

The Inability to Recruit and Retain Previously Disadvantaged
Professionals in a South African Steel Merchant

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MASTERS DEGREE IN BUSINESS ADMINISTRATION,

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by

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DECLARATION

This is a declaration that the Thesis and Research is my own work. It is submitted in the partial fulfillment of the requirements for a Master's Degree in Business Administration at the University of South Africa. The Research has not been submitted before for any degree or examination at UNISA or any other university. I further declare that I have obtained permission to conduct this research by the Steel Merchant and UNISA.



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2nd May 2011

ABSTRACT

The Steel Merchant offers a service of stocking and distributing steel products and value added services throughout Africa. The company is the largest steel merchant in Africa employing over 5500 employees.

The South African government implemented the Employment Equity Act, No 55, (1998) and Broad-Based Black Economic Act, No 53, (2003) to readdress the discrimination of the past and create fair opportunities for Previously Disadvantaged Individuals (PDI) in the workplace.

The Steel Merchant's business environment is severely affected by these legislations and is required to comply with the provisions of the Act or will receive fines and penalties.

Since the Acts inception the merchant continues to struggle in recruiting and retaining PDIs in professionally qualified and management positions. The organization has experienced strategic drift by falling from a Black Economic Empowerment (BEE) Procurement Recognition/Status Level of 5 down to level 6.

The research identified various factors within the organization that are hindering its overall ability to adapt and progress in terms of Employment Equity (EE) and BEE. The study is focused on identifying the internal and external barriers that prevent the effective implementation of BEE and EE strategies in order to recruit and retain previously disadvantaged professionals at the Steel Merchant.

The Research Objectives are:

- To evaluate the effect of organizational culture and climate on the implementation of Employment Equity, Affirmative Action (AA) and BEE Strategies

- To analyze the importance of Human Resource Management (HRM) in the development of recruitment and retention strategies of previously disadvantaged professionals
- To investigate the differences in gender and race leadership qualities and behavior
- To identify and assess the barriers in implementing employment equity recruitment and retention strategies
- To determine how government legislation will influence the Steel Organizations' competitiveness internationally

Internal secondary data was used to analyze the Merchant's Human Resource Management, EE and BEE performance. External secondary data from the South African government departments was used to analyze the legislative Acts and how the company performs compared to the industry standards.

A quantitative research approach was followed in the investigation. A questionnaire was developed using closed-ended questions to obtain information related to the respondent's demographical background as well as their opinion on each objective.

The questionnaire was distributed by email to 100 employees and weighted according to racial group (Black, White, Coloured and Asian) and gender (Male and Female). The method allowed the researcher to receive and analyze the information quickly at no financial cost.

Descriptive statistics were used to interpret the results and describe the behaviour of each racial and gender group contained in the sample. The data methods used were:

- Percentages
- The mean, mode and median
- Standard Deviation

The conclusions from the sample were used to generalize about the steel merchant population whilst research from recognized academics was utilized to authenticate and substantiate the research findings improving the accuracy and reliability of the research.

The results of the study identified the following factors have contributed to the merchant's inability to recruit and retain PDI at professionally qualified and management levels:

- The Steel Merchant has a white male dominated organizational culture and ineffective HRM strategies
- Black shareholders have contributed little towards previously disadvantaged development creating resentment by employees
- Employment Equity, Black Economic Empowerment and Affirmative action has created racial divides, a lack of trust and will negatively influence the company's competitiveness internationally

The research identified various problems that hinder the implementation of EE and BEE policy at the steel merchant which makes it difficult to recruit and retain talented PDI. The following recommendations have been made to minimize resistance and integrate EE and BEE policies to improve recruitment and retention in the organization:

- Define and communicate the BEE/EE vision and strategy
- Delayer hierarchal levels
- National Culture Training
- Implement Performance Management Systems
- Incentivize Knowledge Sharing
- Re-evaluate the recruitment policies
- Train, develop and mentor PDI
- Develop career paths and succession plans

- Create a leadership development program
- Create a shared understanding of EE
- Address white fears through empowerment
- Black shareholders should be actively involved with the development of PD employees
- Harness African culture to succeed internationally

EE and BEE is obligatory and will inevitably influence the company's performance. The Steel Merchant has the resources and capabilities to eliminate resistance and implement effective HRM strategies to recruit and retain talented PDI in professional and management positions. By achieving this objective, the company's Broad Based Black Employment Equity (BBBEE) rating will advance resulting in a sustainable competitive advantage and more business opportunities in the future.

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LIST OF ABBREVIATIONS

A - African/Black

AA - Affirmative Action

AF - African/Black Female

AM - African/Black Male

ANC - African National Congress

BBBEA - Broad-Based Black Economic Act, No 53, (2003)

BBBEE - Broad-Based Black Economic Empowerment

BCEA - The Basic Conditions of Employment Act, No 30, (1997)

BEE - Black Economic Empowerment

BRIC – Brazil, Russia, India and China

C - Coloured

CCMA - Commission for Conciliation, Mediation and Arbitration

CEE - Commission for Employment Equity

CEO - Chief Executive Officer

CF - Coloured Female

CM - Coloured Male

COSATU - Congress of South African Trade Unions

DG - Designated groups

EAP - Economically Active Population

EE - Employment Equity

EEA - The Employment Equity Act, No 55, (1998)

F - Foreign National

FDI - Foreign Direct Investment

GDP - Gross Domestic Product

HR - Human Resources

HRM - Human Resource Management

I - Asian/Indian

ICT - Information and Communication Technologies

IF - Asian/Indian Female

IM - Asian/Indian Male

LRA - The Labour Relations Act, No 66, (1995)

NUMSA - National Union of Metalworkers of South Africa

PD - Previously Disadvantaged

PDI - Previously Disadvantaged Individual

ROI - Return on Investment

SA - South Africa

SACP - South African Communist Party

SDA - The Skills Development Act, No 97, (1998)

W - White

WF - White Female

WM - White Male

CHAPTER 1: ORIENTATION

1.1 INTRODUCTION

Racial Discrimination has been systematically reduced in South Africa over the last 30 years and the South African government has implemented the Employment Equity Act, No 55, (1998) to ensure the legacies of Apartheid can be re-addressed in the workplace.

Employment Equity (EE) will be achieved by promoting equal opportunity and fair treatment of individuals through the elimination of unfair discrimination and the implementation of affirmative action. These measures have been instituted to advance black people and people with disabilities through the ownership of businesses and an increase in management representation (Thomas, 2002).

The South African Labour Department requires that employers with over 50 employees and defined financial turnovers need to set empowerment targets and incorporate strategies to 'recruit, train, develop and retain people from designated groups' (South Africa. Department of Labour, 1998).

The evaluated Steel Organization is the market leader in the industry employing over 5500 people in South Africa and government legislation will for that reason have an influence on the company's strategy and overall performance.

The steel company's offers a service of stocking and distributing the most comprehensive range of steel products and downstream value added processes available in Africa. The service includes distributing and processing the full complement of carbon, special steels, stainless steels and speciality steel products to most sectors of industry.

The Steel Industry lags the all-industry employment equity average at every level. The Professionally Qualified Workforce which encompasses individuals such as technicians, engineers, accountants and tertiary-qualified students is behind the all industry average by 23%.

The Employment Equity Commission (2010) argues that 'The lack of progress reflects the unwillingness of corporate South Africa to embrace the transformation agenda.'

To exacerbate the problem, the organization has institutionalized a male dominated 'Tough Guy, Macho Culture' having an effect on the amount of women employed in professionally qualified roles as they are placed mostly in pink collar positions.

The inability to recruit and retain previously disadvantaged employees has significant turnover costs and is experienced through the following components: separation costs, replacement costs, training costs, lower productivity levels and opportunity costs in the loss of government tenders.

1.2 THE RESEARCH FOCUS

The research report will identify the challenges experienced in recruiting and retaining competent previously disadvantaged employees and recommend strategies that can create a unique South African workplace that values diversity in order to achieve the company's objectives and vision.

CHAPTER 2: PROBLEM IN CONTEXT

2.1 INTRODUCTION

The previous chapter discussed the background to the steel industry and briefly discussed the research focus for this research. In South Africa, for decades, the majority of the population was denied access to education, jobs and opportunities through a process of discrimination (Human, 1996). To readdress the discrimination that occurred in the past the Employment Equity Act, No 55, (1998) and Broad-Based Black Economic Act, No 53, (2003) were implemented.

The corporate steel entity has been required to align itself with the government's transformational and social development strategies, but these transformational laws are often seen with skepticism and cynicism in a white-male dominated steel organization.

The merchant has a shortage of Previously Disadvantaged Individuals (In the report this term will be referred to as PDI) in professional and management positions. Hence, the focus is to recruit professionals and lower/middle level managers that will develop into more senior roles.

2.2 RECRUITMENT

The organization is finding it increasingly difficult to recruit and retain competent previously disadvantaged individuals. The EE commission (2006) reports that the retention rate for black recruits continues to decline as firms lose black employees as quickly as they recruit them.

The Labour Laws can result in a decrease in foreign investment as the shareholders do not want to participate in strict regulations whilst the shortage of black skills make professional black individuals more expensive and unaffordable for the local steel company.

The employers often feel that discrimination occurs against often better qualified whites in terms of the laws, since noncompliance will lead to fines, penalties and lost tenders (Grobler, 2006).

The steel industry is not seen as lucrative and luxurious as other industries. The steel business is portrayed as a rough, tough industry of 'wheeling and dealing' due to the sales-orientated business model adopted by most merchants.

The merchants are focused on daily results and few are focused in long term goals, this is evident with most senior roles at merchants being occupied by people that do not possess tertiary education. Senior personnel can feel intimidated by others that have these qualifications and do not hire them.

The effect is that professionally qualified employees select employers of choice in other industries like banking or mining contributing to the shortage of quality individuals for the steel merchant to employ.

Poor hiring decisions are made by the organization. It has happened that PDIs are placed into positions without the relevant necessary skills, experience and support in order to reach equity targets leading to dissatisfied management and resentment from the employer and employee.

However, it has been identified that previously disadvantaged employees may adopt a culture of entitlement "that undermines initiative, self-confidence and self-reliance" (Jafta, 1998) contributing to poor performance.

The South African steel merchant could become uncompetitive internationally due to high turnover rates resulting from Affirmative Action leading to lower productivity, poor teamwork, a low morale, lack of trust, low employee commitment, inadequate quality and customer service.

Low commitment from top management and a lack of cultural sensitivity has resulted in black employees being seen as 'tokens' appointments. The reality is that the organization has failed to take advantage of diversity to develop an innovative, creative and unique industry that can compete globally.

Affirmative Action and Employment Equity was successfully implemented in Malaysia. Today Malaysians own 66% of corporate assets and comprise 67% of university students (Puthucheary, 1993). Consequently through effective implementation strategies and partnering between government, the steel industry and the company, Employment Equity has the potential to succeed and meet equity targets.

However, the same negative trends are happening in South Africa that occurred in Malaysia and India. The minority racial students and professionally qualified individuals that have the skills to work in the industry, such as Metallurgists, are leaving the country contributing to a 'brain drain' which influences the steel merchants ability to hire qualified staff.

Quotas have resulted in whites operating businesses with Black "Front Men" which has resulted in an Elite Black Class even as the poorest sectors of the disadvantaged continue to have little or no benefit. The merchant displays this characteristic by issuing a 24.4% shareholding to a Black shareholder causing resentment as limited benefits have been seen by the employees.

Similar to India's legislation to readdress the cast system, a hierarchy of oppression has been created. Previously, Coloureds and Asians were not white enough and today are not seen as Black enough. This in turn limits their opportunities at the steel company as they compete to recruit qualified black individuals.

Although late, the merchant has recently implemented an internship program to recruit young PDIs. The organization has also begun identifying PDI employees that can be 'fast tracked' into more senior roles.

The communication of BEE and EE to employees has been slow and ineffective causing an overall resistance to the strategy by all racial groups. The merchant's human resources department performed poorly in headhunting talent particularly from tertiary institutions, other industries or direct competition and the talented PDI that the company does have, tend to leave for better opportunities elsewhere.

For an international organization and market leader, the human resource department has performed poorly in the recruitment and retention of PDI. It seems that the new drastic strategies implemented could be too little too late.

CHAPTER 3: PROBLEM REVIEW

3.1 INTRODUCTION

Chapter 2 discussed the research problem of recruitment and lack of finding suitable qualified and skilled persons for specific job roles. This makes it difficult for employers to comply with the EE Act. A number of emerging themes have been identified as possible reasons why the steel organization is not recruiting, developing and retaining previously disadvantaged professionals. This issue will be discussed in greater detail in Chapter 3.

3.2 LEADERSHIP

There is debate around the commitment of leadership to Employment Equity and the role that leaders have in the implementation of this initiative. Leaders have a significant role in implementing change and these role models are vital in the successful implementation of employment equity within the organization. The skills and personality traits of the leadership required will be evaluated.

3.3 GLOBALIZATION

The world has changed significantly over the last century and in 2010 Africa had a record year in Foreign Direct Investment (Business Day). Employment Equity requires the organization to meet equity targets as a consequence the steel company has no choice but to change. The research will evaluate if hiring previously disadvantaged professionals can create a less competitive firm by “hiring numbers” or that diversity will create a unique workforce that has unlimited creativity and innovation benefits.

3.4 MANAGING CHANGE

Change processes are often received with resistance by employees. Employment Equity is a change initiative within the organization integrated from the Government's top-down approach. This change can leave employees with emotions like fear, stress, denial and mistrust. Management need to understand why employees resist Employment Equity and develop strategies to successfully deal with resistance.

3.5 MOTIVATION

Employment Equity has a significant impact on the morale and motivation of employees in all racial divides. The challenge for an organization is to motivate employees that have been forced to change their behavior and take their cultural differences into consideration. Different cultural groups will require different strategic approaches in order to motivate them.

3.6 ORGANIZATIONAL CULTURE AND CLIMATE

The organization has an elitist white male-dominated culture that inhibits female development, creates racial divides and limits growth opportunities for previously disadvantaged employees. The organization needs to understand its present culture and make the necessary adjustments to integrate other groups of society.

3.7 HUMAN RESOURCE MANAGEMENT

HRM strategies have a direct influence on the quality of employees hired and whether they remain with the organization. The current policies and procedures regarding a structured recruitment strategy and retention program need to be analyzed in order to limit the turnover costs.

3.8 STEREOTYPING

Humans stereotype to make sense of their environment. Stereotyping is based on an individual's basic values regarding their own race or culture and people judge others according to these values. In South Africa, stereotyping has been entrenched into our core values and beliefs thus management need to understand each race's cultural perception of one another and develop strategies that can manage these generalizations.

CHAPTER 4: PROBLEM STATEMENT

4.1 INTRODUCTION

The previous chapter reviewed the current staffing problem and employment equity in a broader context and the implications this holds for the steel industry. This chapter will expand on the problem statement in greater depth.

4.2 THE EMPLOYMENT EQUITY CHALLENGE IMPACT ON RECRUITING

The Steel Industry has experienced major changes in employment relations since independence in 1994. The South African Steel Merchant is required to comply with the provisions of the Employment Equity Act. However, progress in recruitment and retention of previously disadvantaged professionals has been slow and ineffective.

Although Employment Equity has succeeded by improving the demographics of South Africa's middle class it has also contributed to a brain drain, tokenism and impacted on foreign direct investment (FDI) by shareholders. The ineffective implementation of this Human Resource Strategy has contributed to a high staff turnover, a lack of trust and leadership stereotyping within the organization.

The analysis on Employment Equity will identify the concerns and barriers of the government's policy on the South African Steel Company and develop effective strategies in order to recruit and retain previously disadvantaged professionals and create a globally competitive organization within the industry.

CHAPTER 5: THE RESEARCH OBJECTIVES

5.1 INTRODUCTION

Chapter 4 highlighted the fact that the concerns and barriers of government's EE policy impacts negatively on the Human Resources recruitment efforts to locate and recruit suitable employees with the right skills and qualifications. The steel organizations therefore need to identify suitable strategies to address this issue. This chapter will discuss factors that need to be researched that could provide possible solutions which may be implemented to promote EE.

5.2 OBJECTIVES OF THE RESEARCH

5.2.1 Organizational Culture

Evaluate the effect of organizational culture and climate on the implementation of Employment Equity, Affirmative Action and BEE strategies. The Organizational Culture/Climate is white male dominated, the evaluation can identify if the existing culture makes it difficult for other genders or races to integrate into a steel organization.

5.2.2 Human Resource Management

Analyze the importance of HRM in the development of recruitment and retention strategies of previously disadvantaged professionals. The Human Resource Management strategies of the steel organization influence their ability to become an employer of choice. The analysis will identify how the HRM strategies will influence the organization's ability recruit and retain talent.

5.2.3 Gender Leadership Qualities

Investigate the differences in gender and race leadership qualities and behaviour. Different genders and races tend to be stereotyped. The investigation will identify how different types of racial leadership qualities will influence the recruitment, retention and development of employees.

5.2.4 Barriers in implementing EE

Identify and assess the barriers in implementing employment equity recruitment and retention strategies. By identifying the existing barriers, strategies can be developed to meet the targets set by government, the steel industry and by the organization.

5.2.5 Impact of legislation on competitiveness

Determine how Government Legislation will influence the Steel Organizations' competitiveness internationally. If South Africa is to be a part of the BRIC economy, the country will need to increase foreign direct investment and compete more effectively internationally. The assessment will identify how EE, AA and BEE in South Africa today will affect the South African Steel Merchant's competitiveness internationally.

CHAPTER 6: BENEFITS

6.1 INTRODUCTION

Chapter 5 identified and specified the research problems to be researched in this document. Chapter 6 will discuss the benefits that may accrue from this research that can lead to possible solutions that may be adopted and implemented by the steel industry.

6.2 BENEFITS

The research will help South African managers be realistic and adapt to the Employment Equity legislation. In doing so, they will improve the competitive positions of the enterprise and the South African steel industry which impacts positively on the economy domestically and globally to compete more effectively internationally.

The research can determine the reasons for the present unsuccessful implementation of employment equity which has contributed to high labour turnover rates for previously disadvantaged employees. This can contribute to the development of strategies to recruit, retain and develop talented individuals leading to social benefits for the company and the community.

A better understanding of Employment Equity and the perceptions of previously disadvantaged professionally qualified individuals towards the steel industry will allow the steel organization to strategically reposition and rebrand itself to become employers of choice when competing with other industries for talent.

The analysis can identify the expected benefits of employment equity and diversity programs. If the racial groups, the organization and the industry believe in Employment equity and in turn implement strategies to meet the employment targets the following benefits can be achieved:

- Decreased conflict and stress
- Enhanced productivity of heterogeneous teams or work groups
- Improvements in morale
- Job satisfaction and retention
- Enhanced creativity and innovation

The analysis will highlight not only the importance of integrating different races but also examine the need and benefits of integrating women into the workplace.

CHAPTER 7: LIMITATIONS AND DELIMITATIONS

7.1 INTRODUCTION

Chapter 6 identified and specified some of the benefit outcomes that this research may verify. Chapter 7 will discuss the limitations and delimitations of the research.

7.2 DELIMITATIONS

The research will take the successes and failures of Employment Equity to understand previous strategies implemented in other countries. However, only the results obtained in the South African context will be used in the findings.

The research will focus on Employment Equity in the South African steel industry only. No other private sectors or public sectors will be taken into consideration during this analysis.

Only Professionally Qualified Individuals will be considered with the following characteristics:

- Must be South African – Foreign Nationals will be excluded
- White Collar
- Qualified with tertiary education
- However, if does not have tertiary education the individual must be in a skilled profession or in lower to middle level management.

The research will only consider the Employment Equity Act and related legislation of Affirmative Action and Broad Based Black Economic Empowerment. No other government legislations or policies will be taken into consideration.

The assessment of the impact of Employment Equity's implication on Foreign Direct investment will be reviewed in a holistic manner. Opinions of certain or specific countries will be ignored.

The analysis is focused purely on the Recruitment and Retention of Human Resource Management. HRM spheres not relevant to the study will be avoided in conjunction with other irrelevant areas such as operations and finance.

7.3 LIMITATIONS

The sample will be drawn from South African provinces only. Other countries will be neglected in the study.

Budget and Time constraints - The restricted budget expenditure and 5 month timeline provides the research with limited resources to complete the project. Financial and Time management planning is the key to this projects success.

Biased Observations - The interviewer will only hear or see things that he/she is interested in and could ignore critical information that addresses the research problem. The researcher may manipulate data to protect the views of their race towards others.

Fictitious Responses - Interviewees could withhold, manipulate or provide fictitious information. People do not want to be seen as racist by providing their stereotyped views of others to interviewer since they feel ashamed and narrow minded. This can contribute to the data could being less accurate and reliable.

Research limitations/implications - The results obtained will be pre-dominantly black and white focused which could yield misleading interpretations of the actual professionally qualified racial and gender dynamics in South Africa. But it is

important to remember that Coloured's and Asian's represent a smaller percentage of the South African population compared to Africans and Whites.

Sample Size - Only one steel company participated in this study however the organization is the largest steel merchant within the industry. The findings regarding the steel organization cannot be seen as indicative of the entire steel industry and all the firms within it. The characteristics of other steel firms could be neglected which can limit the results in terms of the broader South African Steel industry and work force.

CHAPTER 8: PROBLEM ANALYSIS

8.1 INTRODUCTION

The Government has instigated external pressure on the steel merchant to change in order to meet the strict criteria of the EE and BEE legislation. The Employment Equity Act, No 55, (1998) is the promoting of equal opportunity and fair treatment in employment through the elimination of unfair discrimination (South Africa. Department of Labour, 1998).

Broad-Based Black Economic Act, No 53, (2003) is an integrated and coherent socio-economic process that directly contributes to the economic transformation of SA and brings about significant increases in the number of black people that own, manage and control the country's enterprises (SANRAL, 2011).

The implication is that the steel merchant has had to implement internal pressures through strategic initiatives, management changes, new policies and procedures to meet the EE and BEE targets and ratings.

8.2 STRATEGIC DRIFT

EE and BEE is a policy implemented by Government and the company needs to change in order to improve its BEE ratings. It is a form of change that goes beyond the existing paradigm of a white male dominated organizational culture and the resistance to the change would naturally be strong.

The Steel merchant's Broad Black Economic Empowerment rating is evaluated by Empowerlogic according to the following elements (Empowerlogic, 2011):

- Direct Empowerment:
 - Equity Ownership as a percentage of economic interest and exercisable voting rights (Weight 20%)

- Management and Control as a percentage of black people in executive management, the executive board and board committees (Weight 10%)
- Human Resource Development and Employment Equity :
 - Employment Equity- Weighted employment equity analysis of PDI employed at all levels (Weight 10%)
 - Skills development- is the expenditure as a proportion of total payroll by the merchant (Weight 20%)
- Indirect empowerment:
 - Preferential Procurement- Procurement from black-owned and empowered enterprises (Weight 20%)
 - Enterprise Development- Quantified Contribution to Enterprise Development over Previous 5 years (Weight 10%)
- Residual:
 - Corporate Social Investment- Quantified Contribution to Social Development and Industry Specific Initiatives over Previous 5 years (Weight 10%)

The total points that a company earns will classify the Steel Merchant as compliant or non-compliant according to the Codes of Good Practice. The scores are classified as follows (Empowerlogic, 2011):

- A Level One Contributor to BEE - a score equal to and above 100%
- A Level Two Contributor to BEE - a score between 85% and 100%
- A Level Three Contributor to BEE - a score between 75% and 85%
- A Level Four Contributor to BEE - a score between 65% and 75%
- A Level Five Contributor to BEE - a score between 55% and 65%
- A Level Six Contributor to BEE - a score between 45% and 55%
- A Level Seven Contributor to BEE - a score between 40% and 45%
- A Level Eight Contributor to BEE - a score between 30% and 40%
- A Non-compliant Contributor to BEE - a score below 30%

To improve the BEE and EE ratings would require the merchant's employees to change and alter their beliefs. The recruitment and development of previously disadvantaged professionals will also change the way in which the employees operate and interact with one another.

In 2009, the Steel Merchant had a BEE Procurement Recognition/Status Level of 5. The recession had financial implications on the Steel Merchant due to declining steel prices and large inventories contributed to lower profits. As a result the company went into "survival mode" focusing on daily operations and sales.

The difficult past two years resulted in a loss of focus on BEE and EE policies with no staff being recruited unless it was a matter of urgency. As a result the company's level 5 BEE contributor rating declined down to a level 6 BEE contributor rating in 2010 indicating that the company is experiencing 'strategic drift' during a period of indecisive flux.

Strategic Drift occurs when the organization becomes less and less responsive to the environment it operates (Boojihawon, 2007:79) leading to a divergence between organizational change and environmental change.

The Steel Merchant's BEE Status was rated by Empowerlogic as follows:

- Direct Empowerment:
 - Equity Ownership - level 3 rating due to a 24.4% Black Ownership and 4.6% Black women ownership
 - Management and Control - level 8 rating since few black people occupy executive and board level positions
- Human Resource Development and Employment Equity:
 - Employment Equity - Non-compliant in terms of EE. The greatest problem in regards to BEE and EE is not with shareholders or in

- 'blue collar' positions but at Management level which requires the skills of professionally qualified individuals
- Skills development - Non-compliant with insufficient proportion of funds being spent on the training and development of PDI
 - Indirect empowerment:
 - Preferential Procurement - Non-compliant due to circumstances out of the merchant's control. The South African and International Steel mills are non-compliant in terms of BEE ratings. The merchant can only improve this rating if the local steel mills make adequate changes to improve their own ratings
 - Enterprise Development - Level 1 rating, the merchant has focused in their development and empowerment of small/medium entities over the past 5 years particularly in the transport industry
 - Residual:
 - Corporate Social Investment - The merchant has a level 1 contribution to Social Development and Industry Specific Initiatives over Previous 5 years

The ratings indicate that management within the company has not acted upon this divergence between the BEE, EE targets and the organization's current performance. The divergence in recruiting and retaining previously disadvantaged professionals was not noticed because of the recession and that most white managers do not support this initiative.

It is evident that the organization continues to recruit and promote white male managers. The reason is that most senior managers are white and above 40 year of age.

These men have used the same management styles that contributed to high profits and exceptional growth during the last decade, they do not understand why they must change if the organization has performed so well without following

this policy. These managers continue to hire whites due to their ideology or bias in that they believe whites will deliver better results in a sales oriented organization.

The inability to recruit and retain previously disadvantaged professionals has lead to the gap growing larger and if the organization doesn't improve it will lose its competitive advantage and the consequence will be that the competition that meets EE targets will improve their market share particularly on Government tenders.

In 2011, the executive board is experiencing a period of flux since there has now been a dramatic deterioration in EE and BEE performance. The directors have been made aware that management have not recruited or retained qualified previously disadvantaged employees. The current EE strategy, policies and procedures do not recruit talent or retain PDI as they leave for better opportunities elsewhere.

The company has now implemented a revolutionary change program with strict policies and procedures set out for management to incorporate PD professionals.

According to the Payroll Director, "I have just submitted our employment equity return for 2010 and the picture is not rosy! All appointments therefore at M3 level and above must be approved through the appropriate Corporate HR channels – please believe me - if you cannot appoint a PDI into a position, you will have no chance of approval unless you can at least show willing to appoint an EE candidate into the vacated position. The reality is that if we have to pay massive fines for not embracing equity employment!"

The Payroll Director's statement proves the company has experienced strategic drift, the executive is now aware of the problem and now radical action has been taken. Does the steel merchant have the capabilities to integrate this change? Is

it too late for the merchant? The thesis will strive to answer these questions and provide recommendations to prevent strategic drift from occurring again.

8.3 HUMAN RESOURCE MANAGEMENT

Adopting the best practices in HRM is imperative for organizations to create a sustainable competitive in there industry. Human resource management is fundamental in the steel merchant's success and failure in economic empowerment since HRM has the following characteristics (Jackson and Schuler, 1995):

- It encompasses specific human resource practices such as recruitment, selection, and appraisal
- It has formal human resource policies, which direct and partially constrain the development of specific practices
- It incorporates human resource philosophies, which specify the values that inform an organization's policies and practices. Ideally, these comprise a system that attracts, develops, motivates, and retains employees who ensure the effective functioning and survival of the organization and its members

8.3.1 The Integrative Framework for Understanding HRM in Context

The Integrative HRM Framework developed by Jackson and Schuler (1995) will be used as the basis to understand HRM at the steel merchant. The model consists of three components that are affected by the internal and external environments of organizations.

The internal contextual factors that will be analyzed in detail are technology, structure, size, organizational life cycle stage, organizational culture and business strategy. The external contextual factors are legal, social, political

environments, unionization, labour market conditions, industry characteristics and national cultures.

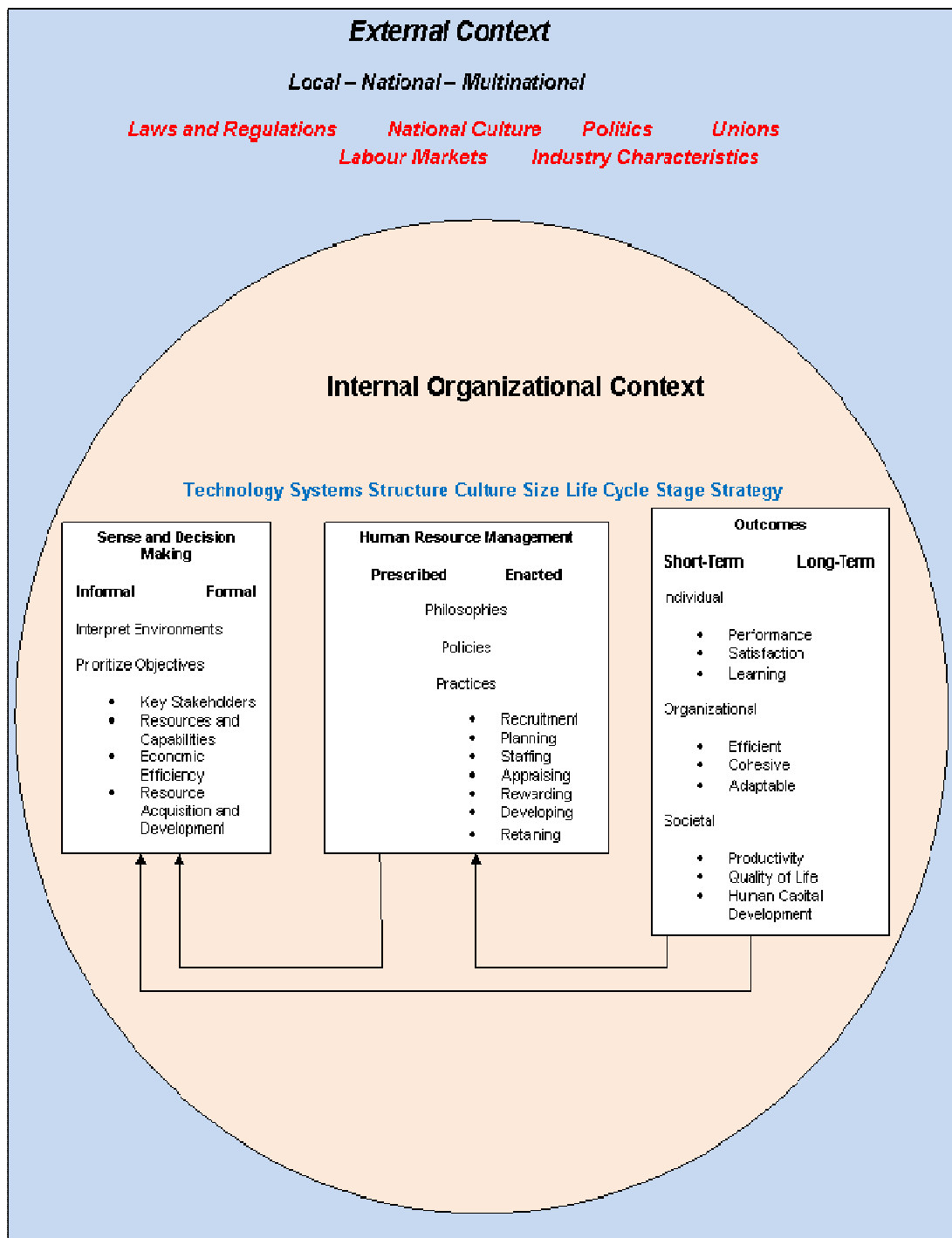


Figure 8.1: Integrative framework for understanding HRM in Context (**Source:** Adapted from Jackson and Schuler, 1995)

8.3.1.1 Human Resource Management and the External Contexts of the Steel Merchant

8.3.1.1. a National Cultures

The Steel Merchant operates in a diverse country with various cultural and sub-cultural groups. Hofstede (1980) stated 'national culture explains more of the differences in work related values than a person's organizational position, age, profession or gender'. Therefore the national cultures that exist in South Africa need to be understood as this will influence the company's ability to recruit and retain PD professionals.

National culture is defined as the values, beliefs and assumptions learned at early childhood that distinguish one group of people from another (Grant, 2002:167). Because of this, cultural groups stereotype one another to make sense of their environment and this cannot be eliminated.

The points identified in this analysis are results from other researchers, employees of the steel merchant and common generalizations in South African society.

Hofstede suggested 5 dimensions to discriminate between national cultures in the workplace. In the steel merchant, various cultural groups exist that can result in misunderstandings and conflict. In South Africa, the steel merchant management and employees can only operate effectively if they learn to understand and work in a diverse environment.

Table 8.1: Five dimensions to distinguish between national cultures (**Source:** Adapted from Hofstede's Five Cultural Dimensions 1980)

Cultural Group	Dimension	
<p>A Black and White Cultural Comparison</p>	<p>Power Distance</p>	Whites score high on hierarchy and low in taking equal rights into consideration.
		Blacks score high on equal rights and low in hierarchy.
		Whites tend to take the naturalness of ethnic groups for granted, whilst blacks embrace it.
		Due to Apartheid, whites perceive themselves superior to other racial groups. Whites believe they contribute more to the organization than black employees.
		Black and White males consider themselves superior to women.
	<p>Uncertainty Avoidance</p>	Whites are part of a conforming culture that needs structure, controls, rules and regulations in place but tend to have risk taking behaviour.
		Blacks are more accepting of ambiguity and have a of lack responsibility to time keeping.
		Blacks are more 'free spirited' and less conformed helping to create a fun working environment that generates innovative ideas.
	<p>Individualism VS Collectivism</p>	Whites are part of an individualist society that

		believes each person is responsible for themselves and their immediate family.
		Booyesen (2001) found that blacks score higher in collectiveness, humane orientation because of Ubuntu, an African philosophy that values collectivism and group d gender egalitarianism. They value the concept centeredness.
		Whites are result and bottom line driven while blacks are more focused on the needs of the society and people within the organization.
		Whites are considered more future orientated than blacks.
	Masculinity VS Femininity	White culture is a Masculine society focusing on achievement, assertiveness and material success.
		Even though in Black culture is an alpha male society, it still incorporates Ubuntu which is rather feminine characterized by relationship building modesty, care for the weak and quality of life.
		In the workplace, feminism is seen with weakness in the macho organizational culture and this hinders women's upward mobility.
		Blacks and Coloureds women face stereotypes of being

		employed as maids.
	Confucian Dynamism	White South Africa has a Christian (A Lutheran Dutch, Catholic and Anglican Influence) religious approach to management with a tradition of monotheistic beliefs. The management does not like ambiguity relying on quantitative and analytical techniques.
		African Culture had multiple religions before colonization.
		Africans traditionally consult with others when solving a problem. (Traditionally, problems were discussed openly with the elders).

8.3.1.1. b Legislative, Social and Political Environments

8.3.1.1. b. (i) Sociological Factors

The skill shortages in South Africa have resulted in employees being recruited that cannot fulfill their work duties, this has negatively impacted on the organization's efficiency, customer service and profitability. To exacerbate the problem the lack of opportunities has contributed in well-educated talented employees immigrating overseas leading to increased turnover costs.

HIV/AIDS affects 12% of the population with life expectancy at 48 years (Chetty, 2009) and the impact of H.I.V./Aids can lead to sick, weak employees and high absenteeism. The HIV/Aids problem is making it more difficult to recruit and retain employees within the organization.

In the Constitution of the Republic of South Africa, the Gender Policy Framework No 108, (1996), was created to integrate women in the workplace. In developing a gender policy, organisations intend to ensure the improvement of working conditions for women through an integrated approach with men in a workplace.

The policy aims to readdress the past imbalances and previous discrimination levelled at women in the working world. Few women occupy technical positions at the steel merchant and the organization needs to create strategies to address this issue.

As women continue to advance in the business world, companies need to change so that successful women are attracted and remain in the company. The Steel merchant's HR policies and procedures have needed to adapt to this policy and the changes of women in society. The changes have been integrated towards maternity leave and flexi-time for mothers.

South Africa's high crime levels affect the industry pessimistically. The higher incidence of crime has contributed to an increase in insurance claims. Stock left results in customer's steel being stolen leading to poor service delivery and increased premiums. Theft at professionally qualified levels does occur contributing to employees being dismissed and it is difficult to replace these skills.

8.3.1.1. b. (ii) Political Factors

'Political risk can be defined as the impact of political change on the firm's operations and decision-making process' (Export Help, 2011).

Political risk is determined differently for dissimilar companies, since not all of them will be equally affected by political changes. The steel merchant participates in an industry that requires heavy capital investment to succeed. The

investment in equipment makes the organization more vulnerable to political risk than those requiring less capital investment like the banking industry.

The political risk is intensified by the conducting business in developing countries. The greatest concerns that influence the merchant whilst dealing in Africa are:

- Civil disorder
- War
- Expropriation.

South Africa is threatened by expropriation in the mining industry. Currently the government has been addressing the issue of the Nationalization of Mines. The mining industry is one of the Steel merchants largest target markets.

The nationalization of mines could lead to less foreign direct investment and lower mining production resulting in lower steel consumptions for projects and mine maintenance. The inevitable result will be a loss of jobs within the organization.

However, major growth in infrastructure spend by Government particularly to address the energy shortage will lead to an increase in steel consumption. An increase in steel consumption will inevitably lead to increase in employment and better recruitment strategies by the steel merchant. The increases in Government spend will also put additional pressure on the company to hire PDI in positions that deal with Government and Parastatals.

8.3.1.1. b. (iii) Legislation Factors

The Labour legislation will have a profound impact on the Steel Merchant and the following Acts need to be monitored:

- The Labour Relations Act, No 66, (1995)

The purpose of this Act is to advance economic development, social justice, labour peace and the democratization of the workplace.

The primary objects of this Act are:

- To give effect to and regulate the fundamental rights conferred by section 27 of the Constitution which is the right of access to health care, food, water and social security.
- To give effect to obligations incurred by the Republic as a member state of the International Labour Organization
- To provide a framework within which employees and their trade unions, employers and employers' organizations can:
 - Collectively bargain to determine wages, terms and conditions of employment and other matters of mutual interest
 - formulate industrial policy
- To promote
 - Orderly collective bargaining
 - Collective bargaining at sectoral level
 - Employee participation in decision-making in the workplace
 - The effective resolution of labour disputes

The Labour Relations Act (LRA) protects the employee through the right of association by being able to choose a trade union to represent him or her. The Act protects the employee or person seeking employment from discrimination and prejudice. Employers have the right to participate in business activities as long as they are lawful and safe. The employer is also protected by the Act.

The steel merchant has had to formulate its HRM policies and procedures to correlate with the LRA and the constitution. The merchant also has a Labour Relations department to settle internal disputes with individuals and the trade unions.

A mutually beneficial relationship exists between the LRA and the Merchant's labour relations climate. The merchant strictly adheres to the Act in order to meet Act's objectives to achieve economic development, social justice and democratization.

Each Business unit and branch will adhere to the constitution by providing on-site Life health care professionals for healthcare, canteens for food and water stations for hydration. The Merchant established a department to work strongly with the labour union to adhere to Trade Union Framework and to resolve labour disputes.

The company has a successful training program to train selected staff on the disciplinary action. This includes training on how to manage disciplinary hearings and the Commission for Conciliation, Mediation and Arbitration (CCMA).

The LRA act has not driven the employment of women and PDIs within the organization. Since the inception of the act no major changes have been seen in the number of women and PDIs employed or developed in professional roles within the company over the last 15 years.

