

1.1.1.1. Leadership

Bass and Avolio (1994) introduced a ‘leadership toolbox’ (full range leadership model) where different leadership styles were put in a passive-active and an ineffective-effective matrix. As illustrated in figure 1.2 the ‘Laissez-faire’ leadership style is described as the most passive and ineffective style, and the 4I's are described as the most effective and active style. The styles range from management by exception (MBE) to contingent reward (CR) and on the most effective and active side is transformational leadership (4I's). If the full range of leadership model is utilised optimally then most of the leader’s time would be spend on the contingent reward and 4I styles.
Figure 1.2. Inappropriate and appropriate use of leadership style.

Thabazimbi accepted this leadership model to make an impact on the culture and change the organisational culture to a ‘high performance’ culture. All the managers attended an intervention regarding the ‘full range leadership model’ to align them to the strategy and create an awareness of the appropriate leadership behaviours. This process was rolled down from top management to first line management during a period of 8 months.

1.1.1.2. Competence

Thabazimbi linked ‘high performance’ to competence (Hay Group, 2005). The strategic intent was to create a culture where all employees reach their full potential and give a competence response that would lead to organisational competence if all employees responded in that fashion.

- **Collaboration**: The leader has to create an environment in which people want to perform and unleash their full potential. This environment is the result of the values held by the leader that is influenced by his beliefs that in turn influences his behaviour. Access leadership, whereby employees that could be impacted on by a
decision, is invited to take part in the decision/problem solving process that supports the creation of the environment. The final aspect impacting on the collaborative potential is the credibility of the leader, which is determined by his balanced feedback seeking and feedback giving behaviours and his legacy of promises kept.

- **Commitment:** During this phase, employees strongly identifies with their team and organisation. The authority or empowerment of employees fuels this phenomenon; the incentives, which refers to how employees are rewarded and recognised; and ubuntu or teamness is a characteristic of a team that can rely on each other in support of reaching the goal.

- **Creativity:** This is the stage where followers solve their own work related problems creatively through employee interaction. Constructive conflict is used as springboard for creativity. Decision making and problem solving is characterised by consensus seeking methods.

The competence process, comprising out of collaboration, commitment and creativity, was utilised to create a high performance culture. Line managers were trained as facilitators to present the interventions to their subordinates. The same principles were presented to the whole workforce (mine manager to sweeper).
A schematic diagram explaining the process towards competence is shown in Figure 1.3.

![Diagram of competency model]

Figure 1.3. The competency model. (Hall, 1994)

1.1.1.3. Culture

Thabazimbi developed an organisational culture model based on the two models as described above, the foundational values (caring, accountability, fairness, integrity and respect) of Kumba Resources and the ‘Fish’ principles as described by Lundin, Paul & Christensen (2000). One of the most important principles is the ability to make a choice regarding your attitude towards a situation. The ‘Fish’ principles states that in order to perform well, you should choose your attitude; make their day; be present and play.
Figure 1.4 shows the integration of the models and values into a Thabazimbi specific culture model, which is aligned to the ‘high performance culture’ strategic objective of Kumba Resources. This culture model was also used as basis for all the other strategic objectives of Thabazimbi, (SHE, continuous improvement, process integration and visionary leadership).

Figure 1.4. Thabazimbi iron ore mine culture model.

In the execution of any task, different skills are utilised. The ‘skills’ are technical, emotional and conceptual. The ‘behaviour’ part is the foundation of the culture model and is determined by the leadership of the supervisor through employing the appropriate leadership behaviour; supervisors can positively influence the behaviour of subordinates in order to create conditions that support the creation of a high performance culture.
The supervisor should choose his attitude and leadership style in such a manner to support a transformational culture and create an environment conducive to collaboration that will trigger commitment amongst subordinates. This in turn would support the expression of creativity in the workplace to contribute to the creation of a high performance culture. A foundation is set where employees can solve their own work-related problems creatively and management plays a supportive role through the creation of the right environment.

The culture change process evolved over a period of five years, during which four different mine managers were appointed. On divisional head level, the turnover was low and contributed to the institutionalising of the leadership and high performance implementation model. New mine managers accepted and supported the model. ‘The longer a management team has been in place, the greater the homogeneity of beliefs and values’ and key newcomers must become quickly sensitised to the organisational culture (Bass & Avolio, 1994: 184-185). The Thabazimbi management team did exactly that. It can therefore be assumed that the current leadership style has a great influence on the creation of the current organisational culture.
An organisational culture assessment (OCA) was done three times since 2001 and the last one was done during November 2005. A target was set in 2002 for an OCA score at the 70th percentile, which is an achievable stretch target. A graph that indicates the progress during the period 2001-2005 is shown in Figure 1.5 and indicates an improving organisational culture.

**OCA ORGANISATIONAL COMPETENCE**

_**June 2001 vs June 2002 vs November 2005**_

![OCA results chart](chart.png)

*Figure 1.5. OCA results since 2001.*

The OCA questionnaire describes 10 different environmental conditions and 3 organisational culture conditions (collaboration, commitment and creativity). The participants indicate how they perceive the current and desired situation. This instrument is a feedback tool and results in a percentile rating that is in relation to various different companies analysed previously. (Leadership Systems International, 2005). The latest assessment indicates that Thabazimbi’s culture is a ‘moderate high performance’ culture. Table 1.1 indicates the different performance levels linked to organisational cultures.
Table 1.1. Performance classifications. (Leadership Systems International, 2005)

<table>
<thead>
<tr>
<th>Range in Percentiles</th>
<th>Notation of Organisational Culture dimensions and conditions (Capsule descriptions)</th>
<th>Performance classification of the Organisational Culture (Culture Description)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 – 31</td>
<td>Anti-</td>
<td>Anti-performance</td>
</tr>
<tr>
<td>32 – 46</td>
<td>Static-</td>
<td>Low performance</td>
</tr>
<tr>
<td>47 - 49</td>
<td>Quasi-</td>
<td>About Average performance</td>
</tr>
<tr>
<td>50 - 55</td>
<td>Quasi-</td>
<td>Average performance</td>
</tr>
<tr>
<td>56 - 61</td>
<td>Quasi-</td>
<td>Above Average performance</td>
</tr>
<tr>
<td>62 - 68</td>
<td>Moderate</td>
<td>Moderately High performance</td>
</tr>
<tr>
<td>69 - 75</td>
<td>Moderate</td>
<td>High performance</td>
</tr>
<tr>
<td>76 - 93</td>
<td>Professional</td>
<td>Highest performance</td>
</tr>
<tr>
<td>94&lt;</td>
<td>Professional</td>
<td>Unrealistic performance</td>
</tr>
</tbody>
</table>

1.1.2. Changes in near future

As a mine progresses towards the end of its economic life it reduces non-core activities. The next step is to lower waste stripping. Waste stripping is used to open the iron ore reserves and in Thabazimbi’s case this activity will be reduced to such an extent that only enough iron ore will be exposed in the last year of production to satisfy the demand. This reduction of activity implies that less equipment will be needed and consequently fewer employees. In 2006 approximately 10% of the employees (most are employed by the mining department) have to be declared redundant as the result of the reduction in waste stripping (Table 1.2).
1.2. **Problem statement**

In this change scenario it is evident that some employees will have to leave the organisation. Fay & Lührmann, (2004) warn that survivors who witness poor treatment of the leavers will develop negative emotions and attitudes towards their organisation and perform poorly. The organisational culture is set at a certain level and the change will take place, this can be seen as a given.

1.2.1. **Main problem**

The downsizing process could have a negative impact on the mine’s organisational culture if the incorrect leadership style is utilised.
1.2.2. Sub-problems

- Middle management plays a key role in a change process and they do not know what leadership style is expected from them.
- The leadership style that the management team prefer may differ from the leadership style that will sustain the organisational culture during the downsizing process.
- There may be diverse leadership styles within the different departments and reconciliation may be difficult.

1.3. Purpose of study

The change process was well planned in advance and the necessary consulting with the unions was done according to article 189 of the Labour Relations Act 66 (1995) as amended. Middle management was pivotal to the change process and it was necessary to prepare them pro-actively in handling the ‘resistance to change’ situations without putting the organisational culture in jeopardy.

This study aims to identify the current leadership style of middle management and the most appropriate leadership style of the middle management team to ensure that the organisational culture is sustained during this downsizing process.

1.4. Research question

What should the appropriate leadership style for middle managers on a mine be during a downsizing process to sustain a culture conducive to high performance?
1.5. Unit of analysis

The unit of analysis is Thabazimbi’s middle management team. First line managers and the executive team (mine manager and his direct subordinates) are excluded. Figure 1.6 is an organisation chart of the mine. The management team is indicated in blue, the first line managers in grey, the floor workers in green and the middle management team (unit of analysis) in yellow.

Figure 1.6. Organisation chart of Thabazimbi iron ore mine.
2. LITERATURE REVIEW

In Thabazimbi’s case there are three issues at stake, namely: Leadership, Organisational culture and Change. A literature review on each of the issues will be done with conclusive remarks that integrate the issues.

2.1. Leadership

In the industrial era work was designed in such a way that employees were regarded as machines that had no need to think. The management structures and methods were designed in a similar way from the perspective that employees were ‘tools’. In the current knowledge era the approach changed to that of employees being pivotal to organisational success. The management approach changed from a rigid structure (planning, budgeting, controlling, organising and staffing) to a leadership approach (motivating, influencing, inspiring, aligning people and visionary focus). In the modern organisation it is important to integrate both management principles and leadership principles. There need to be a balance between the two principles to ensure optimal organisational performance. In order to increase the potential for organisational and employee performance managers must enlarge their ‘management toolbox’ by adding leadership skills. Management principles are still important in the organisation; because it gives structure and guidance conducting business. Leadership on the other hand focuses on people and how to make them feel important and needed. (Swanepoel, Erasmus, van Wyk & Schenk, 2003).

Various theories of leadership exist, from the early trait-, behavioural- and contingency theories to the more recent (1970) theories (transactional, charismatic and transformational). Thabazimbi currently makes use of transformational leadership. Successful companies use leadership to a great extent to achieve success and therefore this review will elaborate on the use of transactional-, charismatic- and transformational leadership.
2.1.1. Transactional leadership

Bass and Avolio (1994: 4) explain that transactional leadership occurs when the leader rewards or discipline the follower depending on the adequacy of the follower’s performance. Transactional leadership depends on contingent reinforcement, either positive contingent reward (CR) or the more negative active or passive forms of management by exception (MBE). Contingent reward has been found to be reasonably effective.

The transactional leadership theories emphasises the transactions between leaders and their followers. Transactional leaders manage the transactions between the organisation and its members; they get things done by giving contingent rewards. They usually use the management by exception principle to monitor the performance of employees and take corrective action when performance deviates from standards. (Swanepoel et al, 2003: 352).