- The Basic Conditions of Employment Act, No 30, (1997)

Applies to all employers and workers and regulates leave, working hours, employment contracts, deductions, pay slips, and termination

The Act determines the ordinary hours, average hours and overtime an employee will work. It helps to regulate leave according to hierarchal level as

well as sick leave, maternity leave and family responsibility. The act controls remuneration, incentives and wages. The Termination and rights of employees are constituted in the Act.

The BCEA has been the foundation of the HRM policies and procedures that have been incorporated by the company. Any amendments to the act must be changed at Human Resources.

- The Employment Equity Act, No 55, (1998)

The EEA is the promoting of equal opportunity and fair treatment in employment through the elimination of unfair discrimination.

The legislation implements affirmative action measures to redress the disadvantages in employment experienced by designated groups, to ensure their equitable representation in all occupational categories and levels in the workforce.

The company is trying to achieve the objectives of the EEA by recently establishing a Human Capital and Transformation department. The department consists of a Group Human Capital and Transformation director and three Training Managers which will be responsible for skills development, transformation, training and recruitment in alignment to the requirements of the Act.

- Broad-Based Black Economic Act, No 53, (2003)

The objectives of this Act are to facilitate broad-based black economic empowerment (BBBEE) by:

- Promoting economic transformation in order to enable meaningful participation of black people in the economy

- Achieving a substantial change in the racial composition of ownership and management structures and in the skilled occupations of existing and new enterprises
- Increasing the extent to which communities, workers, cooperatives and other collective enterprises own and manage existing and new enterprises and increasing their access to economic activities, infrastructure and skills training
- Increasing the extent to which black women own and manage existing and new enterprises, and increasing their access to economic activities, infrastructure and skills training
- Promoting investment programmes that lead to broad-based and meaningful participation in the economy by black people in order to achieve sustainable development and general prosperity
- Empowering rural and local communities by enabling access to economic activities, land, infrastructure, ownership and skills
- Promoting access to finance for black economic empowerment

The Steel merchant is required to have employment equity and BBBEE plans. The plans must show the objectives, affirmative action measures, timetables, duration, procedures and responsibilities that will be implemented. This will be monitored annually and if the steel merchant does not comply, fines will be issued. This is being analyzed throughout the research.

- The Skills Development Act, No 97, (1998)

SDA is a national legislation imposing levies for skills development. The purposes of this Act are:

- To develop the skills of the South African workforce
- To increase the levels of investment in education and training in the labour market and to improve the return on that investment

- To encourage workers to participate in learnership and other training programs
- To improve the employment prospects of persons previously disadvantaged by unfair discrimination and to redress those disadvantages through training and education
- To ensure the quality of education and training in and for the workplace
- To assist work-seekers to find work retrenched workers to re-enter the labour market
- To help employers find qualified employees
- To provide and regulate employment services

The company is affected by the Skills Development Act and partners with government to provide education and training for the workforce. The company has instituted HRM policies and procedures to develop and train employees. The company has to provide government with information on the number and racial profile of employees that have been trained throughout the year.

The merchant does have study loans and bursaries for employees. They take this one step further by providing the same benefit for the employee's children if they are studying a tertiary qualification. However, the training and development of PDI should still be improved as mainly whites received training and development at a professionally qualified level.

In terms of development and training, the steel merchants also fear training staff. The reason is that after training the individual, a difficult economic period could occur and then that individual is retrenched. The opposition that recruits this individual will benefit from the training not the steel merchant.

8.3.1.1. c Unionization

Unions have been established to give voice to members by establishing policies and procedures for handling wages, working conditions, job security and retirement benefits (Baron *et al.*, 1986b). In developed countries there has been a decline in unionization due to deregulation, international competition and shifting towards a service economy.

In South Africa, unions have increased their power since COSATU has a strategic alliance with the South African Communist Party (SACP) and African National Congress (ANC). The issue is that strong unions and labour regulations constrain flexibility and increase wages. Higher wages can make the organization less competitive to other developing nations.

The result of unions on international competitiveness is seen in the fabrication industry. The higher wages have resulted in South African Fabricators being more expensive than Middle Eastern and Asian fabricators. In Africa projects have been given to foreign companies that procure steel from their own countries. This affects the steel sales of the steel merchant.

The Steel Merchant has to negotiate HRM policies with National Union of Metalworkers of South Africa (NUMSA) an affiliate of COSATU, the largest trade union in the country. NUMSA is the biggest trade union in all national bargaining fora where it bargains with 260 000 members (NUMSA, 2011).

NUMSA has high bargaining power; due to this it will influence not only blue collar workers but also white collar workers. NUMSA has the power to influence the recruitment and selection procedures which will influence how the company structures the HRM policies and procedures.

Unions can determine the selection of members for representation on the board of directors (Collins *et al.*, 1993). The unions influence could have led to the recruitment of the black shareholders within the company. The Black shareholders at the organization have been members of COSATU and this is one of the reasons they were approved by the Union to be on the board.

- NUMSA Principles

- Non-Racialism: Employers used apartheid to divide workers and NUMSA's goal is to break the division between white and black workers. The union is aware that blue collar and white collar workers are treated differently, they have begun to monitor the differences in recruitment, retention and punishment. The result could be stricter regulations on white collar professionals to make fewer mistakes and be punished like their blue collar counterparts
- NUMSA has a long term vision of a united South Africa where the white majority will no longer exploit and oppress the black majority (NUMSA, 2011). The result is that NUMSA want to see advancement in professional positions. They want Blacks to be trained and developed in these roles. If this is not seen they will add additional pressure on their alliance member which is government

- NUMSA Policies

- Close the apartheid wage gap: Apartheid built up big wage differences between skilled and unskilled workers. The goal is to close the gap with White and Black workers. This will affect the company in two ways:
 - The Blue collar workers must get paid more to close the gap
 - Professionally qualified individuals must be paid capped market related salaries and increases will be low. As a result, the

company cannot recruit the most talented individuals as the salaries are capped

- Make sure women are placed in jobs traditionally held by men
- Have more control over management's investment plans and strategies: The unions will have control over the steel merchant's HRM policies and procedures. It will want to see that EE and BEE targets are met at all levels. If not enough black managers are seen at the steel merchant there will be the risk of strike action until these demands are met.
- NUMSA believes in meaningful Affirmative Action: It does not want ex-NUMSA shop stewards promoted into soft positions like HR to become tokens because they are given no power to transform the workplace (NUMSA, 2011)

NUMSA will be striking in June 2011 over wage disputes; the strike is forecasted to be one of the largest this century. The white collar professionals have been trained to occupy blue collar positions during this volatile period. The professionals will not be focusing on their job functions and this will hinder profits. To recruit qualified professionals during this time will be difficult.

NUMSA being a strong union has the ability to influence the merchant in the recruitment, retention and development of previously disadvantaged individuals. The union wants to see progress from top management to the shop floor. If this is not met fines and penalties will be incurred. The company's policies and procedures need to also be fair for recruitment at all levels. The union influences the recruitment, retention and development of PDI directly and indirectly.

8.3.1.1. d Labour Market Conditions

Labour market conditions are characterized by several dimensions including unemployment levels, labour diversity and labour market structure (Jackson,

1995). Unemployment levels and labour market structures have always been recognized as important macroeconomic variables but today labour diversity has been recognized as an important factor.

Unemployment levels reflect the demand for labour relative to supply. As unemployment drops, wages and costs increase, profits and investment declines and this reduces the demand for labour (Levine and Tyson, 1990). If unemployment rises, absenteeism and turnover rates decrease (Kerr, 1954).

The Apartheid regime created a unique South African labour market. The market has an oversupply of unskilled labour and shortages of skilled labour. The high population growth exceeds the growth of employment demands and this is compounded by consistent job losses as the country moves to a capital intensive economy.

The unemployment rate is 30% (SA information, 2011) and the economy needs to grow at 5-6% to absorb job seekers. At present there has been higher job search activity among qualified professionals but the demand for labour has decreased (Career Junction, 2011) creating a discouraged workforce.

Recruitment and Retention strategies vary with unemployment levels. When labour is tight organizations use more expensive and intensive recruitment activities and increase their geographic scope of recruitment activities (Malm, 1955). The response is improved salaries, benefits, working conditions to retain and attract employees.

The labour conditions affect the company and Professionally Qualified Individuals in the following ways:

- The shortage of skilled labour has resulted in a high demand for professionals, particularly PDI

- The low supply and high demand has led to increases in salary packages to acquire these skills. The PDI have an even greater shortage of skilled people than the Whites. The low supply of skilled PDI and even higher demand for their skills has resulted in their salaries increasing at a faster rate than whites
- As a result to meet employment equity targets and become a racially diverse steel merchant will require investing large sums of money in HRM strategies. In a market with a shortage of skills the company needs to pay professionals higher salaries or develop young individuals
- The issue arises with unions that will identify the gap between professional's salaries and blue collar workers. The concept of supply and demand needs to be communicated to NUMSA. Their policy of declining the wage gap is costing the merchant's ability to recruit PDI talent particularly when competing with the service industries

8.3.1.1. e Industry Characteristics

Industry refers to a distinct group of productive and profit making firms (Jackson, 1995). HRM is affected by industry level factors such as if the company participates in the Private or Public sector, if it is regulated or unregulated industry and if it is characterized by high or low stability or change.

The Metal's Industry in South Africa represents one third of all South Africa's manufacturing. The Metals Industry is comprised of basic iron ore and steel, basic non-ferrous metals and metal products. The iron and steel basic industries involve the manufacture of primary iron and steel products to semi-finished stages (SA information, 2011).

The Steel Merchant Industry Characteristics:

- Steel merchants fall into the category of stocking, distribution and the production of semi-finished steel components in the Metal's industry. Steel merchants do not produce basic steel; they purchase basic steel from Steel Mills and add value through secondary processes.
- The sector is private and heavily regulated. Protectionism has increased dramatically over the past decade to protect Steel Merchants from globalization. This has been done with the support of the Department of Trade and Industry
- Due to the size of the Industry, the players are strictly monitored in terms of Employment Equity and BEE performance.
- The steel industry is cyclical and heavily reliant on economic conditions. GDP is an indicator of steel growth. According to Nyembezi-Heita (2009), if the $GDP > 3\%$ Steel Consumption is equivalent to $GDP \times 2.5$. If the $GDP \leq 3\%$ then Steel Consumption is equal to GDP. The South African GDP is forecasted at 5.5% for 2011 (Standard Bank, 2011) leading to an organic steel growth rate of 13.75% this year.
- In South Africa steel consumption declined from 6 Million tons down to 4.5 Million tons (32%). As a result steel merchants retrenched employees. The Steel Merchant being evaluated was one of the few steel companies that did not retrench during this volatile period. However, the positions of employees that resigned were not filled.
- In 2011, the steel market conditions have improved and the company has begun to recruit for the increase in steel demand. The challenge is to recruit and retain qualified PD professionals.

The cyclical nature of the steel business has implications on HRM on recruitment, selection, training, compensation and the organization culture and climate.

Humans like stability and fear change. The issue of a cyclical industry has a negative influence on recruitment as potential professionals realize that the volatility of the business could affect their job stability. As a result the qualified professional would choose other industries to compete in.

8.4 HUMAN RESOURCE MANAGEMENT AND THE INTERNAL CONTEXTS OF THE STEEL MERCHANT

8.4.1 Stakeholders

The Steel Merchant's stakeholders have an interest in the performance of the company and are affected by the organizations short-term and long-term strategies. As a result, the organization's BEE and EE strategy impacts on each stakeholder differently and determines resource allocation. The stakeholders affected by the programme directly and indirectly are:

- Employees
- Shareholders
- Customers
- Suppliers
- Community
- Trade Associations
- Political Groups
- Government

8.4.2 Resources and Capabilities

Resources are the tangible and intangible assets of the Steel merchant. Capabilities are the processes through which merchants resources are combined and coordinated (Bakru, 2007:11).

The effective management of the company's resources and capabilities contribute to a competitive advantage and are intriguing assets which need to be nurtured and developed as they cannot be bought (Segal-Horn, 2007:220).

The steel merchant benchmarks against the direct competition to evaluate and compare their present BEE and EE rating performance. The company has been one of the top performing steel merchants in terms of BEE and EE ratings since the acts were implemented, however due to strategic drift this position is under pressure as the competition continues to improve on their Employment Equity ratings.

The company weakness is the inadequate performance in recruiting and retaining qualified professionals for management roles. The opposition has performed better than the steel merchant in employing previously disadvantaged individuals in these roles which can lead to a potential loss in sales.

The company does not benchmark against other organizations in other industries limiting its understanding of how severe the current situation is. The manufacturing industry is currently one of the worst performing sectors in BEE and EE in the country, therefore looking good in a weak performing industry should not be the benchmark for a market leader. The organization should be a BEE and EE example to all organizations and other industries in South Africa.

Table 8.2: The capabilities delivered or not delivered to Stakeholders from the Steel Merchant's BEE and EE strategy (**Source:** Adapted from Venter,2004)

Stakeholder	Impact
Shareholders	The level 5 BEE rating resulted in higher earnings since the company would attain government tenders. However, a drop in rating will result in certain companies and government withholding tendering opportunities affecting profits for shareholders.
Employees	A fordist approach to PDI focuses on high degrees of specialization and a typical work structure which is incorporated for them.

	<p>BEE Transformation has been slow and deteriorated over the past two years.</p> <p>Lack of succession planning in providing career paths for PDI employees.</p> <p>Lack of Coaching and Mentoring by PDI and Whites.</p> <p>No Team based work and discussions to analyze challenges and develop action plans regarding BEE and EE.</p>
Customers	<p>The steel merchant is renowned for supplying quality products. However, a customer's BEE and EE performance is influenced by the suppliers that they use.</p> <p>Companies that use BEE and EE compliant companies improve their own compliance ratings. Therefore a drop in rating level has a negative impact on the clients overall BEE rating. Most Mining companies' policy is that they are not allowed supplier agreements with companies that did not meet a level 5 BEE and EE equity rating. As a result, these mining conglomerates have been unhappy with the merchant's rating drop. The mining companies have communicated to the merchant that they need to improve or contractual agreements will be terminated.</p>
Suppliers	<p>The steel merchant purchases steel locally and abroad. The steel merchant is severely impacted in the procurement category of codes given the absence of BBBEE scorecards by the Producer mills like ArcelorMittal. The steel merchant costs from these mills constitutes in excess of 94% of total supply spend. As a consequence the merchant forfeits almost all of their points in this category and this hinders progress that can be made in this category. The negative implications have been with lost opportunities in Parastatals like Transnet and Eskom. Even though the merchant is the largest privately owned truck fleet in the country, it has lost opportunities in Parastatals likes Transnet and Eskom.</p>
Community	<p>The Company focuses on Enterprise and Community development. The company helps to develop BEE and EE companies that can supply the company with products. This has been done in cooperation with the department of trade and industry.</p>
Government	<p>One of the preferred suppliers of steel for Government Projects however the current rating will influence this if the company does not improve</p>

8.4.3 The Steel Merchant's Organizational Structure

Structure is the formal pattern of interactions and co-ordination designed by management to link the tasks and patterns of individuals and groups in achieving organizational goals (Bartol, 1998).

8.4.3.1 The Multidivisional Structure

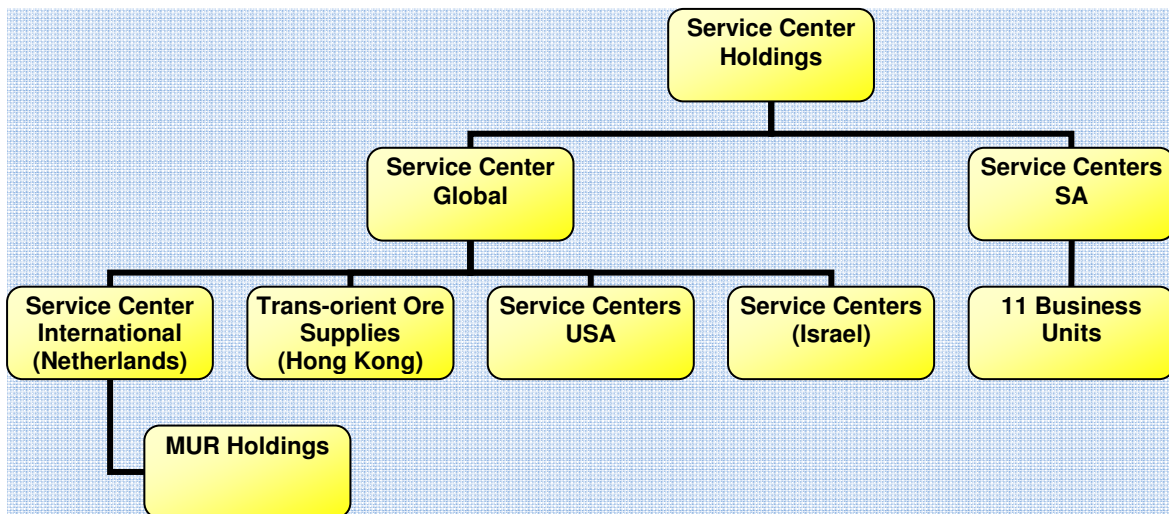


Figure 8.2: The Steel Merchants Structure (**Source:** Formby, 2006)

The Steel Merchant has grown and expanded over 100 years to become a structurally complex organization and the largest steel merchant in Africa. The organization has eleven Strategic Business Units (Refer to Figure 8.2) in South Africa to focus on individual product growth with each unit determining its own flow of information, co-ordination and control.

The company structure has followed strategy which been determined by Head Office. Head office will dictate the BEE and EE strategy that the Business units will follow and divisions that do not act accordingly will be reprimanded.

The problem occurs when a talented Previously Disadvantaged (PD) professional has been identified as a performer as the business units will begin to

compete for him or her. The Business unit that loses the “PD star” tends to resent the other business unit and claim that the individual is not loyal having a negative implication on the PD professional’s feelings.

8.4.3.2 The Steel Merchant’s Machine Bureaucratic Structure towards BEE and EE (Adapted from Mintzberg, 1979)

8.4.3.2. a Division of Labour

Division of Labour refers to the degree of specialization of jobs in the company (Venter, 2004). The steel merchant tends to recruit and place previously disadvantaged professionals in ‘soft jobs’ with a high degree of specialization.

A lack of job enrichment, job enlargement and job rotation procedures are incorporated limiting the PDI’s ability to improve efficiency, productivity and quality of his or her work. The issue arises when a PDI succeeds in a ‘soft job’ because white management gives the individual little credit due to the positions highly specialized nature.

8.4.3.2. b Span of Control

The span of control is the number of employees reporting to management. The organization has seven hierarchal layers resulting in high control over employees. The employees do not participate in a communicative and innovative work environment that will generate ideas and incorporate diversity. The narrow span of control has resulted in little communication between managers and employees regarding EE and BEE.

PDI are often not presented with the opportunity to take responsibility for their own performance or to agree on objectives. Management strategically positions these individuals in certain roles to be strictly controlled. They intentionally do this

to limit the impact of the mistakes that the management believe that the PDI will inevitably make.

8.4.3.2. c Delegation of Authority

The Steel Merchant's employees are not empowered to make decisions relating to EE and BEE. Decisions relating to BEE and EE have to be consulted with a superior before implementation leading to a slow responsiveness to Government's predetermined targets and current legislative conditions.

As a result, the motivation levels of drop since Whites, trying to integrate this policy feel 'stuck' because of a lack of support and PDI feel neglected since are not given any additional responsibilities. The authoritative environment hinders skills development of PDI as they are not given additional responsibilities to learn from and grow. The lack of empowerment initiatives has limited the number capable of internal promotion into management positions.

8.4.3.2. d Degree of Centralization

The centralized decision making structure has resulted in decisions being referred up the chain of command and is a time consuming process. The current identification and recruitment of PD Professionals is a long and unprofessional since each potential recruit needs to be 'signed off' at head office.

The time frame can frustrate PD applicants that will probably seek opportunities elsewhere. A decentralized approach towards BEE and EE would allow management of business units to identify and incorporate talented PD professionals into the company quickly and efficiently.

8.5 THE STEEL MERCHANT'S SIZE

Institutional Theory suggests that larger organizations should adopt more sophisticated and socially responsible HRM activities since are more visible to the key stakeholders and are under pressure to gain legitimacy. Economic theories suggest that due to the costs associated with many aspects of HRM, economies of scale must be achieved before sophisticated systems can be integrated (Meyer and Rowan, 1977).

The Steel Merchant's SA Division forms part of the global Steel Merchant's Holdings Group, which operates in 31 countries worldwide. The size makes the company visible to key stakeholders. The company needs to gain legitimacy of key stakeholders will utilize economies of scale and scope to integrate sophisticated HRM systems, policies and procedures that are considered world class.

The company's resources and capabilities means the steel merchant should have integrated the strongest BEE and EE practices within the South African steel industry and be considered a top performer taking all sectors of the country into consideration. Considering the size of the merchant it continues to perform inadequately in regards to:

- Employee involvement practices in order to integrate PDI
- Reducing staff turnover of PDI
- Integrating a sophisticated staffing to acquire the best PD talent
- Training and development
- Create more highly developed internal labour markets to source PDI within the organization
- Pay PD employees more than the competition
- It does however successfully use bonuses and long-term incentives effectively for all racial groups

8.6. THE STEEL MERCHANT'S LIFE CYCLE STAGES (ADAPTED FROM STAPLETON, 2007)

Organizations change and develop over time by producing and supplying products in response to customers' needs and competitor's activities. Some products evolve while others are replaced and disappear from the market. According to Stapleton (2007) products and companies evolve through a number of phases.

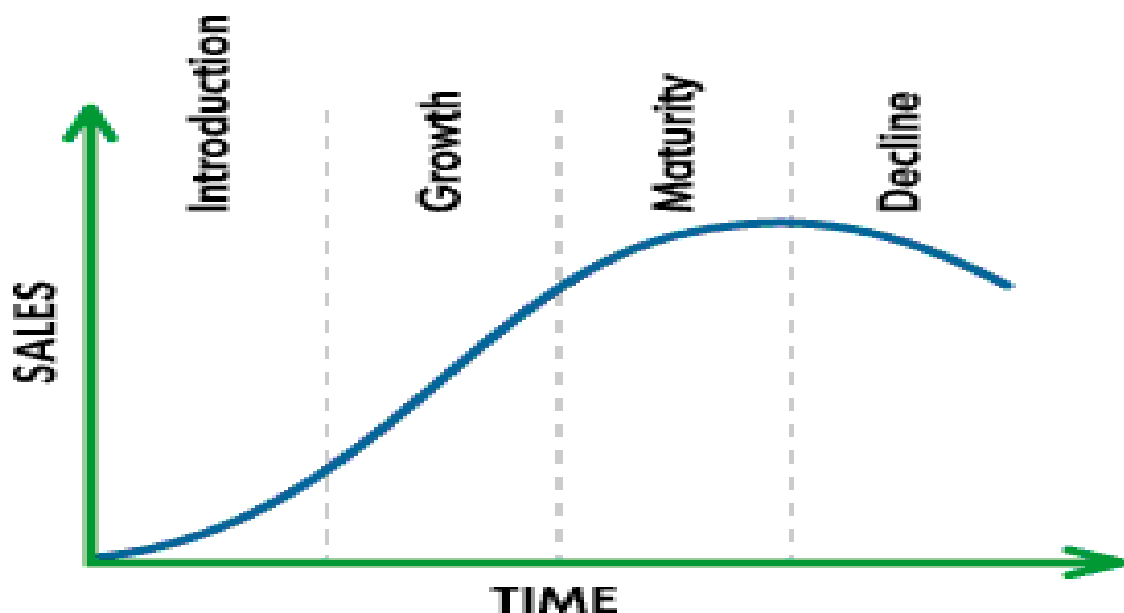


Figure 8.3: The Steel Merchants Life Cycle Stages (Source: Spencer, 2009)

As organizations mature they move through the following developmental stages:

- Start-up: The size of the market, sales volumes, and sales growth is small. The company is subject to little competition however is resource and cash intensive with low profits to establish a market and build demand for the product

- Growth: Public gains awareness and realize the benefit of the product. Period of rapid growth, profits and increasing market share as economies of scale are experienced
- Maturity: Sales growth slows and sales volumes peak, the objective is to defend market share and maximize profits. Prices begin to decline but fixed costs are low leading to high profitability
- Decline: Break-Even or make losses as the sales levels and margins decline. The market has become saturated

As the organization moves through a Life Cycle stage the managerial priorities must change to meet the needs of the market which has implications on HRM. As an organization grows and matures the selection and assessment methods for all hierarchal level roles need to correlate with the life cycle stage.

The steel merchant is 100 years old and even though each one of the 11 business units is at different stages of their life cycle, as a group the company is at its mature stage of development. The steel merchant needs to recruit and retain PDI that can 'fit' at this current stage of development.

In companies that are growing, HR view recruitment and selection as the most important part of HRM to fuel the growth occurring. However, in a mature company like the steel merchant there is concern for a broad array of activities like recruiting PDI and maintaining an internal labour market (Kotter and Sathe, 1978). The issue is that a small talent pool exists of PDI in the company can make the recruitment from an internal labour market difficult.

The steel merchant needs to analyze its current life cycle and identify how it is constraining the recruitment and retention of PDI through the present HRM practices. Wise choices towards BEE and EE by organizational decision makers can lead to a good fit between organization's life cycle and HRM strategies which will inevitably improve organizational effectiveness (Kozlowski, 1993).

8.7 A BRIEF OVERVIEW OF HOW THE STEEL MERCHANT'S BUSINESS STRATEGY WILL INFLUENCE THE RECRUITMENT AND RETENTION OF PDI

The Steel Merchants business strategy will inevitably influence the human resource management. Miles and Snow (1978) classified organizations as prospectors, analyzers, or defenders.

Prospectors actively seek new products and markets seeking to grow. Analyzers also seek to grow, but in a more stable and predictable way through the internal development of new products rather than creation of new markets. Defenders seek to maintain the same limited product line with emphasis on high volume and low cost (Miles and Snow 1984).

These postures toward the environment should have implications for the quantity and pace of human resource flows. Defenders are less concerned about recruiting new applicants externally and more concerned about developing current employees.

The Steel merchant is classified as a Prospector. Even though in the mature stage of its life cycle the company actively seeks to acquire new products and markets to grow. Since 2009, the Merchant has completed two acquisitions of a Steel Tiling company and a Reinforcing Steel company.

The steel merchant always remains in line with its core business of steel. The company also has an aggressive strategy in developing new markets in Sub-Saharan Africa.

The Prospector strategy influences HRM in two ways:

- The new acquired companies' employees need to adapt to the new HR policies and procedures which takes time and resistance is often experienced. To impose new BEE and EE targets on the acquisitions can be difficult
- In Sub-Saharan Africa the company needs to hire and recruit new employees, particularly where branches are established. Even though the Steel Merchant has employed PDI as branch managers, it has been a slow process and the company does realize there still much more work to be done

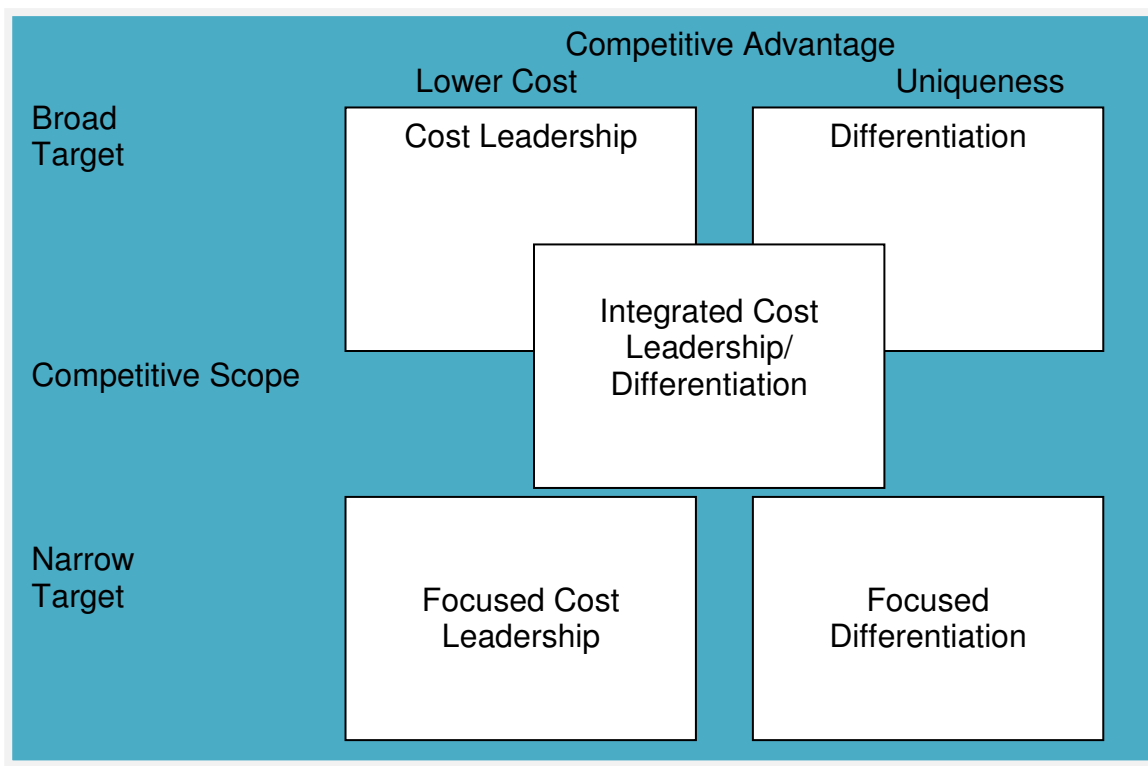


Figure 8.4: Porter's Generic Strategies (**Source:** Adapted from Hitt *et al.*, 2003a)

Porter's (1985) competitive strategies distinguish among firms that compete on the basis of cost leadership, product differentiation, and market focus. According

to Porter's Generic Strategies (1985) the Steel merchant adopts a Focus Strategy.

The Steel merchant has divided the organization into business units that can focus on their product range by having the ability to change their competitive strategy to the market conditions. For instance, the Trading Business unit will have a cost leadership strategy and the Specialty Plate division will focus on product differentiation.

The difference in life cycle and competitive strategy makes it extremely difficult to have homogeneity in HRM practices. At a particular point in time a Business unit could be experiencing financial difficulty and another succeeding so has to recruit. To integrate consistency in recruiting and retaining PDI at every business unit is a complicated and difficult task.

8.8 SYSTEMS

Systems provide the mechanisms of formal and informal flows of information used for planning, decision-making, coordination, cooperation and control at operational and strategic levels (Grant, 2007: 37).

8.8.1 Operational Systems

Operational Systems are the building blocks for organizational capabilities to develop creating value for the organization (Boojihawon, 2007). Systems are essential in driving core processes, developing capabilities and preserving the operational efficiencies within the organization.

The operating systems regarding BEE and EE are weak, rarely evaluated or improved and this has created a lack of coherence between the business units to meet BEE and EE targets set by Head Office.

Being a private organization there is limited transparency between key stakeholders regarding the BEE and EE strategy. HR has stated that they don't even know the BEE and EE strategy as it has been termed as strictly confidential.

The Steel Merchant does not have an ICT operational system to monitor, coordinate and control BEE and EE performance. The nonexistent EE operating system and seven hierarchal layers make the company reactive to constantly changing Labour market conditions. The result is that management is not constantly been made aware of the EE and BEE crisis and it is obvious that they are not focused on the integration of this strategy.

The inadequate BEE and EE operating system means that limited knowledge regarding BEE and EE is accessible or shared by employees. The lack of employee understanding and involvement in the evaluating operational problems to BEE and EE limits the company's ability to adapt the recruitment and retention processes thereby limiting the potential of creating a learning environment.

The tight control restrictions over PDI limits autonomy and empowerment, the staff do not make broader decisions that could improve operational efficiencies. Management could use their time more effectively on beneficial tasks rather than supervising PDI staff that they do not trust.

8.8.2 Control Systems

Control systems ensure individuals, locations and activities are governed by strategic decisions and that they are accountable for their performance (Boojihawon, 2007:43). Controls systems can be imposed by outside stakeholders or can be selected by management.

8.8.2.1 Financial Resources allocated to BEE and EE targets

There are financial BEE and EE targets are determined and approved by senior management on an annual basis. The targets are set for Head Office, each business unit and for each branch across the country.

The company has allocated funds to employ PDI in internship programs and create positions for PDI. However, few employees are not aware of the organizations overall BEE and EE target for this year. The lack of strategic vision confuses staff as they have no direction regarding BEE and EE.

The Financial implications of not meeting employment equity targets need to be taken into consideration. The issue is that if the company pays a fine for noncompliance Head Office will take the expense.

No system has been established for business units to pay penalties for not meeting employment equity targets. The problem is that the BEE and EE equity targets are not negotiated with branches or business units, they are merely stated. However, they should all be accountable and pay the expense for non-compliance.

8.8.3 Performance Management

Performance management systems help to align individual performance with the organization's strategy (Venter, 2004). Performance needs to be appraised, assessed and remedied regularly to ensure that performance objectives are met.

No performance appraisals occur at individual level for managers to meet BEE and EE targets. The management therefore are not motivated or rewarded for good performance and thus do not fear being punished for poor performance.

There is no program to identify poor performance in integrating BEE and EE by management and little training has been given to rectify this problem.

No structured appraisal tool has been adopted leading to a lack of 360 degree feedback in relation to the employees' opinions and problems relating to the BEE and EE. A lack of feedback means that few solutions can be shared to help alleviate the company's current crisis. A bottom-up top-down approach has been neglected at all levels.

The organization provides educational programs for employee development and gives out loans and bursaries to employees. However, the merchant does not have an adequate structured career path for most employees. Very few employees let alone PDI know their career path.

The steel merchant is a sales driven organization and employees are financially incentivized. The employees receive bonuses and performance related pay if in a sales orientated position or a director. No shares or share options are given since it is a private company.

No reward system exists for managers, branches or Business Units that meet EE and BEE targets. A healthy mix of financial and non-financial targets to acknowledge good BEE compliance would help motivate staff meet targets. Non-financial targets could lead to development of PDI through job enrichment and enlargement.

Table 8.3: The Four Dynamic Control Levers (**Source:** Simons, 1995)

Belief Systems	Are the explicit values of the business encapsulated in the organization's mission statement?
	The belief system is termed the '***steeler' Spirit. The merchant's spirit is provided in corporate literature to guide strategy processes and provide a framework for decision making.
	The belief system has made employees committed to the organization's core values in pursuing strategic goals. However, the belief in BEE and EE is presently weak.
Boundary Systems	The merchant has a family orientated culture and trust is the foundation to the organizations success.
	The Company has strict code of conduct relating to ethical issues and neglecting these boundaries will result in disciplinary action. The company will not tolerate racism and sexism.
Interactive Control Systems	The merchant wants to respond proactively to opportunities and threats within the steel industry.
	Information was previously used a tool to maintain power and control.
	Information is not easily accessible and is strictly controlled. The employees do not challenge the status quo regarding the BEE and EE company policy. The lack of interaction has meant that few innovative solutions are generated and shared.
Diagnostic Control Systems	The Merchant does not measure standards of performance regularly relating to BEE and EE.
	The lack of Diagnostic control systems has meant that the company doesn't adequacy know how it performs against the competition or world-class performers from other industries like SAB.

8.9 POLICIES AND PROCEDURES

Policies and procedures are developed to guide and align organizational member's behaviour by facilitating strategic alignment and implementation by creating behaviour uniformity to align employees' goals with the BEE and EE strategy (Thompson, 2004:427).

8.9.1 Recruitment Policy and Procedures

8.9.1.1 The Purpose of the Recruitment Policy and Procedures

- To apply professional and consistent recruitment and selection practices to ensure that only quality candidates are attracted and selected to fill vacancies.
- To provide a system of management for filling vacancies
- To ensure that all candidates are selected objectively, on merit and in compliance with relevant labour legislation.

8.9.1.1. a The Recruitment Policy

- The company is an Employment Equity Employer
- The company has accepted the policy of internal promotion and therefore all promotion vacancies will be advertised internally on an initial basis and only if no suitable candidates are available or inadequate applications are received, will such vacancies be filled externally. The following vacancies need not be advertised internally:
 - positions earmarked for previously disadvantaged individuals in terms of the business unit's employment equity plan
 - positions where the business unit has earmarked an individual from outside the company for reasons of skills or knowledge

8.9.1.1. a. (i) The External Recruitment Policy

The mandate given to the recruitment agency must be strictly related to the job specification and requirements. It is incumbent on the company that the recruitment agency be fully informed on the recruitment and selection policy so that it portrays the company as an unbiased and non-discriminatory employer.

The recruitment agency should ensure that all media advertising should reflect the company's diverse and cosmopolitan workforce and all language used should be free of any bias / preference / or discriminatory matter.

8.9.2 Selection

8.9.2.1 The Selection Policy

Business unit management will be responsible for the screening of applicants both internal and external. The selection methods used will be impartial, consistent and fair and reflect the diverse nature of the company's workforce. Only ask questions in respect of age, sex, race, religion, et cetera where it is necessary for statistical or employment equity purposes.

8.9.2.2 The Selection Procedure

Send internal advertisement to HR for distribution group-wide and to disenfranchised ex-employees. If no suitable internal applicant has been found then contact the chosen recruitment agency or advertise externally.

Once the individual has been selected, the manager needs to develop a succession plan, employment equity plan and update the organogram.

If it is a new position the staff requisition form must be signed by the Group CEO before being forwarded to payroll services. The staff requisition form for replacement positions must be signed by the business unit manager and forwarded to payroll services.

8.10 TECHNOLOGY

The impact of technology on the social dynamics within organizations has long been recognized and recently researchers have begun to address systematically the implications of technology for HRM (Katzell, 1994).

They found that those firms using traditional technologies were less likely than firms using advanced technology to engage in selective hiring, comprehensive training, developmental appraisal, and externally equitable compensation (Clark, 1993).

Technologically is generally short-lived and being an innovator or investor in new technology will lead to competitive gains. The steel merchant invests heavily in capital equipment and is a technological leader through early adoption. The advantages are (Rwigema, 2004):

- Increased market share
- Higher profits
- Greater choice of suppliers
- Attraction of customers
- Attraction of talented staff that want to be part of a technologically advanced company
- Retention of employees aware that the competition does not have the same technological abilities to compete, this results in their positions remaining safer from Labour market conditions that could lead to retrenchment

The Steel Merchant has an in-house easy to use system that allows all employees timely access to HR and payroll services from the ease of their computer, irrespective of their location within the branch network. Employees

have access to certain policies and procedures relating to HR, however insufficient information regarding BEE and EE is accessible.

All new job positions are posted on the system to allow employees to have the opportunity to apply for a position. This technique allows the company to recruit talented employees internally though the use of modern technology reducing costs.

However, in a majority white male organization with limited PDI in management or with tertiary qualifications, this internal recruitment in previous years has contributed to mainly white males being promoted. There unfortunately is a small pool of talented PDI in the organization to recruit from internally. External recruitment seems to be the preferred method through internship programs developed this year.

8.11 ORGANIZATIONAL CULTURE

The organization has an elitist white male-dominated culture that will affect female development, creates racial divides and limits growth opportunities for previously disadvantaged employees.

The present culture influences the merchant's current inability to successfully recruit and retain PD professionals is directly linked to the present organizational culture and the generalizations of racial groups. Organizational culture is a system of norms, values and beliefs which bind the organization's members together, unifying them in purpose (Venter, 2004:431).

An analysis to understanding of the Steel Merchant's culture and stereotyping behaviour can lead to changes that can lead to the acceptance and implementation of BEE and EE.

8.11.1 Organizational Contingencies

The Merchant's corporate culture embodies what is required to succeed in the steel business. It refers to the risks taken and the speed that the company gets feedback.

8.11.1.1 The tough guy, macho culture

A world of individualists who regularly take high risks, and get quick feedback on whether their actions were right or wrong (Deal and Kennedy, 1982:107)

The steel merchant is a sales orientated organization and feedback comes in the form of financial rewards. Employees are incentivized to motivate them to sell tons of steel at profitable margins. Management make decisions to secure multi-million rand sales and to survive they need to be tough. The culture is male dominated with aggressive internal competition.

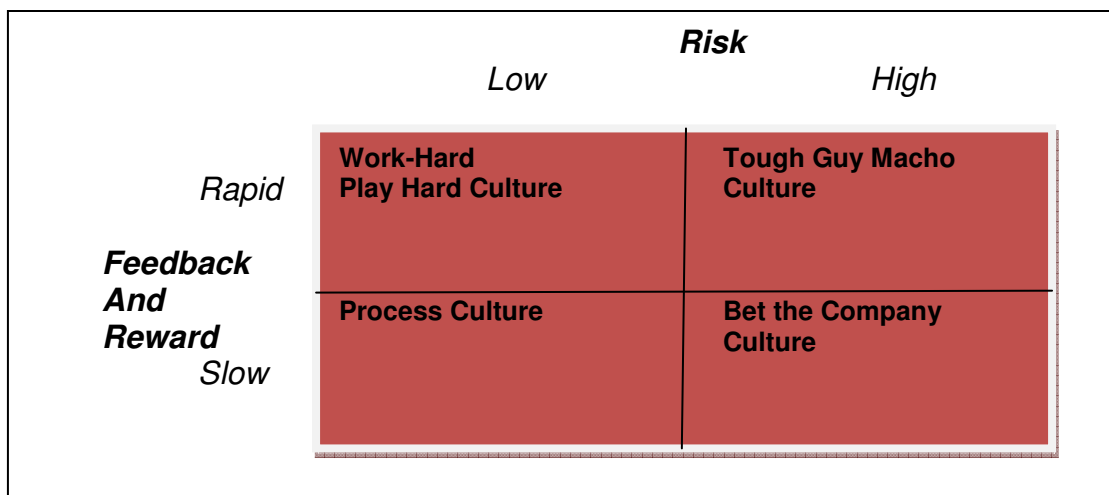


Figure 8.5: Deal and Kennedy's Cultural Model (**Source:** Adapted from Deal and Kennedy, 1982)

Employees believe they need to be tough and shrewd since most of their clientele have similar characteristics. Employees must 'get on with it' and generate sales, little time is given to express ones emotions and difficulties regarding the workplace. These activities produce a lot of internal politics and an unfortunate short-term view to business operations.

The implication on PD professionals:

- The tough attitude to making decisions and dealing with tough clientele can make it difficult for women to successfully integrate into the company. Women that do succeed have the unique ability to earn male respect, demand authority and define boundaries
- The individualistic culture does not correlate with the black culture of Ubuntu. Archbishop Desmond Tutu (1999) defines Ubuntu as a culture or a person that is open and available to others, affirming of others, does not feel threatened that others are able and good, for he or she has a proper self-assurance that comes from knowing that he or she belongs in a greater whole and is diminished when others are humiliated or diminished, when others are tortured or oppressed. The PD professionals feel that their cultural values are neglected and that they must adapt to this individualistic macho culture or they will be marginalized
- White management tends to believe that the PD professionals do not have the results driven ability to survive in this tough individualistic industry. They believe it against the black cultural behaviour
- The clientele serviced are pre-dominantly white male. Management fear employing 'black professionals' in sales or marketing positions since they will have to interact with white customers. Management fears that they might lose business due to the clients stereotyping behaviour
- The short term view to business means that most employees are too focused on sales to acknowledge the implications of not meeting BEE and EE targets will have on the organization. The short-term view has lead to

the strategic drift experienced and if things do not change rapidly financial penalties will be implemented by Government

- The transformational resistant organizational culture means that the merchant will not be effective in retaining PDI. The white elitist culture lacks sensitivity and continues to exclude black professionals from informal social networks
- The organizational culture is currently one of cost cutting caused by the recession. Salaries are not seen by employees as market related and this will inhibit the recruitment of talent that expect at the minimum market related salaries
- PDI view employment equity by the company as a numbers game and not a shift in the organizations cultural activity moving towards diversity

8.12 MANAGING STRATEGIC CHANGE

To manage the change process demands an awareness of the overall strategic direction of the organization and knowledge of its operational activities in relation to BEE and EE. The cultural web is a model for mapping and managing change as it will summarize the inner workings of the steel merchant.

The cultural web is a managerial toolkit to enable management to surface and explore core assumptions underpinning the paradigms and facilitate a change in BEE and EE within the merchant.

8.12.1 The Cultural Web

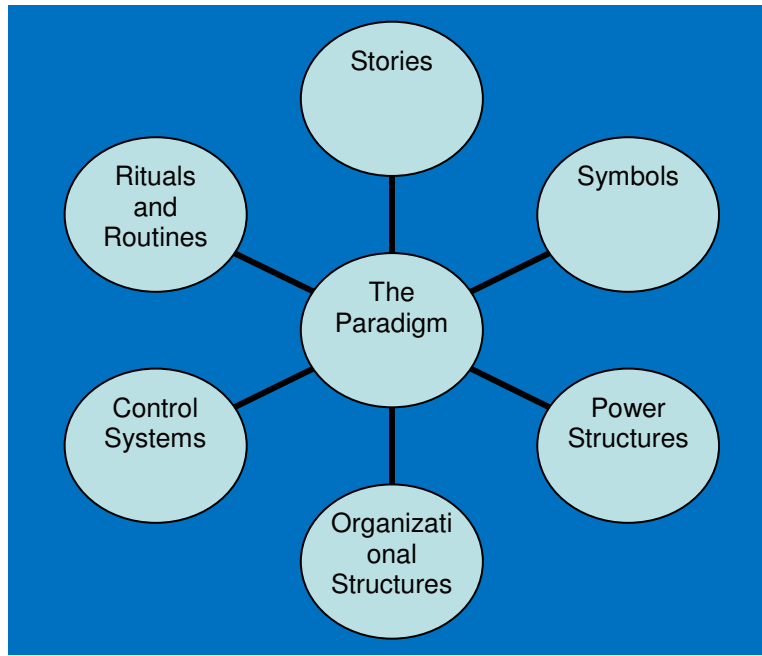


Figure 8.6: The Cultural Web (**Source:** Adapted from Johnson, 1987)

- The Paradigm- A paradigm is the deeper level of basic assumptions and beliefs that are shared by members of the organization that operate unconsciously and define an organization's view of it-self and its environment (Johnson, 2007). It is likely to evolve over time by embracing the organizational environment, the managerial style, the nature of leaders and operational routines that have lead to the success or failure of the steel merchant in regards to EE

PDIs are attracted to organizations that they believe are committed to transformation and that visibly display other PDI succeeding in their career. The merchant does not have enough PDI in leadership or management positions to attract the necessary intellectual capital. The white elitist paradigm has resulted in external and internal PDI not believing that the merchant is committed to transformation and this makes

the organization less appealing to the previously disadvantaged racial groups

- Power Structures- The power of Whites does not only remain through numerical domination by white managers but also in positions of power. There is a lack of PDI at management level contributing to these previously disadvantaged racial groups having little influence of the strategic direction being taken. The few PDI employees in these management positions fear voicing their opinion regarding the BEE and EE long-term strategy since they do not want to be alienated by powerful whites within the organization

A racial division of labour occurs as White people are preferred in more specialised roles. The PDI are placed in positions that have little influence over the company's strategic direction. The previously disadvantaged professionals are aware that they are placed in 'soft positions' because White management do not have confidence in their abilities. However, the PDI believe they have the necessary skills to be in specialized roles and should be acknowledged. The PDI feel demoralized, neglected and demotivated resulting in the person leaving to organizations that will place them into these challenging specialized roles

- Symbolism- The practice of representing things by means of symbols or of attributing symbolic meanings or significance to objects, events, or relationships (Mifflin, 2010). The organization is status orientated and status is used as a tool to motivate people to achieve. The management occupies offices and employees are in open-plan arrangements. Job titles and car spacing is important to the individual and the company

The issue arises in that most PDI that attain a certain level of status are perceived as tokens and this patronizing attitude towards PDI creates

frustrated and de-motivated professionals. The language used is 'steel jargon' and is predominantly Afrikaans and English. Previously disadvantaged professionals that succeed at the steel merchant have the ability speak both languages and adapt to the jargon easily

- Organization Structure- Discussed
- Control Systems- Discussed
- Rituals and Routines- Memos and report writing quality are important skills that are valued by senior management. However, the predominantly white senior management does not believe that PDI have the capabilities to write a decent report and unfortunately this stereotyping behaviour will continue to hinder the progress of BEE and EE at the merchant

The company employees regularly participate in the organization of special events to signal what is really valued. The organization has incorporated the founder's family values from the roots of being a family business. The steel merchant performs exceptionally in recognizing loyal employees with 10- 30 year loyalty and rewards at all levels

- Stories- Stories are "told by the old white boys' network" to each other at conferences, meetings or in the pub. Since the client base has few PDI, the stories communicated to clients or outsiders are generally to other white individuals. The result is that new white recruit's feel easily incorporated into communicating and understanding these paternalistic stories that were a part of their culture growing up. However, the new PDI recruits struggle to identify and be comfortable with this behavior and culture. The inability to identify and integrate in this culture contributes to internal segregation where racial groups of the same demographic tend to socialize together.

CHAPTER 9: LITERATURE REVIEW

9.1 DIVERSITY MANAGEMENT

Langer (1989), Kandola and Fullerton (1994), identified that managing diversity accepts that the workforce consists of a diverse population of people and that diversity consists of visible and non-visible differences in factors such as sex, age, background, race, disability, personality and work style. The researchers found that by harnessing these differences, a productive environment is created in which everybody feels valued, where their talents are being fully utilized and in which organizational goals are met.

Thus, Tung (1995) supported Kandola in that by managing diversity, one can capitalize on the strengths of each individual or subgroup to ensure that the whole is greater than the sum of the parts. Tung classified Managing diversity, as an organizational activity in two broad categories that are cross-national and intra-national. The first refers to managing the interface between peoples of two countries, and the second to managing an increasingly diverse workforce in a given country. In the South African context, the current focus is on the latter.

Koonce (2001) argues that embracing diversity is not only the morally correct thing to do, but also makes good business sense. New business opportunities are arising through the Web. A company can use diversity management to target its products at almost any group of individuals. All the different groups have identifiable buying power, and companies are recognizing that it is important to create a workplace which reflects its marketplace and does not discriminate based on race, age, gender, ethnic background, religion or sexual orientation. Koonce realized that by employing staff with a wider range of languages, it could increase the possibility of gaining new customers from ethnic communities.

Politt (2005) discovered that companies actually perform best when they introduce diversity initiatives not simply to comply with the law, but to use people's different viewpoints, talents and experiences to improve decision-making and problem solving. Organizations that create an environment of inclusion can expect their business to be one that: fosters innovation; creates a safer work environment; drives employee engagement, commitment and pride; sees a positive impact on customer satisfaction and benefits in terms of financial performance.

Douglas Klien (2005) went one step further and realised that equity is therefore a key driver of enthusiasm and engagement in order to succeed with safety management. When management acted to create an environment that made people feel included, it had the effect of strengthening focus on the responsibility to act in a safe manner. The improvement in diversity resulted in safer conditions since people valued each other's health and lives.

9.2 AFFIRMATIVE ACTION, EMPLOYMENT EQUITY AND TRANSFORMATION

Apartheid in South Africa was the official government policy that regulated social segregation of all citizens on the basis of race, with Whites having a privileged place in society and non-White groups were viewed as second-class citizens and were excluded from many career opportunities.

According to Denton and Vloeberghs (2003), the present government practices are central to the current transformational agenda. They stipulate that Employment Equity is a policy that ensures a fair, equitable workplace where all races, genders, people with disabilities and all religious/cultural identities are represented.

Blumrosen (1985) stated that AA and EE is a means of creating greater equality of opportunity. He claimed that it is temporary, flexible and compatible with the concept of qualification and believed it does not unnecessarily trample on the reasonable expectations of competent white men.

Thomas (1990) agreed and recommended EE and AA plans are necessary to create a diverse workforce at every level. Yet, Kandola and Fullerton (1994) believe these policies are controversial as they endorse racial and gender preferences in the employment process contributing to organizations contradicting Human Resource strategies that recruit on the grounds of merit and therefore do not obtain the best employees.

Hamilton (1992) acknowledged that EE and AA is “hiring by the numbers” because of its focus on increasing the representation of the designated groups through targeted hiring, and to a lesser extent, training and promotion which impacting on the efficiency of the firm.

In contrast , Human (1993) suggested that South Africa, unlike some other countries of the world, has no choice but to effectively manage EE, AA and workforce diversity since the future prosperity and stability of the country depend on it. The researcher is concerned on how few committed efforts to these policies have been made which are urgently needed.

Bruce (1994) conversely argued that black and female advancement and empowerment will take place naturally. He stated that an inexorable drift towards equality of opportunity is inevitable and that no government legislation is required to motivate organizations to hire previously disadvantaged employees.

De Beer (1998) stated that the policies give rise to concerns about reversed racism as some people may be undeservedly advantaged at the expense of experienced or skilled workers. Employers are now required to discriminate

against often better or equally qualified Whites in terms of these laws, since noncompliance will lead to penalties and fines.

Wise's (2001) research indicated that public opinion about AA and EE tends to focus on and create black-white divides. As many Whites fear revenge/retribution from non-Whites, loss of standards, punitive taxation and nationalization and they tend to question the political and ethical legitimacy of this policy. Young White people often feel hopeless about limited career prospects and leave the country either temporarily or permanently, resulting in an exodus of skilled and semi-skilled labour.

Ngambi's (2002) study clearly shows that in South Africa with the legacy of apartheid still entrenched in the minds of leadership, management and the workers. Most organisations are still "trapped" in the discrimination and fairness perspective or what can be termed as "righting the wrong", and still have a long way to go towards promoting EE to employees.

In 2007, Booysen's Research identified the following barriers to EE implementation and the reason for high attrition rates:

- Low commitment to EE
- Ineffective communication
- A lack of cultural sensitivity
- A white male dominant organisational culture
- Black staff are not developed and trained
- Lack of black mentors
- Lack of leadership commitment
- White fears around EE
- Racial fault lines in power structures and labour division.
- Headhunting and better external job opportunities.
- Limited external Black talent pool

9.3 STEREOTYPING

Franklin (1984) found that stereotypes of gender and racial roles were created by our culture and this will govern our way of life throughout our existence. The research identified that stereotypes of others will actually vary among different cultures as well as among different ethnic groups.

Falkenberg's research (1990) claimed that humans are dependent on stereotypes in order to make sense of the world and therefore this trait cannot be eliminated from them. He identified that stereotypes are resistant to change or modification because they help avoid inner conflict and insecurity. Stereotyping in fact maintains basic values about the individual's societal role and power relations and provides an interpretive framework for judging behaviour.

Hofstede (1994) developed the classic maximalist definition of culture. His research has looked at the differences in work behaviour and attitudes of people from a variety of countries. Cultures, according to Hofstede vary across four main dimensions, namely, individualism versus collectivism; power distance, uncertainty avoidance and masculinity versus femininity.

Blommaert (1988) argued that a maximalist and minimalist approach towards culture exists. The maximalist approach is that with varying degrees of certitude a person's culture will tend to determine how that person interacts with others. The minimalist approach takes an interactional approach to culture and argues that culture constitutes a subconscious part of the person's identity as a communicator and is therefore constructed to a large extent by the perception of the other party in the interaction.

The maximalist approach has existed and continues to exist in the South African context. Coldwell and Moerdyk's (1981) research stressed the differences between European and African culture. They identified whites are reared in a

culture geared to the profit-motive creating traits to be ambitious, individualistic and successful. The black environment stresses sharing, “ubuntu” (humaneness) and a sense of community. The researchers claim that the small number and under-performance of Black managers in South African organizations suggest that under-performance is a result of culture.

However, Hofmeyr and Human (1985) argued against Coldwell and Moerdyk’s findings and realized that the poor performance by black managers has been caused by a racially divided educational system and that discrimination actually has its roots in South Africa’s maximalist stereotyping and ultimately in power relations.

Human and Allie (1988) analyzed the attitudes of white male managers to the advancement of white women in business. Their research suggested that male managers doubt the current abilities of women and those men believe that women still have some catching up to do.

Adams and Moodley’s (1993) research suggested that many whites believe that Blacks are inherently less capable than Whites. Centuries of oppression have lead to the “inferiorization of blacks”. Blacks were seen as innately inferior, intellectually limited and unfortunately these stereotypes remain. The stereotypes make it difficult for Whites to hire Black professionals and Blacks do not trust the White management.

In previous centuries, African culture was seen as a major blockage to success in the business world. However, Beck and Linscott (1993) argue that certain African values are crucial to the long-term success of the capitalist enterprise. In the modern era, organizations that show their African identity are respected and valued in business across the globe.

Goleman (1995), contrary to popular opinion, identified that sights and sounds reach our conscious minds are actually not evaluated after they have been received as neutral stimuli. Rather, a value has already been attached to them by the brain's mechanisms of processing them.

The implications of such instantaneous evaluations are enormous in the sense that they create the initial predisposition for things to get off on a positive or negative footing, particularly in situations where people come from different regions or use different languages.

However, Bargh in Goleman (1995) argued that it is possible to override these evaluations with conscious thought. If an individual is aware of his and her initial biases and preferences, thinking over one's initial judgements adds information and may overrule the unconscious judgement.

9.4 THE STATE OF EMPLOYMENT EQUITY FOR PROFESSIONALLY QUALIFIED INDIVIDUALS IN SOUTH AFRICA TODAY

A broad objective of the Employment Equity Act, No 55, (1998) is to have an equitable representation of the designated groups in terms of their Economically Active Population (EAP) in the workforce; this includes people from 15 to 64 years of age who are either employed, unemployed or seeking employment.

Table 9.1: Profile of the national population and the national EAP by race and gender (**Source:** South Africa. Department of Labour, 2010)

Population group	National population distribution (Census 2001)			Economically active (QLFS, 2009)September 2009)		
	Male	Female	Total	Male	Female	Total
African	37.7%	41.3%	79.0%	39.2%	34.2%	73.5%
Coloured	4.3%	4.6%	8.9%	6.1%	5.2%	11.3%
Indian	1.2%	1.3%	2.5%	1.9%	1.1%	3.0%
White	4.6%	5.0%	9.6%	6.7%	5.5%	12.2%
Total	47.8%	52.2%	100.0%	54.0%	46.0%	100.0%

The data in Table 9.1 displays the National Demographics and the EAP in terms of race and gender. The data above is vital in setting employment equity numerical goals and targets. The labour market should aim for 87% of their workforce to be Black at all occupational levels (South Africa. Department of Labour, 2010).

Table 9.2: Workforce population distribution for Professionally Qualified for private sector employers (**Source:** South Africa. Department of Labour, 2010)

	AM	CM	IM	WM	AF	CF	IF	WF	FM	FF
Private Entities	12.3%	5.4%	6.9%	38.7%	6.8%	3.8%	4.1%	20.0%	1.5%	0.5%
Manufacturing	11.1%	5.5%	8.8%	46.3%	4.7%	2.6%	3.2%	15.5%	2.0%	0.4%

The data in Table 9.2 and Figure 9.1 indicates the workforce profiles of professionally qualified employees by race and gender. Both the table and diagram indicate difference in the representation of professionally qualified individuals in the private and the manufacturing industry sector.

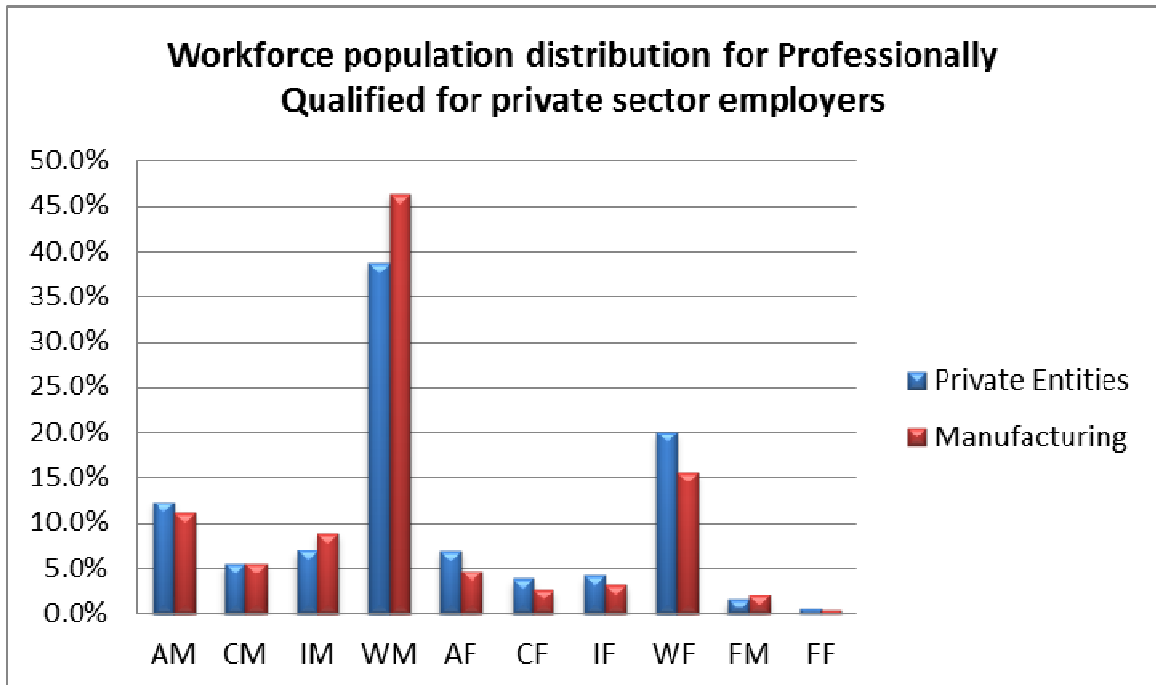


Figure 9.1: Workforce Population Distribution for Professionally Qualified for Private Sector Employers (**Source:** Adapted from South Africa. Department of Labour, 2010).

Diagram 9.1 indicates that Whites dominate the private sector and that at 19% in the private sector, Africans (Blacks) are far behind their EAP of 73%. The private sector is comprised of 11 sectors. Even though all the individual sectors are performing terribly in terms of EE, the two worst performing sectors are Finance/Business Services and Manufacturing. The Steel Merchant is part of the Manufacturing Sector.

Table 9.3: Observations on workforce profiles and workforce movements at the Professionally Qualified level (**Source:** Adapted from South Africa. Department of Labour, 2010)

Occupational levels	Male				Female				Foreign National		Total
	A	C	I	W	A	C	I	W	M	F	
Recruitment for all private	16.8 %	4.8 %	6.2 %	33.1 %	11.1 %	3.4 %	4.2 %	17.0 %	2.6 %	0.8 %	100.0 %
Promotion for all private	17.2 %	5.9 %	7.0 %	28.1 %	11.8 %	4.8 %	5.2 %	18.3 %	1.0 %	0.3 %	100.0 %
Termination for all private	15.4 %	4.9 %	6.0 %	37.2 %	8.5 %	3.4 %	3.6 %	18.2 %	2.2 %	0.5 %	100.0 %
Skills Development for all private	12.8 %	5.5 %	7.5 %	42.0 %	6.6 %	2.8 %	3.7 %	19.2 %	-	-	100.0 %

Table 9.3 indicates that, at the Professionally Qualified level, many more Whites have been recruited by the Private Sector when compared to other groups. The data indicates that promotions still favour Whites and Black females are promoted the least at this level. Promotions still favour Whites, particularly males, in the private sector, this trend will further entrench their continued and concerning dominance at these levels.

Table 9.3 also indicates that more Whites terminated their service in the private sector and more males terminated their service at this level than females. Whites terminated their employment the most in the private sector. When seen in relation to their recruitment and promotion patterns, they are being replaced by more Whites, thus private sector misses the opportunity of replacing them with other races.

This is contrary to the common perception that Whites do not move jobs because of employment equity, and that Blacks job hop because of employment equity.

An opportunity is being missed where a dedicated focus could be given to empower more Blacks for promotions in order to achieve the equity targets, to make the workforce more diverse and to reflect the demographics of the country.

Whites continue to dominate in terms of representation, recruitment and promotion at the professionally qualified level. Males also appear to have an all-round domination at this level. White terminations continue to be the highest as compared to other race groups. More could be done for African and Coloured females as this level serves as a feeder to the Senior and Top Management levels.

Table 9.3 indicates that the percentage of individuals being trained at this level is far too small for the country to achieve an equitable workforce. It is evident that private sector employers continue to invest more training on Whites than on other population groups. If there was willingness on employers to empower Blacks, it would have been evident in the training provided. This therefore suggests that employers are not utilising their training strategically to ensure that they empower the under-represented groups to ensure their upward mobility within the workplace.

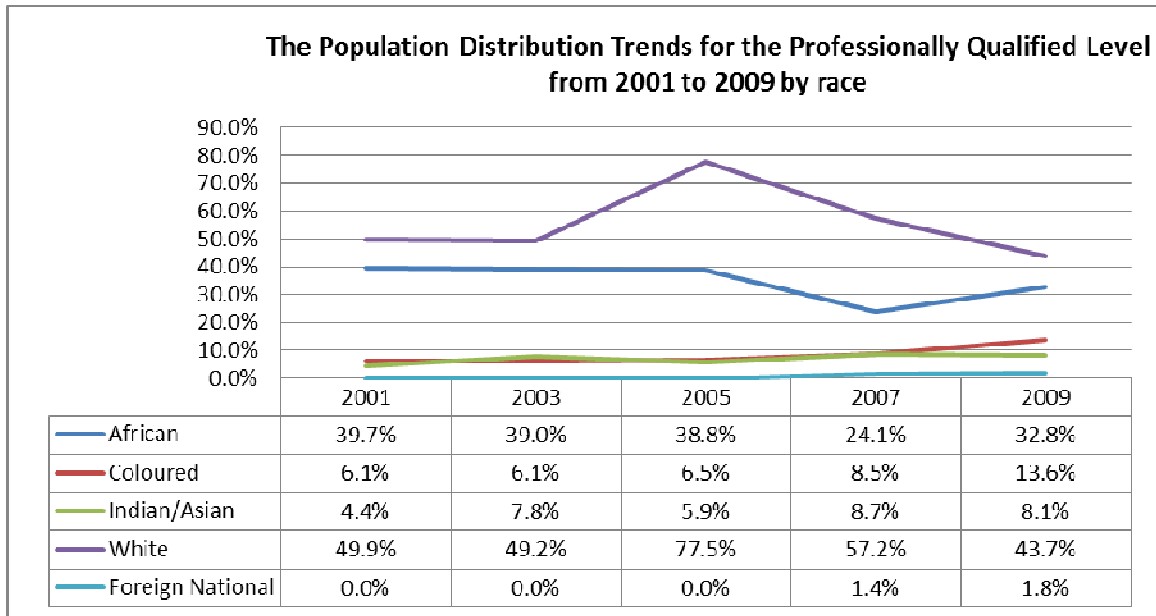


Figure 9.2: The Population Distribution Trends for the Professionally Qualified Level from 2001 to 2009 by race (**Source:** Adapted from South Africa. Department of Labour, 2010)

Figure 9.2 shows that White representation at this level went down by 6% over the years, similar to Africans, who also dropped by 7%. The fact is Whites continue to dominate at the professionally qualified level. Their domination mainly at the middle-to-upper occupational levels is further perpetuated by employers, as most of the people that were recruited and promoted at these occupational levels during the reporting period were White.

White females continue to benefit the most from affirmative action measures. African and Coloured females and people with disabilities appear to have benefited the least from these measures. Employers have a tendency to recruit and promote more males than females at their workplaces.

The representation of the other designated groups at the various occupational levels would have been much more equitable if only employers made a concerted effort to capitalise on recruitment and promotion opportunities by proportionally distributing them according to population size or EAP.

The disproportionate representation of the various has impacted negatively on training as well. As Whites dominate the professional level, employers tend to provide them with more training opportunities at these levels. The disproportionate representation of training opportunities for the Black group impacts negatively on employment equity.

9.5 THE IMPORTANCE OF RECRUITMENT AND RETENTION

9.5.1 Recruitment

Bowen (1991) argued that in recruitment a person-job fit is required suggesting that a fit to the organization is as important as the fit to the immediate job. Organizations and managers need to take a long term view into consideration meaning that the recruit's potential beyond the immediate job must be considered.

Bowen also found that a Person-Organization Fit is required to recognize the importance of the interaction between a person and the environment in which they are in. Success at one organization doesn't guarantee success at another. Therefore, when managers assess applicants they should explore the reasons why this person performed well in their existing job and whether similar conditions exist for the recruit to succeed at the new job.

Wanous (1992) identified that accurate information on the organization and job must be provided. The researcher found that if applicants are provided with accurate information they are less likely to leave once accepted, and that they will have higher levels of job satisfaction and organizational commitment.

Campion et al 1997 stated that the success of the recruitment and selection process will depend on the following:

- A clear and appropriate person specification
- Training of interviewers
- The composition of the panel
- The preparation of the questions and scoring schemes
- Clarity on who will ask the questions
- Careful control of timing and flow
- Skilled steering of the interview and active listening
- The issue arises that people tend to hire people that are similar in qualities as one which is unfair and ineffective

Cappelli (2000) claimed that when companies go out recruiting they often focus on attracting precisely those people who will be the most difficult to retain. They hire 'stars' that pursue large salaries and are not loyal. He stated that companies should shift their sights to workers who can do the job but are not in high demand in order to shelter themselves from market forces.

However, Kaye (2003) claimed that by becoming an employer of choice across all industries is the most successful way to recruit the best talent. Firms that are seen as employers of choice will have employment policies and HR Management practices that give it an edge over its competitors in recruiting and retaining professionals. These companies attract talented individuals enabling them to optimize their productivity and increase market shares.

Anderberg and Froeschle's (2006) research found that, to become an employer of choice and recruit talent, the following must be done:

- Continuously "Re-Recruit" Top Talent
- Give new hires jobs suited to their talents

- Promote internally when possible
- Treat professionally qualified workers with respect by allowing them to control their work life
- Avoid across the board hiring freezes as this will result in lost opportunities to hire talent. An opportunity arises by acquiring talent during tough economic conditions since labour condition force salaries down
- Over communicate with employees by providing feedback
- Allow for a balanced work lifestyle
- Provide and express development through education and training

9.5.2 Retention

March and Simon's (1958) departmentalization model linked retention to remuneration, job satisfaction, perceived desirability, and ease of movement which is largely contingent upon the unemployment rate. Voluntary separation from the company is seen as a result of low job satisfaction combined with alternative opportunities and the ease of movement to alternative employment.

However, Curry *et al.* (1986) described the link between dissatisfaction and turnover as being complicated since dissatisfaction with work does not always immediately lead to workers quitting. There is often a lag between the elements of job dissatisfaction, low organizational commitment, intention to quit, perceived alternatives, ease of movement and actual separation.

Roland, Rust, Stewart and Pielack (1996) identified that staff retention therefore has a positive effect on good customer relations and ultimately profitability. The fact is that long-tenured employees develop personal relations with customers and these relations are the foundation for a reinforcing cycle of positive interactions between employees and customers.

To elaborate on previous research, Roodt and Bothma (1997) identified that losing good employees is also costly on company morale. Those that remain may often feel de-motivated or disheartened, resulting in a drop in productivity and job satisfaction. If staff members witness the new job opportunities being snapped up by their colleagues, they could also follow suit.

The research of Ahlrichs (2000) highlights the very high and often underestimated costs of inadequate retention of key staff for employers and divided the turnover costs into three classifications: visible turnover costs (for example, induction expenses), invisible costs (for example, loss of productivity) and hidden costs (loss of organizational knowledge).

The Cascio Turnover Model (1991) evaluated the costs associated with inadequate retention in detail and this consisted of the following components:

- Exit interview- the financial value of both the interviewer's time and the departing employee's time
- Administrative- the cost incurred by the activities of removing an employee from the payroll, termination of benefits, and the return of company equipment
- Severance pay- the compensation paid to a departing employee
- Replacement costs- including: advertising position availability in various media, processing candidate applications and reviewing references, conducting screening interviews, assessing candidates' compatibility with the vacant job, holding decision making meetings, and medical examinations and orientation activities for the hired employee
- Training costs- including: assimilating relevant information for organizational socialization, organizational regulations, norms of conduct and performance, and core organizational values,

attending formal training programs, and participation in on-the-job training activities

Arthur (1994) realized HR systems built on commitment rather than controls are often associated with lower turnover and higher productivity. In support of this research Rosenau (2003) identified that commitment is found in cooperative organizations where managers share information with workers and create a “sense of ownership”. While Maertz (2004) found that emotional comfort can motivate people to stay and that friendships with others contribute to organizational attachment.

Lee and Mitchell (1994) found that additional costs also emanate from the need to socialize newcomers to the organization. Socialization refers to the process of acquiring the relevant information that employees must know in order to adequately perform their jobs. Feldman (1994) elaborated on this theory and identified that socialization is not a short-term process and that newcomers perform at lower levels than those exhibited by their predecessors causing an initial lag in company performance.

However in contrary to other research, Birati and Tziner’s (1996) identified that staff turnover should not always be considered negative since the firm can use the opportunity to rid it of ineffective employees and hire better performers leading to increased productivity or performance, and eventually to enhancement of the organization’s financial standing.

The ‘war for talent’ is an international phenomenon (Hay, 2001).The demand for and retention of talent is therefore not a challenge unique to South African employers. However, Frost (2002) claimed these challenges are aggravated by three additional factors:

- The emigration of skilled people

- The scarcity of specialist and managerial employees due to an oversupply of unskilled Labour and an under-supply of skilled labour
- A national drive to address employment equity, which is fuelling the war for talent among people from designated groups

The Veldman's employee commitment model (2003) explains the relationship of various factors that affect the propensity of an employee to stay or leave an organization. Firstly, an individual has certain views regarding his or her organization which affects his or her decision to join and stay with the company. Secondly, the factors that affect retention of employees have to be managed into three categories pertaining to organizational climate and culture, job satisfaction and employee well-being.

Taplin (2007) concluded that Managers in high turnover firms view turnover as normative and therefore felt that there was nothing that could be done to rectify it since it was seen as endemic to the industry and that they viewed work in traditional Fordist terms. However, in low turnover firms, managers viewed turnover as a costly problem and were more pro-active in their approach to employees. These managers initiate schemes and ongoing training programs to provide workers with a sense of achievement, strive to reduce conflict and work stress through a high degree of communication between management and workers.

9.6 THE ORGANIZATIONAL STRUCTURE

An organization's structure was rationally designed to control and co-ordinate employees to meet the company's goals through a system of rules and procedures. Basset (1996) stated that organizational structure creates an organization as a collection of individual work roles integrating with one another to achieve a common goals and objectives.

Max Weber (1864-1920) classified the bureaucratic structure as the most efficient form of organization, offering co-ordination and control. The focus of the theory was on efficiency and rational legal authority exercised through rules and a clearly defined hierarchy. As organization structure is a social creation of rules, roles and relationships which facilitate effective coordination and control.

Child (1984) identified the symptoms of Bureaucratic structures:

- Low motivation and morale
- Inconsistent decision making
- Vital information fails to reach decision makers
- Departmental conflict
- A lack of co-ordination
- A lack of strategic direction
- Reactive to the economic environment
- Labour intensive

Jacques (1991) supported Child's theory that the bureaucratic structure is inevitable but needs to be replaced by management that are accountable, innovative and can redesign structures to facilitate communication and relationship building. Managers can influence and change the structure of an organization to achieve the intended results. Differentiation can be achieved by altering the vertical and horizontal structural variables. A common practice is 'de-layering' by removing one or more layers of middle management. A flatter organization is flexible and can react quickly in the market.

9.7 THE ORGANIZATIONAL CULTURE

Edward Burnet Taylor (1871) was one of the earliest to define culture as “that complex which was acquired by man as a member of society including knowledge, belief, art, morals, law and custom”. Civilization has been established on culture and a diverse array of national and demographic cultures exist today.

Organizational culture and structure have a symbiotic relationship which can be altered and managed by change. The belief is that strong organizational structures are symbolized by success. Organizational culture is a pattern of enduring behaviour, beliefs, attitudes and world-views which distinguish one group or company from another (Thorne, 1994:2).

The foundation of the organizational culture is the mission statement. The purpose of the mission statement is to describe the origin, values, beliefs and purpose of the organization and the importance of employees to its success (Adamchik, 2006).

Harrison (1972) introduced the model of organization culture, analyzing the relationship of task versus people orientation. This incorporated the relationship between support, relationship, achievement and power.

Handy (1988) built on the Harrison's theory and used four Greek gods to symbolize the different ways of managing the different cultures that exist in organizations. Organizations have their own way of doing things, certain things that work and certain things that don't (Handy, 1996). In organizations an inappropriate culture will contribute to unhappiness and inefficiency.

In the 1980's organizational culture was a serious concern and managers saw culture as influential component on management and employee performance. Peters and Waterman (1982), 'In Search of Excellence', analyzed the common

characteristics of a successful organization. Success was determined by the strength of the organizational culture, the core values, innovation, quality and the management style.

Kilman's four-square model (1984) exposed that cultures can and should be managed by identifying cultural gaps. Deal and Kennedy's (1982) based the model on two dimensions of feedback speed and risk. The four generic cultures were the tough guy/macho culture, work hard/play hard, bet your company and the process culture– bureaucracy.

9.7.1 The Importance of Organizational Culture in South Africa

Morrison (1991) noted the importance of introducing not just one approach to equity, but an array of measures intended to make the organizational climate more supportive. The climate will ensure that employment policies and practices are achieved by providing developmental opportunities, career planning, reduction of work-family conflict, and mentoring for disadvantaged groups.

Human (1993) referred to organizational culture as being important in the development of people and their norms, values and beliefs that can reinforce or discourage the advancement of the historically disadvantaged. An organizational culture that supports people development is characterized by the following:

- positive expectations of individuals and their competence
- open, honest and constructive feedback on performance
- evaluation of performance based on results achieved in terms of short and long term objectives
- no discrimination based on race, gender or disability
- the development of people is a key result area for managers and performance in this area is measured and rewarded or sanctioned in a meaningful way

- managers understand the process of development and their roles in this process
- managers have the necessary skills to perform the role effectively
- On the job coaching is an effective and primary means of people development.

Knight's *et al.* (1999) research related to organizational change has indicated that changes in organizational culture are needed in order to overcome short-term drops in performance, as the level of diversity among staff increases.

While Wooten and James (2004) emphasized that the success (or lack of success) of diversity programs in organizations has indicated the importance of organizational learning theory as the primary culprit in the failure to reduce discrimination in organizations at all levels.

In recent times, calls by emergent Black managers for an Afrocentric rather than Eurocentric organizational culture are gaining support (Khoza, 1994). These arguments suggest that limited and mono-cultural organizational values fail to consider diversity in organizations. This prevents the development of individual potential.

The thrust of this debate does not view culture as a simple either or choice, but as seeking synergy from diversity. Kiggundu's (1991) work supports Khoza's perspective that individual potential cannot be optimized unless cultural differences are understood and managed.

Booyesen (2007) stated that legislation is integral to addressing unfair workplace discrimination but it is not enough. To be effective, organisational cultural change also has to take place. EE implementation needs to be supported by coherent employment practice strategies focusing on human capital development,

inclusive practices and organisational culture change.

9.8 THE IMPORTANCE OF LEADERSHIP IN SOUTH AFRICA

A number of scholars have shown how cultural values and traditions can influence the attitudes and behaviours of leaders. However, Hofstede (1980) identified five dimensions of culture and demonstrated their effects on the practice and perceptions of management and leadership in different countries.

Hofstede (1998) argued that a form of the masculinity or femininity dimension differentiates countries. In masculine countries, decisiveness and ambition are more often seen as masculine, whereas caring and gentleness is more often regarded as feminine. In feminine cultures, all these terms are seen as applying to both men and women. In masculine cultures assertiveness is emphasized, whereas in feminine cultures, modesty is emphasized.

Mintzberg (1999) stated that leader's build trust. Once there is trust, there is no need for empowerment, as people are viewed as part of a cohesive social system.

Goleman (2002a, b) agreed with Mintzberg and incorporated the need for the resonant leader. This leader has the ability to tune into his or her own values and paradigms, and in turn tune into others' values and paradigms which creates a climate of trust and a shared vision, this technique is essential in a South African context.

April *et al.* (2000) stressed that the leadership of South African institutions need to find common ground and find innovative ideas to break through our self-imposed barriers that stemmed from years of segregation.

April *et al.* (2000) highlighted three leadership skills for improving interpersonal

behaviour of South African leaders:

- The propensity for introspection (how we have contributed to the situation)
- The ability to reflect and step back from the situation
- The ability to inquire which asks questions about our own assumptions

Jasinowski's (2000) research was associated with the concept of leadership diversity. The analysis has shown that the companies which have the most diverse leadership at all levels were identified as more successful companies overall.