Examples of transactional leadership theories are:

- **Situational theory of Hersey and Blanchard**: This theory focuses on the follower and the situation, also known as ‘situational leadership’. The leader acts according to the competency of the follower regarding a specific task. If the follower’s competency is low the leaders provide specific instructions and closely supervise performance (Telling). As the competency of the follower increases the leader acts in a ‘selling’ way where he explains decisions and provides opportunity for clarification. The leader acts in a ‘participative’ way when the follower is competent but unwilling or insecure to perform the task. The ‘delegating’ behaviour is used when the follower has a high level of competency and he is willing to complete the task without any guidance from the leader. (Hersey, Blanchard & Johnson, 2001).

- **Path-goal theory of House**: In this theory the main task of the leader is to smooth the follower’s path to the goal. The leader uses four behavioural styles (directive, supportive, participative and achievement oriented) to help followers clarify their paths to both work and personal goals. The directive style is used when the leader must communicate
expectations, schedule work and maintain performance standards. The leader uses the supportive style when he wants to express concern for followers and create a supportive climate. The participative style is utilised when the leader wants to share decision-making authority with followers. Lastly the leader employs the achievement-oriented style in order to set challenging goals for followers, encourage high levels of performance and show strong confidence in followers. (House, 1971 and Bratton, Grint & Nelson, 2005: 168-169).

- **Level 4 leadership:** Collins (2001) describes this leader as an ‘effective leader’. The level 4-leader catalyses commitment to and vigorous pursuit of a clear and compelling vision, stimulating higher performance standards. This type of leader can build an organisation to a high level but the organisation normally suffers a decline when such leader retires.

**2.1.2. Charismatic leadership**

The charismatic leadership theory emerged in the late 1980’s and is an extension of the attribution theories; like the trait theories, it assumes that charisma is an individual characteristic of the leader. Although traits may well play a role in charismatic leadership, there is a growing belief that it makes more sense to view such leadership as involving a special type of relationship with followers. Charismatic leaders are most likely to emerge when an organisation is introducing a radically new product or facing a life-threatening crisis – in other words, in times of dramatic change. (Swanepoel et al, 2003: 353).

Gordon (1993) points out that there will, however, also be a dark side to charismatic leadership, if the leader overemphasises devotion to him, makes personal needs paramount or uses highly effective communication skills to mislead or manipulate others. Such leaders may be so driven to achieve their own vision that they ignore the costly implications of their goals. Selfishness and narcissism of a charismatic leader may come together and lead to undesired consequences, whereas unselfishness and sacrificing features of a
charismatic leader can be seen to cause desired and admirable consequences. As a word of caution charismatic leadership and its acceptance on behalf of the followers might leave space for ‘irrational’ forces in society. This invites a tendency towards persuasion and manipulation in charismatic leadership processes. (Takala, 2005: 48). It is obvious that the ethical behaviour of the charismatic leader plays an important role in the prevention of negative connotations in respect of this leadership style.

Servant- and transformational leadership stems from charismatic leadership. Takala (2005) identified some principles of charismatic leadership, which are characterised by high morality:

- Do not use manipulative speech practices,
- Do not misuse rhetoric,
- Avoid ‘dark charisma’,
- Do not use manipulative communication strategies,
- Avoid creating asymmetric power positions and
- Create servant leadership (altruistic motivation).

Middleton (2005), on the other hand, identified five personality factors that are considered to be relevant to the ‘idealised influence’ that charismatic leaders have on their followers:

- Extraversion,
- Agreeableness,
- Conscientiousness,
- Emotional stability and
- Openness to new experiences.

Charismatic leaders are able to shift their followers’ self-interests to that of the group’s collective interest. He also stated that emotional intelligence is significantly related to charismatic leadership. Leaders with a high level of emotional intelligence are likely to demonstrate four basic competencies:

- Self awareness,
- Self management,
- Social awareness and
- Relationship management.
Servant leadership focuses on ‘serving the followers’ and it necessitates strong personal devotion and a high level of emotional intelligence. The concept of emotional intelligence is however grasped by only a few managers and it is therefore argued that servant leadership is not within the scope of this particular research document. However, reference to the culture model, transformational leadership is important and it seems if that there is a relationship between charismatic and transformational leadership. Transformational leaders are also charismatic leaders, but all charismatic leaders are not necessarily transformational leaders.

2.1.3. Transformational leadership

Transformational leadership emerged in the 1990’s and is closely related to charismatic leadership. Transformational leaders possess charismatic characteristics, but their aim is to create independent followers. The influence of transformational leaders does not stem from the possession of semi-magical trait, but is rather a logical result of a complex cluster of behaviour and techniques. Transactional and transformational leadership do not oppose each other; transformational leadership is built on top of transactional leadership and supplement the latter. (Swanepoel et al, 2003: 353-355).

Avolio, Waldman & Yammarino (1991) describe transformational leadership factors as:

- **Idealised influence**: Transformational leaders behave in ways that result in them being role models for their followers. The leaders are admired, respected and trusted. Followers identify with leaders and want to emulate them.

- **Inspirational motivation**: Transformational leaders behave in ways that motivate and inspire those around them by providing meaning and challenge to their followers’ work. The leader gets followers involved in envisioning attractive future states.

- **Intellectual stimulation**: Transformational leaders stimulate their followers’ efforts to be innovative and creative by questioning assumptions, reframing problems and approaching old situations in
new ways. New ideas and creative problem solutions are solicited from followers, who are included in the process of addressing problems and finding solutions. Followers are encouraged to try new approaches and, their ideas are not criticised because it differs from the leader’s ideas.

- **Individualised consideration:** Transformational leaders pay special attention to each individual’s needs for achievement and growth by acting as a coach or mentor. Followers and colleagues are developed to successively higher levels of potential. Interactions with followers are personalised and the leader listens effectively. Delegated tasks are monitored in such a way that followers do not feel that they are being checked on.

Collins (2001) uses a term of ‘level 5 leadership’. These leaders build enduring greatness through a paradoxical blend of personal humility and professional will. Their ambition is first and foremost for the organisation, not themselves. Level 5 leaders develop their subordinates to such an extent that the organisation still grows after their retirement. They have an internal locus of control and firmly belief that they can make a difference and never blame external factors when things go wrong. This type of leadership correlates with transformational leadership.

Bass and Avolio (1994) use a ‘full range leadership’ model where the effective leader uses different leadership behaviours in achieving the goals. This indicates that a leader has to use transactional leadership as well as transformational leadership, although more time should be spent using transformational leadership styles. They further developed a questionnaire (Multifactor Leadership Questionnaire) to determine the effectiveness of leaders in terms of their transactional- and transformational styles. The questionnaire is discussed in Chapter 3.

### 2.1.4. Management and leadership

The difference between management and leadership is described in Table 2.1 and it is important to note that leadership supplements management and does
not replace it. An organisation needs management to survive in a hostile business world, but with the addition of leadership there is potential for creating a high performance organisation.

Table 2.1. *The difference between management and leadership.* (Kotter, 1990: 6)

<table>
<thead>
<tr>
<th>Management</th>
<th>Leadership</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planning and Budgeting</td>
<td>Establishing direction</td>
</tr>
<tr>
<td>Organising and Staffing</td>
<td>Aligning people</td>
</tr>
<tr>
<td>Controlling and Problem solving</td>
<td>Motivating and Inspiring</td>
</tr>
<tr>
<td>Produces a degree of predictability and order, and has the potential of consistently producing key results expected by various stakeholders</td>
<td>Produces change, often to a dramatic degree, and has the potential of producing extremely useful change</td>
</tr>
</tbody>
</table>

The establishment of a strong leadership process is fundamental in supplementing a managerial process. Without leadership, purposeful change of any magnitude is almost impossible (Kotter & Heskett, 1992: 97). Furthermore Kotter & Heskett claims that organisations cannot adapt to a fast moving world without leadership and if leaders do not have the hearts of servants, there is only potential for tyranny.

Each individual has feelings, the ability to think, a body and an urge to mean something in the society. Covey (2004) describes it as the ‘Heart, Mind, Body and Spirit’. To be a successful leader in the workplace one should consider all four parts in dealing with employees. Each individual has the ability to make a choice regarding his/her attitude towards a certain situation and how he/she will behave in that situation. Imagine that the individuals in the organisation are treated kindly (heart), paid fairly (body), used creatively (mind) and feel that their human needs are served in principled ways (spirit). It will be most likely that the employees will be happy to work for the organisation and that they will be loyal to the organisation. (Covey, 2004). This indicates that leadership plays a significant role in the management of an organisation.

Leadership is an extension of management and Swanepoel et al (2003) believes that you can not be a good manager if you are not a good leader.
The challenge is to enhance the leadership abilities and attributes of managers and balance and blend the leadership and other roles of managers.

Preliminary research undertaken by Booysen and van Wyk (1994) on the preferred leadership style of effective leaders in South Africa has found that outstanding leaders in South Africa are perceived to show a strong and direct, but democratic and participative leadership style. They are perceived as agents of change, visionaries and individualists. This indicates a preference for a transformational leadership style. Although they are seen as being moderately charismatic, they are also seen as responsible, not agitators.

2.2. Organisational culture

Thabazimbi has a strategic objective to establish a ‘high performance culture’. In order to assess the organisational culture as ‘high performing’ one should distinguish between organisational cultures that are ‘good’ and those that are ‘bad’, to determine Thabazimbi’s position.

2.2.1. Defining organisational cultures

Culture can be defined as a pattern of basic assumptions, invented, discovered or developed by a given group, as it learns to cope with its problems of external adaptation and internal integration, that has worked well enough to be considered valid and, therefore is to be taught to new members as the correct way to perceive, think and feel in relation to those problems. (Shein, 1990: 111).

In analysing the culture of organisations Shein (1990: 111-112) distinguishes three fundamental levels at which culture manifests itself:

- **Observable artefacts**: When entering an organisation one observes and feel its artefacts. This includes everything from the physical layout, the dress code, the manner in which people address each other, the smell and feel of the place, its emotional intensity and other phenomena.
- **Values**: Through interviews, questionnaires or survey instruments one can study a culture’s espoused and documented values, norms, ideologies, charters and philosophies.

- **Basic underlying assumptions**: Through more intensive observation, more focussed questions and involving motivated members of the group in intensive self-analysis, one can seek out and decipher the taken-for-granted, underlying and usually unconscious assumptions that determine perceptions, thought processes, feelings and behaviour. Understanding of these assumptions leads one to have more insight on how cultural can seem to be ambiguity or self-contradiction.

Collins (2001) describes a ‘culture of discipline’ as an organisation where the employees are self-disciplined to a great extent. He claims that an organisation can only grow extensively if it consists out of disciplined people with disciplined thought and disciplined actions. It is stated clearly that this type of discipline is not to discipline the wrong people into the right behaviours, but it starts with self disciplined employees. This self-discipline is the corner stone for sustainable growth and establishes change in an organisation.

Kotter & Heskett (1992) distinguish between three different types of organisational cultures and argue which type of culture enhances long term economic performance.

- **Strong cultures**: In a strong organisational culture almost all managers share a set of relatively consistent values and methods of doing business. New employees adopt these values very quickly. In such organisations, a new manager is just as likely to be corrected by his subordinates as by his managers if he violates the organisation’s norms. The style and values of a strong culture tend not to change much when a new CEO takes charge – their roots go deep. Strong cultures are also often said to help business performance because it create an unusual level of motivation in employees and it helps performance because it provides needed structure and controls without
relying on a stifling formal bureaucracy that could dampen motivation and innovation. (Kotter & Heskett, 1992: 15-16).

- **Strategically appropriate cultures:** In a strategically appropriate culture the focus is that the organisational culture must align and motivate employees if it enhances organisational performance. The key concept is that of ‘fit’. This perspective asserts that the content of a culture, in terms of which values and behaviours are common, is as important, if not more important, than its strength. It further asserts that there is no such a thing as a generically good culture content; it is good only if it ‘fits’ the conditions of its industry and the strategy of the organisation. According to this perspective, only those contextually or strategically appropriate cultures will be associated with excellent performance. The better the fit, the better the performance; the poorer the fit, the poorer the performance. (Kotter & Heskett, 1992: 28).

- **Adaptive cultures:** This culture is described as an organisational culture that helps the organisation to anticipate and adapt to environmental changes and this type of culture will be associated with superior performance over long periods of time. In a study of 22 organisations Kotter & Heskett concluded that in firms with more adaptive cultures, the cultural ideal is that managers throughout the hierarchy should provide leadership to initiate change in strategies and tactics whenever necessary to satisfy the legitimate interests of not just shareholders, or customers, or employees, but all three. (Kotter & Heskett, 1992: 44, 50).

Trompenaars & Wooliams (2003) describe four extreme stereotypes of organisational culture:

- **The incubator:** This culture is like a leaderless team. This person-oriented culture is characterised by a low degree of both centralisation and formalisation. In this culture, the individualisation of all related individuals is one of the most important features. The organisation exists only to serve the needs of its members. The organisation has no intrinsic values beyond these goals. The organisation is an instrument for the specific needs of the individuals in the organisation.
Responsibilities and tasks within this type of organisation are assigned primarily according to the member’s own preference and needs. Structure is loose and flexible control takes place through persuasion and mutual concern for the needs and values of other members.

- **The family culture:** This culture is characterised by a high degree of centralisation and a low degree of formalisation. It generally reflects a highly personalised organisation and is predominantly power oriented. Employees in the ‘family’ seem to interact around the centralised power of father or mother. The power of the organisation is based on an autocratic leader, who like a spider in a web, directs the organisation. There are not many rules and thus there is little bureaucracy. Organisational members tend to be as near to the centre as possible, because it is the source of power. Hence the climate inside the organisation is highly manipulative and full of intrigues. In this political system, the prime logic of vertical differentiation is hierarchical differentiation of power and status.

- **The guided missile:** This task-oriented culture has a low degree of centralisation and a high degree of formalisation. This rational culture is, in its ideal type, task and project oriented. ‘Getting the job done’ with ‘the right man in the right place’ are favourite expressions. Organisational relationships are very results oriented, based on rational/instrumental considerations and limited to specific functional aspects of the persons involved. Achievements and effectiveness are weighed above the demands of authority, procedures or people. Authority and responsibility are placed where the qualifications lie, and may shift as rapidly as the nature of the changes. Everything in the ‘Guided missile culture’ is subordinated to an all-encompassing goal. The management of the organisation is predominantly seen as a continuous process of solving problems successfully. The manager is a team leader; the commander of a commando unit, in whose hands vested absolute authority. This culture, in view of its flexibility and dynamism, is highly adaptive but at the same time is difficult to manage. Decentralised control and management contribute to the shortness of channels of communication. The task-oriented culture is
designed for a rapid reaction to extreme changes. Therefore, matrix and project types of organisations are favourite designs for this organisational culture.

- **The Eiffel tower culture**: This role-oriented culture is characterised by a high degree of formalisation together with a high degree of centralisation and is symbolically represented by the Eiffel tower. It is steep, stately and very robust. Control is exercised through systems of rules, legislative procedures, assigned rights and procedures. Bureaucracy and the high degree of formalisation make this organisation inflexible. Respect for authority is based on the respect for functional position and status. The bureau or desk has depersonalised authority. In contrast to highly personalised ‘family’, members in the ‘Eiffel tower’ are continuously subordinated to universally applicable rules and procedures. Employees are very precise and meticulous. Order and predictability are highly valued in the process of managing the organisation. Duty is an important concept for an employee in this role-oriented culture. It is duty one feels within oneself, rather than an obligation one feels towards a concrete individual. Procedures for change tend to be cumbersome, and the role-oriented organisation is slow to adapt to change.

(Trompenaars & Wooliams, 2003: 364).

Leadership Systems International in collaboration with the Hay Group describes a ‘High Performance Culture’ in terms of a climate study amongst the employees of an organisation. The employees complete a questionnaire in which they indicate ‘Actual’ and ‘Desired’ work environmental conditions. They argue that the potential for high performance equals employee potential less work environmental interference. A high performance culture requires maximum potential coupled with minimal interference. The ratio of Actual/Desired conditions indicates how much potential is being utilised in current levels of performance. The questionnaire is based on the competence structure (Hall, 1994). The more that Actual conditions in support of ‘Collaboration’, ‘Commitment’ and ‘Creativity’ coincide with those workers say they need, the more feelings of satisfaction will characterise their work.
experience. Conversely, the more disparate Actual and Desired conditions become, the more feelings of frustration and stress dominate and satisfaction turns to dissatisfaction. As Table 1.1 indicates the measurement on a percentile base and the relationship to performance it is understandable that an unrealistic performance is reached when the employees are so ‘happy’ at work that there is little or no desire for improvement.

2.2.2. Thabazimbi’s position

Thabazimbi use the measurement tool of Leadership Systems International to assess their culture level. This assessment is actually an indication of the organisational climate. Thabazimbi’s score improved over the past four years, which resulted in a ‘Strong’ organisational culture according to the standards of Kotter & Heskett (1992). All the new entrants in the organisation are informed of the values and methods used on the mine, even a new mine manager.

In order to sustain this strong organisational culture a high level of self-discipline (Collins, 2001) is necessary, even if no change is implemented. This study aims to recommend actions to sustain the strong organisational culture when change in terms of downscaling is implemented.

2.3. Change management

Change situations can be distinguished between two broad categories:

- **Hard change situations:** In these situations it is quite clear what the issues at hand entail. The role-players are likely to share a great deal of common understanding on what the problems and the accompanying solutions are and they more or less know what the priorities and objectives of the change should be. The time span is typically short to medium term.

- **Soft change situations:** In these situations time spans are typically medium to long-term and are usually not well defined. Resource implications, objectives and priorities are normally uncertain. The
issues at hand are mostly numerous, complexly interrelated and contextually embedded. The problems are therefore generally ill defined, there are usually very few clear-cut ‘hard’ and objective facts and it is normally very difficult to detangle the web of symptoms, causes and effects. (Swanepoel et al, 2003: 729).

Dunphy and Stace (1993) identified four different scales of change:

- **Fine-tuning:** This is basically an ongoing process of adapting and redefining aspects such as processes, policies, procedures and methods in order to ensure that there is an ongoing fit or match between the various organisational sub-systems.

- **Incremental adjustment:** This involves distinct changes to strategies, structures or business processes in response to changes in the external environment.

- **Modular transformation:** This involves a major realignment and/or radical change of large or significant parts of an organisation.

- **Corporate transformation:** This is a revolutionary change that occurs across organisations, such as a total change of business direction with a brand new mission and the formulation and adoption of a whole new set of core values.

### 2.3.1. Managing the change

Literature on change management highlights primarily two broad approaches to organisational change management, namely an ‘incremental’ approach and a ‘planned’ (N-step) approach. Swanepoel et al (2003) do not believe that this is or even should be an ‘either/or’ issue. There is simply no best way of approaching, handling, managing or leading organisational change in all situations.

The incremental or emergent approach puts the emphasis on the highly dynamic, evolving, unpredictable and complex nature of organisational change, being open ended and continuous with no real point of starting or
completing it. In the planned or N-step approach, change is seen as a process that has to be pre-planned and then managed through a series of steps or sub-processes up to the point of full implementation, and the process therefore having been completed. (Swanepoel et al, 2003: 731).

As it is more logical to plan change in advance a lot of literature is available to describe methods of successful change. It dates back to 1951 when Lewin introduced a model of ‘unfreezing’ the status quo, ‘moving’ the organisation and ‘refreezing’ the organisation to a new status quo. Lippit, Watson & Westley refined Lewins’s three phases into the ‘planned change model’ in 1985 that consists out of seven phases. Jick introduced the 10 commandments of change in 1993 and Sirkin, Keenan & Jackson (2005) use project management principles to implement change. This wide range of models support Swanepoel et al’s conclusion ‘that there is simply no best way of approaching, handling, managing or leading organisational change in all situations’.

In Thabazimbi’s case the change concerns the retrenchment of employees and South Africa has strict labour legislation, therefore it is important to consult the Labour Relations Act 66 (1995) as amended before redundancy actions can be taken. The act prescribes seven requirements for a procedurally fair retrenchment:

- **Consultation:** Section 189(1) states that ‘when an employer contemplates dismissing one or more employees for reasons based on the employer’s operational requirements, the employer must consult in a preferential sequence of persons:

  1. If the employer is bound by a collective agreement, and that agreement specifies with whom he must consult regarding retrenchments, the employer is obliged to consult with that person or party.
  2. If there is no such collective agreement, the employer must consult with the workplace forum, if such a forum exists.
3. If there is no workplace forum, the employer must consult with any registered trade union whose members are likely to be affected by the proposed dismissals.

4. If there is no such trade union, the employer must consult directly with the employees likely to be affected by the proposed retrenchments, or other representatives nominated for that purpose.

- **Attempt to reach consensus on certain matters:** The consulting parties must attempt to reach consensus on:
  1. Appropriate measures to avoid the dismissals, minimise the number of dismissals, change the timing of the dismissals and to mitigate the adverse effects of the dismissals.
  2. The method for selecting the employees to be dismissed and
  3. The severance pay for the dismissed employees.

- **Disclosure of information:** The employer must disclose all relevant information, including, but not limited to:
  1. The reasons for the proposed dismissals.
  2. The alternatives that the employer considered before proposing the dismissals and the reasons for rejecting the alternatives.
  3. The number of employees likely to be affected and the job categories in which they are employed.
  4. The proposed method for selecting which employees to dismiss.
  5. The time when, or the period during which, the dismissals are likely to take effect.
  6. The severance pay proposed.
  7. Any assistance that the employer proposes to offer to the employees likely to be dismissed.
  8. The possibility of the future re-employment of the employees who are dismissed.