Erasmus' (1998) study on South African career women found that, in spite of being talented, educated and committed to their careers, it is conceptions and stereotyping that hindered women's upward mobility. Women were perceived as not having leadership potential and that their leader behaviour differs from traditional male leaders.

To further exacerbate the problem, the status of women in leadership suggests Black females continue to be the most poorly represented group in leadership and management positions, although all women in South Africa face the proverbial glass-ceiling phenomenon. South Africa has not only male dominance, but also White dominance in management (Booyesen, 1999a).

Dean's (2000) research results were based on women in leadership roles. He identified that the more diverse the organization with women and racial backgrounds in leadership roles, the higher the quality of decision making overall and an enhanced ability to target various segments of the market leading to increased market share and profitability.

Anderson and Ackerman (2001) realised that the advent of democratisation has led to an increase in the racial and gender diversity of leadership in the South African workplace. It is therefore a necessity that organizational leaders need to comprehend their transformational responsibilities, which may prepare them psychologically for their role in the transforming the organization into a diverse mixed workforce.

Pratto and Espinoza (2001) identified that men still dominate in leadership positions but there is research suggesting that when women do occupy leadership positions and that they display different leader styles compared to males (Butterfield and Grinnell, 1999).

Booyesen (2001) found South African male managers focused on performance, competition and winning, domination, control, and directive leadership. Males practiced leadership as a number of social transactions. On the other hand, she found South African female managers emphasized collaboration, participation, intuition, empowerment, and empathy.

Booyesen (2001) also examined racial differences in the behaviour of the managers. She found the culture of white managers was congruent with Western or Eurocentric management, whereas the culture of black managers differed greatly. The Black managers in her sample were more Afro-centric centred in the concept of Ubuntu.

Booyesen (2001), using Hofstede's national culture model, reported higher scores for Blacks on collectiveness, humane orientation, and gender egalitarianism compared to their white counterparts. Booyesen concluded that blacks are not as results-driven as Whites. Whites were more bottom-line driven in their cultural orientation while Blacks were more people focused which is consistent with their belief in Ubuntu. Although she measured leader attributes, she did not report them.

She also found differences in the cultural orientation of Black and White women. Black women scored higher on humane orientation compared to White females. In general, Black women emphasized concern for employees as well as collective mutual support and interdependence compared to White women's emphasis on independence and individual freedom, employees as workers, and planning and future action.

Lissack and Richardson (2003) highlight the importance of storytelling in leadership education. Story-telling aims to develop trust between individuals in the group, and make the group more aware of the implicit paradigms resulting from an individual's life experience. The issue arises that between racial divides stories are often not shared, leaders need to cross these divides and encourage storytelling to tighten social bonds.

Kahane (2004) refers to "social capital" built through a cross-sectored network of trusting relationships, a great source of institutional strength. He found that in South Africa, we need these kinds of leaders who immerse themselves in the context and are open to its full complexity. Through this understanding they can construct networks of relationships, learn to manage and develop new networks in order to create transformational environments.

Magner (2008) identified that the nature and rate of economic, political and social transformation in South Africa today pose a unique challenge to business leaders in the country. They are under more pressure to gain an understanding of the current nature of South African society that is still economically and socially divided, and to run their organizations within a complex and rapidly transforming business environment. She found that South Africa needs leaders to work together across sectors and industries with a common vision for the success of the broader political economy.

9.9 MANAGING THE CHANGE PROCESS

An American social psychologist Kurt Lewin (1943) developed the Force Field Analysis. According to Lewin (1943), an issue is held in the balance by the interaction of two opposing forces- those seeking to promote change (driving forces) and those attempting to maintain the status quo (restraining forces). Organizations were seen as a system of forces in a dynamic equilibrium of working in opposite directions. The driving forces must surpass the restraining forces to shift the equilibrium.

Kotter and Schlesinger (1979) stated that there were four reasons that people resist change. Employees are concerned of the implication of change on their own interests and feel secure with stability in their work environment. Some employees will disagree on the reasons for change contributing to misunderstandings. They developed six change approaches to manage this resistance to change.

Beckhard and Harris (1987) theorized the possibilities and conditions to change a company. Organizations grow and evolve over time. Previously the philosophy was that workers need to work under tight management control and performed simplistic tasks. Today's employers now understand the correlation between organizational success and employee involvement. To motivate employees they needed adequate benefits and should be empowered to participate in challenging tasks.

The Theory of Planned Behavior by Icek Ajzen (1988) stated, to successfully implement change the company needs to understand how to manipulate behaviour. The theory believes behaviour is predictable and company's can therefore plan for the employee's reaction to change.

Kotter (1990) learnt from various companies trying to remodel themselves into better competitors in a more challenging environment. The realization was that the change undergoes a series of phases which usually take a considerable length of time to complete. Companies tend to skip important steps and never produce the intended satisfying result. Critical mistakes that occur at any phase will have a devastating impact, slowing momentum and negating hard won wins (Kotter, 1990). The eight change phase's model was created to prevent the common mistakes from occurring.

Pettigrew and Whipp (1991) successfully distinguished three dimensions of strategic change. They identified that there is a continuous interplay between the three strategic change dimensions. A successful change is the result of the interaction between the content (Objectives, goals and purpose), the implementation of the change process and the internal and external environment of the organization.

Trice and Beyer (1993) provided eight considerations to review when changing organization cultures. The culture of the organization was viewed as the shared philosophies, ideologies, values, assumption, beliefs, expectations, attitudes, and norms that knit a community together (Trice and Beyer, 1993). Since change introduces something new and unique replacing technological things. Employees from the existing culture people often resist change. The role of management is to convince staff the benefits will exceed the losses.

The Kaizen method is a concept of gradual incremental change. Kaizen means improvement. When applied in the workplace it means continuous improvement involving everyone-managers and workers alike (Imai, 1986). The change is continual and modest and this philosophy is the foundation of Total Quality Management. The Kaizen theory uses teamwork, discipline, improved moral and improvement suggestions to eliminate waste and inefficiencies.

Hammer and Champy (1993) considered change as a radical redesign of the organizational processes to achieve drastic improvement on the company's current performance. They believed Business Process Re-Engineering and Information Technology if properly applied could benefit business efficiency and create value for the customer.

The Change management Iceberg of Wilfried Kruger (2004) stated that many managers only consider cost, quality and time (the top of the iceberg). However there are two more influential change dimensions which are management's political power and their perceptions of the change. Change is considered a permanent challenge that will continuously test management and organizations. The applied strategies considered by Kruger to implement a successful change in an organization are Business process Re-engineering and Kaizen.

9.10 SUMMARY

This Chapter on literature review addressed the importance of aspects such as: leadership dealing with change, organizational culture and structure, recruitment and retention relating to EE, and stereotyping.

CHAPTER 10: RESEARCH DESIGN

10.1 INTRODUCTION

The research design is the plan and structure utilized in order to realize the research objectives by specifying the methods and procedures for the collection, measurement and analysis of data (Coldwell and Herbst, 2004).

The appropriate research design will be selected by taking into consideration that a tradeoff occurs between the research costs, the quality of research and time constraints. These factors influence the quality, reliability, validity and accuracy of the research findings.

10.2 MAJOR DESIGN DESCRIPTORS

According to Coldwell (2004), the major design descriptors of the research are:

- Interrogation in which the researcher questions and collects the individual's responses by personal and impersonal means through a questionnaire
- Formalized in which the research is formalized and structured with specific hypothesis and research questions that were tested and answered by respondents
- Ex Post Facto in which the research has an Ex Post Facto design. (Note: As a researcher, there was no ability to manipulate the variables. However, the researcher did assess and report on the implications to the variables which will be seen in the research findings)
- Descriptive is a quantitative technique that describes and defines the subject by creating a profile of the group, people or events
- Cross-Sectional research (is a once off process to reveal a snap shot of BEE and EE at the steel merchant at this point of time)

- Statistical is a statistical study, since the design is structured into a questionnaire (to capture the steel merchant's characteristics from a sample which involves descriptive statistics and generalization)

10.3 THE SAMPLE DESIGN

A sample provides a finite part of statistical population whose properties are studied to gain information about the whole (Webster, 1985).

The sampling process allowed the researcher to select a set of respondents from the steel merchant to determine their attitudes towards BEE and EE. The information is used to develop strategies to prevent employee resistance and successfully implement the strategic change.

10.3.1 The Population of Interest

The survey population will be a group of individuals that participate in the research problem. The population of interest was determined before conducting the research to avoid a population specification error.

The sampling processes will reflect the impact of BEE and EE on the key stakeholders. The stakeholders include employees, shareholders, suppliers, customers, community and government that interact with the steel merchant.

However, the selected population of interest are the 5 500 employees that work at the steel merchant. The employees are the only individuals that the questionnaire was delivered to in order to correlate the research findings. The focus is only on the steel merchant and not other steel merchants or the manufacturing industry as a whole.

10.3.2 The Data Collection Methods

10.3.2.1. Primary and Secondary Data

Data should be valid and reliable, easy to obtain in an appropriate time-scale, affordable and relevant to the situation in question (Webb, 2002:22). There are a variety of means and ways to obtain data which is aggregated into two groupings, namely primary and secondary data.

10.3.2.1. a Exploratory Research: Secondary Data

Secondary data is existing data that can be used to solve the research problem (Van Wyk, 2005:120). Secondary data is readily available and cheaper to obtain than primary data. However, if deemed inappropriate for addressing the research problem, the researcher will then have to resort to primary data collection.

10.3.2.1. a (i) Secondary Data Types

- Internal Secondary Data

Internal secondary information is generated from business activities (Van Wyk, 2005:122). Internal data related to BEE and EE is contained in the records of the steel merchant and has been adapted to identify and solve issues related to the research problem.

The Internal secondary data was used to evaluate the steel merchants Employment Equity records. The documentation includes:

- BEE Balanced Scorecard
- The Governments official employment equity rating and targets
- E-Mail communication

- The HR policies and procedures
- External Secondary Data

External Secondary Data is the existing data obtained from sources outside the organization (Van Wyk, 2005:125). External data is cheaper than primary data and can be obtained at a fee from other sources for immediate use. The external secondary data was sourced from:

- Government Publications
- The Department of Labour
- Research Publications
- Stats SA.
- Department of Trade and Industry
- Academic Journals

10.3.2.1. b Descriptive Research: Primary Data

Primary data involves interacting directly with respondents in collecting data for the first time (Van Wyk, 2005:120). The aim of primary data is to collect data from a large number of individuals to generalize about the specific population. Primary data can use either quantitative or qualitative methods to obtain reliable information.

10.3.2.1. b. (i) Non-Experimentation

Non-experimental research is used when variables of interest cannot be manipulated because they are naturally existing attributes or when random assignment of individuals to a given treatment condition would be unethical (Belli, 2008).

The research design will use a non-experimental methodology since no treatments are being given and that the research cannot predict the causal relationships towards BEE and EE.

The non-experimental design naturally identified an occurring variation between the independent and dependent variables without any intervention by the researcher or anyone else that is employed at the steel firm.

The inability for the researcher or employers to influence the answers of the respondent provides more accurate and reliable research findings and identifies the respondent's perception at this point in time.

10.3.2.1. b. (ii) Quantitative Primary Research

To attain the desired results a quantitative approach is used. Quantitative data is a method of market research that utilizes sampling techniques to collect objective data. It has numeric relevance towards various kinds of behavior, attitudes, or performance that is tabulated and statistically analyzed (Cocommunications, 2008).

Quantitative research allows the researcher to involve large numbers of respondents with the goal to contact 100 respondents in order to yield results that are representative of the total population at the steel merchant. The goals of the research objectives are (Lukas, 2007):

- To make accurate predictions about relationships between market factors and behaviours towards BEE and EE recruitment and retention.
- To gain meaningful insights into those relationships
- To validate the existing relationships
- To test various types of hypotheses

The advantage of this method is that the results are statistically reliable. The quantitative research can reliably determine if BEE and EE is viable and achievable at the steel merchant.

The results will also be representative to the steel merchant's population since the proportion of respondents answering the questionnaire is similar to the proportion of the total population if they had all answered.

The quantitative method allows the researcher to send and receive the information quickly and at no financial cost. This method allows for information to be collected, analyzed and presented within budget and within one month.

10.3.2.1. b. (iii) Setting up of the questionnaire

A questionnaire is a form containing a set of questions that is submitted to people to gain statistical information (Miller, 2011).

The advantage of using the questionnaire in this research is that (Coldwell and Herst, 2004):

- The option will be provided to complete the questionnaire anonymously which will yield honest answers
- Good for sensitive issues like stereotyping and race related issues
- Inexpensive
- Easy to compare and analyze the research findings
- Obtains large amounts of information quickly
- Can be easily completed by respondents within the organization

The Questionnaire was designed to ask closed-ended questions to collect quantitative data in a non-threatening manner quickly from respondents.

10.3.2.1. b. (iv) The Dissemination of the questionnaire

E-mail was used to contact the selected respondents at the steel merchant and answered questionnaires were returned easily via email back to the researcher.

10.3.3 The Sample Frame

A sampling frame is the list of people from which a sample is taken, it needs to be comprehensive, complete and up to date (Coldwell, 2004:73). The reality is that no sample frame is perfect and defects may lead to sample frame error which can affect the reliability of the entire research problem.

The sample frame has been defined according to the following characteristics:

- Respondents are employees of the steel merchant
- Respondents are randomly selected from all the business units. However, a weighting is given according to the size of the business unit
- No specific geographic region is given preference
- No specific departments are given preference
- The Hierarchical level needs to be stated and no blue collar workers will be interviewed. The focus of the study is on white collar professionals from level 5 to level 1

- The Hierarchical level definitions are:
 - Level 1 – CEO and Executive Board
 - Level 2- Directors and Senior Managers
 - Level 3- Lower and Middle Management
 - Level 4- Professional Employees
 - Level 5- Professionals and Skilled Employees

- It is 50% Male and 50% Female
- It is weighted according to racial group - 40% White, 40% Black, 10% Asian and 10% Coloured. The weighting is according to the majority and minority percentage of racial groups that are employed by the merchant.

10.3.4 The Sample Method

The researcher needs to select a probability or non-probability sampling approach. Probability sampling is based on the principle that every unit in the sampling frame has a chance of being selected (Coldwell, 2004:74). Non-probability samples are instances when the chances of selecting members from the population are unknown (Tustin, 2005:344).

Quota Sampling is a Non-probability method that is used by the researcher and is defined as a type of purposive sampling in which relevant characteristics are used to stratify the sample in an attempt to improve representativeness of the sample (Tustin 2005:347).

The Steel merchant has certain characteristics according to racial and gender profile. The sample has the same distribution of these characteristics that is representative of the steel merchant taking the variables that we have no control over into consideration. The quota sampling method allows a weighting as described in the sample frame to avoid an under or over representation of a gender or racial group.

10.3.5 The Sample Size

The determination of sample size is a common task for many organizational researchers. Inappropriate, inadequate, or excessive sample sizes continue to influence the quality and accuracy of research (Bartlett, 2001:1).

The sample consisting of 100 employees was used to collect information about some members of a population to gain common characteristics and generalizations about the steel merchant's ability to recruit and retain PD professionals.

The sample will randomly select individuals from the eleven business units which will be weighted according to size and employee contribution. The Trading and Application Specific Business units will be the majority of the sample since employ the largest number of people.

The sample will randomly select individuals according to the nine provinces which will also be weighted according to size and employee contribution. Gauteng will be the majority of the sample since this region employs the greatest number of people.

A sample size was chosen because of the low cost and that the company population of 5500 employees makes interviewing of all employees impossible when taking the strict timeline stated by the University into consideration.

10.3.5.1 The Sample Size and Data Collection Method

Table 10.1: The Sample Design (Source: Own source)

	Population Group	WM	WF	BM	BF	CM	CF	IM	IF	Total
Data Collection Method	Survey Sample Respondents	20	20	20	20	5	5	5	5	100
Total										100

10.3.6 The Data Gathering and Recording

The research will use categorical data recorded as numbers and percentages to obtain information relating to the gender, race and the department of the steel merchant. A ratio scale has a natural or absolute zero and is used to determine the size and importance of the data when analyzing the responses to the questionnaire.

10.3.6.1 Analyzing the Quantitative Data

Descriptive statistics will be used to analyze the research and draw conclusions. Descriptive statistics are numbers that summarize and describe the behavior or characteristics of a particular sample of participants in a study (Hick, 2008).

10.2.6.1. a Descriptive Statistics

Descriptive statistics summarize data in a meaningful way to identify patterns emerging from the data (Coldwell and Herbst, 2007). It is simply a way to describe the data and does not allow the researcher to draw conclusions beyond the data that has been analyzed.

The data has been presented in tables, graphs, using data reduction techniques and the description of relationships between observations. The statistical research was kept as simple as possible to alleviate unnecessary mistakes.

The data was summarized using the following methods:

- Percentages- are a proportion in relation to a whole which is usually the amount per hundred (Miller, 2011)
- The Three Different Measures of Central Tendency

Measures of central tendency- are measures that indicate the midpoint or central value of a distribution (Poulin, 2011) and allow the researcher to report where most of the responses fall by describing the central position of the frequency distribution for a group of data.

- The Mean- is obtained by adding all the values together and dividing by the number of observations (Tustin, 2005)
 - The advantages are that:
 - The concept of an average is clear, concise and easy to understand
 - The mean relates closely to the population from which the sample was drawn and can be altered by the changes in the data
 - Only one mean can exist
 - The disadvantages are that
 - The mean is affected by a few extreme scores and can be a tedious process if lots of data exists

- The Median- It is the single item that is the most central item in a set of numbers (Coldwell, 2007). Half the numbers lie below the median and half lie above
 - The advantage is that it is not affected by extreme values and is easy to comprehend
 - The disadvantage is that the data needs to be systematically arranged

- The Mode- is the value of the most recurring item in the data set it is therefore the number with the greatest frequency (Tustin,2005)
 - The advantage is that the mode is not affected by extreme values

- The disadvantage is that some data sets consist of too many modes to be an effective determinant of central tendencies

The measures of central location identify the average values of the data base and however have the weakness of expressing nothing about the extent which the individuals are similar or differ from one another. Therefore, measures of variability are used to summarize the dispersion the research findings.

- Measures of Variability- Are ways of summarizing a group of data by describing the how the data values are spread out and is the degree which the observations depart from the central tendencies (Tustin, 2005)

Three Different Measures of Variability that are used in the research design are:

- The Range- is the difference between the highest and lowest values in the data set (Miller, 2011). It is easy to calculate but greatly affected by extreme values. The method to overcome extreme values is the use of the inter-quartile range in the research
- Variance- reflects the degree of distribution spread, the larger the values differ from the mean the larger the variance (Tustin, 2005). Variance has the advantages of taking every single piece of data into account as every individual value is used
- Standard Deviation- is the number that indicates the distance of a score from the mean for its group. It is considered an effective technique since deals with a great deal of accuracy whether most of the scores cluster closely or are spread out in relation to the mean (Sanctuaries, 2007). The advantage of the method is that all

the raw data is utilized and are expressed in the same units as the raw data.

10.3.7 Potential Bias in Data Collection

Bias is a distortion in the collected data so that it does not reflect realistic circumstances or events (Martins, 2005). The research design has the possibility of various potential sources of bias and the researcher had the task identify, manage and try preventing bias from occurring in the research data.

10.3.7. a The Potential Bias in Data Sources

Adapted from Coldwell and Hearst (2007), the following biases are:

- Sampling Bias- is a tendency to favour the selection of certain units with particular characteristics and is caused through a poorly designed sampling plan. (In the current research design it could be perceived that Black and White racial groups as 80% of the sample were favoured. However, the percentage split was based according to the split of racial groups employed by the merchant and this limited the influence of sampling bias on the research results)
- Bias of non-response- this occurs when some of the respondents or units were not included in the sample. (This has occurred in that of the 100 employees questioned only 52 employees have responded thus portraying that the employees that did not respond are possibly not aware of the BEE and EE legislation).
- Information Bias- the actual research data can be the weakness if the quality of the research is untidy, unreadable or some answers have been deliberately avoided. (The Questionnaire has been carefully designed

readable and tidy to prevent this problem. The data collection method is carefully planned and methodical; however, certain questions have unanswered questions due to their controversy limiting the reliability of the research)

Sensitive questions have been phrased correctly and used in a positive manner. The respondents are made aware that the information is confidential improving their confidence in answering the sensitive questions.

CHAPTER 11: RESULTS AND DISCUSSION

11.1 INTRODUCTION

The previous chapter discussed the research method and sample selection in this study. The next chapter will discuss the results in line with the research objective set at the beginning.

11.2 THE RESEARCH OBJECTIVES

- To evaluate the effect of organizational culture and climate on the implementation of Employment Equity, Affirmative Action and BEE Strategies

The Organizational Culture/Climate is White male dominated, the evaluation can identify if the existing culture makes it difficult for other genders or races to integrate into a steel organization.

- To analyze the importance of HRM in the development of recruitment and retention strategies of previously disadvantaged professionals

The Human Resource Management strategies of the steel organization influence their ability to become an employer of choice. The analysis will identify how the HRM strategies will influence the organization's ability recruit and retain talent.

- To investigate the differences in gender and race leadership qualities and behaviour

Different genders and races tend to be stereotyped. The investigation will identify how different types of racial leadership qualities will influence the recruitment, retention and development of employees.

- To identify and assess the barriers in implementing employment equity recruitment and retention strategies

By identifying the existing barriers, strategies can be developed to meet the targets set by government, the steel industry and by the organization.

- To determine how Government Legislation will influence the Steel Organizations' competitiveness internationally

If South Africa is to be a part of the BRIC economy, the country will need to increase foreign direct investment and compete more effectively internationally. The assessment will identify how EE, AA and BEE in South Africa today will affect the South African Steel Merchant's competitiveness internationally.

11.3 THE DEMOGRAPHICS OF SAMPLE

A hundred questionnaires were emailed to randomly selected individuals at the steel merchant. A total of 52 respondents participated in the survey. However, five of the respondents that replied to the survey did not complete the Employment Equity Questionnaire sufficiently; this resulted in these 5 questionnaires being excluded.

A total of 47 respondents questionnaires were completed and returned correctly. This resulted in a 47% response rate of individuals that participated in the survey.

The reason the other 48 did not respond in fact could be that BEE and EE is a controversial issue and the respondent's fear being judged. Incentives have been provided to improve the response rate of the survey which could lead to a higher response rate and provide more accurate results.

Table 11.1: The Response Rate by Racial Demographic and Gender (**Source:** Own source)

	White Male	White Female	White Total	Black Male	Black Female	Black Total
Number of Responses	11	6	17	10	7	17
Sample Size	20	20	40	20	20	40
Response Rate	55%	30%	43%	50%	35%	43%

	Coloured Male	Coloured Female	Coloured Total	Asian Male	Asian Female	Asian Total
Number of Responses	3	5	8	2	3	5
Sample Size	5	5	10	5	5	10
Response Rate	60%	100%	80%	40%	60%	50%

	Total Male	Total Female	Total Population
Number of Responses	26	21	47
Sample Size	50	50	100
Response Rate	52%	42%	47%

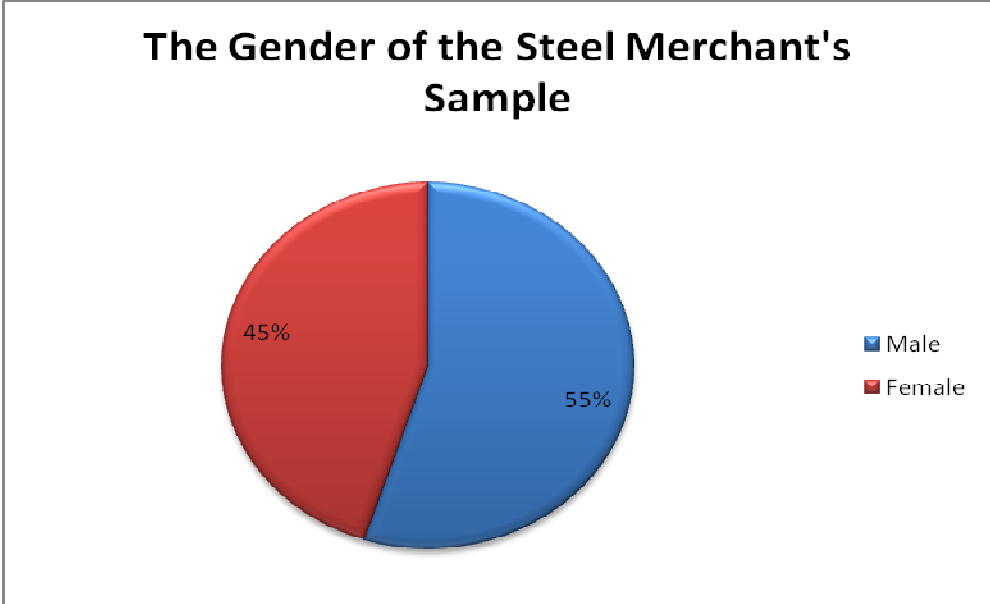


Figure 11.1: Gender of the Steel Merchant’s Sample (Source: Own source)

The majority of respondents were male at 55% and the remaining 45% were female. This was a fair representation of the organization since neither gender dominated the research findings.

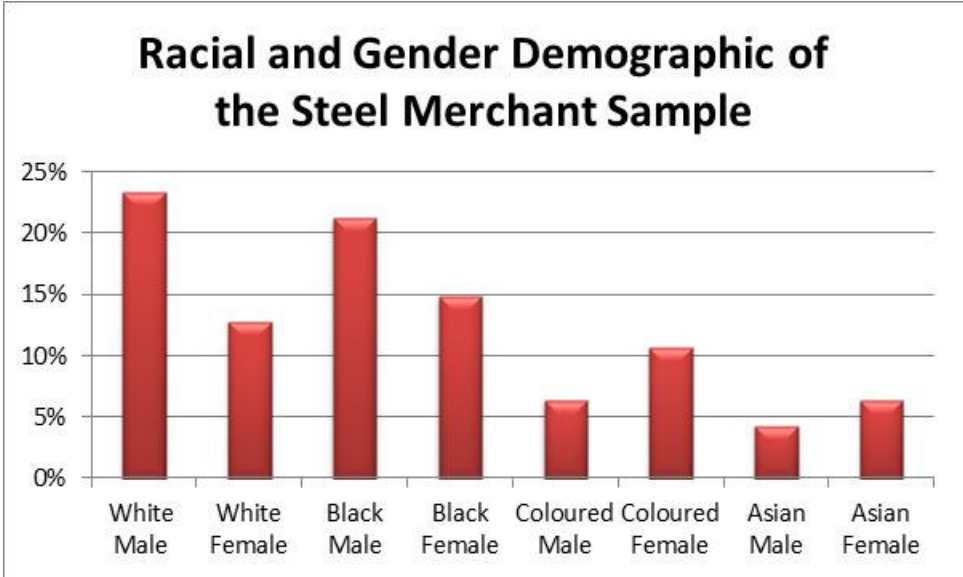


Figure 11.2: Racial Demographic and Gender of the Steel Merchant Sample (Source: Own source)

- The Black respondents equated to 36%, Black males contributed at 21% and Black females 15%.
- The White respondents equated to 36%, White males contributed at 23% and White females 13%.
- The Coloured respondents equated to 17%, Coloured males contributed at 6% and Coloured females 11%.
- The Asian respondents equated to 11%, Asian males contributed at 4% and Asian females 6%.

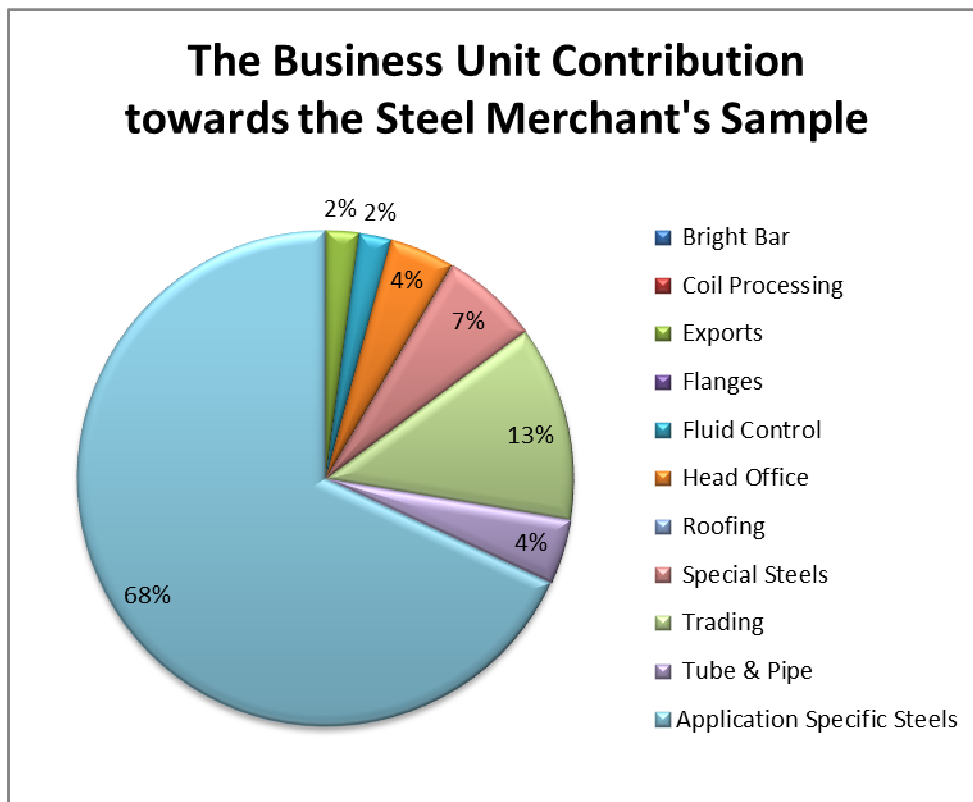


Figure 11.3: The Business Unit Contribution of the Steel Merchant's Sample (**Source:** Own source)

The questionnaires were randomly sent to employees at the steel organization. Preferential weighting was given to the two largest Business units namely, Trading and Application Specific steels since they employ the most people at the company.

Seven of the eleven Business units returned the questionnaire results. The largest contributor was Application Specific Steels business unit at 68%. The high response rate by this business unit was due to the fact that most of these respondents knew the researcher and felt comfortable answering the questionnaire.

Certain respondents in the other business units did not know the researcher and felt no affiliation or reason to respond. The largest response was from the Application Specific Steels division, since the researcher works for this business unit and these employees felt obligated to complete the survey due to their loyalty to the researcher. The research results could bias to the views of the Application Specific business unit which can negatively affect the reliability and accuracy of the findings.

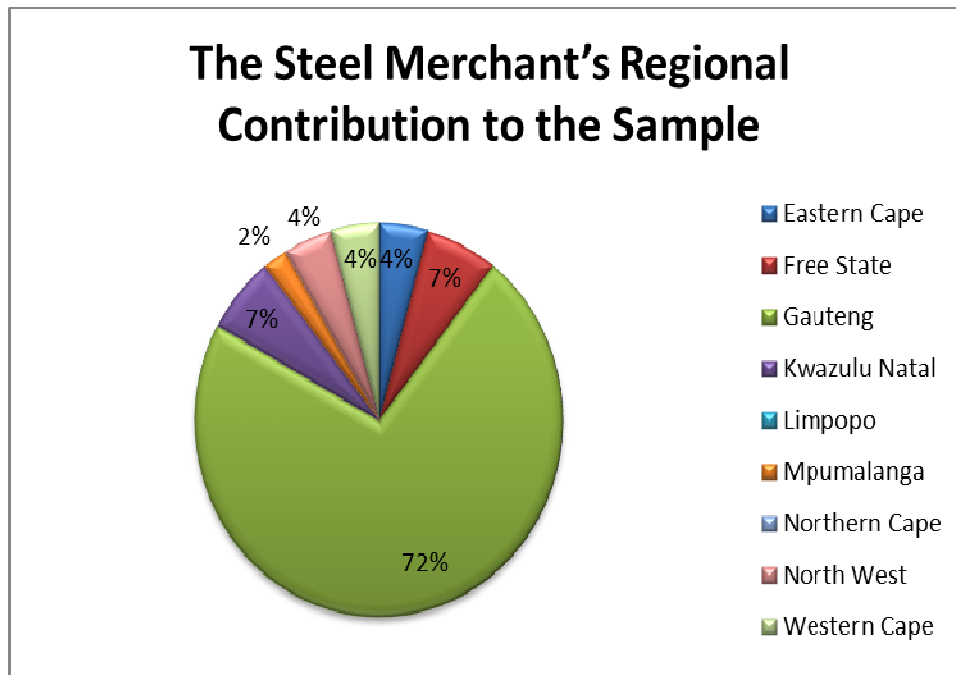


Figure 11.4: The Steel Merchant's Regional Contribution to the Sample (**Source:** Own source)

The majority (72%) of respondents were from Gauteng reflecting the largest region for employment at the Steel Merchant. This is a fair reflection since each Business unit's Head office is located in this region.

The response was also reflective of the South African population and indicated where the racial groups are stereotypically more dominant. 86% of Black and White population that responded were from Gauteng , 59% and 41% of the Coloured population that responded were from Gauteng and the Western Cape respectively, whilst 69% of the Asian population that responded were from Kwa-Zulu Natal.

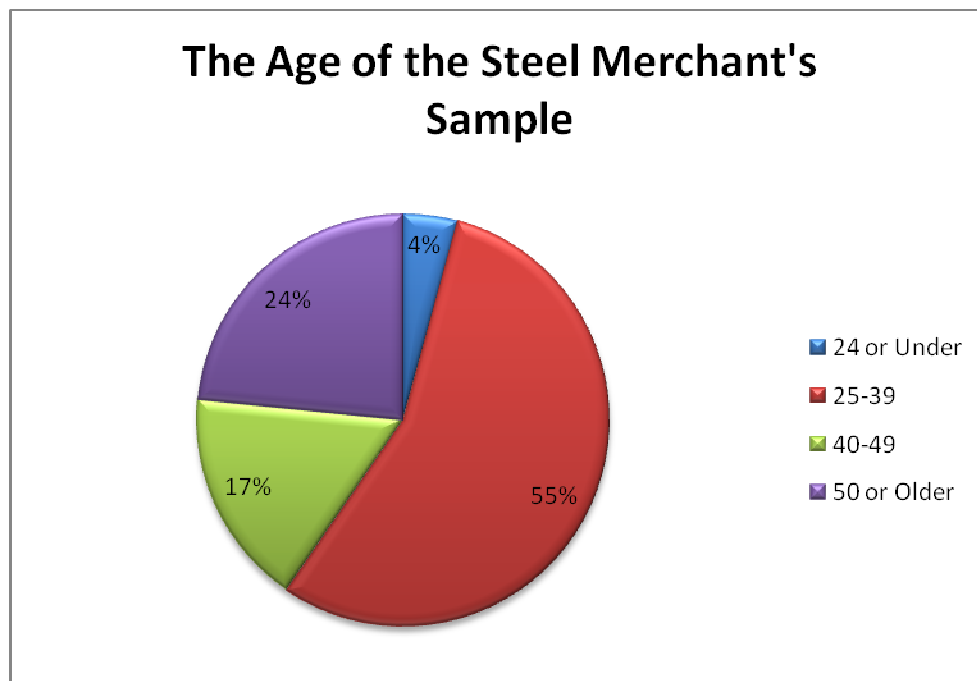


Figure 11.5: The Age of the Steel Merchant Sample (**Source:** Own source)

The Age of the population can indicate if the company is generally younger or older which will influence the current organizational climate, culture and management style of the organization. The average age of the racial groups will also help determine the respondents experience, biases and judgements regarding BEE and EE.

For the case of this research, 39 years and below will be described as the younger employees, whilst 40 years and above will be described as the older employees. The sample consists of 59% of respondents aged 18-39 and 41% are aged 40 and above.

The average age band that most describe each racial group is:

- 77% of Blacks are aged 18-39 years
- 53% of Whites are aged between 40 and above. However, 45% of White men are 50 years and older. The age of this group indicates they have probably done business the same way for years and grew up during the Apartheid era making it difficult to change their current perceptions
- 80% of Asians are aged 25-39
- 63% of Coloureds are aged 40 and above
- 67% of Previously Disadvantaged Individuals are aged 18-39, however 61% fall in between 25-39

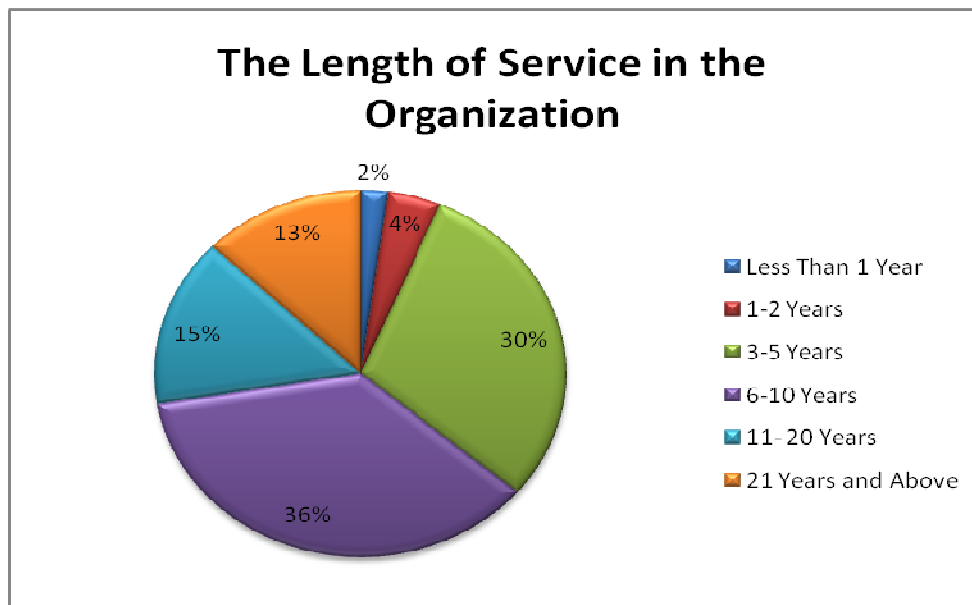


Figure 11.6: The Length Service at the Steel Merchant (**Source:** Own source)

Only 2% of the sample employees at the Steel Merchant have worked less than one year and 4% have worked 1-2 years. Taking the average age of the company into consideration indicates that the Steel merchants employees are either loyal or can't find other opportunities at other companies.

The analysis has indicated that 30% of employees have worked 3-5 years, 36% 6-10 years, 11-20 years 15% and 21 years 13% which substantiates that the employees are in fact loyal towards the organization. Long term service is recognized and rewarded and this is evident in the sample.

Table 11.2: PDI / Whites Length of Service in the Organization (Source; **Own source**)

PDI length of service:	Less Than 1 Year	3%	1-2 Years	6%
	3-5 Years	36%	6-10 Years	28%
	11- 20 Years	17%	21 Years and Above	8%
Whites length of service:	Less Than 1 Year	0%	1-2 Years	12%
	3-5 Years	18%	6-10 Years	47%
	11- 20 Years	6%	21 Years and Above	18%

According to the Gender and Racial statistics (refer to Appendices), all racial groups display loyalty to the organization by working at the steel merchant for a lengthy time.

However, White males have no individuals in the survey that worked for less than 2 years and 64% working 6-10 years for the organization showing a very loyal racial and gender group. One needs to be aware that White males have a slightly greater length of service which could be related to higher salaries and positions - this will be analyzed under hierarchal levels of racial groups.

PDI have 36% working 3-5 years and 28% 6-10 years. The statistics did not show any radical discrepancies between the length of services between whites and PDI.

Stereotyping by Whites has contributed to Previously Disadvantaged Individuals not considered loyal employees and they tend to leave as quickly as they are recruited. However, contrary to this belief, the sample shows that PDI are in fact loyal employees to the steel merchant.

Statistics illustrate that 40% of South Africa’s Black Middle Class have changed jobs once in the last three years, 15% have changed or moved twice and 10% have changed more than three times (Cruz, 2006).

The Steel Merchant’s Black employees in the sample supports Cruz’s (2006) research and are actually more loyal than blacks in other industries. The black employees have only 6% of their sample that have worked less than 3 years indicating a dedicated individual that has not changed or moved jobs recently.

According to the 10th CEE statistics (South Africa. Department of Labour, 2010), the termination rates of the Professionally Qualified are:

Table 11.3: Termination for all Employers (**Source:** Adapted from the Department of Labour, 2010)

White	Black	Coloured	Asian
28.70%	15.00%	7.20%	4.60%

At the steel merchant, the following racial groups worked less than two years:

- Blacks 6%
- Asians and Coloureds 0%
- White Women 33%
- PDI 9%

The results supporting the CEE statistics (2010) reveal that the PDI are actually loyal to organizations, particularly in the younger generations displaying lower termination results.

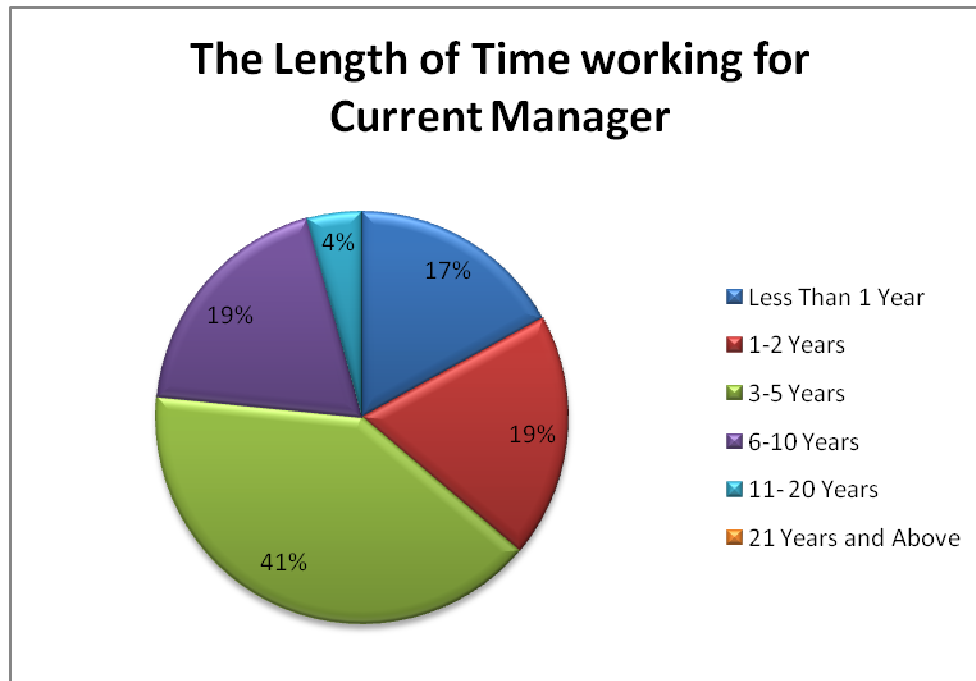


Figure 11.7: The Length of Time working for current manager (**Source:** Own source)

In the sample, the length of time that the respondents worked for their current manager is that 17% have worked less than one year, 19% have worked for 1-2 years, 41% 3-5 years, 19% 6-10 years and 4% 11-20 years.

The length of time working for a current manager indicates one of the following characteristics (Wylie, 2011):

- The employee has recently been placed in their current position
- The employee recently received a new boss
- The employee is loyal and likes to work for the organization and his or her boss since has not terminated their employment. It demonstrates a positive work environment

- A lack of promotional opportunities and succession planning exists particularly if the individual has worked for the same boss for over 6 years
- The employee is happy with their current position, status and remuneration. No motivation exists to achieve more in the work place
- The internal and external recruitment policies and procedures do not identify enough talent to move into new challenging positions quickly

The statistics indicate that:

- The steel merchant has loyal employees
- Good working conditions exist
- Whites are incorporated in succession planning and are consistently given promotional opportunities and since have the least amount of time working for their current manager
- 39% of PDI have recently worked for their boss less than 2 years and who has recently been promoted in that time period
- PDI are satisfied with their current positions and do not apply for higher level positions. However, the research does not indicate that PDI have less work ethic than Whites, but would prefer opportunities to grow and develop into senior managers.
 - A PDI stated “I can give you first hand experiences at the lack of transformation since I have been in the steel industry with 24 years experience and have an academic qualification. I have applied for numerous positions and have only been able to move up the ladder to a sales representative position in all this time.” The statement indicates that PDI do not see transformation and effective recruitment taking place, but are motivated to be in more senior roles.

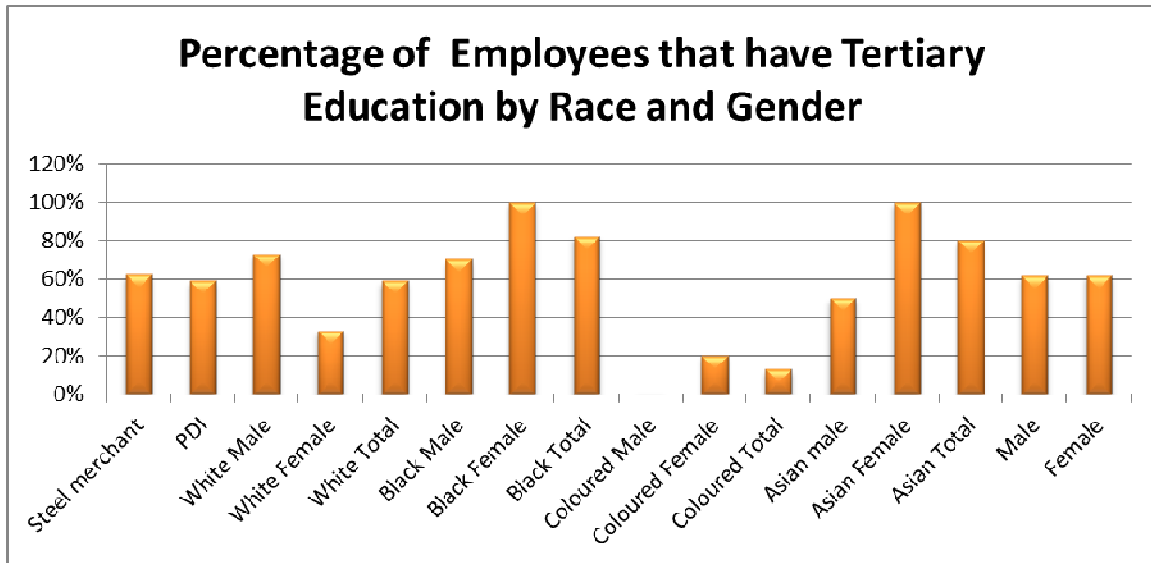


Figure 11.8: Percentage of Employees that have a Tertiary Education (**Source:** Own source)

Higher Education and Training, or tertiary education, includes education for undergraduate and postgraduate degrees, certificates and diplomas, up to the level of the doctoral degree (SA information, 2011).

South Africa has a vibrant higher education sector, with more than 1 million students enrolled in the country's 24 state-funded tertiary institutions consisting of 11 universities, five universities of technology, and six comprehensive institutions.

The Apartheid era influenced the number of PDI that received quality education at school and today influences the number of PDI that receive a tertiary qualification. While 65% of Whites over 20 years old and 40% of Asians have a high school or higher qualification, this figure is only 14% among Blacks and 17% among the Coloured population (SA information, 2011).

The Steel Merchant employs 62% of professionals in the sample that have a tertiary education. According to gender, 62% of Males and 62% of Females have tertiary education, and this indicates that both sexes are well educated within the organization and both should have fair opportunities in the workplace.

As a racial group, 58% of PDI have tertiary education, 15% less than that of White males. Blacks are the most educated racial group at 82%, followed by Asians at 80%, Whites at 59% and Coloureds at 13%. The higher education levels of White males make them generally more skilled and employable than the average PDI employee and could explain their higher level positions within the organization.

The positions the White males occupy are skilled positions that are either technical, financial or sales related. The positions require a university qualification or significant experience in that field. The minimum criterion required strengthens in terms of educational background and experience as the position becomes more senior and greater responsibility.

However, the racial group and gender with the highest percentage of educated staff are Black females and Asian females at 100% receiving a tertiary education, followed by White males at 73%, Black males at 70% and Asian males at 50%. The worst performing racial and gender group as far as education is concerned are Coloured males with 0%, Coloured females with 20% and White females with 33%.

The Steel Merchant has a high education level in the industry. Of the employees with a tertiary education, 38% of the steel merchant's sample has university degrees with 29% of tertiary educated PDI attaining a university degree. 50% of males have university degrees making males more skilled and educated than women at the organization which influences gender promotional opportunities.

24% of employees at the Steel Merchant and 29% of PDI have obtained their tertiary education from a Business College. Only 6% of males went to Business College, yet 46% of females have a business college education. Business Colleges tend to teach Administrative qualifications and functions. The

educational background could be a factor in women occupying administrative functions within the company – this will be analyzed in further detail.

The Steel Merchant’s client base tends to be technical and to service these target markets the organization employs technical personnel. 34 % of the Steel Merchant’s tertiary educated employees and 38% of PDI of tertiary educated employees have a technical background. 44% of males and only 23% female are technically educated which is indicative that males are generally employed in technical positions and females in administrative positions.

Table 11.4: Employees with Tertiary Education by gender and ethnicity (**Source:** Own source)

	White Male	White Female	White Total	Black Male	Black Female	Black Total
University	63%		50%	43%	14%	29%
Business College	13%	50%	20%		71%	36%
Technikon	13%		10%	29%	14%	21%
Technical College	13%	50%	20%	29%		14%
Other						

	Coloured Male	Coloured Female	Coloured Total	Asian Male	Asian Female	Asian Total
University					67%	50%
Business College						
Technikon				100%		25%
Technical College		100%	100%			
Other					33%	25%

	Steel merchant	PDI	Male	Female
University	38%	29%	50%	23%
Business College	24%	29%	6%	46%
Tecknikon	17%	19%	25%	8%
Technical College	17%	19%	19%	15%
Other	3%	5%		8%

Of the racial and gender groups that have tertiary education, the level of education received is as follows:

50% of Whites and Asians have received their tertiary education at a university followed by 29% of Blacks. However, Coloureds in the sample have a university qualification. 67% of Asian females have university degrees making them the most highly educated demographic in the sample followed by 63% of tertiary educated White males and Black males with 43%.

36% of Blacks went to Business College followed by 20% of Whites. However, 71% of Black females that received a tertiary education went to Business College followed by 50% of White females.

35% of Blacks with tertiary qualifications have a technical education followed by Whites with 30% and Asians with 25%. Black males have 58% of their tertiary background in technical expertise and in contrary to common stereotyping that women are not technical in nature, 50% of White women have a technical education.

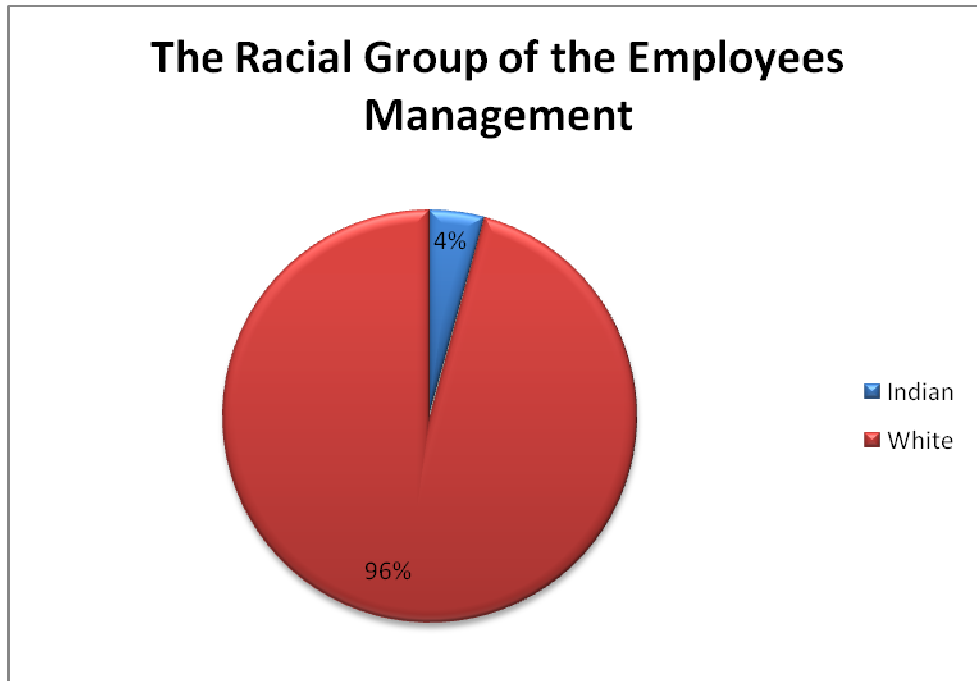


Figure 11.9: Racial Group of the Employees in Management (**Source:** Own source)

Out of the 47 people that completed the survey, 96% of employees have a White boss and 4% an Asian boss. The results indicate that the company does not employ or develop a management team that is reflective of South African society by gender or race. The majority of White bosses demonstrate a White male organizational culture which can clearly be seen by all members of the steel merchant.

The significant discrepancy in racial management divides does not display an organization that trains and develops PDI. The PDI can see that whites dominate leadership and management positions having negative consequences on motivation since they do not see a future within the organization. Talented external applicants can see the White dominance in interviews and in turn choose other industries or organizations.

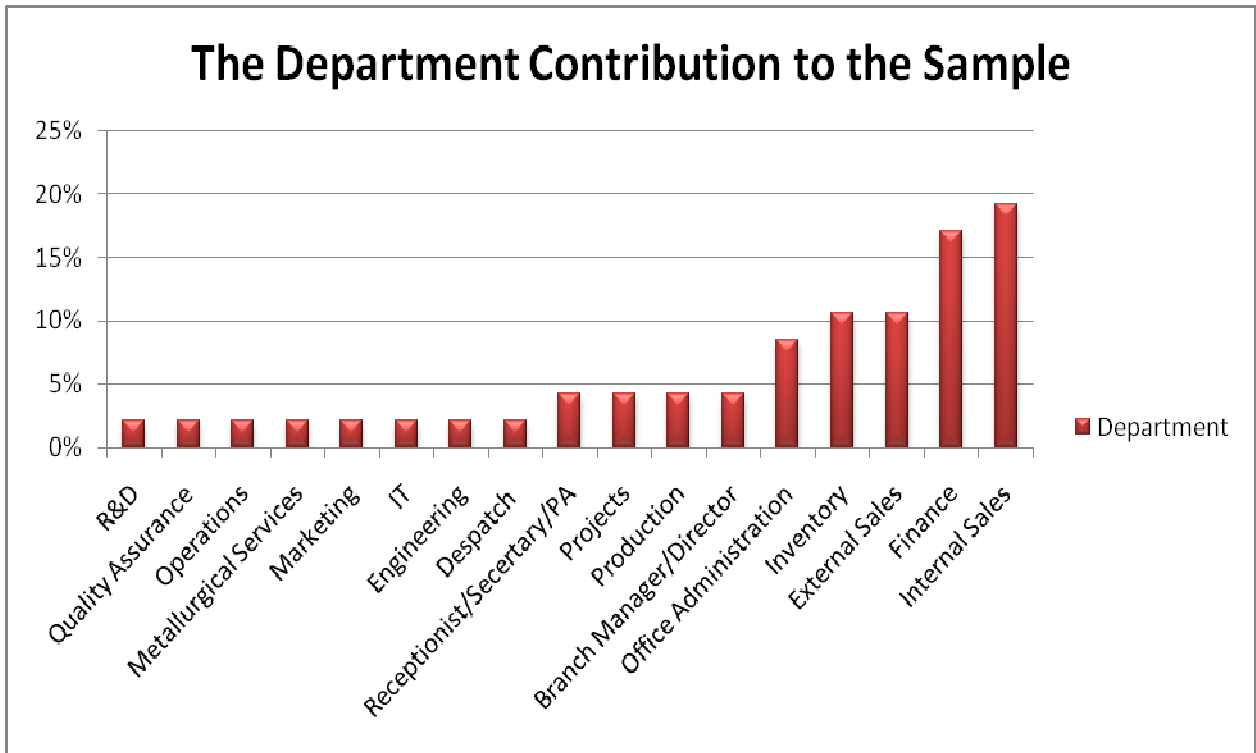


Figure 11.10: The Department Contribution To The Sample (**Source:** Own source)

The company is a sales driven organization which is reflected by 19% of respondents from Internal sales and 11% of respondents from external sales responding to the questionnaire. Finance contributed 17% and Inventory 11% - both are reflective of their roles in the organization to manage funds and procure stock. These 3 departments are the largest 'white collar' departments in the organization and should be the predominant contributors to the research results.

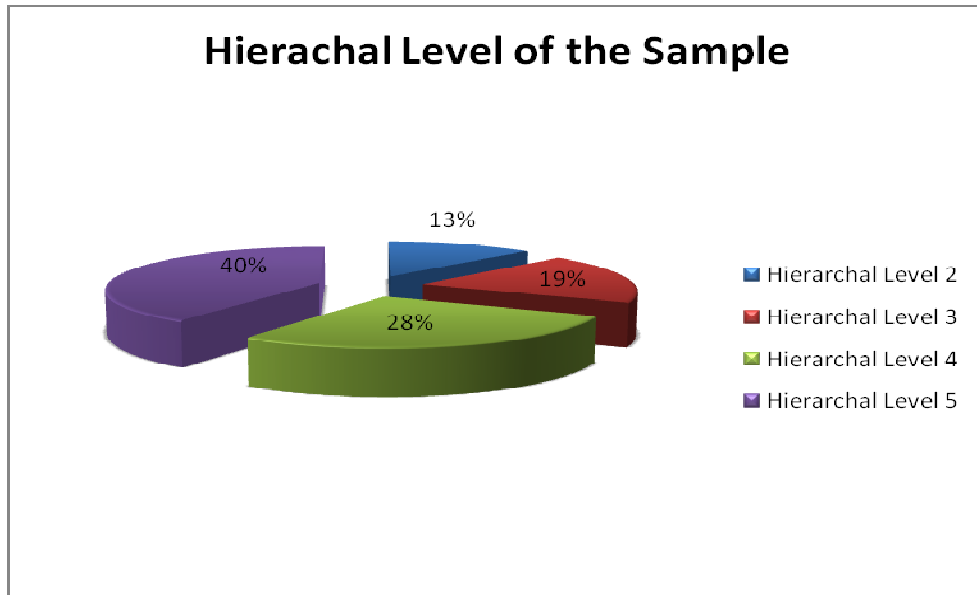


Figure 11.11: The Hierarchical Level of the Sample (**Source:** Own Source)

The Hierarchical level definitions:

- Level 1 – CEO and Executive Board
- Level 2- Directors and Senior Managers
- Level 3- Lower and Middle Management
- Level 4- Professional Employees
- Level 5- Professionals and Skilled Employees

The Hierarchical level contribution towards the sample is: level 2, 13%; level 3, 19%; level 4, 28%; and level 5, 40%. This is reflective of the organization since the higher the hierarchical level the fewer people who occupy these positions creating a pyramid-effect.

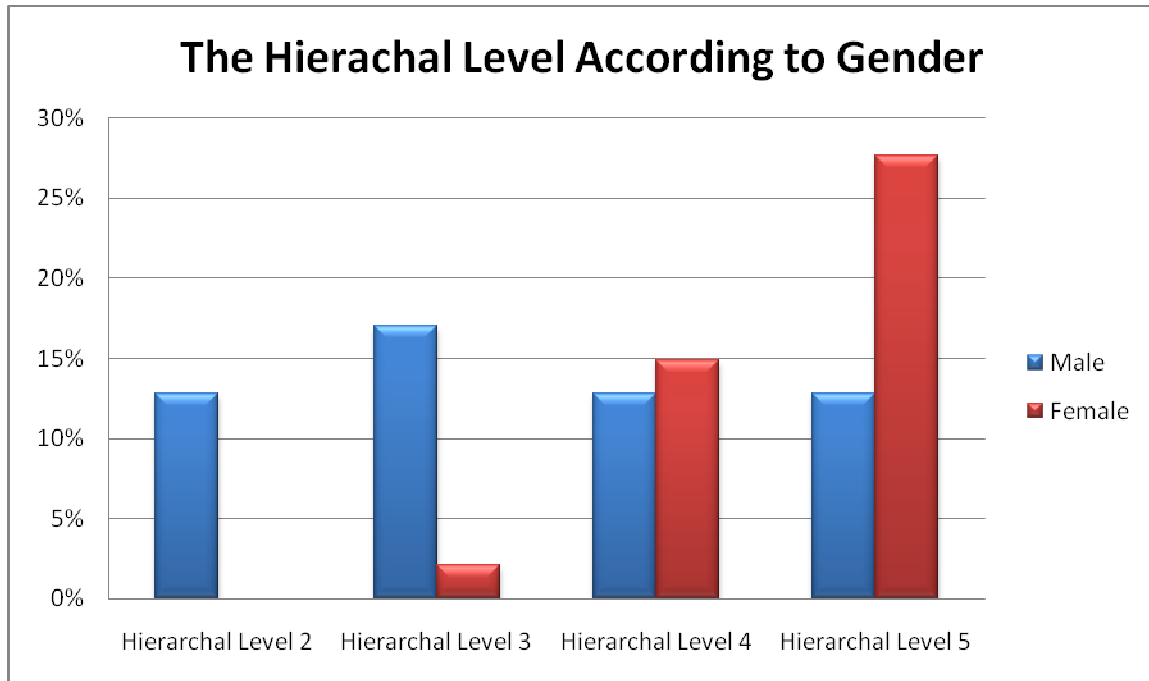


Figure 11.12: The Hierarchical level according to Gender (**Source:** Own source)

Males occupy all the level 2 directorship/senior management positions and dominate the level 3 lower to middle management positions. Men and Women occupy similar level 4 positions, yet women dominate the level 5 positions in the sample. This indicates that males dominate management positions and females tend to occupy lower level positions.

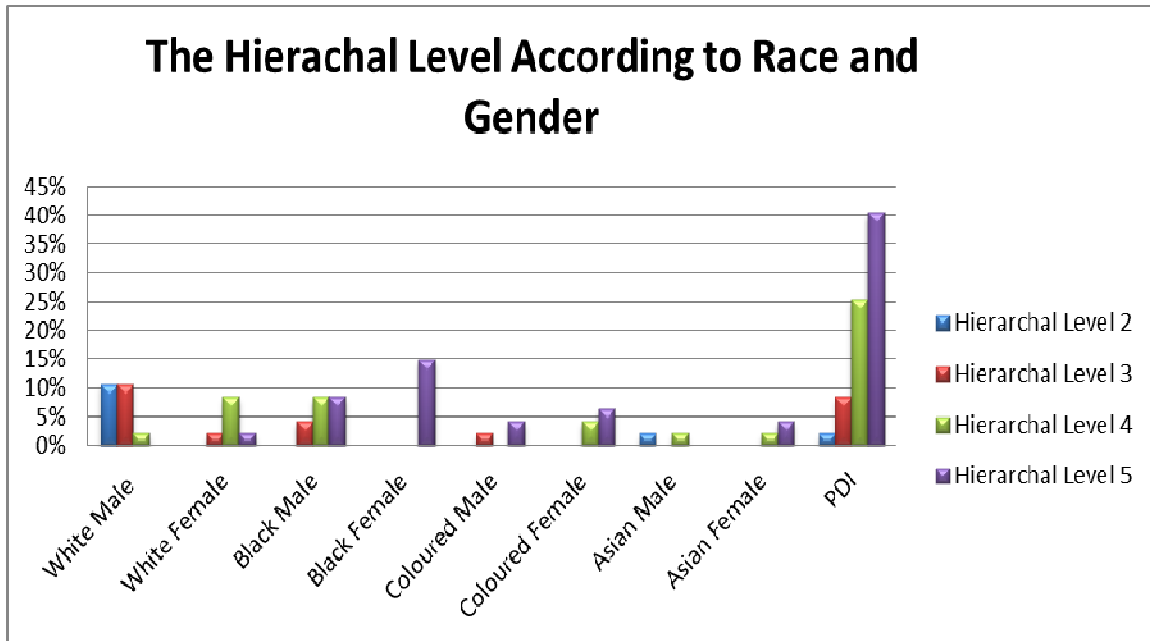


Figure 11.13: The Hierarchical level according to Race and Gender (**Source:** Own source)

White males occupy 11% of the total 13% of level 2 positions in the survey and Asian males were the remaining 2% of the directorship response. White males occupy 11% of positions of the total level 3 respondents in the survey indicating a slight dominance over PDI with a 9% contribution to the results. However, 4% at level 3 were Black males, 2% White females and 2% Coloured males.

At level 4, 26% of the 28% of respondents were PDI. At level 5, all of the 40% of respondents were PDI. White females and Black males both occupy 9% of roles each at Hierarchical level 4, showing a slight preference to these groups at this level.

The results indicate that White females and Black males are employed at these levels to meet EE equity targets. However, at this level they have little authority or influence over the organization. This strategy intentionally implemented to avoid the risk of these groups influencing the company's strategic direction or performance whilst being perceived supporters of BEE and EE.

Black and Coloured females occupy 15% and 6% of level 5 jobs respectively. The results indicate that the Black and Coloured female racial groups are the most marginalised due to their roles previously occupied in the Apartheid era and are normally stereotyped by White males.

The research findings are supported by Erasmus's (1998) study on South African career women that identified in spite of being talented, educated and committed to their careers, misconceptions and stereotyping hindered women's upward mobility.

11.4 THE RESEARCH RESULTS

11.4.1. Research Objective 1

- To evaluate the effect of organizational culture and climate on the implementation of Employment Equity, Affirmative Action and BEE Strategies

The Organizational Culture/Climate is White male dominated, the evaluation can identify if the existing culture makes it difficult for other genders or races to integrate into a steel organization.

Table 11.5: The Lack of Shared understanding of the vision, strategy and communication of EE at the Steel Merchant (**Source:** Own source)

The Steel Merchant's communication ability		Strongly Disagree	Disagree	Agree	Strongly Agree	Don't know
Question 14: Management communicates the organizations goals and objectives well. Therefore I am aware and understand	Steel Merchant	11%	45%	36%	2%	6%
	PDI	11%	47%	31%	3%	8%
	White	12%	35%	47%	0%	6%
	White	9%	36%	55%	0%	0%

the Employment Equity and BEE strategic direction the organization is taking.	Male					
	Black	12%	53%	35%	0%	0%
	Coloured	0%	75%	0%	0%	25%
	Asian	20%	0%	60%	20%	0%

The research results indicate that 45% of employees disagree and that management communicates the organizations goals and objectives well. The effect is a limited awareness and understanding of the EE and BEE strategy.

In Table 11.5, the results indicate that the perception of the company's communication ability is strongly linked to racial demographics. The PDI results indicate 47% disagree and in contrary 47% of Whites agree that the company communicates the objectives and goals well.

55% of White males agree since occupy higher level positions. Occupying these management positions allows them the opportunity to be communicated the EE and BEE strategic direction which is not seen with other racial groups that occupy lower level positions.

Blacks and Coloureds predominantly disagree that the BEE/EE strategy is communicated well. The most concerned are 70% of Black Males and 80% of coloured females that disagree with the vision being successfully communicated.

It is clear that there is no shared understanding or top-down/bottom up communication of the value of BEE and EE. Whites understand the strategy and see it as a compliance issue and this could be the reason why it is not communicated from the top-down. White males that insist on transformation can be seen as 'traitors' and lack loyalty to their race.

The researcher was told: 'The research you are doing is great but you must not be perceived as the supporter or savior of PDI in regards to EE and BEE. The research findings could cause rife within the organization'.

The research results support Nkomo and Beaty's (2002) findings that effective communication and shared understanding of EE are imperative for effective implementation of EE in an organization.

From the research results it is evident that the Steel organization will not be able to implement BEE and EE effectively until all races, genders and hierarchal levels understand the company's BEE and EE policy.

11.4.1.2 Transformation-Resistant and White Male Dominated Organizational Culture

Table 11.6: The Steel Merchant's Organizational Culture (**Source:** Own source)

Organizational Culture		<i>Strongly Disagree</i>	<i>Disagree</i>	<i>Agree</i>	<i>Strongly Agree</i>	<i>Don't know</i>
Question 18: Macsteel has a White-Male dominated culture	Steel Merchant	2%	9%	49%	36%	4%
	PDI	3%	11%	39%	42%	6%
	White	6%	0%	82%	12%	0%
	White male	0%	0%	82%	18%	0%
	Black	0%	18%	24%	59%	0%
	Coloured	0%	0%	38%	50%	13%
	Asian	0%	20%	40%	20%	20%
Question 19: All racial groups and genders are given fair opportunities in the workplace	Steel Merchant	34%	32%	21%	9%	4%
	PDI	42%	31%	14%	8%	6%
	White	12%	35%	47%	6%	0%
	White male	9%	36%	45%	9%	0%
	Black	65%	18%	0%	6%	12%
	Coloured	25%	63%	13%	0%	0%
	Asian	20%	20%	20%	40%	0%

Question 20: Management display cultural sensitivity to all racial groups	Steel Merchant	15%	15%	53%	2%	15%
	PDI	17%	19%	44%	3%	17%
	White male	9%	0%	82%	0%	9%

The research results indicate that all racial and gender groups agree that the Steel Merchant is White male dominated. It is a White male culture that continues to exclude women and PDI from informal social networks which inhibits the successful integration of PDI into the company.

PDI are attracted to organization's that are committed to BEE and EE and a White organizational culture does not express these values. Table 11.6 shows that employees do not believe that the organization provides fair opportunities for PDI in the workplace.

The racial groups that feel the most marginalized are Blacks and Coloureds. Both groups feel that they are not nurtured and developed by being given opportunities to progress within the organization.

The results have similar findings to the research conducted by Killian *et al.* (2005) in that a White male exclusionary organizational culture will have a negative effect on the recruitment and retention of talented PDI and females at management level. This is indicated in how few PDI and women occupy positions in hierarchal levels 2 and 3.

However, White males do believe that they have 'built' the organization into the largest Steel Merchant on the African Continent. The Product Director (2011) commented: 'We cannot ignore that our management is primarily white, we also should not be too harsh on this dynamic as these men have built this business'.

The mentality ingrained in White males is that they have helped grow the business using certain methodology and strategies which will make transformational a difficult task.

The majority of employees believe that management expresses cultural sensitivity towards them and others indicate that the work ethic of the Merchant is consistent with the ethics and values.

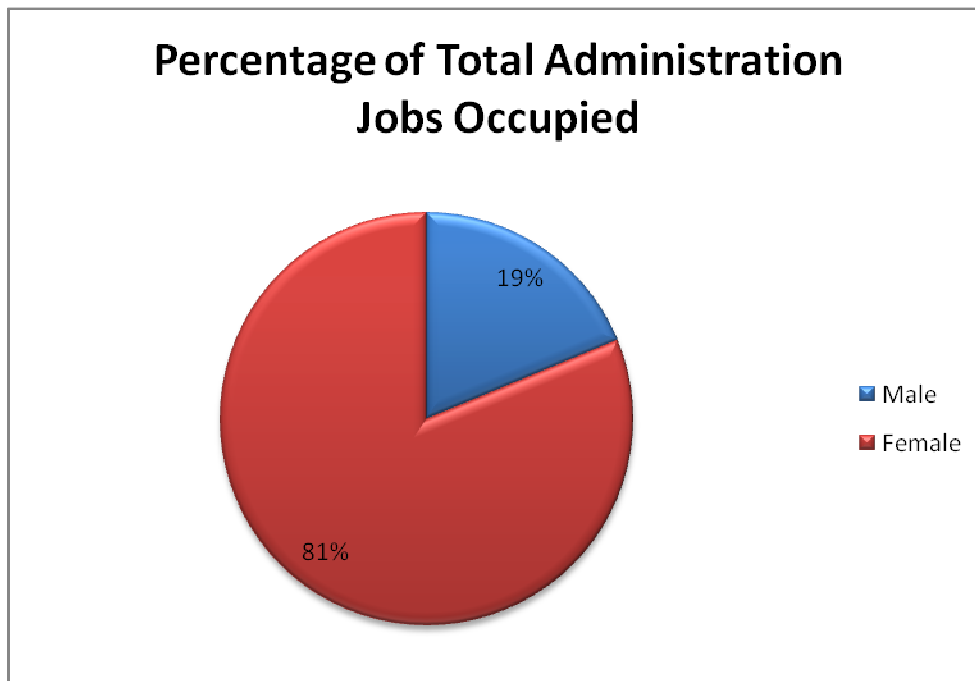


Figure 11.14: Percentage of Total Administration Jobs Occupied (**Source:** Own source)

The sample managed to obtain 16 respondents of the 47 (34%) that were in administrative positions. 13 respondents (81%) were female and only 3 (19%) were male occupying administrative positions.

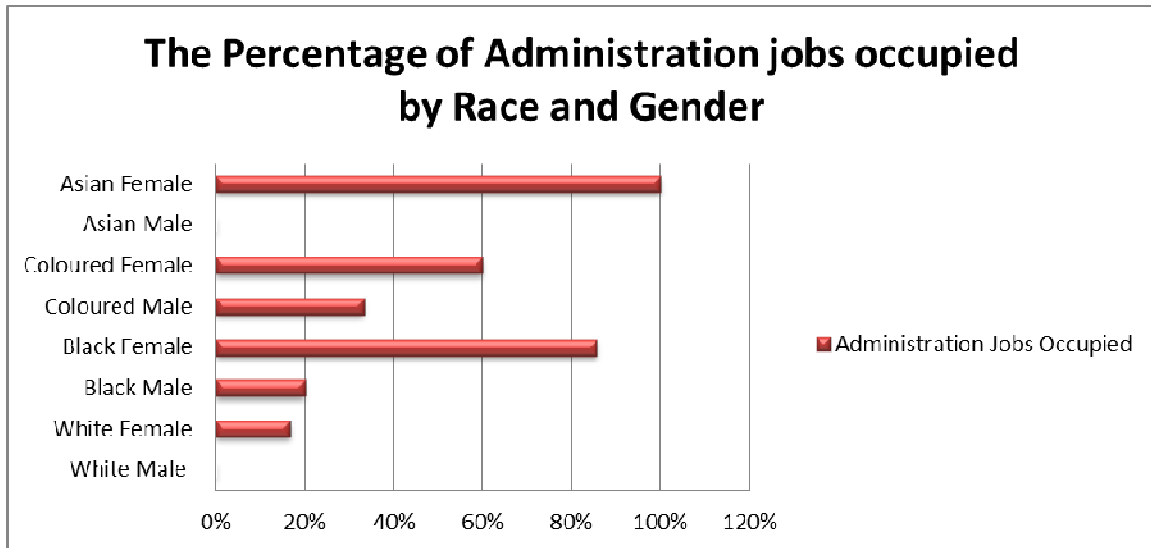


Figure 11.15: Percentage of Total Administration Jobs Occupied by Race and Gender (Source: Own source)

To support the graphical findings, 100% of Asian females, 86% of Black females, 83% of Coloured females and only 17% of White females are employed in administrative functions. Asian and White males occupy no administrative positions; 20% of Black males and 33% of Coloured males occupy administrative positions.

The results indicate that, not only are administrative roles gender related but also racial, since PDI are more likely to be placed into Pink collar or soft jobs. The research results are supported by Booyesen that the “soft” positions are filled by Blacks and women occupy “pink” positions.

This will only strengthen perceived stereotypes and decrease possible intergration (Lau and Murnigham,1998) - the result is the subtle exclusion of PDI from formal power structures,networks and have limited oppurtunities to advance into high visible positions.

11.4.1.3 The Acceptance of Diversity management

Table 11.7: Diversity management (Source: Own source)

Diversity management		<i>Strongly Disagree</i>	<i>Disagree</i>	<i>Agree</i>	<i>Strongly Agree</i>	<i>Don't know</i>
Question 15:A diverse cultural workforce can improve team work	Steel Merchant	2%	15%	60%	19%	4%
Question 16: A diverse cultural workforce can tap into skills previously not available	Steel Merchant	2%	9%	66%	15%	9%
Question 17A diverse culture will allow the organization to respond to the diverse customer base	Steel Merchant	0%	15%	57%	23%	4%

For further information by Gender and Racial group, please refer to the Appendix.

Table 11.7 indicates that the Steel Merchant Employees have positive feelings towards diversity management and a variety of cultures. The staff agrees with Politt's (2005) research that companies will perform best and team work will improve with a diverse workforce creating an innovative work environment.

The employees also support Tung's (1995) research that a diverse cultural workforce can tap into skills previously not available and that a diverse culture will allow the organization to respond to the diverse customer base Koonce (2001).

The Branch Director (2011) stated that: 'Certain customers prefer dealing with people of their own race and a diverse company can help the company generate sales by targeting racial groups effectively'.

The positivity towards diversity indicates that an opportunity exists to change the current White male culture with little resistance. However, it is important to understand the difference between diversity and EE/BEE policy, and the effect these strategies will influence each demographical group.

The results show that every racial group supports diversity but not EE and BEE. So should the merchant be implementing a Diversity management program rather than a BEE and EE policy??

11.4.2 Research Objective 2

- To analyze the importance of HRM in the development of recruitment and retention strategies of previously disadvantaged professionals

The Human Resource Management strategies of the steel organization influence their ability to become an employer of choice. The analysis will identify how the HRM strategies will influence the organization's ability recruit and retain talent.

Table 11.8: HRM Effectiveness- A Recruitment and Retention Focus (**Source:** Own source)

Recruitment/retention focus		Strongly Disagree	Disagree	Agree	Strongly Agree	Don't know
Question 1 : Steel Merchant is considered an employer of choice in the Steel Industry	Steel Merchant	9%	28%	53%	6%	4%
	PDI	8%	11%	58%	17%	6%
	White	0%	12%	65%	24%	0%
	White male	0%	9%	64%	27%	0%
	Black	12%	18%	41%	18%	12%
	Coloured	13%	0%	88%	0%	0%
	Asian	0%	0%	60%	40%	0%
Question 2 : Steel Merchant's recruitment	Steel Merchant	6%	28%	40%	2%	23%
	PDI	8%	31%	47%	8%	6%

policies and procedures are well-structured and professional	White	6%	24%	59%	6%	6%
	White male	9%	18%	73%	0%	0%
	Black	18%	29%	41%	12%	0%
	Coloured	0%	50%	38%	0%	13%
	Asian	0%	0%	100%	0%	0%
Question 3 : Steel Merchant attracts more talented employees than our competitors	Steel Merchant	9%	49%	23%	2%	17%
	PDI	8%	25%	36%	3%	28%
	White	0%	35%	47%	6%	12%
	White male	0%	36%	55%	0%	9%
	Black	18%	29%	24%	0%	29%
	Coloured	0%	13%	50%	0%	38%
	Asian	0%	20%	60%	0%	20%
Question 4 : Steel Merchant recruits talented competent Previously Disadvantaged Professionals	Steel Merchant	2%	13%	40%	23%	21%
	PDI	11%	44%	19%	3%	22%
	White	0%	59%	35%	0%	6%
	White male	0%	64%	36%	0%	0%
	Black	12%	47%	18%	6%	18%
	Coloured	25%	50%	0%	0%	25%
	Asian	0%	20%	40%	0%	40%
Question 5 : Progress at the organization to recruit and retain Previously Disadvantaged Professionals has been slow and ineffective	Steel Merchant	9%	17%	53%	17%	4%
	PDI	3%	14%	36%	19%	28%
	White	0%	18%	35%	35%	12%
	White male	0%	9%	55%	36%	0%
	Black	0%	0%	41%	24%	35%
	Coloured	13%	0%	63%	13%	13%
	Asian	0%	60%	20%	0%	20%
Question 12 : Better opportunities exist at other steel merchants	Steel Merchant	6%	43%	17%	15%	19%
	PDI	6%	31%	17%	8%	39%
	White	0%	59%	0%	0%	41%
	White male	0%	55%	0%	0%	45%
	Black	6%	18%	29%	18%	29%
	Coloured	0%	25%	13%	0%	63%
	Asian	20%	40%	0%	0%	40%

Question 13 : I consider other Industries such as Banking and Mining as more attractive and lucrative with better working conditions	Steel Merchant	11%	45%	36%	2%	6%
	PDI	6%	44%	11%	17%	22%
	White	6%	53%	24%	12%	6%
	White male	9%	36%	36%	9%	9%
	Black	6%	24%	24%	29%	18%
	Coloured	0%	50%	0%	0%	50%
	Asian	20%	60%	0%	0%	20%

The Steel Merchant is highly regarded as an employer of choice in the steel industry by providing better opportunities than the competition for the employees. The employees also believe that recruitment policies and procedures are well structured and professional allowing the steel merchant to attract more talented employees than the competition.