- **Employer must afford the other party an opportunity to make representations:** The employer must allow the other consulting party an opportunity during consultation to make representations about any matter on which they are consulting. The employer must, in good faith, consult with the trade union about the intended retrenchments.
● **The employer must consider and respond to the representations made by the other party:** Having received the representations of the other party, the employer is under a statutory obligation to consider these proposals in good faith, and to give reasons should he not agree with them.

● **The selection of employees for retrenchments:** The employer must select the employees to be dismissed according to selection criteria that have been agreed to by the consulting parties or if no criteria have been agreed, criteria that are fair and objective.

● **Payment of retrenchment packages:** An employer is under no obligation to pay a severance package to retrenched employees, except under the following circumstances:
  1. If the employer had paid packages in the past,
  2. If the employer had promised to pay a package or
  3. If the employer was contractually bound to pay a package.

However, there are some very good reasons why retrenchment packages should be paid:
  1. A retrenchment is an instance of no-fault dismissal.
  2. The obligation to pay retrenchment packages may act as a brake on employers who may otherwise too easily resort to retrenchments.
  3. In terms of the organisation’s wider social responsibility, it may be expected of an employer to tide the employee and his family over for the period that the employee will be unemployed.
  4. Keeping in mind the interest that the employer has in a motivated workforce, it make good business sense to pay retrenchment packages, if only in order to reassure the remaining employees of their employer’s good faith and loyalty towards his workforce.

2.3.2. Managing resistance to change

Resistance is typically associated with a focus on negative emotions, and in particular, loss and feeling under threat, with their accompaniments of fear, anger, anxiety and insecurity. (Van Tonder, 2004: 182). People do not mind change, but they resist being changed. As soon as the change becomes an emotional part of a person there will be a resistance to change and as soon as the person realises the benefit thereof the resistance will reduce. (Van Tonder, 2004: 185).

Swanepoel et al (2003) describes factors relating to change on an individual and organisational level. On an individual level are factors such as fear for the unknown, habits, self-interest, economic insecurity, failure to recognise the need for change, general mistrust, social disruptions and selective perceptions. The organisational level the factors are structural inertia, cultural inertia, work group inertia, threats to existing power relationships, threats to expertise, threats to resource allocation and previously unsuccessful change efforts.

As change and the resistance to change are fairly old concepts methods of overcoming the resistance date back to 1969 when Kotter & Schlesinger proposed six methods. In 1990 Beer, Eisenstat & Spector postulated six sequential steps in overcoming resistance to change. In 2005 Atkinson discussed possible strategies to minimise resistance to change:

- **Understanding**: When dealing with someone who resists your approach, first understand his reason for doing so, list the reasons and consider even the illogical arguments. It is normally the illogical arguments that create false assumptions and give the grapevine negative sensation. For every objection, formulate a response to counter it and sell the benefits that support your point of view on both personal and organisational level. The formulation of arguments or viewpoints to counter the objection is very time-consuming and resource hungry. However, failing to do so leaves you in a weak position and in danger of failing to sell your message.
- **Empathy**: By focusing on personal change helps you to understand the bigger picture of organisational resistance to change. Put yourself in the affected employee’s shoes and think how you would deal with it as an individual, then you will be able to understand the resistance and how to deal with it.

- **Time**: People need time to think things through. Much of their thinking and feeling is based on their personal interpretation of ‘history’ and how previous changes have impacted on them and others in the past. They will compare the relative success and failure of other initiatives they have experienced, and make up their own mind on any current initiatives, based on those experiences.

- **Communication**: This cannot be over emphasised. All the interaction regarding change should be as far as possible in person and the communication skills is of the utmost importance. ‘Communication is what is received – not what is being sent’. It is further important to send the same message to various constituencies who have different needs and concerns, in a consistent manner. It is also important to deal with the issues honestly; this is where you start building trust.

It is obvious that there will always be resistance to change and accompanying conflicts; the crux of the matter is how you deal with it.

### 2.3.3. Common mistakes in change management

It is normally good practice to learn as much as possible from other’s mistakes and prevent it in your own actions. Kotter (1996) describes 8 common mistakes that negatively impacts on the sustainability of change initiatives:

- **Allowing too much complacency**: Establishing a sense of urgency is crucial to gain needed cooperation. With complacency high, transformations usually fail because few are interested in working on the change problem. With urgency low, it is difficult to put together a group with enough power and credibility to guide the effort or to convince key individuals to spend the time necessary to create and communicate a change vision.
- **Failing to create a sufficiently powerful guiding coalition:** Because major change is difficult to accomplish, a powerful force is required to sustain the process. No one individual is ever able to develop the right vision, communicate it to large numbers of people, eliminate all the key obstacles, generate short-term wins, lead and manage dozens of change projects and anchor new approaches deep in the organisation’s culture.

- **Underestimating the power of vision:** Vision refers to a picture of the future with some implicit or explicit commentary on why people should strive to create that future. In a change process, a good vision serves three important purposes:
  1. By clarifying the general direction of change, it simplifies hundreds of more detailed decisions.
  2. It motivates people to take action in the right direction.
  3. It helps coordinate the actions of different people in a remarkably fast and efficient way.

- **Under communicating the vision:** A great vision can serve a useful purpose even if just a few key people understand it. But the real power of a vision is unleashed only when most of those involved in an enterprise or activity have a common understanding of its goals and direction. That shared sense of a desirable future can help motivate and coordinate the kinds of actions that create transformations.

- **Permitting obstacles to block the vision:** Major internal transformation rarely happens unless many people assist. Yet employees generally will not help or cannot help, if they feel relative powerless. The purpose is to empower a broad base of people to take action by removing as many barriers to the implementation of the change vision as possible at this point in the process. The most important barriers are structures, skills, systems and supervisors.

- **Failing to create short-term wins:** Real transformation takes time. Complex efforts to change strategies or restructure businesses are at risk of losing momentum if there are no short-term goals to meet and celebrate. Most people will not go on the long march unless they see compelling evidence within six to eighteen months that the journey is
producing expected results. Without short-term wins, too many employees give up or actively join the resistance.

- **Declaring victory too soon**: Major change often takes a long time, especially in big organisations. Many forces can stall the process far short of the finish line: turnover of key change agents, sheer exhaustion on the part of leaders or bad luck. Under these circumstances, short-term wins are essential to keep momentum going, but the celebrations of those wins can be lethal if urgency is lost. With complacency up, the forces of tradition can sweep back in with remarkable force and speed.

- **Neglecting to anchor changes firmly in the corporate culture**: Change sticks only when it becomes ‘the way we do things around here’, when it seeps into the very bloodstream of the work unit or corporate body. Two factors are important in anchoring new approaches in an organisation’s culture:
  1. A conscious attempt to show people how specific behaviours and attitudes have helped to improve performance.
  2. It also requires that sufficient time be taken to ensure that the next generation of management really does personify the new approach.

2.4. Integrating leadership, culture and change

Thabazimbi is in the process of developing a strong organisational culture by creating a climate for its employees to perform in. Thus far, leadership played an important role and in order to sustain the organisational culture it is necessary to examine the relationships between leadership, culture and change.

2.4.1. Leadership and organisational culture

According to Kotter & Heskett (1992) there is irrefutable evidence that strong organisational cultures are associated with strong and competent leadership. Leaders in these cultures are role models who espouse organisational goals and encourage employee commitment to the organisation’s purpose and
vision. Transformational leaders change their culture by realigning the organisation’s culture with a new vision. Transactional cultures, in comparison, focus on the here and now, where everything has a value, but where the long-term contributions of people and processes may not be fully harnessed or appreciated. Transactional leaders work within their organisational cultures following existing rules, procedures and norms. A mixture of transformational and transactional leadership is needed in order to maintain sustainable and competitive cultures. (Bass & Avolio, 1993 and Sarros, Gray & Densten, 2002).

A study by Sarros et al (2002) involving nearly 2000 members of the Australian Institute of Management revealed strong and positive relationships among leadership and organisational culture. Individualised consideration was the prominent leadership styles of executives and the prominent organisational culture was characterised by performance orientation.

Middle management is the organisational level that can make or break the organisation’s culture. Concluding from a study of 165 effective middle managers in five leading American corporations; effective middle managers in large corporations share the same set of personal qualities: thoroughness, persistence, discretion, persuasiveness and being comfortable with change. They are not firebrands or rule breakers but work through existing networks to uncover opportunities, build coalitions and make change happen. These middle managers work in organisations where the culture fosters collaboration and teamwork, and where structures encourage people to do what needs to be done. In the examination of organisation, culture and practices in the five leading corporations; the following factors create opportunities to tackle and solve tricky problems:

- Multiple reporting relationships and overlapping territories,
- A free and somewhat random flow of information,
- Many centres of power with some budgetary flexibility,
- A high proportion of managers in loosely defined positions or with ambiguous assignments,
- Frequent and smooth contact across functions and
A reward system that emphasises investment in people and projects rather than payment for past services. (Kanter, 2004).

It is evident that leadership play a prominent role in the development of an organisational culture and it is therefore concluded that leadership have to play just as important role in sustaining the organisational culture. An organisation’s culture is often reinforced by the stories that are told by its leaders. In the effort to sustain the strong organisational culture of Thabazimbi it is necessary to add a ‘leadership development’ culture. In the examination of 45 large global companies, Ready (2004) discovered four characteristics in companies that have solid bench strength of leaders:

- They articulate leadership development as a top-level strategic priority,
- They build outstanding human resource functions that create powerful infrastructures for leadership development,
- They reward and support next-generation leaders in multiple ways and
- They create an organisational culture that facilitates the development of leaders.

2.4.2. Organisational culture and change

Various studies were done to examine how to change organisational cultures, but the downsizing of an organisation and the impact on its culture is still an unexplored field. Individuals employed by a downsizing organisation could either be ‘victims’, ‘survivors’ or ‘implementers’. For all of these individuals, the single most important issue associated with downsizing is the breach of the psychological contract (Ketz de Vries & Balazs, 1997). Fay & Lührmann (2004) conducted studies on effectiveness, morale, employee motivation and other variables from managers whose organisations underwent downsizing programmes compared with assessments of managers from organisations that underwent other types of changes. The results confirm that downsizing processes are associated with more negative assessments than other types of change. The manner in which the organisation handles the downsizing programme provides survivors with important insights into organisational
culture and values, which in turn has implications for survivors’ affective and motivational states (Noronha & D’Cruz, 2006: 91).

In Thabazimbi’s case the leadership style of middle management is examined during the downsizing process. Noronha & D’Cruz (2006) conducted a study at one of India’s foremost steel manufacturers on implementers (middle managers) during a downsizing process. This qualitative research revealed that:

- The implementers acknowledged that the process was part of their jobs and failure to do so put their own positions in jeopardy.
- The experiences of the implementers were quite complex, highlighting the presence of conflicting feelings and thoughts as well as the processes involved in role performance.
- The implementers are faced with a difficult dilemma. On the one hand, they believe that they have no choice in the matter if they have to ensure the competitive position of the organisation and their own survival as employees. On the other hand, they are pained by the task of having to terminate the services of other employees, thereby causing upheaval and distress in their lives.