The majority of employees do not consider other industries as more attractive and lucrative with better working conditions. Only Blacks believed that better opportunities exist in other industries which could be attributed to the number of Black professionals being headhunted in the banking and mining industries.

The research findings correlate with Kaye's (2003) studies claiming that by being an employer of choice in all industries is the most successful way to recruit and retain talent. He substantiated that Employers of Choice similar to the steel merchant will have 'superior' employment policies and HR management practices that give it a competitive edge in recruiting and retaining professionals.

The company strategy follows Anderberg and Froeschle's (2006) research to recruit talent in the following ways in order to become an employer of choice in the steel industry:

- Promotes Internally
- Allow for a balanced lifestyle
- Provide and express development through education and training

However, 49% of the total sample in all racial and gender groups do not agree that the Steel Merchant recruits talented and competent PDIs, which is related to a limited PDI talent pool internally. The limited talent pool and the internal promotion policy actually hinder the company's ability to hire or head-hunt quality PDI.

According to the Product Director, "Our internal promotional system limits bringing in dynamic and talented people to join and contribute towards the steel merchants growth and development".

The progress at the organization to recruit and retain PDIs is considered slow and ineffective. The reasons for this have been attributed to the following problems:

- A lack of communication of BEE and EE targets conversed from Head Office down to the Business units and employees
- A lack of commitment by Senior and Middle Management that are predominantly white male
- A lack of BEE and EE performance management systems implemented, management are not rewarded or punished for good or poor performance
- No retention program is in place
- Through the benchmarking of remuneration, it is currently more expensive to recruit Black talent; white labour is actually considered cheaper

- Management does not abide by the internal and external recruitment and selection policy.
 - The company states, according to company policy that it is an Employment Equity Employer and positions should be earmarked for previously disadvantaged individuals in terms of the business unit's employment equity plan – However, the research results indicate otherwise with few employees seeing progress at the organization

The increase in the number of Blacks with tertiary education has been identified in the sample demographics analysis with 82% of Blacks having attained a tertiary education.

Table 11.9: HRM Effectiveness- A Recruitment and Retention Focus (**Source:** Own source)

Recruitment/retention focus		Strongly Disagree	Disagree	Agree	Strongly Agree	Don't know
Question 6 : There has been an increase in the number Black professionals with tertiary education - This will improve the quality of black professionals that can be recruited	Steel Merchant	6%	32%	34%	11%	17%
	PDI	8%	19%	53%	14%	6%
	White	6%	12%	59%	18%	6%
	White male	9%	9%	55%	27%	0%
	Black	18%	24%	35%	18%	6%
	Coloured	0%	25%	50%	25%	0%
	Asian	0%	0%	100%	0%	0%

In question 6, the majority of employees agree that the increase in number of Black professionals with tertiary education will improve the quality of Black professionals recruited.

The results indicated that employees have confidence in the Black population's current and future ability believing that an educated Black population will improve the quality of Black staff recruited and the business's overall performance.

The results coincide with De Beer's (1998) findings that even though, as a percentage of the overall population, the number of Blacks attaining a tertiary education is still far behind other racial groups especially Whites. Yet, more Blacks are receiving tertiary education than ever before, improving the future for themselves, companies and their children.

Table 11.10: HRM Effectiveness- A Recruitment and Retention Focus (**Source:** Own source)

Recruitment/retention focus		Strongly Disagree	Disagree	Agree	Strongly Agree	Don't know
Question 7 : Management are committed to recruitment and retention of Previously Disadvantaged Professionals	Steel Merchant	4%	30%	34%	13%	19%
	PDI	8%	36%	25%	8%	22%
	White	0%	18%	53%	12%	18%
	White male	0%	18%	64%	18%	0%
	Black	18%	47%	6%	18%	12%
	Coloured	0%	38%	25%	0%	38%
	Asian	0%	20%	80%	0%	0%

The research findings show that the staff is aware of the Steel merchant's management being committed to the recruitment and retention of PDI. Nonetheless, the PDI and specifically Blacks disagree with this statement.

The White male group stated that they are committed to the recruitment and retention of PDI. It is true, that certain white managers are committed to this policy by training interns into management positions and developing PDI, but this is only seen in a minority of the White management.

In line with Ngambi's (2002) research, few White managers contribute or are committed to this EE/BEE. Whites tend to have a misperception of their contribution towards BEE and EE.

Table 11.11: HRM Effectiveness- A Recruitment and Retention Focus (**Source:** Own focus)

Recruitment/retention focus		Strongly Disagree	Disagree	Agree	Strongly Agree	Don't know
Question 8 : Previously Disadvantaged employees tend to leave as quickly as they are recruited	Steel Merchant	11%	32%	34%	11%	13%
	PDI	3%	36%	31%	11%	19%
	White	6%	35%	29%	12%	18%
	White male	9%	9%	45%	18%	18%
	Black	6%	24%	47%	12%	12%
	Coloured	0%	25%	38%	0%	38%
	Asian	0%	40%	0%	40%	20%
Question 9 : Previously Disadvantaged Professionals employees are a threat to my job position	Steel Merchant	2%	28%	36%	17%	17%
	PDI	33%	42%	19%	0%	6%
	White	24%	29%	47%	0%	0%
	White male	27%	45%	27%	0%	0%
	Black	47%	35%	6%	0%	12%
	Coloured	13%	88%	0%	0%	0%
	Asian	40%	40%	20%	0%	0%

The employees of all racial and gender groups feel that PDI leave as quickly as they are recruited and do not exhibit loyalty. The results show the strength of stereotyping in South Africa. According to the Labour Department (2010), whites terminate their service more consistently than PDI and males terminate their service more often than females.

The statistics from the sample demographics regarding length of service and length working for current manager has found that PDI are in fact loyal to the organization and do not job hop because of EE policies.

The research results indicated that employees of all racial groups do not believe PDI are a threat to their position. In contradiction to Booyesen (2006, 2007), the white males are not threatened by PDI taking their positions which indicates the following:

- They do not fear their position being taken as they know management is not committed to BEE and EE. So their positions are not threatened
- They do not believe the PDI have the ability to take their position a superiority complex ingrained in White Males
- They believe that the PDI have ability for the job and will earn their position over time

Table 11.12: HRM Effectiveness- A Recruitment and Retention Focus (**Source:** Own focus)

Recruitment/retention focus		Strongly Disagree	Disagree	Agree	Strongly Agree	Don't know
Question 10 : Previously Disadvantaged Professionals are promoted based on their race	Steel Merchant	4%	36%	13%	6%	40%
	PDI	11%	39%	31%	8%	11%
	White	6%	24%	41%	12%	18%
	White male	9%	9%	45%	18%	18%
	Black	18%	29%	24%	18%	12%
	Coloured	0%	63%	38%	0%	0%
	Asian	20%	20%	40%	0%	20%

Whites predominantly believed that PDIs are promoted based on race, supporting Thomas's (1996) theory identified that token appointments and promotions of PDI lacking the necessary skills have led to a decline in service, people being given meaningless jobs and unnecessary increased costs to the business in terms of recruitment, training and remuneration.

Table 11.13: HRM Effectiveness- A Recruitment and Retention Focus (**Source:** Own source)

Recruitment/retention Focus		Strongly Disagree	Disagree	Agree	Strongly Agree	Don't know
Question 11 : Previously Disadvantaged Professionals are not adequately trained and developed by Steel Merchant	Steel Merchant	6%	32%	34%	11%	17%
	PDI	3%	28%	33%	17%	19%
	White	0%	35%	41%	18%	6%
	White male	0%	27%	45%	18%	9%
	Black	0%	24%	41%	29%	6%
	Coloured	0%	13%	25%	0%	63%
	Asian	20%	40%	20%	0%	20%

The research results also substantiated that PDI are not adequately trained and developed by the steel merchant. The Steel merchant has development and training programs in place but not enough is being done for PDI.

The issue is not the amount of training but the type of training PDI receive. The training tends to be job specific and is not focused where PDI skills are currently lacking which is in leadership development.

11.4.3 Research Objective 3

- To investigate the differences in gender and race leadership qualities and behaviour

Different genders and races tend to be stereotyped. The investigation will identify how different types of racial leadership qualities will influence the recruitment, retention and development.

Table 11.14: Leadership Commitment (**Source:** Own source)

Leadership Commitment		Strongly Disagree	Disagree	Agree	Strongly Agree	Don't know
Question 21: The Steel Merchant's Leadership is committed to Employment Equity	Steel Merchant	13%	28%	34%	11%	15%
	PDI	17%	36%	25%	6%	17%
	White	0%	12%	53%	18%	18%
	White Male	0%	0%	64%	27%	9%
	Black	24%	35%	29%	0%	12%
	Coloured	13%	50%	13%	0%	25%
	Asian	20%	20%	20%	40%	0%

The Steel merchant's employees are split on whether the Steel Merchant's leadership is committed to EE. The racial group statistics indicate that Whites and Asians agree with this statement whilst PDI as a group, Blacks and Coloureds disagree.

The indication is that PDI perceive a low leadership commitment towards EE and have seen inconsistency in EE implementation. They claim whites occupy management roles and have not implemented any policies to indicate their commitment to EE. If leadership are not committed and buy-in to BEE and EE it will inevitable fail (Selby and Sutherland, 2002).

Table 11.15: Leadership Opportunities and Ability (**Source:** Own source)

Leadership Opportunities and Ability		Strongly Disagree	Disagree	Agree	Strongly Agree	Don't know
Question 22: White Men dominate Leadership positions at the Steel Merchant	Steel Merchant	2%	4%	38%	53%	2%
	PDI	3%	6%	33%	56%	3%
	White	0%	0%	59%	41%	0%
	White male	0%	0%	55%	45%	0%

	Black	6%	6%	18%	71%	0%
	Coloured	0%	0%	50%	50%	0%
	Asian	0%	20%	20%	40%	20%
Question 23: Previously Disadvantaged Professionals are not given leadership opportunities	Steel Merchant	11%	30%	36%	13%	11%
	PDI	8%	22%	39%	17%	14%
	White	18%	59%	24%	0%	0%
	White male	18%	55%	27%	0%	0%
	Black	0%	18%	35%	29%	18%
	Coloured	0%	0%	88%	0%	13%
	Asian	40%	20%	0%	20%	20%
Question 24: A shortage of Black Mentors and role models exist at Macsteel	Steel Merchant	0%	11%	49%	40%	0%
	PDI	0%	14%	47%	39%	0%
	White	0%	6%	59%	35%	0%
	White male	0%	0%	55%	45%	0%
	Black	0%	12%	24%	65%	0%
	Coloured	0%	0%	75%	25%	0%
	Asian	0%	40%	60%	0%	0%

Similarly to Pratto and Espinoza's (2001) research, the findings indicate that white men still dominate leadership positions at the steel merchant. Stereotyping occurs as employees perceive each racial group of having different leadership styles which influences their progression in the organization.

According to Booyesen (2001), the perception of Eurocentric management and Afrocentric management has influenced the leadership opportunities given to PDI. It is evident in the fact that 96% of employees in the sample have White bosses. The PDI are simply not empowered into leadership roles at any hierarchical level at the merchant.

The research displays that a shortage of Black mentors exists due to:

- A lack of or ineffective mentoring and coaching -- The Steel Merchant does not have an effective mentorship program for PDI; this is indicative of the lack of role models available
- A lack of cross-cultural mentoring - PDI should be mentoring Whites and vice versa to break cultural divisions. Whites should be seen as the only mentors as Blacks could perceive this as oppressive that Blacks are not given coaching and mentorship roles
- Lack of career pathing and succession planning, few PDI feel that they have been guided in their career or have a succession plan
- Even though more PDI participate in training and development the company still needs to encourage further training and development of the PDI

Table 11.16: Black Shareholder Contribution (**Source:** Own source)

Black Shareholder Contribution		Strongly Disagree	Disagree	Agree	Strongly Agree	Don't know
Question 25: The Black shareholders have positively contributed to the development of previously disadvantaged professionals at Macsteel	Steel Merchant	19%	26%	13%	2%	40%
	PDI	14%	19%	17%	0%	50%
	White	29%	35%	6%	6%	24%
	White male	36%	45%	0%	9%	9%
	Black	12%	24%	24%	0%	41%
	Coloured	0%	25%	13%	0%	63%
	Asian	40%	0%	0%	0%	60%
Question 26: The Black shareholders were given ownership to meet Employment Equity targets	Steel Merchant	2%	2%	49%	11%	36%
	PDI	3%	3%	42%	6%	47%
	White	0%	6%	59%	18%	18%
	White male	0%	0%	73%	27%	0%

	Black	0%	0%	59%	12%	29%
	Coloured	13%	0%	0%	0%	88%
	Asian	0%	0%	60%	0%	40%

Employees at the steel merchant do not feel that the Black shareholders have contributed to the development of PDI. More concerning is the fact that 40% do not know that Black shareholders have positively contributed to their own development.

The Black shareholders should be actively involved in the business and participate in the development of PDI. PDI should see the shareholders influence on the steel merchant and their own development and growth. The fact that PDI staff does not see changes on their development from the BEE shareholder deal creates a sense of disappointment in their own shareholders leadership.

60% of employees agree and strongly agree that Black shareholders were given ownership to meet EE targets. The belief is that the shareholders were recruited due to their union and government affiliations not based on their contribution or ability.

The employees of all races and genders see this as 'window dressing' since Elite Black groups benefit from Affirmative Action and no real changes are seen in the PDI Middle and lower class.

The low return on investment (ROI) in their own development and career growth from the BEE deal causes resentment and demotivates employees that work hard for the organization. The relationship between employees and Black shareholders are viewed as one sided in which the shareholders become richer while employees work harder.

What has happened in the Steel Merchant supports Jain (2000) that a system of rigid quotas can permanently entrench affirmative action strategies that may eventually serve the interests of the minority.

11.4.4 Research Objective 4

- To identify and assess the barriers in implementing employment equity recruitment and retention strategies

By identifying the existing barriers, strategies can be developed to meet the targets set by government, the steel industry and by the organization.

Table 11.17: Perception towards EE and BEE (**Source:** Own source)

Perception towards EE and BEE		Strongly Disagree	Disagree	Agree	Strongly Agree	Don't know
Question 29: Employment Equity and BEE promotes equal opportunity and fair treatment of individuals	Steel Merchant	9%	32%	45%	13%	2%
	PDI	6%	25%	53%	14%	3%
	White Male	18%	55%	18%	9%	0%
Question 30: Employment Equity and BEE limits the promotional opportunities for White Professionals	Steel Merchant	17%	30%	36%	13%	4%
	PDI	22%	33%	31%	8%	6%
	White Male	0%	18%	55%	27%	0%
Question 31: Employment Equity and BEE will contribute to Macsteel hiring Previously Disadvantaged employees to meet employment targets and not based on ability	Steel Merchant	11%	32%	47%	6%	4%
	PDI	11%	39%	42%	3%	6%
	White Male	9%	9%	64%	18%	0%
Question 32: Employment Equity and BEE leads to racial divisions and a lack of trust in the company	Steel Merchant	15%	23%	49%	6%	6%
	PDI	17%	25%	44%	6%	8%
	White Male	9%	9%	64%	18%	0%

The majority of the employees agree that Employment Equity and BEE promotes equal opportunity and fair treatment of individuals with 53% of PDI agreeing with this statement.

The findings support Denton and Vloebergh's (2003) research that EE is a policy that ensures fair, equitable workplace where all races, genders, disabled people and religions are represented.

However, Whites males disagree that and in fact think the policy will limit the promotional opportunities for White professionals. The Whites fear and anxiety towards EE/BEE creates resistance and even sabotage to the effective implementation of EE strategies. The question often asked is "Why should we implement a strategy that will limit opportunities for me and others?"

In conjunction with De Beers's (1998) research, Whites perceive EE and BEE as reverse racism as the employer/steel merchant will discriminate against better white professionals as noncompliance will lead to penalties.

The result of White discrimination leads to skilled Whites leaving the country for better opportunities abroad creating a skills shortage and makes it more difficult for the merchant to hire talented staff.

The research findings identify that most agree the Steel Merchant will hire PDI to meet EE targets and not on based on ability. PDI are indecisive on this issue but White Males definitely believe this will influence the quality of PDI recruited by the organization.

The findings support Kandola and Fullerton (1994) that the employment equity process contributes to a contradiction in HRM strategies that recruit based on merit and ability. The EE/BEE strategy could lead to the steel merchant not being

able to recruit the best available employees available in the labour market as PDI will take preference even if they are less skilled than Whites.

The steel merchant, PDI and White male agree that EE and BEE leads to racial divisions and a lack of trust. No organization can implement any strategy if the people do not buy-in and trust one another. The findings support Wise's (2001) research that EE and BEE created racial divides which will make the implementation of this strategy extremely difficult.

Table 11.18: Stereotyping (**Source:** Own source)

Stereotyping		Strongly Disagree	Disagree	Agree	Strongly Agree	Don't know
Question 33: I feel that I am stereotyped according to my gender, race and culture	Steel Merchant	23%	43%	32%	0%	2%
	PDI	28%	39%	33%	0%	0%
	White male	9%	55%	27%	0%	9%
Question 35: I have perceptions of other cultural groups that cannot be altered or changed	Steel Merchant	19%	43%	23%	6%	9%
	PDI	19%	39%	22%	8%	11%
	White male	18%	55%	27%	0%	0%

The Research findings in Table 11.18 indicate that employees do not feel stereotyped at the organization. The Steel Merchant has promoted a no racism and gender policy within the group contributing towards employees respecting cultural differences.

The fact that the employees don't feel stereotyped and believe that they can change their perceptions of other cultural groups is in line with Bargh (1995) that found if the individual is aware of his or her initial judgments, biases and preferences they may overrule the unconscious judgment towards others.

Table 11.19: Discrimination (**Source:** Own source)

Discrimination		Strongly Disagree	Disagree	Agree	Strongly Agree	Don't know
Question 34: Discrimination of blacks occurs at Macsteel and today is the greatest problem with regard to the assessment, selection and development of black managers	Steel Merchant	13%	28%	32%	21%	6%
	PDI	8%	22%	36%	28%	6%
	White	18%	53%	18%	6%	6%
	White male	27%	45%	18%	0%	9%
	Black	12%	0%	35%	47%	6%

The results display a split view on whether discrimination of Blacks occurs at the organization and is the problem with regards to the selection and development of Black managers.

The results indicate that the racial group one belongs to will influence ones view on the statement. White managers have a skewed perception that they do not discriminate or stereotype against Blacks in terms of developing Black managers. However, with 96% of the sample having White managers and 4% having Asian managers contradicts that the company has strategies in place for Black advancement let alone develops black managers.

Blacks actually feel discriminated against, particularly when in applying for management positions and even after being hired into a management position. The lack of Black managers and mentors means that Black employees feel their opportunities are limited and those promotional opportunities often 'written' for White employees.

Blacks feel that once selected and working in a management role, he or she is perceived as being a token appointment. The perceived tokenism makes PDI often feel reminded that they are AA or EE appointments and that their contribution is not considered valuable. The Intern (2011) stated 'I have been given this internship position, but I do not want to be perceived as an EE/AA recruit by the white employees'.

The PDI do not think that Whites will train and develop them in fear that they will one day 'steal' their job. The PDI can see and feel the lack of commitment and the resentment from whites that consider their opportunities are slowly diminishing.

The results affirm to Horowitz's (2005) research that PDI feel marginalized and alienated from the existing white corporate cultures. The monoculture values fail to consider workforce diversity and actually push PDI that do not feel included out the organization.

In line with Thomas (2004), the perception is that a lack of commitment, insufficient focus, coordination and integration of existing EE and retention strategies are seen. The view by PDI is that White management is responding to formalities and legalities to avoid penalties and fines. The policies and strategies are a necessity and have not been formed by Whites actually wanting to help advance the PDI.

11.4.5. Research Objective 5

- To determine how Government Legislation will influence the Steel Organizations' competitiveness internationally

If South Africa is to be a part of the BRIC economy, the country will need to increase foreign direct investment and compete more effectively internationally.

The assessment will identify how EE, AA and BEE in South Africa today will affect the South African Steel Merchant's competitiveness internationally.

The challenge of globalization and increasing competition has signalled concerns on whether the current legislation will allow the steel merchant to be capable of meeting the challenge of enhancing representation of historically disadvantaged groups and remain competitive globally.

The issue is challenging since in South Africa the steel merchant must redress of past discrimination in the labour market in respect of skills development at the same time it needs to increase global competitiveness (Webster and Omar 2003).

Table 11.20: Globalization (**Source:** Own source)

Globalization		Strongly Disagree	Disagree	Agree	Strongly Agree	Don't know
Question 27: Globalization is breaking down cultural barriers and the organization needs a cross-cultural understanding of employees	Steel Merchant	0%	9%	70%	13%	9%
	PDI	0%	6%	72%	11%	11%
	White	0%	18%	65%	12%	6%
	White male	0%	18%	64%	18%	0%
	Black	0%	6%	65%	18%	12%
	Coloured	0%	0%	88%	0%	13%
	Asian	0%	0%	80%	20%	0%
Question 28: An African Culture and values can lead to success internationally	Steel Merchant	6%	36%	40%	2%	15%
	PDI	3%	31%	44%	3%	19%
	White	18%	53%	29%	0%	0%
	White male	18%	55%	27%	0%	0%
	Black	0%	12%	53%	6%	29%
	Coloured	0%	38%	38%	0%	25%
	Asian	0%	60%	40%	0%	0%

The statistical results indicate that employees are aware of globalization influence on the overall performance of the steel merchant. They agree that cultural barriers are breaking down and to succeed needs a cross-cultural understanding of the employees and the client base.

The Employees support Thomas's (1990) view that the following benefits could be achieved through a cross cultural understanding:

- Tapping into skills previously not available
- Enhanced creativity, problem solving and innovation to service diverse markets and customers
- Enhanced team work
- The ability to attract and retain the best talent

In prior centuries, African culture was seen as a major flaw in the business world and this view is still seen by the White and Asian staff members. However, in correlation with Beck and Linscott's (1993) findings, Blacks argue that their African values can contribute to the overall success of a capitalist organization by harnessing their core values and beliefs. There is no doubt that being 'Proudly South African' will be respected internationally.

Unfortunately South African businesses are seen as uncompetitive due to high unemployment rates, low GDP growth, limited industrial expansion and the current EE/BEE/AA legislation (Ogden, 1996) and have received criticism from international business leaders. The business leaders do believe that these economic factors in conjunction with BEE/EE policy will negatively influence the Steel Merchants global competitiveness.

The LRA and BCEA have made the South African labour market one of the most rigid in the world and South Africa scores very poorly on various labour-related

aspects of the World Economic Forum's Global Competitiveness Index (Jeffery, 2011).

In 2010/2011, of the 139 countries surveyed, South Africa ranked at 135 for hiring and firing practices, at 131 for flexibility of wage determination, and at 112 for pay and productivity.

The research findings have identified in line with Thomas (2002) that the overregulation of the labour market will influence the steel merchant in the following ways (Thomas, 2002):

- Decrease in FDI by overseas shareholders in the South African Steel Merchant
- The Heavy administrative costs to comply with the legislation impacting on the company resources and growth.
- The shortage of skills will increase the cost of PDI labour. South African wages are presently high relative to other developing countries and increases in PDI salaries could lead to lost tenders when competing with foreign companies with lower wage overheads
- If the steel merchant does not comply fines will be issued affecting the bottom line earnings and profits. The merchant will have fewer funds available to invest in projects and capital equipment
- NUMSA and COSATU's political strength intimidates foreign investors and the strong labour legislation makes the organization inflexible in terms of HR issues
- Increased pressure to fill unrealistic racial quotas, with negative impacts for efficiency and competitiveness (Jeffery, 2011). The Steel merchant will be forced to hire by the numbers resulting in less qualified and talented staff being employed. The international competition will continue to source the best talent and this will lead to the Steel Merchant becoming less competitive

- Further obstacles to the employment of foreign nationals and White males with vital skills necessary for the company to succeed

11.5 SUMMARY OF THE RESEARCH FINDINGS

In summary, the following research results were identified that show a relationship with various South African and International researchers to be the reasons that the Steel Merchant has been ineffective in the recruiting and retaining Previously Disadvantaged Professionals.

11.5.1 Research Objective 1

- To evaluate the effect of organizational culture and climate on the implementation of Employment Equity, Affirmative Action and BEE Strategies

The management does not communicate the organization's goals and objectives successfully. This contributes to a lack of a shared understanding of the vision, strategy and communication of BEE and EE at the steel merchant.

The steel merchant has a transformation-resistant and White male dominated organizational culture. The culture excludes women and PDI from social networks which negatively influences the recruitment and retention of talented PDI at professionally qualified and management level.

The placement of employees into administrative positions is racially and gender related. Women and PDI have a greater chance of being placed into 'pink collar' or 'soft jobs' which is a subtle exclusion of them from power structures and networks.

Although different racial groups and genders have dissimilar view points on EE and BEE, they agree that Diversity Management can benefit the organization by:

- Improving team work
- Tapping into skills previously unavailable
- Allow the organization to respond to a diverse customer base

11.5.2 Research Objective 2

- To analyze the importance of HRM in the development of recruitment and retention strategies of previously disadvantaged professionals

The steel merchant is classified as an employer of choice allowing it to attract more talent than the competition due to effective HR policies and practices. However, steel merchant does not recruit and retain competent PDI which is caused by the company's internal recruitment policy and the limited PDI talent pool that exists.

The progress at the organization to recruit and retain PDI is considered slow and ineffective. The reasons for this have been attributed to the following problems:

- A lack of communication of BEE and EE targets
- A lack of commitment by Management
- A lack of BEE and EE performance management systems
- No retention program is in place
- White labour is cheaper.
- Management does not abide by the recruitment and selection policy.
- PDI are considered disloyal even though statistical evidence proves that PDI are loyal and do not 'job hop'
- Whites believe that PDI are promoted based on race and not performance. PDI are automatically classified as token appointments

- Inadequate training and development

11.5.3 Research Objective 3

- To investigate the differences in gender and race leadership qualities and behavior

White men dominate leadership positions and stereotyping has led to Eurocentric Management styles being accepted and Afrocentric Management styles being considered weak and unprofessional.

The shortage of Black mentors and leaders is attributed to:

- A lack of or ineffective mentoring and coaching
- A lack of cross-cultural mentoring
- Lack of career pathing and succession planning

The employees do not feel that the Black shareholders have contributed to the development of PDI. The PD employees are disappointed in their leadership since have seen no change in the development of PDI during their ownership. They feel that these shareholders were given ownership to meet employment equity targets and their government affiliations not based on their ability.

11.5.4 Research Objective 4

- To identify and assess the barriers in implementing employment equity recruitment and retention strategies

Employment equity is a policy that ensures a fair equitable workplace where all races, genders, the disabled and religions can be represented. However, Whites

fear that this policy will limit their growth and promotional opportunities leading to a 'brain drain' which can make it more difficult for the merchant to hire talent.

The EE and BEE policy strengthens racial divisions and creates a lack of trust making it difficult to implement the change initiative since resistance will inevitably occur. The employees feel that they are not stereotyped according to their gender, race and culture and believe that they can alter their judgments and bias of others.

11.5.5 Research Objective 5

- To determine how Government Legislation will influence the Steel Organizations' competitiveness internationally

To succeed internationally the Steel Merchant needs to be aware that cultural barriers are disappearing and to succeed the company needs a cross-cultural understanding of each other and the client. A cross cultural understanding can achieve:

- Tapping into skills previously not available
- Enhanced creativity, problem solving and innovation
- Enhanced team work
- The ability to attract and retain the best talent

The acceptance and promotion of an African culture, values and origin can contribute to a competitive advantage and international respect. However, internationally the current BEE/EE has received criticism as many business leaders believe this policy will negatively affect the steel merchant's competitiveness.

The reality is that the LRA and BCEA have made South African labour markets rigid and will influence the steel merchant in the following ways:

- Decrease in FDI by overseas shareholders
- The Heavy administrative costs to comply with the legislation
- The shortage of skills will increase the cost of PDI labour
- If the steel merchant does not comply fines will be issued affecting the bottom line earnings and profits
- NUMSA and COSATU's political strength intimidates foreign investors and the strong labour legislation makes the organization inflexible in terms of HR issues
- Negative impacts in terms of efficiency and competitiveness since will be forced to hire by the numbers resulting in less qualified and talented staff being employed

CHAPTER 12: CONCLUSION

Employment Equity was implemented to promote equal opportunity and fair treatment of individuals through the elimination of unfair discrimination and the implementation of affirmative action. These measures have been instituted to advance PDI through the ownership of businesses and an increase in management representation.

The Steel Merchant has been required to implement strategies to meet EE and BEE targets. However, due to the recession a loss of focus has led to strategic drift and the company BEE rating declining from a level 5 to a level 6 indicating that the steel merchant has been struggling to recruit and retain PDI professionals.

The study affirms findings of prior research that a White male dominated culture and leadership exists making it difficult for PDI to successfully integrate in the company. There is a lack of a shared understanding towards the EE vision and strategy. Women are placed into administrative positions and PDI are placed into soft positions to limit their influence on the company. There is a lack of management commitment and communication. No performance management systems are utilized to monitor EE progress and PDI are promoted on race, not their ability.

The findings affirm Ogden' (1996) research that the EE and BEE legislative practices could lead to the steel merchant being less competitive in international markets since the organization is forced to hire less talented personnel to meet targets and avoid penalties in comparison to International competition that hire staff based only ability and not race.

The new findings of the study are that employees believe that Diversity Management can lead to a unique work environment and competitive advantage, that being an employer of choice does not necessarily mean that an organization

will recruit the best PDI. The problem is that even as an employer of choice the HRM policies and procedures that have been designed to recruit 'white talent' and not talented PDI.

White males have a misperception of their contribution towards BEE and EE which limits their ability to successfully implement the EE strategies as they believe they are doing everything they can to make it succeed. Contrary to popular belief, White males are not threatened by PDI taking their jobs and PDI are in fact loyal contradicting the common stereotype that they tend to 'job hop'. The PDI do not leave for remuneration, but rather due to the organizational culture and non-supportive employee practices.

The problems of retaining PDI are as a result of not being given leadership opportunities, inadequate mentoring and coaching, insufficient succession planning and career pathing as well as inappropriate training and development.

Today, in the modern workplace people do not feel stereotyped and judged and feel that they have the power and ability to change their perceptions of others and other cultural groups. However, still most people are of the impression that Blacks are predominantly discriminated against in terms of their abilities, growth and development.

The findings indicate that the incorporation and acceptance of African values like Ubuntu could lead to a competitive advantage internationally and create an innovative working environment.

The research findings point out that the Steel Merchant has been ineffective in its ability to recruit and retain PDI in professional and management positions. The Merchant has no choice but to implement radical changes to prevent strategic drift and improve its mediocre BEE contributor rating.

CHAPTER 13: RECOMMENDATIONS

13.1 RECOMMENDATIONS BY RESEARCH OBJECTIVE

13.1.1 Research Objective 1

- The Steel Merchant needs to develop an organizational culture and climate that accepts and values diversity so that it can successfully implement Employment Equity, Affirmative Action and BEE Strategies

The Organizational Culture/Climate is perceived internally and externally as an elitist White culture that is resistant to transformation. The present organizational culture/climate makes it difficult for females and PDI to integrate into the steel merchant. The PDI see no commitment to EE contributing to recruitment and retention issues affecting the organization.

The following actions are recommended to create a transformational organizational climate/culture:

- Define and Communicate the BEE/EE vision and strategy - The employees particularly at lower levels and in HR do not understand the company's vision and strategies towards EE and BEE. The senior management needs to communicate the company's vision, strategic direction and the implementation process to employees

A shared understanding and active participation in the EE/BEE problem will help eliminate confusion that is currently leading to mistrust and hindering progress.

Once employees know the direction the company is taking they can share and resolve ongoing concerns. Trust will be gained and employees will 'buy in' to the vision and strategy leading to successful implementation.

- Delaying of Hierarchical Levels - The present structure has too many hierarchical layers that does not allow for the effective implementation of EE strategies. The company needs to delay and create a less risk adverse structure

Various duplicated roles need to be eliminated. A flatter structure will improve communications and allow for more 'diverse' interactions in between all hierarchical levels which will help eliminate the existing cultural barriers.

- National Culture Training - the Company needs to break the stereotypes that exist from Apartheid. Therefore, employees should be trained on the various South African cultures within the organization. An understanding of each culture will teach employees how each unique culture can be used positively to improve performance and innovation in the workplace. An understanding of one another will contribute to team work and mutual respect that can harness all cultures to achieve the desired results locally and abroad

13.1.2 Research Objective 2

- The Steel Merchant needs to reevaluate the current HRM strategy. New strategies, policies and procedures need to be created that will contribute to the effective recruitment and retention of previously disadvantaged professionals.

The present Human Resource Management strategies of the steel organization influence their ability to become an employer of choice. Even though the company is considered an employer of choice in the steel industry, the company is not viewed as an organization that recruits and retains PDI talent.

The company needs to build a solid relationship and work with the BEE council to formulate strategies that will lead to EE and skills development of PDI. By working with government the company can meet equity targets and find talented PDI to improve BBBEE codes and ratings.

Coloured and Asian racial groups are in an unfortunate situation that in Apartheid were not seen 'White enough' and in democratic society not seen as 'Black enough'. The focus of employment equity is on Black advancement and other PDI are neglected.

The responses from the survey express the Coloured and Asian concerns. A Coloured male stated: "I have completed the Questionnaire; however your questions are based on 'Black Advancement' which still begs the plight of 'Previous Disadvantaged Coloureds'. I do hope you would find a chapter in your Thesis dedicated to our plight."

The company must not only focus on Black advancement, but to the advancement of all PDI. Management must communicate that all PDI have opportunities to grow and these groups must also be seen advancing within the organization.

The workplace should be representative of South Africa's Economically Active population and this can only be achieved by developing every PD group and gender. The merchant must implement HRM strategies that acknowledge and advance each PD group.

The company does not recruit enough PDIs that are University graduates. The company should acquire and place graduates into internship positions. This can be done by:

- Participating in career days at schools and university
- Working with tertiary institutions to find and hire quality graduates permanently or provide temporary positions during university holidays
- Advertise internship positions at the campus and on the university website
- Have regular company and technical presentations to technical students. By sharing knowledge students will either work for the organization or if require steel will remember the merchant and contact them for assistance

13.1.2.1 The internal Recruitment policy

Hiring internally is a successful strategy to retain talent that exists within the organization. However, with a limited PDI pool of talent, it limits the company's ability to recruit the best. The following process and policy should be followed:

- Internal hiring will only take preference if a talented adequate PDI can fill the position
- However, if only a competent White male can fill the position the merchant should advertise externally to find and interview PDI
- If a PDI has superior skills to the White male, this person will be recruited. If not, the White male will be promoted from within
- This strategy will mean that the company will hire only the best talent available, whether it is externally or internally. Once, enough competent PDIs are employed in the organization, the company can retain this talent by only hiring internally since a large enough talent pool will have been created.

13.1.2.2 Incentivize and Motivate Knowledge Sharing

- The executive, senior management, middle management and lower management and employees need to have regular workshops to discuss the effectiveness of the HRM/BEE/EE strategies
- The Interactive teams/workshops will be split according to region and should incorporate different business units, departments, races, genders and hierarchal levels. The diversity of the groups will create an interactive workshop that can share and address issues. Success stories can be shared and this can lead to innovative strategies
- The findings from the workshop will be communicated to the Transformation and Human capital department at Head office
- Financially remunerate managers that effectively implement and meet EE targets set by the organization
- Create processes and procedures that involve and reward staff for innovation and excellence in the resource allocation and successful implementation of BEE/EE

13.1.2.3 The effective and consistent implementation of EE

The inconsistencies of EE implementation have resulted in PDI becoming demotivated and frustrated with the merchants ability in successful implementing BEE/EE strategies since little PD advancement has been noticed within the organization.

The merchant must now implement effective, coordinated, integrated EE strategies and action plans that can be achieved by instating the following:

- Management must be accountable and responsible for BEE/EE
- Performance management systems must be developed and integrated at all levels which will be monitored and measured regularly

- Compliance should be an important factor in each managers Key Performance Areas and overall management performance. Managers that succeed should be recognized and rewarded. Noncompliance should lead to penalties and punishable consequences

13.1.2.4 Talent management

The merchant must implement the following strategies, policies and procedures to attract and retain PD talent:

- The Merchant needs to display commitment to EE by appointing competent PDI into senior and executive level positions. The senior PDI need to be coaches, mentors and role models to other PDI at lower levels
- The company must target universities, different industries and government for Black talent. Funds need to be dedicated to this cause as attracting and retaining PD talent particularly black talent is expensive due to the high demand and limited skills available
- Develop career paths that are actively communicated to employees
- Succession planning
- Training and Development plans in leadership and strategic courses and programs. The company needs to develop PDI leaders and task orientated training alone cannot achieve this objective
- Coaching and mentoring by White Males that believes in transformation and PDI

13.1.3 Research Objective 3

- The Steel Merchant needs to understand the differences in gender and race leadership qualities and behavior to implement EE strategies

In the organization, different genders and races tend to be stereotyped and the different types of racial leadership qualities will influence the recruitment, retention and development of employees.

The company must understand different leadership styles and harness different types of leaders to be the custodians/promoters of the BEE/EE change process. These leaders will eliminate resistors and gain the trust of fellow employees to successfully implement EE.

EE/BEE is a change management process and successful change will come from a combination of top-down and bottom-up pressures, top-down being facilitative and bottom-up innovative (Berg and Ostergen, 1978). Due to the severity of the current BEE level status the Merchant has implemented radical changes and to succeed in a change of this nature requires leaders that can lead by example and motivate others.

A shortage of PD leaders exists in the organization and the company needs to create leaders at all levels to successfully implement the EE/BEE strategy. To facilitate this leadership development program should be implemented. The leadership education program will develop PDI leaders that can (Adapted from Magner, 2008):

- Have a holistic view
- Can thrive in a diverse environment
- Understand the broader issues of society
- Build trust between racial divides
- Teach employees how to interact with others that see the world differently and use this top create an innovative ideas and share knowledge

The commitment to EE/BEE needs to be seen from the top-down and management needs to lead by examples and be upholders of the policy. White leaders need to be identified that have role model behavior and that support the strategy.

This type of leadership can help eliminate the existing 'old boys network' and integrate PDI into the company's social network. A diverse social network will be conjunctive on the new South Africa and the strategic direction the company is taking.

13.1.4 Research Objective 4

- The analysis has identified and assessed the barriers in implementing employment equity recruitment and retention strategies within the Steel merchant. The steel merchant will need to develop strategies to address these barriers so that it can meet the stringent EE targets set by government

13.1.4.1 Shared Understanding of EE

The company can implement the following strategies to create a shared understanding towards BEE/EE and help eliminate the barriers that prevent the change initiative from succeeding:

- Discussion Forums to give opportunities for employees to express and deal with fears. Active listening help employees face the problem and feel that their concerns are being heard. The involvement with staff will eliminate negativity and provide opportunities to turn the resisters into supporters

- Organization wide training - The human capital department needs to structure an EE/BEE training program that will allow them to train staff on the fundamentals of BEE/EE legislation. This should be completed in a 6 month period
- Branding - The term EE, AA and BEE makes White males become instantaneously defensive and resistant to the strategy since they feel that these plans have been forced upon them by government and the merchant. The term should be re-branded as Diversity Management, which will be a softer view towards BEE/EE and AA making the White males feel less threatened into implementing strategies that lead to the advancement of PDI. The less forceful approach could lead to White males 'buying into the concept' and lead to the successful implementation of this policy
- Women should not only be placed in mostly 'pink' collar jobs and PDI should not be predominantly placed in 'soft jobs'. PDI should be put into roles and positions of real responsibility and authority. However, systems need to be put in place that gives them the support, guidance and assistance to succeed. Too often PDI are placed in positions without support which ultimately leads to their demise
- Too often the negatives of BEE/EE are discussed, and the organization needs to celebrate the positives by:
 - Sharing and building on positive developments
 - Publicize EE success stories
 - Use internal communication media that will cover and represent all groups

13.1.4.2 Addressing White Fears and Resistance

EE and BEE should not mean that the company must lose White male talent and values that grew the company from humble beginnings into the market leader in the Steel merchanting business.