It is obvious that downsizing can have a negative effect on the culture of an organisation and this should be anticipated before the announcement of the downsizing process. The implementers should be emotionally competent in the execution of the process.

2.4.3. Leadership and change

The decision to downsize is normally taken by the management of an organisation; therefore they should make it possible for the three groups of employees to cope with the process. Downsizing is the most traumatic change intervention and therefore should be, if possible, avoided (Ketz de Vries & Balazs, 1997). Woodward & Hendry (2004) present a ‘leading and coping with change’ framework that is grounded in a relational perspective. They argue that too often, attention has been paid exclusively to skills in managing change, with little regard for the skills needed to absorb change and limits to
adaptability. In an organisation that is undergoing change it is difficult, if not impossible, to define and resolve all eventualities. All members need to deal with problems as they arise and leadership, in this perspective involves a learning strategy. People are engaged, given support and resources, and thereby, feel they have some control over changing situations.

Transformational leadership is the set of abilities that allows the leader to recognise the need for change, to create a vision to guide that change and to execute the change effectively. This type of leader can influence in every direction – downward with subordinates, laterally with colleagues, upward with superiors and outward with clients and customers. Thus, transformational leaders can change the culture of the organisation. (Swanepoel et al, 2003: 353). If it is possible for transformational leaders to change the culture of an organisation it should also be possible for transformational leaders to sustain a culture at a certain level.

Court (2005) argues that a ‘command and control’ management style does not work when organisations are facing the challenge of change. A style of management that encourages managers to energise staff is far more likely to deliver results and improve performance. Successful companies demand leaders with vision, and this means managers who are committed to achieving goals through others. Leaders provide direction and a roadmap for change. Managers must lead by example, and for many this could mean changing old habits and the way they relate to and communicate with others. If supervisors have difficulty with this, they should consider personal development through coaching. Leadership empowers other managers and employees who see the need for change but have been constrained by old systems and procedures and the leadership practiced by managers’ help to win over the hearts and minds of others who have not yet recognised the need for change. (Kotter & Heskett, 1992: 150).

It can be concluded that the management style of the middle managers at Thabazimbi during the downsizing process should be ‘transformational’.
3. RESEARCH DESIGN

The key role players in the determination of the organisational culture during the downsizing exercise are the production team, which consists out of middle managers. They supervise the majority of the workforce and play a pivotal role in determining the climate of the organisation, which provides the basis for the organisational culture.

3.1. Design strategy

Determining the current leadership style and the difference between the current and most desirable style should be elaborated in order to determine if change is necessary, a formal quantitative exploratory study have to be done. To acquire the most honest information anonymous questionnaires will be the most effective. The research will measure the current situation and the researcher will have no influence on the variables, therefore the research is ex post facto, cross-sectional and descriptive.

During the downsizing process the affected employees will receive a letter to confirm their redundant status as well as the assurance that the company will do its utmost best to redeploy them to alternative positions. As evident in past downsizing exercises the employees will know that some people will be redeployed but some will loose their jobs. During this period (±6 weeks) when the employees are in a shock, anger, denial or resistance state of mind the climate is most vulnerable to deterioration. In order to create a ‘worst case scenario’ it is necessary to conduct the survey during this period.

In order to obtain an objective view of the leadership style of the middle managers, it is necessary to get the opinions of employees that are not directly involved with the managers under question. It is therefore decided that the management team (indicated in blue in figure 1.5) and members of the support functions (HR, Finance, SHE and Materials Management) will evaluate the production team (indicated in yellow in figure 1.5).
ordinates of the production team will evaluate the manager one hierarchical level above his supervisor.

3.1.1. Research objective

The primary objective of this study is to determine the most appropriate leadership style to be utilised by middle managers on a mine during a downsizing exercise. The secondary objective is to determine the current leadership style, as it is assumed that this style established the high performance culture.

The organisational culture should be sustained during the downsizing process; therefore the focus of the study should be on the respondents who evaluate the middle managers. The most appropriate leadership style should be the ‘desired’ style, as the subordinates perceive it.

3.1.2. Propositions

In order to address the research problem and sub-problems the following propositions can be made:

- In the consideration of the leadership continuum the dominant styles should be transactional- and/or transformational leadership. In the past transformational leadership was emphasised and a high performance culture was established.
- The management team of Thabazimbi will predominantly prefer a transformational leadership style, as they want to sustain or improve the organisational culture.
- The subordinates may need a more structured leadership style during the downsizing exercise.
- The employees with longer service experienced more changes in the organisation and would prefer a transformational leadership style.
- The desired leadership style preference differs between floor level employees and first line managers.
3.2. Sample design

The population in this study consists of 766 people and the organisation has a relative flat structure on floor level (average 16 employees per first line manager). There are 5 hierarchical levels from first line management to the mine manager, which indicate that the 2nd to 5th level’s span of control is relative narrow. This study will use a 10% sample of the floor level and a 25-30% sample of the other levels. Each management team member will evaluate the production team as a team and not as individuals.

As the most of the floor level workers in the Mining department are illiterate, facilitated sessions together with an interpreter should be used. Thabazimbi operates on a three-shift basis, 6 days a week and therefore the period of data collection will take approximately 3-4 weeks.

3.2.1. Units

In this study, two samples of about 90 people in total would be sufficient. The one sample will consist of Thabazimbi’s management team and 30% of the staff departments, who will evaluate the production team. This sample will consist of 14 participants. The other sample will consist of subordinates evaluating their managers and will be 77 in total. A probabilistic systematic sampling method will be used to identify the sample in the population of each department to ensure a proportional spread regarding the size of the department. Table 3.1 summarises the planned participants and whom they will evaluate.
Table 3.1. Planned participation list.

<table>
<thead>
<tr>
<th>Designation</th>
<th>Kumba Grading</th>
<th>Paterson Grading</th>
<th>Quantity of Employees</th>
<th>Participants evaluating their Middle Managers</th>
<th>Participants evaluating the Production Team</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mine Manager</td>
<td>C-Role</td>
<td>E2 – E3</td>
<td>1</td>
<td>NIL</td>
<td>1</td>
</tr>
<tr>
<td>Divisional head</td>
<td>D-Role</td>
<td>D5 – E1</td>
<td>7</td>
<td>NIL</td>
<td>7</td>
</tr>
<tr>
<td>Section head &amp; Specialists</td>
<td>E-Role</td>
<td>D3 – D4</td>
<td>18</td>
<td>NIL</td>
<td>2</td>
</tr>
<tr>
<td>Head &amp; Specialists</td>
<td>F-Role</td>
<td>D1 – D2</td>
<td>40</td>
<td>NIL</td>
<td>2</td>
</tr>
<tr>
<td>First line Managers &amp; Technical staff</td>
<td>G-Role</td>
<td>C4 – C5</td>
<td>69</td>
<td>13</td>
<td>2</td>
</tr>
<tr>
<td>Floor workers</td>
<td>Negotiation category</td>
<td>A1 – C3</td>
<td>631</td>
<td>64</td>
<td>NIL</td>
</tr>
</tbody>
</table>

3.2.2. Variables

The sample sizes are relative big, therefore the level of measurement will be metric and parametric statistics will be used. In this study the following variables are applicable:

- Different leadership styles such as laissez faire, management by exception, contingent reward and transformational leadership (dependent variable),
- Sex (independent variable),
- Service period (independent variable),
- Age (independent variable),
- Department (independent variable),
- Hierarchical level (independent variable),
- Organisational culture (dependent variable),
- Downsizing (independent variable) and
- The fact that the employee is identified as redundant or not (independent variable).

3.2.3. Demographics

The purpose of demographical data is to enable the researcher to cluster the population. This clustering identifies similar characteristics in the data and
then partitions them into groups. This is often used as the first step in data mining. (Cooper & Schindler, 2003: 305). The following demographics are identified:

- **Sex:** Most studies use this demographic to determine the difference or similarities between the sexes. This study may be a reference for future studies with similar topics.
- **Service period:** This can be of importance due to the fact that employees with longer service have experienced more changes in the organisation and their opinions of how the leadership style should be could be different from those with shorter service.
- **Age:** Older people normally perceive situations differently from younger people.
- **Department:** The production departments (Plant, Mining and Engineering) have different functions in the value chain and therefore their leadership styles may differ.
- **Hierarchical level:** The different levels may perceive the leadership styles differently.

### 3.3. Measurement

The demographical data (sex, service period, age, department, hierarchical level and redundancy status) can be classified as nominal data. In this case the organisational culture is a measured value and the downsizing is implemented regardless of the other variables; this two variables can therefore be considered as constant and therefore eliminated as variables. As leadership style is dependent on a variety of factors, distinct styles are identified, which can be based on the perception of followers; therefore this data will be classified as interval data. The way in which a leadership style is viewed is based on perceptions. Responses can be given in two ways: the actual style (as it is) or a desired style (as I want it to be). In the effort to determine the desired leadership style the data collected from the ‘as I want it to be’ part of the questionnaire will be used. The difference between the current leadership style and the desired style will be used to determine to
what extend the current leadership style should change in order to sustain the current organisational culture and what is expected of middle managers.

3.4. Measurement tool

As the optimal leadership style is sought after it is necessary to use a form of evaluation that includes a spectrum of leadership styles. The gathering of data will be the most efficient with a questionnaire, due to the fact that some of the respondents have no access to a computer and are illiterate. Hard copies of the questionnaire should be filled out in facilitated sessions and manually put into a ‘Microsoft excel’ spreadsheet.

Bass & Avolio (1994) developed a Multifactor Leadership Questionnaire (MLQ) to determine how much time a leader spend using a specific leadership style, from subordinates, colleagues as well as supervisors point of view. This will be reflected on a continuum of styles from Laissez-faire to transformational styles (Figure 3.1). The respondents will respond from an ‘as is’ and ‘as I want it to be’ perspective. Annexure 1 is an example of the questionnaire.

![FRL Model Diagram](image)

*Figure 3.1. The full range continuum. (Bass & Avolio, 1994)*

Cooper & Schindler (2003: 534) describe in a table the different measurement levels, the quantity of samples and the different applicable statistical
techniques. This case involves two samples that will be analysed separately. The dependant variables are on an interval scale and the appropriate test is a ‘Z-test’ (one sample - interval measurement level).

The Z-test function of Microsoft Excel returns the one-tailed probability value of a Z-test. For a given hypothesised population mean \(H_0\) ‘ZTEST’ returns the probability that the sample mean would be less than the average of observations in the data array – that is the observed sample mean.