Senior management need to empower white males to believe in and be actively involved in the process. This can be done in the following ways (Adapted from Booysen, 2007):

- White males must be valued and acknowledged for their contributions
- Be open and honest about their career path and their role at the steel merchant even if this is not good news as it will gain respect
- Empower White males by training and coaching them to be custodians of transformation
 - Incentivize White males need to be involved in the training, development and mentoring of PDI
- Provide support groups and psychological support

13.1.4.3 Implement Diversity Management

Diversity in South African organizations is one of our most underutilized national assets (Lalor and Lapin, 2005). To harness this underutilized assets the company must:

- Have project teams that are mixed accordingly to race and gender
- Training should always have a diverse 'mix' of people to improve interaction
- Social get to together and team building events

13.1.5 Research Objective 5

- The government Legislation has an influence on the Steel Organizations' competitiveness internationally. South Africa has the strongest labour legislation between the BRIC countries and this has a negative effect on FDI in the company and the company's performance when tendering in projects in internationally

The company must have the best HRM policies and procedures so that Shareholders feel safe when investing at the merchant as their policies and procedures will protect them from occurring penalties and legal action.

The Black shareholders are interpreted or seen as 'front men and women' that have contributed little to the development of PDI at the organization. To inspire confidence in fellow PDI that they can succeed and be empowered, the Black shareholders should become more actively involved in the organization by implementing the following steps:

- The shareholders have been 'Struggle freedom fighters' and are inspiring individuals, they should conduct motivational presentations to PDI and inspire belief that anyone can succeed at a company like the shareholders have done
- These people helped formulate the BEE/EE legislation and probably have a better understanding of these policies than anyone else at the company. They need to communicate the vision and how they are going to achieve this at the company
- Be actively involved at meetings with employees at all levels
- Have a mentorship program that identifies PDI stars that can work as an apprentice for these influential shareholders
- Be actively involved in the formulation and implementation of the current BEE/EE strategy, policies and procedures

13.2 RECOMMENDATIONS FOR FURTHER RESEARCH

The study focused on an Individual Steel Merchant and it is proposed that future studies analyze the Steel Merchant Industry, the Steel Manufacturing Industry and other sectors of the South African economy to establish whether the findings in this study are not only organizational and industry specific.

The study focused on 'White Collar' professionals. Future studies could look at comparing the recruitment and retention of 'White Collar' to 'Blue Collar' previously disadvantaged employees. This will determine if any significant difference occurs in the recruitment, retention and turnover rates of these employees.

A longitudinal study can be conducted to monitor the progress of selected PDI within the organization analyzing their career paths, succession planning, training and development. This would determine if these factors change as they progress through different levels of management.

White females, Coloured and Asian racial groups tend to be neglected in Employment Equity studies as the focus tends to be on Black advancement. Most research found focuses on Blacks and future studies should look at Employment Equity in regards to White females, Coloureds and Asians.

A study could be conducted on the effect of Black shareholder contribution towards the recruitment, retention and development of PDI at organizations and industry. The findings could stipulate if they actually contribute to the development of the organization or are actually just 'window dressing' appointments.

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APPENDICES

APPENDIX 1: THE QUESTIONNAIRE

APPENDIX 1.1: THE DEMOGRAPHICAL QUESTIONS

Dear Respondents your answers to the Questionnaire will be confidential.

In no circumstance will your personal details and responses be disclosed to other people except for the Researcher.

All results will be consolidated and used to support findings in the Thesis.

Thank you for your participation in the Questionnaire.

Full Name:	
Please note that stating your name is optional.	
Business Unit:	
Branch/Geographic Region:	
Department:	
Job Position:	
Hierarchal Level: M2,M3, M4 or M5	

Place a check in one box for each item

1.1 Gender:
 Male Female

1.2 Age:
 24 or Under 25-39
 40-49 50 or Older

1.3 Length of Service in the Organization
 Less Than 1 Year 1-2 Years
 3-5 Years 6-10 Years
 11- 20 Years 21 Years and Above

1.4 Length of Time Working for current Manager

	Less Than 1 Year	<input type="checkbox"/>	1-2 Years	<input type="checkbox"/>
	3-5 Years	<input type="checkbox"/>	6-10 Years	<input type="checkbox"/>
	11- 20 Years	<input type="checkbox"/>	21 Years and Above	<input type="checkbox"/>
1.5	Do you have a tertiary qualification			
	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
	if yes please answer Question 1.6			
1.6	Where was the qualification obtained from			
	University	<input type="checkbox"/>	Technicon	<input type="checkbox"/>
	Business College	<input type="checkbox"/>	Technical College	<input type="checkbox"/>
	Other	<input type="checkbox"/>		
1.7	Your Population Group			
	African	<input type="checkbox"/>	Coloured	<input type="checkbox"/>
	Asian	<input type="checkbox"/>	White	<input type="checkbox"/>
1.8	Population Group of your Manager			
	African	<input type="checkbox"/>	Coloured	<input type="checkbox"/>
	Asian	<input type="checkbox"/>	White	<input type="checkbox"/>

APPENDIX 1.2: THE RESEARCH RESULT QUESTIONS

Please state to what extent do you agree or disagree with the following statements:

<i>For Example:</i>		<i>Strongly Disagree</i>	<i>Disagree</i>	<i>Agree</i>	<i>Strongly Agree</i>	<i>Don't know</i>
	Steel Merchant is considered an employer of choice in the Steel Industry			X		
		<i>Strongly Disagree</i>	<i>Disagree</i>	<i>Agree</i>	<i>Strongly Agree</i>	<i>Don't know</i>
1	Steel Merchant is considered an employer of choice in the Steel					

	Industry					
2	Steel Merchant's recruitment policies and procedures are well-structured and professional					
3	Steel Merchant attracts more talented employees than our competitors					
4	Steel Merchant recruits talented competent Previously Disadvantaged Professionals					
5	Progress at the organization to recruit and retain Previously Disadvantaged Professionals has been slow and ineffective					
6	There has been an increase in the number black professionals with Tertiary education - This will improve the quality of black professionals that can be recruited					
7	Management are committed to recruitment and retention of Previously Disadvantaged Professionals					
8	Previously Disadvantaged employees tend to leave as quickly as they are recruited					
9	Previously Disadvantaged Professionals employees are a threat to my job position					
10	Previously Disadvantaged Professionals are promoted based on their race					
11	Previously Disadvantaged Professionals are not adequately trained and					

	developed by Steel Merchant					
1 2	Better opportunities exist at other steel merchants					
1 3	I consider other Industries such as Banking and Mining as more attractive and lucrative with better working conditions					
1 4	Management communicates the organizations goals and objectives well. Therefore I am aware and understand the Employment Equity and BEE strategic direction the organization is taking.					
1 5	A diverse cultural workforce can improve team work					
1 6	A diverse cultural workforce can tap into skills previously not available					
1 7	A diverse culture will allow the organization to respond to the diverse customer base					
1 8	Steel Merchant has a White-Male dominated culture					
1 9	All racial groups and genders are given fair opportunities in the workplace					
2 0	Management display cultural sensitivity to all racial groups					
2 1	Steel Merchant's leadership is committed to Employment Equity					
2 2	White men dominate leadership positions at Steel Merchant					
2 3	Previously Disadvantaged Professionals are not given					

	leadership opportunities					
2 4	A shortage of Black Mentors and role models exist at Steel Merchant					
2 5	The Black shareholders have positively contributed to the development of previously disadvantaged professionals at Steel Merchant					
2 6	The Black shareholders were given ownership to meet Employment Equity targets					
2 7	Globalization is breaking down cultural barriers and the organization needs a cross-cultural understanding of employees					
2 8	An African Culture and values can lead to success internationally					
2 9	Employment Equity and BEE promotes equal opportunity and fair treatment of individuals					
3 0	Employment Equity and BEE limits the promotional opportunities for White Professionals					
3 1	Employment Equity and BEE will contribute to Steel Merchant hiring Previously Disadvantaged employees to meet employment targets and not based on ability					
3 2	Employment Equity and BEE leads to racial divisions and a lack of trust in the company					

3 3	I feel that I am stereotyped according to my gender, race and culture					
3 4	Discrimination of blacks occurs at Steel Merchant and today is the greatest problem with regard to the assessment, selection and development of black managers					
3 5	I have perceptions of other cultural groups that cannot be altered or changed					

APPENDIX 2: THE BLACK MALE RESEARCH RESULTS

APPENDIX 2.1: BLACK MALE DEMOGRAPHIC RESULTS AS A PERCENTAGE

Black Male - Demographic Results as a Percentage

1.1 Gender:

Male	100%	Female	0%
------	------	--------	----

1.2 Age:

24 or Under	20%	25-39	60%
40-49	10%	50 or Older	10%

1.3 Length of Service in the Organization

Less Than 1 Year	0%	1-2 Years	0%
3-5 Years	60%	6-10 Years	30%
11- 20 Years	10%	21 Years and Above	0%

1.4 Length of Time Working for current Manager

Less Than 1 Year	10%	1-2 Years	30%
3-5 Years	40%	6-10 Years	20%

11- 20 Years	0%	21 Years and Above	0%
1.5 Do you have a tertiary qualification			
Yes	70%	No	30%
if yes please answer Question 1.6			
1.6 Where was the qualification obtained from			
University	43%	Technicon	29%
Business College	0%	Technical College	29%
Other	0%		
1.7 Your Population Group			
African	100%	Coloured	0%
Asian	0%	White	0%
1.8 Population Group of your Manager			
African	0%	Coloured	0%
Asian	0%	White	100%

APPENDIX 2.2: BLACK MALE RESEARCH RESULTS AS A PERCENTAGE

Black Male - Research results as a percentage

Question	Strongly Disagree	Disagree	Agree	Strongly Agree	Don't know
1	0%	30%	40%	20%	10%
2	20%	20%	40%	20%	0%
3	20%	40%	20%	0%	20%
4	10%	50%	20%	10%	10%
5	0%	0%	50%	30%	20%
6	10%	30%	30%	20%	10%
7	20%	50%	10%	20%	0%
8	10%	20%	60%	10%	0%

9	70%	30%	0%	0%	0%
10	20%	40%	30%	0%	10%
11	0%	40%	30%	20%	10%
12	0%	20%	50%	10%	20%
13	0%	20%	30%	40%	10%
14	0%	70%	30%	0%	0%
15	0%	0%	40%	50%	10%
16	0%	0%	60%	40%	0%
17	0%	0%	40%	60%	0%
18	0%	20%	30%	50%	0%
19	60%	20%	0%	10%	10%
20	30%	40%	30%	0%	0%
21	20%	40%	40%	0%	0%
22	10%	10%	10%	70%	0%
23	0%	20%	40%	30%	10%
24	0%	20%	10%	70%	0%
25	20%	30%	20%	0%	30%
26	0%	0%	60%	20%	20%
27	0%	10%	60%	20%	10%
28	0%	20%	50%	0%	30%
29	0%	10%	70%	20%	0%
30	20%	50%	10%	10%	10%
31	20%	60%	20%	0%	0%
32	30%	30%	20%	10%	10%
33	30%	50%	20%	0%	0%
34	20%	0%	50%	30%	0%
35	20%	40%	10%	20%	10%

APPENDIX 2.3: BLACK MALE RESEARCH RESULTS USING STATISTICAL ANALYSIS

Black Male - Research Results using Statistical Analysis

Question	Arithmetic Mean	Arithmetic Mean Opinion	Mode	Standard Deviation	Percentage from the mean
1	3.6	Agree	Agree	1.2	33%
2	3.6	Agree	Agree	1.1	30%
3	2.6	Disagree	Disagree	1.1	41%
4	3.1	Disagree	Disagree	1.1	36%
5	3.7	Agree	Agree	1.5	40%
6	3.4	Disagree	Agree	1.3	37%
7	3.3	Disagree	Disagree	1.1	32%
8	3.7	Agree	Agree	0.8	22%
9	2.3	Strongly Disagree	Strongly Disagree	0.5	21%
10	2.9	Disagree	Disagree	1	34%
11	3.5	Agree	Disagree	1.2	34%
12	3.3	Disagree	Agree	1.3	41%
13	3.9	Agree	Strongly Agree	1.3	33%
14	3.3	Disagree	Disagree	0.5	15%
15	4.2	Agree	Strongly Agree	1.2	29%
16	4.4	Agree	Agree	0.5	12%
17	4.6	Strongly Agree	Strongly Agree	0.5	11%
18	4.3	Agree	Strongly Agree	0.8	19%
19	2.4	Strongly Disagree	Strongly Disagree	1.1	45%
20	3	Disagree	Disagree	0.8	27%
21	3.2	Disagree	Disagree	0.8	25%
22	4.4	Agree	Strongly Agree	1.1	24%
23	3.8	Agree	Agree	1.2	32%
24	4.5	Strongly Agree	Strongly Agree	0.8	19%
25	2.4	Strongly Disagree	Don't Know	1.2	49%
26	3.6	Agree	Agree	1.4	40%
27	3.8	Agree	Agree	1.1	30%

28	2.9	Disagree	Agree	1.4	47%
29	4.1	Agree	Agree	0.6	14%
30	2.9	Disagree	Disagree	1.1	38%
31	3	Disagree	Disagree	0.7	22%
32	2.9	Disagree	Strongly Disagree	1.2	41%
33	2.9	Disagree	Disagree	0.7	25%
34	3.9	Agree	Agree	1.1	28%
35	3.1	Disagree	Disagree	1.3	42%

APPENDIX 3: THE BLACK FEMALE RESEARCH RESULTS

APPENDIX 3.1: BLACK FEMALE DEMOGRAPHIC RESULTS AS A PERCENTAGE

Black Female - Demographic Results as a Percentage

1.1 Gender:

Male	0%	Female	100%
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1.2 Age:

24 or Under	0%	25-39	71%
40-49	29%	50 or Older	0%

1.3 Length of Service in the Organization

Less Than 1 Year	14%	1-2 Years	0%
3-5 Years	57%	6-10 Years	14%
11- 20 Years	14%	21 Years and Above	0%

1.4 Length of Time Working for current Manager

Less Than 1 Year	29%	1-2 Years	43%
3-5 Years	14%	6-10 Years	0%
11- 20 Years	14%	21 Years and Above	0%

1.5 Do you have a tertiary qualification

Yes	100%	No	0%
-----	------	----	----

if yes please answer Question 1.6

1.6 Where was the qualification obtained from

University	14%	Technicon	14%
Business College	71%	Technical College	0%
Other	0%		

1.7 Your Population Group

African	100%	Coloured	0%
Asian	0%	White	0%

1.8 Population Group of your Manager

African	0%	Coloured	0%
Asian	14%	White	86%

APPENDIX 3.2: BLACK FEMALE RESEARCH RESULTS AS A PERCENTAGE

Black Female - Research Results as a Percentage

Question	Strongly Disagree	Disagree	Agree	Strongly Agree	Don't know
1	29%	0%	43%	14%	14%
2	14%	43%	43%	0%	0%
3	14%	14%	29%	0%	43%
4	14%	43%	14%	0%	29%
5	0%	0%	29%	14%	57%
6	29%	14%	43%	14%	0%
7	14%	43%	0%	14%	29%
8	0%	29%	29%	14%	29%
9	14%	43%	14%	0%	29%
10	14%	14%	14%	43%	14%
11	0%	0%	57%	43%	0%

12	14%	14%	0%	29%	43%
13	14%	29%	14%	14%	29%
14	29%	29%	43%	0%	0%
15	0%	0%	71%	29%	0%
16	0%	0%	100%	0%	0%
17	0%	0%	86%	14%	0%
18	0%	14%	14%	71%	0%
19	71%	14%	0%	0%	14%
20	43%	14%	29%	0%	14%
21	29%	29%	14%	0%	29%
22	0%	0%	29%	71%	0%
23	0%	14%	29%	29%	29%
24	0%	0%	43%	57%	0%
25	0%	14%	29%	0%	57%
26	0%	0%	57%	0%	43%
27	0%	0%	71%	14%	14%
28	0%	0%	57%	14%	29%
29	0%	14%	57%	29%	0%
30	29%	29%	43%	0%	0%
31	0%	29%	57%	0%	14%
32	29%	29%	14%	14%	14%
33	43%	29%	29%	0%	0%
34	0%	0%	14%	71%	14%
35	14%	29%	43%	0%	14%

APPENDIX 3.3: BLACK FEMALE RESEARCH RESULTS USING STATISTICAL ANALYSIS

Black Female - Research Results using Statistical Analysis

Question	Arithmetic Mean	Arithmetic Mean Opinion	Mode	Standard Deviation	Percentage from the mean
1	3.1	Disagree	Agree	1.5	47%
2	3.3	Disagree	Agree	0.8	23%
3	2.3	Strongly Disagree	Don't Know	1.4	60%
4	2.4	Strongly Disagree	Disagree	1.1	47%
5	2.4	Strongly Disagree	Don't Know	1.8	75%
6	3.4	Disagree	Agree	1.1	33%
7	2.6	Disagree	Disagree	1.4	54%
8	3.0	Disagree	Agree	1.5	51%
9	2.4	Strongly Disagree	Disagree	1.1	47%
10	3.6	Agree	Strongly Agree	1.6	45%
11	4.4	Agree	Agree	0.5	12%
12	2.6	Disagree	Don't Know	1.8	70%
13	2.7	Disagree	Disagree	1.5	55%
14	3.1	Disagree	Agree	0.9	29%
15	4.3	Agree	Agree	0.5	11%
16	4.0	Agree	Agree	0.0	0%
17	4.1	Agree	Agree	0.4	9%
18	4.6	Strongly Agree	Strongly Agree	0.8	17%
19	2.0	Strongly Disagree	Strongly Disagree	0.6	29%
20	2.6	Disagree	Strongly Disagree	1.1	44%
21	2.3	Strongly Disagree	Strongly Disagree	1.1	49%
22	4.7	Strongly Agree	Strongly Agree	0.5	10%
23	3.3	Disagree	Agree	1.7	52%

24	4.6	Strongly Agree	Strongly Agree	0.5	12%
25	2.1	Strongly Disagree	Don't Know	1.5	68%
26	2.7	Disagree	Agree	1.6	59%
27	3.7	Agree	Agree	1.3	34%
28	3.3	Disagree	Agree	1.6	49%
29	4.1	Agree	Agree	0.7	17%
30	3.1	Disagree	Agree	0.9	29%
31	3.3	Disagree	Agree	1.1	34%
32	2.9	Disagree	Strongly Disagree	1.3	47%
33	2.9	Disagree	Strongly Disagree	0.9	31%
34	4.3	Agree	Strongly Agree	1.5	35%
35	3.0	Disagree	Agree	1.2	38%

APPENDIX 4: THE BLACK RACIAL GROUP RESEARCH RESULTS

APPENDIX 4.1: BLACK RACIAL GROUP DEMOGRAPHIC RESULTS AS A PERCENTAGE

Black Racial Group - Demographic Results as a Percentage

1.1 Gender:

Male 59% Female 41%

1.2 Age:

24 or Under 12% 25-39 65%
 40-49 18% 50 or Older 6%

1.3 Length of Service in the Organization

Less Than 1 Year 6% 1-2 Years 0%
 3-5 Years 59% 6-10 Years 24%
 11- 20 Years 12% 21 Years and Above 0%

1.4 Length of Time Working for current Manager

Less Than 1 Year	18%	1-2 Years	35%
3-5 Years	29%	6-10 Years	12%
11- 20 Years	6%	21 Years and Above	0%

1.5 Do you have a tertiary qualification

Yes	82%	No	18%
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if yes please answer Question 1.6

1.6 Where was the qualification obtained from

University	29%	Technicon	21%
Business College	36%	Technical College	14%
Other	0%		

1.7 Your Population Group

African	100%	Coloured	0%
Asian	0%	White	0%

1.8 Population Group of your Manager

African	0%	Coloured	0%
Asian	6%	White	94%

APPENDIX 4.2: BLACK RACIAL GROUP RESEARCH RESULTS AS A PERCENTAGE

Black Racial Group - Research results as a percentage

Question	Strongly Disagree	Disagree	Agree	Strongly Agree	Don't know
1	12%	18%	41%	18%	12%
2	18%	29%	41%	12%	0%
3	18%	29%	24%	0%	29%
4	12%	47%	18%	6%	18%
5	0%	0%	41%	24%	35%

6	18%	24%	35%	18%	6%
7	18%	47%	6%	18%	12%
8	6%	24%	47%	12%	12%
9	47%	35%	6%	0%	12%
10	18%	29%	24%	18%	12%
11	0%	24%	41%	29%	6%
12	6%	18%	29%	18%	29%
13	6%	24%	24%	29%	18%
14	12%	53%	35%	0%	0%
15	0%	0%	53%	41%	6%
16	0%	0%	76%	24%	0%
17	0%	0%	59%	41%	0%
18	0%	18%	24%	59%	0%
19	65%	18%	0%	6%	12%
20	35%	29%	29%	0%	6%
21	24%	35%	29%	0%	12%
22	6%	6%	18%	71%	0%
23	0%	18%	35%	29%	18%
24	0%	12%	24%	65%	0%
25	12%	24%	24%	0%	41%
26	0%	0%	59%	12%	29%
27	0%	6%	65%	18%	12%
28	0%	12%	53%	6%	29%
29	0%	12%	65%	24%	0%
30	24%	41%	24%	6%	6%
31	12%	47%	35%	0%	6%
32	29%	29%	18%	12%	12%
33	35%	41%	24%	0%	0%

34	12%	0%	35%	47%	6%
35	18%	35%	24%	12%	12%

APPENDIX 4.3: BLACK RACIAL GROUP RESEARCH RESULTS USING STATISTICAL ANALYSIS

Black Racial Group - Research results using statistical analysis

Question	Arithmetic Mean	Arithmetic Mean Opinion	Mode	Standard Deviation	Percentage from the mean
1	3.4	Disagree	Agree	1.3	37%
2	3.5	Disagree	Agree	0.9	27%
3	2.5	Strongly Disagree	Don't Know	1.2	48%
4	2.8	Disagree	Disagree	1.1	40%
5	3.2	Disagree	Agree	1.7	54%
6	3.4	Disagree	Agree	1.2	34%
7	3.0	Disagree	Disagree	1.2	41%
8	3.4	Disagree	Agree	1.2	34%
9	2.4	Strongly Disagree	Strongly Disagree	0.8	33%
10	3.2	Disagree	Disagree	1.3	40%
11	3.9	Agree	Agree	1.1	27%
12	3.0	Disagree	Agree	1.5	51%
13	3.4	Disagree	Strongly Agree	1.5	43%
14	3.2	Disagree	Disagree	0.7	21%
15	4.2	Agree	Agree	1.0	23%
16	4.2	Agree	Agree	0.4	10%
17	4.4	Agree	Agree	0.5	11%
18	4.4	Agree	Strongly Agree	0.8	18%
19	2.2	Strongly Disagree	Strongly Disagree	0.9	40%
20	2.8	Disagree	Strongly Disagree	1.0	34%

21	2.8	Disagree	Disagree	1.0	36%
22	4.5	Strongly Agree	Strongly Agree	0.9	19%
23	3.6	Agree	Agree	1.4	39%
24	4.5	Strongly Agree	Strongly Agree	0.7	16%
25	2.3	Strongly Disagree	Don't Know	1.3	55%
26	3.2	Disagree	Agree	1.5	47%
27	3.8	Agree	Agree	1.1	30%
28	3.1	Disagree	Agree	1.4	47%
29	4.1	Agree	Agree	0.6	15%
30	3.0	Disagree	Disagree	1.0	33%
31	3.1	Disagree	Disagree	0.9	28%
32	2.9	Disagree	Disagree	1.2	42%
33	2.9	Disagree	Disagree	0.8	27%
34	4.1	Agree	Strongly Agree	1.2	31%
35	3.1	Disagree	Don't Know	1.2	39%

APPENDIX 5: THE WHITE MALE RESEARCH RESULTS

APPENDIX 5.1: WHITE MALE DEMOGRAPHIC RESULTS AS A PERCENTAGE

White Male - Demographic results as a percentage

1.1 Gender:

Male

100%

Female

0%

1.2 Age:

24 or Under

0%

25-39

36%

40-49

18%

50 or Older

45%

1.3 Length of Service in the Organization

Less Than 1 Year	0%	1-2 Years	0%
3-5 Years	9%	6-10 Years	64%
11- 20 Years	9%	21 Years and Above	18%

1.4 Length of Time Working for current Manager

Less Than 1 Year	9%	1-2 Years	18%
3-5 Years	36%	6-10 Years	36%
11- 20 Years	0%	21 Years and Above	0%

1.5 Do you have a tertiary qualification

Yes	73%	No	27%
-----	-----	----	-----

if yes please answer Question 1.6

1.6 Where was the qualification obtained from

University	63%	Technicon	13%
Business College	13%	Technical College	13%
Other	0%		

1.7 Your Population Group

African	0%	Coloured	0%
Asian	0%	White	100%

1.8 Population Group of your Manager

African	0%	Coloured	0%
Asian	0%	White	100%

APPENDIX 5.2: WHITE MALE RESEARCH RESULTS AS A PERCENTAGE

White Male - Research results as a percentage

Question	Strongly Disagree	Disagree	Agree	Strongly Agree	Don't know
1	0%	9%	64%	27%	0%
2	9%	18%	73%	0%	0%
3	0%	36%	55%	0%	9%
4	0%	64%	36%	0%	0%

5	0%	9%	55%	36%	0%
6	9%	9%	55%	27%	0%
7	0%	18%	64%	18%	0%
8	9%	9%	45%	18%	18%
9	27%	45%	27%	0%	0%
10	9%	9%	45%	18%	18%
11	0%	27%	45%	18%	9%
12	0%	55%	0%	0%	45%
13	9%	36%	36%	9%	9%
14	9%	36%	55%	0%	0%
15	0%	18%	73%	9%	0%
16	0%	9%	64%	18%	9%
17	0%	27%	45%	27%	0%
18	0%	0%	82%	18%	0%
19	9%	36%	45%	9%	0%
20	9%	0%	82%	0%	9%
21	0%	0%	64%	27%	9%
22	0%	0%	55%	45%	0%
23	18%	55%	27%	0%	0%
24	0%	0%	55%	45%	0%
25	36%	45%	0%	9%	9%
26	0%	0%	73%	27%	0%
27	0%	18%	64%	18%	0%
28	18%	55%	27%	0%	0%
29	18%	55%	18%	9%	0%
30	0%	18%	55%	27%	0%
31	9%	9%	64%	18%	0%

32	9%	18%	64%	9%	0%
33	9%	55%	27%	0%	9%
34	27%	45%	18%	0%	9%
35	18%	55%	27%	0%	0%

APPENDIX 5.3: WHITE MALE RESEARCH RESULTS USING STATISTICAL ANALYSIS

White Male - Research results using statistical analysis

Question	Arithmetic Mean	Arithmetic Mean Opinion	Mode	Standard Deviation	Percentage from the mean
1	4.2	Agree	Agree	0.6	14%
2	3.6	Agree	Agree	0.7	19%
3	3.4	Disagree	Agree	0.9	27%
4	3	Disagree	Disagree	0.5	15%
5	4.3	Agree	Agree	0.6	15%
6	4.0	Agree	Agree	0.9	22%
7	4.0	Agree	Agree	0.6	16%
8	3.4	Disagree	Agree	1.4	43%
9	3.0	Disagree	Disagree	0.8	26%
10	3.4	Disagree	Agree	1.4	43%
11	3.6	Agree	Agree	1.1	31%
12	2.1	Strongly Disagree	Disagree	1.0	50%
13	3.3	Disagree	Disagree	1.1	34%
14	3.5	Disagree	Agree	0.7	20%
15	3.9	Agree	Agree	0.5	14%
16	3.8	Agree	Agree	1.1	28%
17	4.0	Agree	Agree	0.8	19%

18	4.2	Agree	Agree	0.4	10%
19	3.5	Agree	Agree	0.8	23%
20	3.5	Agree	Agree	1.0	29%
21	4.0	Agree	Agree	1.1	27%
22	4.5	Agree	Agree	0.5	12%
23	3.1	Disagree	Disagree	0.7	23%
24	4.5	Agree	Agree	0.5	12%
25	2.6	Disagree	Disagree	1.0	39%
26	4.3	Agree	Agree	0.5	11%
27	4.0	Agree	Agree	0.6	16%
28	3.1	Disagree	Disagree	0.7	23%
29	3.2	Disagree	Disagree	0.9	27%
30	4.1	Agree	Agree	0.7	17%
31	3.9	Agree	Agree	0.8	21%
32	3.7	Agree	Agree	0.8	21%
33	3.0	Disagree	Disagree	0.9	30%
34	2.7	Disagree	Agree	0.9	33%
35	3.1	Disagree	Disagree	0.7	23%

APPENDIX 6: THE WHITE FEMALE RESEARCH RESULTS

APPENDIX 6.1: WHITE FEMALE DEMOGRAPHIC RESULTS AS A PERCENTAGE

White Female - Demographic results as a percentage

1.1 Gender:

Male

0%

Female

100%

1.2 Age:

24 or Under

0%

25-39

67%

40-49	17%	50 or Older	17%
1.3 Length of Service in the Organization			
Less Than 1 Year	0%	1-2 Years	33%
3-5 Years	33%	6-10 Years	17%
11- 20 Years	0%	21 Years and Above	17%
1.4 Length of Time Working for current Manager			
Less Than 1 Year	50%	1-2 Years	17%
3-5 Years	17%	6-10 Years	17%
11- 20 Years	0%	21 Years and Above	0%
1.5 Do you have a tertiary qualification			
Yes	33%	No	67%
if yes please answer Question 1.6			
1.6 Where was the qualification obtained from			
University	0%	Technicon	0%
Business College	50%	Technical College	50%
Other	0%		
1.7 Your Population Group			
African	0%	Coloured	0%
Asian	0%	White	100%
1.8 Population Group of your Manager			
African	0%	Coloured	0%
Asian	0%	White	100%

APPENDIX 6.2: WHITE FEMALE RESEARCH RESULTS AS A PERCENTAGE

White Female - Research results as a percentage

Question	Strongly Disagree	Disagree	Agree	Strongly Agree	Don't know
1	0%	17%	67%	17%	0%
2	0%	33%	33%	17%	17%
3	0%	33%	33%	17%	17%
4	0%	50%	33%	0%	17%
5	0%	33%	0%	33%	33%
6	0%	17%	67%	0%	17%
7	0%	17%	33%	0%	50%
8	0%	83%	0%	0%	17%
9	17%	0%	83%	0%	0%
10	0%	50%	33%	0%	17%
11	0%	50%	33%	17%	0%
12	0%	67%	0%	0%	33%
13	0%	83%	0%	17%	0%
14	17%	33%	33%	0%	17%
15	0%	50%	50%	0%	0%
16	0%	50%	33%	0%	17%
17	0%	50%	33%	17%	0%
18	17%	0%	83%	0%	0%
19	17%	33%	50%	0%	0%
20	0%	0%	83%	0%	17%
21	0%	33%	33%	0%	33%
22	0%	0%	67%	33%	0%
23	17%	67%	17%	0%	0%
24	0%	17%	67%	17%	0%
25	17%	17%	17%	0%	50%

26	0%	17%	33%	0%	50%
27	0%	17%	67%	0%	17%
28	17%	50%	33%	0%	0%
29	17%	67%	17%	0%	0%
30	0%	17%	50%	33%	0%
31	0%	50%	50%	0%	0%
32	0%	17%	83%	0%	0%
33	17%	33%	50%	0%	0%
34	0%	67%	17%	17%	0%
35	33%	33%	17%	0%	17%

APPENDIX 6.3: WHITE FEMALE RESEARCH RESULTS USING STATISTICAL ANALYSIS

White Female - Research results using statistical analysis

Question	Arithmetic Mean	Arithmetic Mean Opinion	Mode	Standard Deviation	Percentage from the mean
1	4.0	Agree	Agree	0.6	16%
2	3.3	Disagree	Agree	1.4	41%
3	3.3	Disagree	Agree	1.4	41%
4	3	Disagree	Disagree	1.1	37%
5	3.0	Disagree	Disagree	1.8	60%
6	3.3	Disagree	Agree	1.2	36%
7	2.3	Strongly Disagree	Don't Know	1.5	65%
8	2.7	Disagree	Disagree	0.8	31%
9	3.7	Agree	Agree	0.8	22%
10	3.0	Disagree	Disagree	1.1	37%
11	3.7	Agree	Disagree	0.8	22%

12	2.3	Strongly Disagree	Disagree	1.0	44%
13	3.3	Disagree	Disagree	0.8	24%
14	2.8	Disagree	Agree	1.2	41%
15	3.5	Agree	Agree	0.5	16%
16	3.0	Disagree	Disagree	1.1	37%
17	3.7	Agree	Disagree	0.8	22%
18	3.7	Agree	Agree	0.8	22%
19	3.3	Disagree	Agree	0.8	24%
20	3.5	Agree	Agree	1.2	35%
21	2.7	Disagree	Agree	1.4	51%
22	4.3	Agree	Agree	0.5	12%
23	3.0	Disagree	Disagree	0.6	21%
24	4.0	Agree	Agree	0.6	16%
25	2.0	Strongly Disagree	Don't Know	1.3	63%
26	2.3	Strongly Disagree	Don't Know	1.5	65%
27	3.3	Disagree	Agree	1.2	36%
28	3.2	Disagree	Disagree	0.8	24%
29	3.0	Disagree	Disagree	0.6	21%
30	4.2	Agree	Agree	0.8	18%
31	3.5	Agree	Disagree	0.5	16%
32	3.8	Agree	Agree	0.4	11%
33	3.3	Disagree	Agree	0.8	24%
34	3.5	Agree	Disagree	0.8	24%
35	2.5	Disagree	Strongly Disagree	1.0	42%

APPENDIX 7: THE WHITE RACIAL GROUP RESEARCH RESULTS

APPENDIX 7.1: WHITE RACIAL GROUP DEMOGRAPHIC RESULTS AS A PERCENTAGE

White Racial Group - Demographic results as a percentage

1.1 Gender:

Male	65%	Female	35%
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1.2 Age:

24 or Under	0%	25-39	47%
40-49	18%	50 or Older	35%

1.3 Whites Length of Service in the Organization

Less Than 1 Year	0%	1-2 Years	12%
3-5 Years	18%	6-10 Years	47%
11- 20 Years	6%	21 Years and Above	18%

1.4 Length of Time Working for current Manager

Less Than 1 Year	24%	1-2 Years	18%
3-5 Years	29%	6-10 Years	29%
11- 20 Years	0%	21 Years and Above	0%

1.5 Do you have a tertiary qualification

Yes	59%	No	41%
-----	-----	----	-----

if yes please answer Question 1.6

1.6 Where was the qualification obtained from

University	50%	Technicon	10%
Business College	20%	Technical College	20%
Other	0%		

1.7 Your Population Group

African	0%	Coloured	0%
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Asian

0%

White

100%

1.8 Population Group of your Manager

African

0%

Coloured

0%

Asian

0%

White

100%

APPENDIX 7.2: WHITE RACIAL GROUP RESEARCH RESULTS AS A PERCENTAGE

White Racial Group - Research results as a percentage

Question	Strongly Disagree	Disagree	Agree	Strongly Agree	Don't know
1	0%	12%	65%	24%	0%
2	6%	24%	59%	6%	6%
3	0%	35%	47%	6%	12%
4	0%	59%	35%	0%	6%
5	0%	18%	35%	35%	12%
6	6%	12%	59%	18%	6%
7	0%	18%	53%	12%	18%
8	6%	35%	29%	12%	18%
9	24%	29%	47%	0%	0%
10	6%	24%	41%	12%	18%
11	0%	35%	41%	18%	6%
12	0%	59%	0%	0%	41%
13	6%	53%	24%	12%	6%
14	12%	35%	47%	0%	6%
15	0%	29%	65%	6%	0%
16	0%	24%	53%	12%	12%
17	0%	35%	41%	24%	0%
18	6%	0%	82%	12%	0%

19	12%	35%	47%	6%	0%
20	6%	0%	82%	0%	12%
21	0%	12%	53%	18%	18%
22	0%	0%	59%	41%	0%
23	18%	59%	24%	0%	0%
24	0%	6%	59%	35%	0%
25	29%	35%	6%	6%	24%
26	0%	6%	59%	18%	18%
27	0%	18%	65%	12%	6%
28	18%	53%	29%	0%	0%
29	18%	59%	18%	6%	0%
30	0%	18%	53%	29%	0%
31	6%	24%	59%	12%	0%
32	6%	18%	71%	6%	0%
33	12%	47%	35%	0%	6%
34	18%	53%	18%	6%	6%
35	24%	47%	24%	0%	6%

APPENDIX 7.3: WHITE RACIAL GROUP RESEARCH RESULTS USING STATISTICAL ANALYSIS

White Racial Group - Research results using statistical analysis

Question	Arithmetic Mean	Arithmetic Mean Opinion	Mode	Standard Deviation	Percentage from the mean
1	4.1	Agree	Agree	0.6	15%
2	3.5	Agree	Agree	0.9	27%
3	3.4	Disagree	Agree	1.1	32%
4	3.2	Disagree	Disagree	0.8	23%

5	3.8	Agree	Agree	1.3	34%
6	3.8	Agree	Agree	1.0	27%
7	3.4	Disagree	Agree	1.3	37%
8	3.1	Disagree	Disagree	1.3	41%
9	3.2	Disagree	Agree	0.8	26%
10	3.2	Disagree	Agree	1.3	40%
11	3.6	Agree	Agree	1.0	27%
12	2.2	Strongly Disagree	Disagree	1.0	47%
13	3.3	Disagree	Disagree	1.0	30%
14	3.2	Disagree	Disagree	0.9	28%
15	3.8	Agree	Agree	0.6	15%
16	3.5	Agree	Agree	1.1	32%
17	3.9	Agree	Agree	0.8	20%
18	4.0	Agree	Agree	0.6	15%
19	3.5	Disagree	Agree	0.8	23%
20	3.5	Agree	Agree	1.1	30%
21	3.5	Agree	Agree	1.3	38%
22	4.4	Agree	Agree	0.5	11%
23	3.1	Disagree	Disagree	0.7	22%
24	4.3	Agree	Agree	0.6	14%
25	2.4	Strongly Disagree	Disagree	1.1	46%
26	3.6	Agree	Agree	1.3	37%
27	3.8	Agree	Agree	0.9	24%
28	3.1	Disagree	Disagree	0.7	22%
29	3.1	Disagree	Disagree	0.8	25%
30	4.1	Agree	Agree	0.7	17%
31	3.8	Agree	Agree	0.8	20%

32	3.8	Agree	Agree	0.7	18%
33	3.1	Disagree	Disagree	0.9	28%
34	3.0	Disagree	Disagree	0.9	31%
35	2.9	Disagree	Don't Know	0.9	30%

APPENDIX 8: THE COLOURED MALE RESEARCH RESULTS

APPENDIX 8.1: COLOURED MALE DEMOGRAPHIC RESULTS AS A PERCENTAGE

Coloured Male - Demographic results as a percentage

1.1 Gender:

Male

100%

Female

0%

1.2 Age:

24 or Under

0%

25-39

33%

40-49

33%

50 or Older

33%

1.3 Length of Service in the Organization

Less Than 1 Year

0%

1-2 Years

0%

3-5 Years

0%

6-10 Years

33%

11- 20 Years

33%

21 Years and Above

33%

1.4 Length of Time Working for current Manager

Less Than 1 Year

0%

1-2 Years

0%

3-5 Years

67%

6-10 Years

33%

11- 20 Years

0%

21 Years and Above

0%

1.5 Do you have a tertiary qualification

Yes

0%

No

100%

if yes please answer Question 1.6

1.6 Where was the qualification obtained from

University	#DIV/0!	Technicon	#DIV/0!
Business College	#DIV/0!	Technical College	#DIV/0!
Other	#DIV/0!		