3.5. Questionnaire profiles

The MLQ measures the perceptions of a respondent with regards to a leader in discussion. The questions are aimed at clarifying the leader’s behaviour on a continuum from laissez-faire through to the 4I’s resulting in different scores for the different factors. A Likert scale will be used where zero is equivalent to ‘Not at all’, 1 to ‘Once in a while’, 2 to ‘Sometimes’, 3 to ‘Frequently’, and 4 to ‘Always’.

3.5.1. Development of scales

The factors included in the MLQ were conceptually and empirically derived and confirmed originally from two independently conducted factor analyses using the principal components method with varimax rotation, and they have maintained almost the same structure in various replications of the original factor analyses (Bass & Avolio, 1997: 34).

The transformational leadership factors are:
- Individualised consideration,
- Intellectual stimulation,
- Inspirational motivation and
- Idealised influence (charisma – attributes and behaviours).

The transactional leadership factors are:
- Management by exception (active and passive) and
- Contingent reward.
The only non-leadership factor is ‘Laissez-faire’.

The inter-correlations among the MLQ leadership factors scores provided empirical support for the theoretical links between transformational and transactional leadership. Specifically, the transformational leadership factors were more highly correlated with each other than with transactional and ‘laissez-faire’ leadership. Similarly, transactional ‘contingent reward’ leadership correlated more highly with transformational leadership than it did with less active leadership behaviours (Bass & Avolio, 1997: 37).

3.5.2. Psychometric data and descriptive statistics

The psychometric data for the MLQ form was refined from nine to 14 research investigations totalling 3750 respondents from a variety of business, industrial, nursing, military and professional organisations and agencies. In 1995 it became a basis for 360° assessment and feedback. The nine studies of 2080 cases provided a validation set of samples; the additional 5 studies served for a cross-validation set of samples. The coefficient alpha reliability coefficients for the MLQ scales for 2080 cases yielded a range of 0.81 to 0.96, using ‘Spearman Brown’s estimated reliability formula. Test-retest reliabilities ranged from 0.72 to 0.92 (Bass & Avolio, 1997: 53-55). This indicates that the MLQ is an accepted questionnaire that can be used in this research study.

3.6. Expectations

The following expectations can be made regarding the methodology and the results:

- **Methodology**: The data collection should be completed within three weeks and the completion of the questionnaire should take approximately 15 minutes. The facilitated sessions with the floor level could take approximately 30 to 40 minutes. It will be preferable to use averages of the data to make the necessary conclusions. The applicable statistics to verify the use of averages will be applied in the data analysis.
Results: The appropriate leadership style to sustain organisational culture will be predominantly transformational leadership. There might be a difference in the desired leadership style of the management team and that of the sub-ordinates. The desired leadership style between affected employees and non-affected employees may differ. First line managers would prefer transformational leadership.
4. RESEARCH METHODOLOGY AND RESULTS

In view of the fact that this study is primarily concerned with the leadership style utilised during a downsizing exercise it is important collect the data at the appropriate time. According to the design strategy the data should be collected after the letters were given to the affected employees. The letters were given to the affected employees during the last two weeks of April 2006. The questionnaires were distributed during the first week of June 2006.

4.1. Method of data collection

The mining department and the plant have a ‘training session’ once a week where the day shift employees undergo training in the latest changes of safe working procedures. The employees selected by the systematic sampling procedure used part of these sessions to complete the questionnaires. Twelve questionnaires per shift were completed during the facilitated session. The same facilitator, who acted as an interpreter as well, was used during the data collection period. This exercise took three weeks to complete.

The rest of the departments’ data were collected in two sessions that was facilitated by the researcher. As this was the normal day shift the exercise was completed within a week.

The input of the data from the hard copies of the questionnaires into excel was done by the researcher and a second person was used to do several random spot checks regarding the accuracy of the inputs.

In total 87 employees participated in the survey, 12 evaluated the production team in general and 75 evaluated their specific middle managers. The two samples were entered in two different spreadsheets and kept apart for comparison test purposes.
4.2. Data description

In the exploratory data analysis the demographical data is of a nominal nature and therefore a frequency table is recommended (Cooper & Schindler, 2003). This is also helpful to explore the representativeness of the samples.

The frequency distributions of the independent variables of the two samples are shown in Table 4.1. This study was conducted in a predominantly male environment and therefore the conclusions regarding ‘sex’ will be irrelevant and excluded as a variable in the rest of the study. The majority of respondents are 41 years and older and have more than 11 years service.

Table 4.1. Frequency distribution of the independent variables.

<table>
<thead>
<tr>
<th>Evaluation of the Production team</th>
<th>Evaluation of middle managers</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Independent Variables</strong></td>
<td><strong>Quantity</strong></td>
</tr>
<tr>
<td>Sex</td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>10</td>
</tr>
<tr>
<td>Female</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>12</td>
</tr>
<tr>
<td>Age</td>
<td></td>
</tr>
<tr>
<td>-25</td>
<td>0</td>
</tr>
<tr>
<td>26-30</td>
<td>0</td>
</tr>
<tr>
<td>31-35</td>
<td>2</td>
</tr>
<tr>
<td>36-40</td>
<td>1</td>
</tr>
<tr>
<td>41-45</td>
<td>3</td>
</tr>
<tr>
<td>46-50</td>
<td>2</td>
</tr>
<tr>
<td>51+</td>
<td>4</td>
</tr>
<tr>
<td>Total</td>
<td>12</td>
</tr>
<tr>
<td>Service</td>
<td></td>
</tr>
<tr>
<td>-1</td>
<td>1</td>
</tr>
<tr>
<td>2-5</td>
<td>0</td>
</tr>
<tr>
<td>6-10</td>
<td>0</td>
</tr>
<tr>
<td>11-20</td>
<td>4</td>
</tr>
<tr>
<td>21+</td>
<td>7</td>
</tr>
<tr>
<td>Total</td>
<td>12</td>
</tr>
<tr>
<td>Department</td>
<td></td>
</tr>
<tr>
<td>Mining</td>
<td>1</td>
</tr>
<tr>
<td>Eng</td>
<td>1</td>
</tr>
<tr>
<td>Plant</td>
<td>1</td>
</tr>
<tr>
<td>Manager</td>
<td>1</td>
</tr>
<tr>
<td>HR</td>
<td>2</td>
</tr>
<tr>
<td>Fin</td>
<td>3</td>
</tr>
<tr>
<td>SHE</td>
<td>1</td>
</tr>
<tr>
<td>MM</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>12</td>
</tr>
<tr>
<td>Affected</td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>65</td>
</tr>
<tr>
<td>Total</td>
<td>75</td>
</tr>
</tbody>
</table>

Of the 64 employees that received confirmation letters 10 participated in the survey. The 64 employees represent 8% of the total employees and the 10 respondents represent 13% of the sample, therefore it can be concluded that this sample is representative regarding the objective of the study.
different departments are also on a pro rata base represented by the sample that evaluates the middle managers (compare Table 4.1 with Table 3.1).

The use of averages in the data analysis is the most convenient statistical method. Although the mean (average) may have some error if the distribution is not a normal distribution it is necessary to perform descriptive statistics. Descriptive statistics is an indication of the nature of the distribution and what type of error can be expected when the mean is used. Microsoft excel has a standard function, which report all the necessary measures in tabular form. Table 4.2 is a summary of the measures and a description thereof. (Cooper & Schindler, 2003 and Diamantopoulos & Schlegelmilch, 2005)

### Table 4.2. Explanation of the measures in descriptive statistics.

<table>
<thead>
<tr>
<th>Measure</th>
<th>Description and/or Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean</td>
<td>Is calculated by adding all the values in a distribution and divided by the quantity of entries (arithmetic average).</td>
</tr>
<tr>
<td>Standard Error</td>
<td>Measures the standard deviation of the distribution of sample means.</td>
</tr>
<tr>
<td>Median</td>
<td>The midpoint of the distribution. Half of the observations are above and half is below the median.</td>
</tr>
<tr>
<td>Mode</td>
<td>The most frequently occurring value.</td>
</tr>
<tr>
<td>Standard Deviation</td>
<td>Summarise how far away from the average the data values typically are.</td>
</tr>
<tr>
<td>Sample Variance</td>
<td>The average of the squared deviation scores from the distribution’s mean.</td>
</tr>
<tr>
<td>Kurtosis</td>
<td>Measure of peakedness or flatness. Negative when distribution is flat and positive when distribution is peaked. A normal distribution is zero.</td>
</tr>
<tr>
<td>Skewness</td>
<td>Measure of deviation from symmetry. Negative when tail stretch to the left and vice versa.</td>
</tr>
<tr>
<td>Range</td>
<td>The difference between the maximum and the minimum value.</td>
</tr>
<tr>
<td>Minimum</td>
<td>The minimum value of the distribution.</td>
</tr>
<tr>
<td>Maximum</td>
<td>The maximum value of the distribution.</td>
</tr>
<tr>
<td>Count</td>
<td>The quantity of entries in the distribution.</td>
</tr>
</tbody>
</table>

In the interpretation of the values one should look at some values in relation with others. The mean is a straightforward calculation of the sample whilst the ‘standard error’ is an indication of the range where the mean could be if the sample is associated with the population. The ‘median’ and ‘mode’ can give the researcher the direction where the smallest error will most probably be. The ‘standard deviation’ is an indication of the significance of the mean value and the reliability thereof. The ‘kurtosis’ and the ‘skewness’ is an indication of the shape of the distribution and can be used in the interpretation of the mean.
Table 4.3 shows the descriptive statistics of the actual- and desired leadership styles as evaluated by the management team and the subordinates respectively.

**Table 4.3. Descriptive statistics of the actual and desired leadership styles.**

<table>
<thead>
<tr>
<th>Actual Leadership Styles</th>
<th>Production Team</th>
<th>Middle Management Team</th>
</tr>
</thead>
<tbody>
<tr>
<td>LF</td>
<td>MBE</td>
<td>CR</td>
</tr>
<tr>
<td>Mean</td>
<td>0.958</td>
<td>1.552</td>
</tr>
<tr>
<td>Standard Error</td>
<td>0.213</td>
<td>0.146</td>
</tr>
<tr>
<td>Median</td>
<td>0.875</td>
<td>1.438</td>
</tr>
<tr>
<td>Mode</td>
<td>1.000</td>
<td>1.250</td>
</tr>
<tr>
<td>Standard Deviation</td>
<td>0.737</td>
<td>0.504</td>
</tr>
<tr>
<td>Kurtosis</td>
<td>0.680</td>
<td>0.524</td>
</tr>
<tr>
<td>Skewness</td>
<td>-0.564</td>
<td>0.164</td>
</tr>
<tr>
<td>Range</td>
<td>2.250</td>
<td>1.625</td>
</tr>
<tr>
<td>Minimum</td>
<td>0.000</td>
<td>0.875</td>
</tr>
<tr>
<td>Maximum</td>
<td>2.250</td>
<td>2.500</td>
</tr>
<tr>
<td>Count</td>
<td>12.000</td>
<td>12.000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Desired Leadership Styles</th>
<th>Production Team</th>
<th>Middle Management Team</th>
</tr>
</thead>
<tbody>
<tr>
<td>LF</td>
<td>MBE</td>
<td>CR</td>
</tr>
<tr>
<td>Mean</td>
<td>0.333</td>
<td>1.177</td>
</tr>
<tr>
<td>Standard Error</td>
<td>0.152</td>
<td>0.189</td>
</tr>
<tr>
<td>Median</td>
<td>0.000</td>
<td>0.938</td>
</tr>
<tr>
<td>Mode</td>
<td>0.000</td>
<td>0.875</td>
</tr>
<tr>
<td>Standard Deviation</td>
<td>0.526</td>
<td>0.656</td>
</tr>
<tr>
<td>Sample Variance</td>
<td>0.277</td>
<td>0.430</td>
</tr>
<tr>
<td>Kurtosis</td>
<td>0.520</td>
<td>-1.025</td>
</tr>
<tr>
<td>Skewness</td>
<td>1.300</td>
<td>0.238</td>
</tr>
<tr>
<td>Range</td>
<td>1.500</td>
<td>2.125</td>
</tr>
<tr>
<td>Minimum</td>
<td>0.000</td>
<td>0.125</td>
</tr>
<tr>
<td>Maximum</td>
<td>1.500</td>
<td>2.250</td>
</tr>
<tr>
<td>Count</td>
<td>12.000</td>
<td>12.000</td>
</tr>
</tbody>
</table>

4.3. Statistical method

The Z-test of Microsoft excel was performed and in Figure 4.1 different hypothesised values ($H_0$) were assumed over the frequency spectrum of leader behaviours. One is equivalent to ‘Once in a while’, 2 to ‘Sometimes’, 3 to ‘Frequently’, and 4 to ‘Always’. The range zero to one is of no significance value as the significant leadership styles (transactional and transformational) are focussed on. This leadership styles are within the range one to 4.
Figure 4.1. Assumed hypothesis values (H₀) for different leadership styles over a frequency spectrum.

As the curve’s gradient in Figure 4.1 approaches one (the smaller the value between a probability of zero and one) the more reliable in the use of an average. This correlates to the ‘standard error’ in Table 4.3. The errors in the ‘contingent reward’ and ‘transformational’ leadership styles are the smallest and it will be appropriate to use the mean for conclusions. In the downsizing process it seems that the use of a transactional leadership style is the appropriate leadership style (Figure 4.1 indicates in the desired leadership style of middle managers contingent reward more frequently than transformational leadership). The leadership styles that will be focussed on will then be transactional- and transformational leadership.
4.4. Results obtained

The results used in this study will be obtained from the average scores and histograms of the respondents in the survey.

The results of the production team will be used only as an indication to determine if the leadership style is aligned throughout the whole mine. As the objective of the study is to determine the appropriate leadership style to sustain the organisational culture, the results of the middle management team will be emphasised.

The data that will be used is the differentiation between the:

- Leadership styles of the production team,
- Leadership styles of the middle managers,
- Years of service of the employees,
- Affected and non-affected employees,
- Different departments and
- First line managers and the floor workers.
4.4.1. Current and desired leadership style of the Production team

A graph where the actual and desired leadership styles of the production team are compared is shown in Figure 4.2. This is an indication that the production team should focus their leadership style on transactional- and transformational leadership.

![Evaluation of Production team](image)

*Figure 4.2. Production team evaluation.*

The sample that evaluated the production team consisted out of the management team of Thabazimbi and employees of the support departments. The sample size (12) is too small to use demographical clustering. This information will be used as a reference to the results of the middle management team.
4.4.2. Current and desired leadership style of the middle management team

In comparison to the graph in Figure 4.2 a similar graph is shown in Figure 4.3 where the leadership styles of the middle managers are plotted. This indicates that the middle managers should focus their leadership style on both transactional- and transformational leadership with more emphasis on transactional leadership.

![Evaluation of Middle managers](image)

*Figure 4.3. Middle managers evaluation.*
4.4.2.1. Service

Table 4.1 indicates that 51% of the respondents have more than 21 years service and therefore their evaluation of the leadership styles will be more significant. Figure 4.4 indicates the actual and desired leadership styles as the different service groups evaluated the middle managers.

![Service distribution evaluation](image)

*Figure 4.4. Service distribution evaluation.*
4.4.2.2. Redundancy status

Figure 4.5 indicates the difference in the desired leadership style between the affected employees and those who are not affected.

Figure 4.5. Affected and unaffected employees evaluation.
4.4.2.3. Differentiation between departments

Figure 4.6 indicates that the different departments’ respondents perceive their middle managers differently.

![Figure 4.6. Departmental evaluation.](image-url)
4.4.2.4. Differentiation between floor level and first line managers

First line managers and floor workers do have different needs regarding the leadership styles as shown in Figure 4.7.

![Figure 4.7. Hierarchical evaluation.](image-url)
5. DISCUSSION OF THE RESULTS

The purpose of the data analysis is to determine the validity of the propositions made in Paragraph 3.1.2. The responses in the questionnaire distinguish between leadership styles used never (0), once in a while (1), sometimes (2), frequently (3) and always (4). The discussion of the results with regards to the propositions will elaborate on the conclusions that will be made.

5.1. Dominant leadership styles

In the consideration of the leadership continuum the dominant styles should be transactional- and/or transformational leadership. In the past transformational leadership was emphasised and a high performance culture was established.

The management team, who evaluated the production team, indicates that the emphasis should be between transactional- and transformational leadership (Figure 4.2). However they feel that there should be more focus on transformational leadership. It is argued that the more time the managers spend on transactional- and transformational leadership the less time is left to spend on the more ineffective leadership styles. The sub-ordinates, who evaluated the middle managers, indicate that more time should be spent on transactional leadership than transformational leadership (Figure 4.3). The difference between the actual and desired styles indicates that there is room for behavioural improvement of the middle managers.

5.2. The preference of the management team

The management team of Thabazimbi will predominantly prefer a transformational leadership style, as they want to sustain or improve the organisational culture.
The management team believes that the production team’s actual leadership style is focused more on transactional- than transformational leadership. In the past transformational leadership was emphasised and resulted in culture change. Most of the managers were part of the culture change process and they still prefer transformational leadership. They believe that during this change process, there should be an equal balance between transactional- and transformational leadership styles. (Figure 4.2)

5.3. The preference of the subordinates

The subordinates may need a more structured leadership style during the downsizing exercise.

The subordinates are the employees who evaluated the middle managers. These subordinates consisted out of two groups, namely the first line managers and the floor workers. If grouped together as in Figure 4.3 it can be seen that transactional leadership is currently more dominant than transformational leadership. In both groups the desired leadership style differ an equal amount with regards to the actual style. Subordinates have a need that middle managers should increase their amount of time spent on transactional leadership styles. From 4.6 it seems that there is more potential for improvement in the engineering department and the plant than in the mining department. In Figure 4.5 it is indicated that the affected employees prefer transformational leadership slightly more than transactional leadership in contrasting to the unaffected employees. The difference between first line managers and floor level employees’ perception will be discussed in Paragraph 5.5.

5.4. Service

The employees with longer service experienced more changes in the organisation and would prefer a transformational leadership style.
The smallest difference between actual and desired leadership styles is in the group with more than 21 years service (Figure 4.4). The desired leadership style is slightly more focused on transactional leadership, although it is a small difference.

5.5. Level

*The desired leadership style preference differs between floor level employees and first line managers.*

From Figure 4.7 it is evident that the first line managers prefer transformational leadership while the floor level prefers transactional leadership.
6. CONCLUSIONS AND RECOMMENDATIONS

This chapter will finalise the study of the propositions and recommend leadership styles that should be practiced by the middle managers during the downsizing process. Recommendations regarding further studies will also be given.

6.1. Conclusions regarding the propositions

From the integration of the literature described in Chapter 2 and the results of the research the following conclusions can be made:

6.1.1. Dominant leadership styles

*In the consideration of the leadership continuum the dominant styles should be transactional- and/or transformational leadership. In the past transformational leadership was emphasised and a high performance culture was established.*

Bass & Avolio (1994) describes a leadership continuum where a leader can behave in different leadership styles. They recommend that the ideal leader should most of the time behave as a transformational leader. Court (2005) argues that strict transactional leadership is inappropriate when organisations face change. Ketz de Vries & Balazs (1997) see downsizing as the most traumatic change intervention and that it should be avoided if possible. From a literature point of view it is clear that in the long term, transformational leadership will be the dominant style to use to sustain organisational culture.

The results obtained from Figure 4.2 and 4.3 indicate that transactional- and transformational leadership are equally important if compared to the other styles. In both samples the leaders should act frequently or more as transactional- and transformational leaders. It can be argued that the literature has a more long-term vision in mind while the respondents have a here and
now time reference. The respondents perceive the middle managers as they are currently and how they desire them to behave in the near future.

From a literature as well as a research point of view this proposition is definitely valid.

6.1.2. The preference of the management team

The management team of Thabazimbi will predominantly prefer a transformational leadership style, as they want to sustain or improve the organisational culture.

The majority of the management team of Thabazimbi took part in establishing the culture model as illustrated in Figure 1.3. They were part of the culture change and convinced that by continuing the application of the model, would sustain the organisational culture. In fact the team created a strong culture according to the classification of Kotter & Heskett (1992). In order to sustain this strong organisational culture a high level of self-discipline (Collins, 2001) is necessary, even if no change is implemented.

The actual leadership style as perceived by the management team in Figure 4.2 indicates that the dominant leadership style is transactional in nature, while the desired styles are equally preferred to be transactional- as well as transformational leadership. The difference between the actual and desired leadership styles of Figure 4.2 shows that the middle managers should improve on their leadership skills regarding transactional- and transformational leadership.

It is evident that the proposition is invalid, as the management team prefer both styles equally.
6.1.3. The preference of the sub-ordinates

The sub-ordinates may need a more structured leadership style during the downsizing exercise.

As the sub-ordinates’ time frame is more short-term oriented with regards to the survey and their focus will be the immediate actions and styles preferred. Fay & Lührmann (2004) warn that the poor handling of the affected employees will result in a negative attitude of the remaining employees towards the organisation and would lead to a deterioration of the organisational culture.

Transactional leadership is desired more than transformational leadership in Figure 4.3, which indicates that the sub-ordinates want direction during the downsizing process. The difference between the actual- and the desired style indicate that there is a significant expectation that the middle managers should improve their leadership styles. From Figure 4.6 it seems that the engineering department and the plant have the biggest opportunities for improvement. From Figure 4.5 it is evident that there is a difference in the perception of the affected and unaffected employees. The affected employees prefer a transformational leadership style to a transactional style. A possible reason for this is that they know that there is a possibility that they could loose their jobs and need empathy from their supervisors. The middle managers could fulfil this need by applying transformational leadership skills. In this case the affected employees are identified, but the ideal leader will know his subordinates and through transformational leadership skills improve the effectiveness of his team.

This proposition is valid from the literature as well as the survey results obtained.

6.1.4. Service

The employees with longer service experienced more changes in the organisation and would prefer a transformational leadership style.
In Figure 4.4 all the service group clusters prefer transactional leadership above transformational leadership. The majority of respondents are in the cluster with more than 21 years service and therefore the conclusion will focus on that cluster. If the difference is observed between the actual and desired leadership styles it can be seen that the middle managers have to improve more on transformational leadership skills than on transactional skills. The overall behaviour should however be more transactional. Within this cluster it seems that there is a balance between transactional- and transformational leadership.

This proposition is invalid due to an equal balance of both leadership styles.

6.1.5. Level

The desired leadership style preference differs between floor level employees and first line managers.

Figure 4.7 indicates that first line managers have a slight preference for transformational leadership, whilst floor level employees have a preference for transactional leadership. The difference in preference is quite small, but there is significant room for improvement if the differences between actual and desired levels are taken into account. Differences could possibly be ascribed to the need of first line managers to be more empowered in their regular decision making processes. On the other hand floor workers have a need for more structure and guidance in the form of procedures and instructions and therefore the need for transactional leadership.

A difference in the desired leadership style between the levels was observed and this proposition is therefore valid.
6.2. General conclusion

Swanepoel et al (2003) is of opinion that the two leadership styles are complimentary to each other and does not oppose each other. This study came to the same conclusion. The leadership styles should be adapted to the situational need. The differences in actual and desired styles indicate that middle managers should improve their transactional- and transformational leadership skills with emphasis on the latter.

6.3. Recommendations

Awareness was created amongst all the managers at Thabazimbi by training them on the full range leadership. A refresher course could ensure that the use of the full range of leadership is entrenched in the middle manager cadre. This is important because of the great influence – positive or negative – a middle manager can have on subordinates. It is therefore crucial that middle managers lead by example.

The focus of the middle managers should be on transactional- as well as transformational leadership styles in order to sustain the organisational culture. The following should help the middle managers on specific actions they can take to improve their transactional- and transformational leadership style skills.

6.3.1. Transactional Leadership

Transactional leadership is a process of gaining compliance from subordinates through ‘contracts’ with the leader. The contractual relations may be explicit or implicit. The leader clarifies expectations and may exchange promises of reward if targets are met, or disciplinary threats if the desired targets are not met.

Leaders, who make use of the transactional contingent reward style, employ goal setting to help clarify what is expected of the sub-ordinate and what the sub-ordinate can expect if goals and objectives are accomplished. The
process includes agreement by both parties and can therefore be viewed as participative. It can also be more prescriptive, depending on the developmental level of sub-ordinates. Basically, it is pro-active facilitation on what sub-ordinates should do, including their level of effort and what they can expect if accomplishments were met or not. If this leadership style is used correctly, it can be expected that targets and objectives will be met, except if some uncontrollable variables had a influence on the outcome. Uncontrollable variables should also be focussed on during the transacting phase between the leader and sub-ordinates.

6.3.2. Transformational leadership

Transformational leadership is a process whereby leaders inspire subordinates to higher performance by creating an environment wherein an employee can unleash his full potential. Actions include the caring for subordinates and their development; the stimulating of creativity; the setting of a morally high example; and showing employees the vision and how it could be accomplished.

Changing one’s leadership style to that of the 4I’s of transformational leadership, requires a change in emphasis and orientation. The leader is proactive in many different and unique ways. This leader attempts to maximise development, not just performance. Development encompasses ability, motivation, attitudes and values. Such leaders take cognisance of individual needs like transactional leaders, but are not content with simply those needs; they want to elevate the maturity level of the needs (from security and social needs to needs for achievement and self-development). They convince subordinates to strive to develop their full potential and strive towards higher morality and more ethical behaviour. Through developing their subordinates they develop their organisation as well. High performing subordinates is synonymous to high performing organisations. Keep in mind that transactional leadership can take on the characteristics of transformational leadership if the exchange is to benefit the sub-ordinates’ development rather than provide
immediate material rewards. The general characteristics and leader’s actions of the 4I’s are tabulated in Table 6.1.

<table>
<thead>
<tr>
<th>Transformational leadership factor</th>
<th>General characteristic</th>
<th>Leader’s actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individualised consideration</td>
<td>Caring</td>
<td>Alert to individual needs</td>
</tr>
<tr>
<td></td>
<td>Concern</td>
<td>Provides appropriate challenges</td>
</tr>
<tr>
<td></td>
<td>Empathy</td>
<td>Provides learning opportunities</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Delegates to help develop subordinates</td>
</tr>
<tr>
<td>Intellectual stimulation</td>
<td>Value the intellect</td>
<td>Questions the status quo</td>
</tr>
<tr>
<td></td>
<td>Encouraging imagination</td>
<td>Generates simpler solutions</td>
</tr>
<tr>
<td></td>
<td>Challenge old ways</td>
<td>Uses reasoning as well as emotion</td>
</tr>
<tr>
<td>Inspirational motivation</td>
<td>Clarification of future states</td>
<td>Provides appealing symbols and simple words</td>
</tr>
<tr>
<td></td>
<td>Treating threats as opportunities</td>
<td>Clarifies the mission</td>
</tr>
<tr>
<td></td>
<td>Elevation of expectations</td>
<td>Encourages</td>
</tr>
<tr>
<td>Idealised influence</td>
<td>Confidence in the vision</td>
<td>Aligns individual and organisational objectives</td>
</tr>
<tr>
<td></td>
<td>Full responsibility for actions</td>
<td>Emphasises accomplishments</td>
</tr>
<tr>
<td></td>
<td>Sense of purpose and trust</td>
<td>Sets high moral standards</td>
</tr>
<tr>
<td></td>
<td>Identification with the leader</td>
<td>Provides a role model</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Demonstrates out-of-the-ordinary capability</td>
</tr>
</tbody>
</table>

6.4. Proposed further study

The difference between the needs of the floor level and the first line managers regarding desired leadership styles could be an indication that this phenomena can occur through the different levels of the organisation. There may be a progressive trend towards transformational leadership as you climb the ‘corporate ladder’.

This study was conducted at a relative small mine, and the results could differ on a big mine.

Senior managers have a significant influence on subordinates further down the hierarchical line. This could be examined to gain insight on how their behaviour impact on lower level subordinates.

No literature could be found that research to correlation between the preferred leadership styles in respect to the years of service in an organisation.
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### ANNEXURE 1

#### Multi Factor Leadership Questionnaire (Bass & Avolio)

**Purpose**

The purpose of this questionnaire is to determine how you experience the leadership style of your supervisor's manager and how you would like it.

**Instructions**

Rate your supervisor's manager in terms of how you experience his/her behaviour and how you would like it to be by crossing the appropriate score.

Complete the demographical questions by crossing the appropriate information.

### Leadership questions

<table>
<thead>
<tr>
<th>As I want it to be</th>
<th>As it is</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Not at all</strong></td>
<td><strong>Not at all</strong></td>
</tr>
<tr>
<td><strong>Once in a while</strong></td>
<td><strong>Once in a while</strong></td>
</tr>
<tr>
<td><strong>Sometimes</strong></td>
<td><strong>Sometimes</strong></td>
</tr>
<tr>
<td><strong>Frequently</strong></td>
<td><strong>Frequently</strong></td>
</tr>
<tr>
<td><strong>Always</strong></td>
<td><strong>Always</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Leadership questions</th>
<th>0</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provide me with assistance in exchange for my effort</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Re-examines critical assumption to question whether they are appropriate</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Fails to interfere until problems become serious</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Focuses attention on irregularities, mistakes, exceptions, and deviations from standards</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Avoids getting involved when important issues arise</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Talks about his/her most important values and beliefs</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Is absent when needed</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Seeks differing perspectives when solving problems</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Talks optimistically about the future</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Instills pride in me for being associated with him/her</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Discusses in specific terms who is responsible for achieving targets</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Waits for things to go wrong before taking action</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Talks enthusiastically about what needs to be accomplished</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Specifies the importance of having a strong sense of purpose</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Spends time teaching and coaching</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Makes clear what one can expect to receive when performance goals are achieved</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Shows that he/she is a firm believer in &quot;if it ain't broke, don't fix it&quot;</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Goes beyond self-interest for the good of the group</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Treats me as an individual rather than just as a member of group</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Demonstrates that problems must become chronic before taking action</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Acts in ways that builds my respect</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Concentrates his/her attention on dealing with mistakes, complaints, and failures</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Consider the moral and ethical consequences of decision</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Keep track of all mistakes</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Displays a sense of power and confidence</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>--------------------------</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>Articulates a compelling vision of the future</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Directs my attention toward failures to meet standards</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Avoids making decision</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Considers me as having different needs, abilities, and aspirations from others</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Gets me to look at problems from many different angles</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Helps me to develop my strengths</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Suggests new ways of looking at how to complete assignments</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Delays responding to urgent questions</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Emphasises the importance of having a collective sense of mission</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Expresses satisfaction when I meet expectations</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Expresses confidence that goals will be achieved</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Is effective in meeting my job-related needs</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Uses methods of leadership that are satisfying</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Gets me to do more than I expected to do</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Is effective in representing me to higher authority</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Works with me in a satisfactory way</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Heightens my desire to succeed</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Is effective in meeting organisational requirements</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Increases my willingness to try harder</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Leads a group that is effective</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
</tbody>
</table>

### Demographical questions

<table>
<thead>
<tr>
<th>Sex</th>
<th>F</th>
<th>M</th>
</tr>
</thead>
</table>

|-----------|-----|-------|-------|-------|-------|-------|-----|

<table>
<thead>
<tr>
<th>Years of service</th>
<th>? 1 year</th>
<th>2 to 5</th>
<th>6 to 10</th>
<th>11 to 20</th>
<th>? 21</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Occupational group</th>
<th>Miner</th>
<th>Artisan</th>
<th>Process Controller</th>
<th>Administrative</th>
<th>First Line Supervisor</th>
<th>Head</th>
<th>Superintendent or Assistant Resident Engineer</th>
<th>Specialist</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Department and Section</th>
<th>Mining</th>
<th>Buffelshoek/Kwaggashoek</th>
<th>Donkerpoort/Donkerpoort Nek</th>
<th>Surveying</th>
<th>Geology</th>
<th>Planning</th>
<th>Engineering</th>
<th>Trucks and Drills</th>
<th>Secondary equipment</th>
<th>Primary equipment and Crushers</th>
<th>Planning and Development</th>
<th>Central workshops</th>
<th>Plant Maintenance</th>
<th>Plant Laboratory</th>
<th>Plant Production</th>
<th>Loading station</th>
<th>Human Resources</th>
<th>Materials Management</th>
<th>SHE</th>
<th>Finance</th>
</tr>
</thead>
</table>

| Are you an affected employee? | Y | N |