1.7 Your Population Group

African	0%	Coloured	100%
Asian	0%	White	0%

1.8 Population Group of your Manager

African	0%	Coloured	0%
Asian	33%	White	67%

APPENDIX 8.2: COLOURED MALE RESEARCH RESULTS AS A PERCENTAGE

Coloured Male - Research results as a percentage

Question	Strongly Disagree	Disagree	Agree	Strongly Agree	Don't know
1	33%	0%	67%	0%	0%
2	0%	33%	33%	0%	33%
3	0%	0%	67%	0%	33%
4	33%	33%	0%	0%	33%
5	33%	0%	67%	0%	0%
6	0%	0%	67%	33%	0%
7	0%	0%	33%	0%	67%
8	0%	33%	67%	0%	0%
9	0%	100%	0%	0%	0%
10	0%	67%	33%	0%	0%
11	0%	33%	0%	0%	67%
12	0%	67%	0%	0%	33%
13	0%	67%	0%	0%	33%

14	0%	67%	0%	0%	33%
15	0%	0%	100%	0%	0%
16	0%	0%	100%	0%	0%
17	0%	0%	100%	0%	0%
18	0%	0%	67%	33%	0%
19	33%	67%	0%	0%	0%
20	0%	33%	0%	0%	67%
21	0%	67%	0%	0%	33%
22	0%	0%	33%	67%	0%
23	0%	0%	67%	0%	33%
24	0%	0%	67%	33%	0%
25	0%	67%	33%	0%	0%
26	33%	0%	0%	0%	67%
27	0%	0%	67%	0%	33%
28	0%	67%	0%	0%	33%
29	0%	33%	33%	0%	33%
30	33%	33%	33%	0%	0%
31	33%	0%	67%	0%	0%
32	0%	33%	67%	0%	0%
33	33%	0%	67%	0%	0%
34	0%	33%	67%	0%	0%
35	0%	33%	67%	0%	0%

APPENDIX 8.3: COLOURED MALE RESEARCH RESULTS USING STATISTICAL ANALYSIS

Coloured Male - Research results using statistical analysis

Question	Arithmetic Mean	Arithmetic Mean Opinion	Mode	Standard Deviation	Percentage from the mean
1	3.3	Disagree	Agree	1.2	35%
2	2.7	Disagree	Disagree	1.2	43%
3	3.0	Disagree	Agree	1.7	58%
4	2.0	Strongly Disagree	Strongly Disagree	1.0	50%
5	3.3	Disagree	Agree	1.2	35%
6	4.3	Agree	Agree	0.6	13%
7	2.0	Strongly Disagree	Don't Know	1.7	87%
8	3.7	Agree	Agree	0.6	16%
9	3.0	Disagree	Disagree	0.0	0%
10	3.3	Disagree	Disagree	0.6	17%
11	1.7	Strongly Disagree	Don't Know	1.2	69%
12	2.3	Strongly Disagree	Disagree	1.2	49%
13	2.3	Strongly Disagree	Disagree	1.2	49%
14	2.3	Strongly Disagree	Disagree	1.2	49%
15	4.0	Agree	Agree	0.0	0%
16	4.0	Agree	Agree	0.0	0%
17	4.0	Agree	Agree	0.0	0%
18	4.3	Agree	Agree	0.6	13%
19	2.7	Disagree	Disagree	0.6	22%
20	1.7	Strongly Disagree	Don't Know	1.2	69%
21	2.3	Strongly Disagree	Disagree	1.2	49%
22	4.7	Strongly Agree	strongly agree	0.6	12%
23	3.0	Disagree	Agree	1.7	58%
24	4.3	Agree	Agree	0.6	13%

25	3.3	Disagree	Disagree	0.6	17%
26	1.3	Don't know	Strongly Disagree	0.6	43%
27	3.0	Disagree	agree	1.7	58%
28	2.3	Strongly Disagree	Disagree	1.2	49%
29	2.7	Disagree	Disagree	1.5	57%
30	3.0	Disagree	Strongly Disagree	1.0	33%
31	3.3	Disagree	Agree	1.2	35%
32	3.7	Agree	Agree	0.6	16%
33	3.3	Disagree	Agree	1.2	35%
34	3.7	Agree	Agree	0.6	16%
35	3.7	Agree	Agree	0.6	16%

APPENDIX 9: THE COLOURED FEMALE RESEARCH RESULTS

APPENDIX 9.1: COLOURED FEMALE DEMOGRAPHIC RESULTS AS A PERCENTAGE

Coloured Female - Demographic results as a percentage

1.1 Gender:

Male

0%

Female

100%

1.2 Age:

24 or Under

0%

25-39

40%

40-49

20%

50 or Older

40%

1.3 Length of Service in the Organization

Less Than 1 Year

0%

1-2 Years

0%

3-5 Years

0%

6-10 Years

40%

11- 20 Years

20%

21 Years and Above

40%

1.4	Length of Time Working for current Manager		
	Less Than 1 Year	0%	1-2 Years 0%
	3-5 Years	60%	6-10 Years 20%
	11- 20 Years	20%	21 Years and Above 0%
1.5	Do you have a tertiary qualification		
	Yes	20%	No 80%
	if yes please answer Question 1.6		
1.6	Where was the qualification obtained from		
	University	0%	Technicon 0%
	Business College	0%	Technical College 100%
	Other	0%	
1.7	Your Population Group		
	African	0%	Coloured 100%
	Asian	0%	White 0%
1.8	Population Group of your Manager		
	African	0%	Coloured 0%
	Asian	0%	White 100%

APPENDIX 9.2: COLOURED FEMALE RESEARCH RESULTS AS A PERCENTAGE

Coloured Female - Research results as a percentage

Question	Strongly Disagree	Disagree	Agree	Strongly Agree	Don't know
1	0%	0%	100%	0%	0%
2	0%	60%	40%	0%	0%
3	0%	20%	40%	0%	40%
4	20%	60%	0%	0%	20%
5	0%	0%	60%	20%	20%
6	0%	40%	40%	20%	0%

7	0%	60%	20%	0%	20%
8	0%	20%	20%	0%	60%
9	20%	80%	0%	0%	0%
10	0%	60%	40%	0%	0%
11	0%	0%	40%	0%	60%
12	0%	0%	20%	0%	80%
13	0%	40%	0%	0%	60%
14	0%	80%	0%	0%	20%
15	0%	40%	20%	20%	20%
16	0%	0%	60%	20%	20%
17	0%	0%	80%	0%	20%
18	0%	0%	20%	60%	20%
19	20%	60%	20%	0%	0%
20	0%	20%	60%	0%	20%
21	20%	40%	20%	0%	20%
22	0%	0%	60%	40%	0%
23	0%	0%	100%	0%	0%
24	0%	0%	80%	20%	0%
25	0%	0%	0%	0%	100%
26	0%	0%	0%	0%	100%
27	0%	0%	100%	0%	0%
28	0%	20%	60%	0%	20%
29	0%	20%	80%	0%	0%
30	0%	60%	40%	0%	0%
31	0%	40%	60%	0%	0%
32	0%	20%	60%	0%	20%
33	0%	60%	40%	0%	0%
34	0%	0%	80%	0%	20%

35	0%	60%	20%	0%	20%
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APPENDIX 9.3: COLOURED FEMALE RESEARCH RESULTS USING STATISTICAL ANALYSIS

Coloured Female - Research results using statistical analysis

Question	Arithmetic Mean	Arithmetic Mean Opinion	Mode	Standard Deviation	Percentage from the mean
1	4.0	Agree	Agree	0.0	0%
2	3.4	Disagree	Disagree	0.5	16%
3	2.6	Disagree	Agree	1.5	58%
4	2.4	Strongly Disagree	Disagree	0.9	37%
5	3.6	Agree	Agree	1.5	42%
6	3.8	Agree	Disagree	0.8	22%
7	2.8	Disagree	Disagree	1.1	39%
8	2.0	Strongly Disagree	Don't Know	1.4	71%
9	2.8	Disagree	Disagree	0.4	16%
10	3.4	Disagree	Disagree	0.5	16%
11	2.2	Strongly Disagree	Don't Know	1.6	75%
12	1.6	Strongly Disagree	Don't Know	1.3	84%
13	1.8	Strongly Disagree	Don't Know	1.1	61%
14	2.6	Disagree	Disagree	0.9	34%
15	3.2	Disagree	Disagree	1.5	46%
16	3.6	Agree	Agree	1.5	42%
17	3.4	Disagree	Agree	1.3	39%
18	4.0	Agree	Strongly Agree	1.7	43%
19	3.0	Disagree	Disagree	0.7	24%
20	3.2	Disagree	Agree	1.3	41%
21	2.6	Disagree	Disagree	1.1	44%
22	4.4	Agree	Agree	0.5	12%

23	4.0	Agree	Agree	0.0	0%
24	4.2	Agree	Agree	0.4	11%
25	1.0	Don't know	Don't Know	0.0	0%
26	1.0	Don't know	Don't Know	0.0	0%
27	4.0	Agree	Agree	0.0	0%
28	3.2	Disagree	Agree	1.3	41%
29	3.8	Agree	Agree	0.4	12%
30	3.4	Disagree	Disagree	0.5	16%
31	3.6	Agree	Agree	0.5	15%
32	3.2	Disagree	Agree	1.3	41%
33	3.4	Disagree	Disagree	0.5	16%
34	3.4	Disagree	Agree	1.3	39%
35	2.8	Disagree	Disagree	1.1	39%

APPENDIX 10: THE COLOURED RACIAL GROUP RESEARCH RESULTS

APPENDIX 10.1: COLOURED RACIAL GROUP DEMOGRAPHIC RESULTS AS A PERCENTAGE

Coloured Racial Group - Demographic results as a percentage

1.1 Gender:

Male 38% Female 63%

1.2 Age:

24 or Under 0% 25-39 38%
 40-49 25% 50 or Older 38%

1.3 Length of Service in the Organization

Less Than 1 Year 0% 1-2 Years 0%
 3-5 Years 0% 6-10 Years 38%

11- 20 Years	25%	21 Years and Above	38%
1.4 Length of Time Working for current Manager			
Less Than 1 Year	0%	1-2 Years	0%
3-5 Years	63%	6-10 Years	25%
11- 20 Years	13%	21 Years and Above	0%
1.5 Do you have a tertiary qualification			
Yes	13%	No	88%
if yes please answer Question 1.6			
1.6 Where was the qualification obtained from			
University	0%	Technicon	0%
Business College	0%	Technical College	100%
Other	0%		
1.7 Your Population Group			
African	0%	Coloured	100%
Asian	0%	White	0%
1.8 Population Group of your Manager			
African	0%	Coloured	0%
Asian	13%	White	88%

APPENDIX 10.2: COLOURED RACIAL GROUP RESEARCH RESULTS AS A PERCENTAGE

Coloured Racial Group - Research results as a percentage

	Strongly Disagree	Disagree	Agree	Strongly Agree	Don't know
1	13%	0%	88%	0%	0%
2	0%	50%	38%	0%	13%
3	0%	13%	50%	0%	38%
4	25%	50%	0%	0%	25%

5	13%	0%	63%	13%	13%
6	0%	25%	50%	25%	0%
7	0%	38%	25%	0%	38%
8	0%	25%	38%	0%	38%
9	13%	88%	0%	0%	0%
10	0%	63%	38%	0%	0%
11	0%	13%	25%	0%	63%
12	0%	25%	13%	0%	63%
13	0%	50%	0%	0%	50%
14	0%	75%	0%	0%	25%
15	0%	25%	50%	13%	13%
16	0%	0%	75%	13%	13%
17	0%	0%	88%	0%	13%
18	0%	0%	38%	50%	13%
19	25%	63%	13%	0%	0%
20	0%	25%	38%	0%	38%
21	13%	50%	13%	0%	25%
22	0%	0%	50%	50%	0%
23	0%	0%	88%	0%	13%
24	0%	0%	75%	25%	0%
25	0%	25%	13%	0%	63%
26	13%	0%	0%	0%	88%
27	0%	0%	88%	0%	13%
28	0%	38%	38%	0%	25%
29	0%	25%	63%	0%	13%
30	13%	50%	38%	0%	0%
31	13%	25%	63%	0%	0%

32	0%	25%	63%	0%	13%
33	13%	38%	50%	0%	0%
34	0%	13%	75%	0%	13%
35	0%	50%	38%	0%	13%

APPENDIX 10.3: COLOURED RACIAL GROUP RESEARCH RESULTS USING STATISTICAL ANALYSIS

Coloured Racial Group - Research results using statistical analysis

Question	Arithmetic Mean	Arithmetic Mean Opinion	Mode	Standard Deviation	Percentage from the mean
1	3.8	Agree	Agree	0.7	19%
2	3.1	Disagree	Disagree	1.1	35%
3	2.8	Disagree	Agree	1.5	54%
4	2.3	Strongly Disagree	Disagree	0.9	39%
5	3.5	Agree	Agree	1.3	37%
6	4.0	Agree	Agree	0.8	19%
7	2.5	Disagree	Disagree	1.3	52%
8	2.6	Disagree	Agree	1.4	54%
9	2.9	Disagree	Disagree	0.4	12%
10	3.4	Disagree	Disagree	0.5	15%
11	2.0	Strongly Disagree	Don't Know	1.4	71%
12	1.9	Strongly Disagree	Don't Know	1.2	66%
13	2.0	Strongly Disagree	Disagree	1.1	53%
14	2.5	Disagree	Disagree	0.9	37%
15	3.5	Agree	Agree	1.2	34%
16	3.8	Agree	Agree	1.2	31%
17	3.6	Agree	Agree	1.1	29%
18	4.1	Agree	Strongly Agree	1.4	33%

19	2.9	Disagree	Disagree	0.6	22%
20	2.6	Disagree	Agree	1.4	54%
21	2.5	Disagree	Disagree	1.1	43%
22	4.5	Strongly Agree	Agree	0.5	12%
23	3.6	Agree	Agree	1.1	29%
24	4.3	Agree	Agree	0.5	11%
25	1.9	Strongly Disagree	Don't Know	1.2	66%
26	1.1	Don't know	Don't Know	0.4	31%
27	3.6	Agree	Agree	1.1	29%
28	2.9	Disagree	Disagree	1.2	43%
29	3.4	Disagree	Agree	1.1	31%
30	3.3	Disagree	Disagree	0.7	22%
31	3.5	Agree	Disagree	0.8	22%
32	3.4	Disagree	Agree	1.1	31%
33	3.4	Disagree	Agree	0.7	22%
34	3.5	Agree	Agree	1.1	31%
35	3.1	Disagree	Don't Know	1.0	32%

APPENDIX 11: THE ASIAN MALE RESEARCH RESULTS

APPENDIX 11.1: ASIAN MALE DEMOGRAPHIC RESULTS AS A PERCENTAGE

Asian Male - Demographic results as a percentage

1.1 Gender:

Male 100% Female 0%

1.2 Age:

24 or Under 0% 25-39 50%
 40-49 0% 50 or Older 50%

1.3 Length of Service in the Organization

Less Than 1 Year	0%	1-2 Years	0%
3-5 Years	0%	6-10 Years	50%
11- 20 Years	50%	21 Years and Above	0%

1.4 Length of Time Working for current Manager

Less Than 1 Year	50%	1-2 Years	0%
3-5 Years	50%	6-10 Years	0%
11- 20 Years	0%	21 Years and Above	0%

1.5 Do you have a tertiary qualification

Yes	50%	No	50%
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if yes please answer Question 1.6

1.6 Where was the qualification obtained from

University	0%	Technicon	100%
Business College	0%	Technical College	0%
Other	0%		

1.7 Your Population Group

African	0%	Coloured	0%
Asian	100%	White	0%

1.8 Population Group of your Manager

African	0%	Coloured	0%
Asian	0%	White	100%

APPENDIX 11.2: ASIAN MALE RESEARCH RESULTS AS A PERCENTAGE

Asian Male - Research results as a percentage

	Strongly Disagree	Disagree	Agree	Strongly Agree	Don't know
1	0%	0%	0%	100%	0%
2	0%	0%	100%	0%	0%
3	0%	0%	100%	0%	0%
4	0%	0%	0%	0%	100%
5	0%	100%	0%	0%	0%
6	0%	0%	100%	0%	0%
7	0%	0%	100%	0%	0%
8	0%	0%	0%	100%	0%
9	100%	0%	0%	0%	0%
10	50%	0%	50%	0%	0%
11	50%	0%	50%	0%	0%
12	50%	50%	0%	0%	0%
13	50%	50%	0%	0%	0%
14	50%	0%	0%	50%	0%
15	50%	0%	50%	0%	0%
16	50%	0%	50%	0%	0%
17	0%	0%	100%	0%	0%
18	0%	0%	50%	50%	0%
19	50%	0%	0%	50%	0%
20	0%	0%	50%	50%	0%
21	50%	0%	0%	50%	0%
22	0%	0%	0%	100%	0%
23	50%	0%	0%	50%	0%
24	0%	50%	50%	0%	0%
25	100%	0%	0%	0%	0%

26	0%	0%	100%	0%	0%
27	0%	0%	50%	50%	0%
28	0%	50%	50%	0%	0%
29	50%	0%	50%	0%	0%
30	100%	0%	0%	0%	0%
31	50%	0%	0%	50%	0%
32	50%	0%	50%	0%	0%
33	50%	0%	50%	0%	0%
34	0%	50%	0%	50%	0%
35	50%	0%	0%	50%	0%

APPENDIX 11.3: ASIAN MALE RESEARCH RESULTS USING STATISTICAL ANALYSIS

Asian Male - Research results using statistical analysis

Question	Arithmetic Mean	Arithmetic Mean Opinion	Mode	Standard Deviation	Percentage from the mean
1	5.0	FALSE	Strongly Agree	0.0	0%
2	4.0	Agree	Agree	0.0	0%
3	4.0	Agree	Agree	0.0	0%
4	1.0	Don't know	Don't Know	0.0	0%
5	3.0	Disagree	Disagree	0.0	0%
6	4.0	Agree	Agree	0.0	0%
7	4.0	Agree	Agree	0.0	0%
8	5.0	Strongly Agree	Strongly Agree	0.0	0%
9	2.0	Strongly Disagree	Strongly Disagree	0.0	0%
10	3.0	Disagree	Strongly Disagree	1.4	47%
11	3.0	Disagree	Strongly Disagree	1.4	47%

12	2.5	Disagree	Strongly Disagree	0.7	28%
13	2.5	Disagree	Strongly Disagree	0.7	28%
14	3.5	Agree	Strongly Disagree	2.1	61%
15	3.0	Disagree	Strongly Disagree	1.4	47%
16	3.0	Disagree	Strongly Disagree	1.4	47%
17	4.0	Agree	Agree	0.0	0%
18	4.5	Strongly Agree	Agree	0.7	16%
19	3.5	Agree	Strongly Disagree	2.1	61%
20	4.5	Strongly Agree	Agree	0.7	16%
21	3.5	Agree	Strongly Disagree	2.1	61%
22	5.0	Strongly Agree	Strongly Agree	0.0	0%
23	3.5	Agree	Strongly Disagree	2.1	61%
24	3.5	Agree	Disagree	0.7	20%
25	2.0	Strongly Disagree	Strongly Disagree	0.0	0%
26	4.0	Agree	Agree	0.0	0%
27	4.5	Strongly Agree	Agree	0.7	16%
28	3.5	Agree	Agree	0.7	20%
29	3.0	Disagree	Strongly Disagree	1.4	47%
30	2.0	Strongly Disagree	Strongly Disagree	0.0	0%
31	3.5	Agree	Strongly Disagree	2.1	61%
32	3.0	Disagree	Strongly Disagree	1.4	47%
33	3.0	Disagree	Strongly Disagree	1.4	47%
34	4.0	Agree	Disagree	1.4	35%
35	3.5	Agree	Strongly Disagree	2.1	61%

APPENDIX 12: THE ASIAN FEMALE RESEARCH RESULTS

APPENDIX 12.1: ASIAN FEMALE DEMOGRAPHIC RESULTS AS A PERCENTAGE

Asian Female - Demographic results as a percentage

1.1	Gender:			
	Male	0%	Female	100%
1.2	Age:			
	24 or Under	0%	25-39	100%
	40-49	0%	50 or Older	0%
1.3	Length of Service in the Organization			
	Less Than 1 Year	0%	1-2 Years	0%
	3-5 Years	33%	6-10 Years	33%
	11- 20 Years	33%	21 Years and Above	0%
1.4	Length of Time Working for current Manager			
	Less Than 1 Year	0%	1-2 Years	0%
	3-5 Years	100%	6-10 Years	0%
	11- 20 Years	0%	21 Years and Above	0%
1.5	Do you have a tertiary qualification			
	Yes	100%	No	0%
	if yes please answer Question 1.6			
1.6	Where was the qualification obtained from			
	University	67%	Technicon	0%
	Business College	0%	Technical College	0%
	Other	33%		
1.7	Your Population Group			
	African	0%	Coloured	0%

Asian 100% White 0%

1.8 Population Group of your Manager

African 0% Coloured 0%
 Asian 0% White 100%

APPENDIX 12.2: ASIAN FEMALE RESEARCH RESULTS AS A PERCENTAGE

Asian Female - Research results as a percentage

Question	Strongly Disagree	Disagree	Agree	Strongly Agree	Don't know
1	0%	0%	100%	0%	0%
2	0%	0%	100%	0%	0%
3	0%	33%	33%	0%	33%
4	0%	33%	67%	0%	0%
5	0%	33%	33%	0%	33%
6	0%	0%	100%	0%	0%
7	0%	33%	67%	0%	0%
8	0%	67%	0%	0%	33%
9	0%	67%	33%	0%	0%
10	0%	33%	33%	0%	33%
11	0%	67%	0%	0%	33%
12	0%	33%	0%	0%	67%
13	0%	67%	0%	0%	33%
14	0%	0%	100%	0%	0%
15	0%	0%	100%	0%	0%
16	0%	0%	67%	0%	33%
17	0%	33%	33%	0%	33%
18	0%	33%	33%	0%	33%

19	0%	33%	33%	33%	0%
20	0%	0%	67%	0%	33%
21	0%	33%	33%	33%	0%
22	0%	33%	33%	0%	33%
23	33%	33%	0%	0%	33%
24	0%	33%	67%	0%	0%
25	0%	0%	0%	0%	100%
26	0%	0%	33%	0%	67%
27	0%	0%	100%	0%	0%
28	0%	67%	33%	0%	0%
29	0%	33%	33%	33%	0%
30	33%	0%	33%	0%	33%
31	0%	33%	33%	0%	33%
32	0%	33%	67%	0%	0%
33	33%	67%	0%	0%	0%
34	33%	67%	0%	0%	0%
35	33%	67%	0%	0%	0%

APPENDIX 12.3: ASIAN FEMALE RESEARCH RESULTS USING STATISTICAL ANALYSIS

Asian Female - Research results using statistical analysis

Question	Arithmetic Mean	Arithmetic Mean Opinion	Mode	Standard Deviation	Percentage from the mean
1	4.0	Agree	Agree	0.0	0%
2	4.0	Agree	Agree	0.0	0%
3	2.7	Disagree	Agree	1.5	57%
4	3.7	Agree	Agree	0.6	16%
5	2.7	Disagree	Agree	1.5	57%

6	4.0	Agree	Agree	0.0	0%
7	3.7	Agree	Agree	0.6	16%
8	2.3	Strongly Disagree	Disagree	1.2	49%
9	3.3	Disagree	Disagree	0.6	17%
10	2.7	Disagree	Disagree	1.5	57%
11	2.3	Strongly Disagree	Disagree	1.2	49%
12	1.7	Strongly Disagree	Don't Know	1.2	69%
13	2.3	Strongly Disagree	Disagree	1.2	49%
14	4.0	Agree	Agree	0.0	0%
15	4.0	Agree	Agree	0.0	0%
16	3.0	Disagree	Agree	1.7	58%
17	2.7	Disagree	Agree	1.5	57%
18	2.7	Disagree	Agree	1.5	57%
19	4.0	Agree	Disagree	1.0	25%
20	3.0	Disagree	Agree	1.7	58%
21	4.0	Agree	Disagree	1.0	25%
22	2.7	Disagree	Disagree	1.5	57%
23	2.0	Strongly Disagree	Strongly Disagree	1.0	50%
24	3.7	Agree	Agree	0.6	16%
25	1.0	Don't know	Don't Know	0.0	0%
26	2.0	Strongly Disagree	Don't Know	1.7	87%
27	4.0	Agree	Agree	0.0	0%
28	3.3	Disagree	Disagree	0.6	17%
29	4.0	Agree	Disagree	1.0	25%
30	2.3	Strongly Disagree	Strongly Disagree	1.5	65%
31	2.7	Disagree	Disagree	1.5	57%
32	3.7	Agree	Agree	0.6	16%
33	2.7	Disagree	Disagree	0.6	22%

34	2.7	Disagree	Disagree	0.6	22%
35	2.7	Disagree	Disagree	0.6	22%

APPENDIX 13: THE ASIAN RACIAL GROUP RESEARCH RESULTS

APPENDIX 13.1: ASIAN RACIAL GROUP DEMOGRAPHIC RESULTS AS A PERCENTAGE

Asian Racial Group - Demographic results as a percentage

1.1 Gender:

Male 40% Female 60%

1.2 Age:

24 or Under 0% 25-39 80%
 40-49 0% 50 or Older 20%

1.3 Length of Service in the Organization

Less Than 1 Year 0% 1-2 Years 0%
 3-5 Years 20% 6-10 Years 40%
 11- 20 Years 40% 21 Years and Above 0%

1.4 Length of Time Working for current Manager

Less Than 1 Year 20% 1-2 Years 0%
 3-5 Years 80% 6-10 Years 0%
 11- 20 Years 0% 21 Years and Above 0%

1.5 Do you have a tertiary qualification

Yes 80% No 20%
 if yes please answer Question 1.6

1.6 Where was the qualification obtained from

University 50% Technicon 25%
 Business College 0% Technical College 0%

Other 25%

1.7 Your Population Group

African	0%	Coloured	0%
Asian	100%	White	0%

1.8 Population Group of your Manager

African	0%	Coloured	0%
Asian	0%	White	100%

APPENDIX 13.2: ASIAN RACIAL GROUP RESEARCH RESULTS AS A PERCENTAGE

Asian Racial Group - Research results as a percentage

	<i>Strongly Disagree</i>	<i>Disagree</i>	<i>Agree</i>	<i>Strongly Agree</i>	<i>Don't know</i>
1	0%	0%	60%	40%	0%
2	0%	0%	100%	0%	0%
3	0%	20%	60%	0%	20%
4	0%	20%	40%	0%	40%
5	0%	60%	20%	0%	20%
6	0%	0%	100%	0%	0%
7	0%	20%	80%	0%	0%
8	0%	40%	0%	40%	20%
9	40%	40%	20%	0%	0%
10	20%	20%	40%	0%	20%
11	20%	40%	20%	0%	20%
12	20%	40%	0%	0%	40%
13	20%	60%	0%	0%	20%
14	20%	0%	60%	20%	0%

15	20%	0%	80%	0%	0%
16	20%	0%	60%	0%	20%
17	0%	20%	60%	0%	20%
18	0%	20%	40%	20%	20%
19	20%	20%	20%	40%	0%
20	0%	0%	60%	20%	20%
21	20%	20%	20%	40%	0%
22	0%	20%	20%	40%	20%
23	40%	20%	0%	20%	20%
24	0%	40%	60%	0%	0%
25	40%	0%	0%	0%	60%
26	0%	0%	60%	0%	40%
27	0%	0%	80%	20%	0%
28	0%	60%	40%	0%	0%
29	20%	20%	40%	20%	0%
30	60%	0%	20%	0%	20%
31	20%	20%	20%	20%	20%
32	20%	20%	60%	0%	0%
33	40%	40%	20%	0%	0%
34	20%	60%	0%	20%	0%
35	40%	40%	0%	20%	0%

APPENDIX 13.3: ASIAN RACIAL GROUP RESEARCH RESULTS USING STATISTICAL ANALYSIS

Asian Racial Group - Research results using statistical analysis

Question	Arithmetic Mean	Arithmetic Mean Opinion	Mode	Standard Deviation	Percentage from the mean
1	4.4	Agree	Agree	0.5	12%
2	4.0	Agree	Agree	0.0	0%

3	3.2	Disagree	Agree	1.3	41%
4	2.6	Disagree	Agree	1.5	58%
5	2.8	Disagree	Disagree	1.1	39%
6	4.0	Agree	Agree	0.0	0%
7	3.8	Agree	Agree	0.4	12%
8	3.4	Disagree	Disagree	1.7	49%
9	2.8	Disagree	Disagree	0.8	30%
10	2.8	Disagree	Agree	1.3	47%
11	2.6	Disagree	Disagree	1.1	44%
12	2.0	Strongly Disagree	Disagree	1.0	50%
13	2.4	Strongly Disagree	Disagree	0.9	37%
14	3.8	Agree	Agree	1.1	29%
15	3.6	Agree	Agree	0.9	25%
16	3.0	Disagree	Agree	1.4	47%
17	3.2	Disagree	Agree	1.3	41%
18	3.4	Disagree	Agree	1.5	45%
19	3.8	Agree	Strongly Agree	1.3	34%
20	3.6	Agree	Agree	1.5	42%
21	3.8	Agree	Strongly Agree	1.3	34%
22	3.6	Agree	Strongly Agree	1.7	46%
23	2.6	Disagree	Strongly Disagree	1.5	58%
24	3.6	Agree	Agree	0.5	15%
25	1.4	Don't know	Don't Know	0.5	39%
26	2.8	Disagree	Agree	1.6	59%
27	4.2	Agree	Agree	0.4	11%
28	3.4	Disagree	Disagree	0.5	16%
29	3.6	Agree	Agree	1.1	32%
30	2.2	Strongly Disagree	Strongly Disagree	1.1	50%

31	3.0	Disagree	0	1.6	53%
32	3.4	Disagree	Agree	0.9	26%
33	2.8	Disagree	Strongly Disagree	0.8	30%
34	3.2	Disagree	Disagree	1.1	34%
35	3.0	Disagree	Don't Know	1.2	41%

APPENDIX 14: THE PREVIOUSLY DISADVANTAGED INDIVIDUALS RESEARCH RESULTS

APPENDIX 14.1: PREVIOUSLY DISADVANTAGED INDIVIDUALS DEMOGRAPHIC RESULTS AS A PERCENTAGE

Previously Disadvantaged Individuals - Demographic results as a percentage

1.1 Gender:

Male

42%

Female

58%

1.2 Age:

24 or Under

6%

25-39

61%

40-49

17%

50 or Older

17%

1.3 PDI Length of Service in the Organization

Less Than 1 Year

3%

1-2 Years

6%

3-5 Years

36%

6-10 Years

28%

11- 20 Years

17%

21 Years and Above

8%

1.4 Length of Time Working for current Manager

Less Than 1 Year

19%

1-2 Years

19%

3-5 Years

42%

6-10 Years

14%

11- 20 Years

6%

21 Years and Above

0%

1.5 Do you have a tertiary qualification

Yes

58%

No

42%

if yes please answer Question 1.6

1.6 Where was the qualification obtained from

University	29%	Technicon	19%
Business College	29%	Technical College	19%
Other	5%		

1.7 Your Population Group

African	47%	Coloured	22%
Asian	14%	White	17%

1.8 Population Group of your Manager

African	0%	Coloured	0%
Asian	6%	White	94%

APPENDIX 14.2: PREVIOUSLY DISADVANTAGED INDIVIDUALS RESEARCH RESULTS AS A PERCENTAGE

Previously Disadvantaged Individuals - Research results as a percentage

Question	Strongly Disagree	Disagree	Agree	Strongly Agree	Don't know
1	8%	11%	58%	17%	6%
2	8%	31%	47%	8%	6%
3	8%	25%	36%	3%	28%
4	11%	44%	19%	3%	22%
5	3%	14%	36%	19%	28%
6	8%	19%	53%	14%	6%
7	8%	36%	25%	8%	22%
8	3%	36%	31%	11%	19%
9	33%	42%	19%	0%	6%
10	11%	39%	31%	8%	11%
11	3%	28%	33%	17%	19%
12	6%	31%	17%	8%	39%

13	6%	44%	11%	17%	22%
14	11%	47%	31%	3%	8%
15	3%	14%	56%	22%	6%
16	3%	8%	67%	14%	8%
17	0%	11%	61%	22%	6%
18	3%	11%	39%	42%	6%
19	42%	31%	14%	8%	6%
20	17%	19%	44%	3%	17%
21	17%	36%	25%	6%	17%
22	3%	6%	33%	56%	3%
23	8%	22%	39%	17%	14%
24	0%	14%	47%	39%	0%
25	14%	19%	17%	0%	50%
26	3%	3%	42%	6%	47%
27	0%	6%	72%	11%	11%
28	3%	31%	44%	3%	19%
29	6%	25%	53%	14%	3%
30	22%	33%	31%	8%	6%
31	11%	39%	42%	3%	6%
32	17%	25%	44%	6%	8%
33	28%	39%	33%	0%	0%
34	8%	22%	36%	28%	6%
35	19%	39%	22%	8%	11%

APPENDIX 14.3: PREVIOUSLY DISADVANTAGED INDIVIDUALS RESEARCH RESULTS USING STATISTICAL ANALYSIS

Previously Disadvantaged Individuals - Research results using statistical analysis

Question	Arithmetic Mean	Arithmetic Mean Opinion	Mode	Standard Deviation	Percentage from the mean
1	3.7	Agree	Agree	1.0	28%
2	3.4	Disagree	Agree	1.0	30%
3	2.8	Disagree	Agree	1.3	46%
4	2.7	Disagree	Disagree	1.1	41%
5	3.2	Disagree	Agree	1.5	48%
6	3.6	Agree	Agree	1.0	28%
7	2.9	Disagree	Disagree	1.3	44%
8	3.1	Disagree	Agree	1.3	40%
9	2.8	Disagree	Disagree	0.8	31%
10	3.1	Disagree	Disagree	1.1	35%
11	3.3	Disagree	Agree	1.3	41%
12	2.5	Disagree	Don't Know	1.4	55%
13	2.9	Disagree	Disagree	1.3	45%
14	3.1	Disagree	Disagree	0.9	30%
15	3.9	Agree	Agree	1.0	26%
16	3.8	Agree	Agree	1.0	27%
17	3.9	Agree	Agree	0.9	23%
18	4.1	Agree	Agree	1.1	26%
19	2.8	Disagree	Strongly Disagree	1.0	38%
20	3.0	Disagree	Agree	1.2	40%
21	2.9	Disagree	Disagree	1.2	40%
22	4.4	Agree	Strongly Agree	0.9	21%
23	3.4	Disagree	Agree	1.3	38%
24	4.3	Agree	Agree	0.7	16%

25	2.0	Strongly Disagree	Don't Know	1.2	58%
26	2.6	Disagree	Agree	1.6	61%
27	3.7	Agree	Agree	1.1	28%
28	3.1	Disagree	Agree	1.2	38%
29	3.7	Agree	Agree	0.9	24%
30	3.1	Disagree	Disagree	1.0	33%
31	3.3	Disagree	Agree	0.9	28%
32	3.2	Disagree	Agree	1.1	33%
33	3.1	Disagree	Disagree	0.8	26%
34	3.7	Agree	Agree	1.1	31%
35	3.0	Disagree	Don't Know	1.1	37%

APPENDIX 15: THE STEEL MERCHANT RESEARCH RESULTS

APPENDIX 15.1: STEEL MERCHANT DEMOGRAPHIC RESULTS AS A PERCENTAGE

The Steel Merchant - Demographic results as a percentage

1.1 Gender:

Male 55% Female 45%

1.2 Age:

24 or Under 4% 25-39 55%
 40-49 17% 50 or Older 23%

1.3 Length of Service in the Organization

Less Than 1 Year 2% 1-2 Years 4%
 3-5 Years 30% 6-10 Years 36%
 11- 20 Years 15% 21 Years and Above 13%

1.4 Length of Time Working for current Manager

Less Than 1 Year	17%	1-2 Years	19%
3-5 Years	40%	6-10 Years	19%
11- 20 Years	4%	21 Years and Above	0%

1.5 Do you have a tertiary qualification

Yes	62%	No	38%
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if yes please answer Question 1.6

1.6 Where was the qualification obtained from

University	38%	Technicon	17%
Business College	24%	Technical College	17%
Other	3%		

1.7 Your Population Group

African	36%	Coloured	17%
Asian	11%	White	36%

1.8 Population Group of your Manager

African	0%	Coloured	0%
Asian	4%	White	96%

APPENDIX 15.2: STEEL MERCHANT RESEARCH RESULTS AS A PERCENTAGE

The Steel Merchant - Research results as a percentage

	<i>Strongly Disagree</i>	<i>Disagree</i>	<i>Agree</i>	<i>Strongly Agree</i>	<i>Don't know</i>
1	6%	11%	60%	19%	4%
2	9%	28%	53%	6%	4%
3	6%	28%	40%	2%	23%
4	9%	49%	23%	2%	17%
5	2%	13%	40%	23%	21%
6	9%	17%	53%	17%	4%

7	6%	32%	34%	11%	17%
8	4%	30%	34%	13%	19%
9	32%	43%	21%	0%	4%
10	11%	32%	34%	11%	13%
11	2%	28%	36%	17%	17%
12	4%	36%	13%	6%	40%
13	6%	43%	17%	15%	19%
14	11%	45%	36%	2%	6%
15	2%	15%	60%	19%	4%
16	2%	9%	66%	15%	9%
17	0%	15%	57%	23%	4%
18	2%	9%	49%	36%	4%
19	34%	32%	21%	9%	4%
20	15%	15%	53%	2%	15%
21	13%	28%	34%	11%	15%
22	2%	4%	38%	53%	2%
23	11%	30%	36%	13%	11%
24	0%	11%	49%	40%	0%
25	19%	26%	13%	2%	40%
26	2%	2%	49%	11%	36%
27	0%	9%	70%	13%	9%
28	6%	36%	40%	2%	15%
29	9%	32%	45%	13%	2%
30	17%	30%	36%	13%	4%
31	11%	32%	47%	6%	4%
32	15%	23%	49%	6%	6%
33	23%	43%	32%	0%	2%
34	13%	28%	32%	21%	6%

35	19%	43%	23%	6%	9%
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APPENDIX 15.3: STEEL MERCHANT RESEARCH RESULTS USING STATISTICAL ANALYSIS

The Steel Merchant - Research results using statistical analysis

Question	Arithmetic Mean	Arithmetic Mean Opinion	Mode	Standard Deviation	Percentage from the mean
1	3.8	Agree	Agree	1.0	25%
2	3.5	Disagree	Agree	1.0	28%
3	2.9	Disagree	Agree	1.2	42%
4	2.9	Disagree	Disagree	1.0	37%
5	3.4	Disagree	Agree	1.4	42%
6	3.7	Agree	Agree	1.0	27%
7	3.1	Disagree	Agree	1.2	39%
8	3.2	Disagree	Agree	1.3	41%
9	2.8	Disagree	Disagree	0.8	29%
10	3.2	Disagree	Agree	1.2	37%
11	3.3	Disagree	Agree	1.3	39%
12	2.4	Strongly Disagree	Disagree	1.3	55%
13	3.0	Disagree	Disagree	1.3	42%
14	3.2	Disagree	Disagree	0.9	28%
15	3.9	Agree	Agree	0.9	23%
16	3.8	Agree	Agree	1.0	27%
17	4.0	Agree	Agree	0.9	22%
18	4.1	Agree	Agree	1.0	23%
19	3.0	Disagree	Strongly Disagree	1.0	35%
20	3.1	Disagree	Agree	1.2	37%
21	3.1	Disagree	Agree	1.2	39%

22	4.4	Agree	Strongly Agree	0.8	19%
23	3.3	Disagree	Agree	1.2	35%
24	4.3	Agree	Agree	0.7	15%
25	2.2	Strongly Disagree	Don't Know	1.2	54%
26	3.0	Disagree	Agree	1.6	53%
27	3.8	Agree	Agree	1.0	26%
28	3.1	Disagree	Agree	1.1	35%
29	3.6	Agree	Agree	0.9	25%
30	3.4	Disagree	Agree	1.1	31%
31	3.4	Disagree	Agree	0.9	27%
32	3.3	Disagree	Agree	1.0	31%
33	3.0	Disagree	Disagree	0.8	27%
34	3.5	Disagree	Agree	1.2	33%
35	3.0	Disagree	Don't Know	1.0	34%

APPENDIX 15.4: THE BUSINESS UNIT CONTRIBUTION TOWARDS THE STEEL MERCHANT'S SAMPLE

<i>The Business Unit Contribution towards the Steel Merchant's Sample</i>				
<i>Business Unit:</i>	White Male	White Female	Black Male	Black Female
Macsteel Bright Bar				
Macsteel Coil Processing				
Macsteel Exports			2%	
Macsteel Flanges				
Macsteel Fluid Control				2%
Macsteel Head Office		2%	2%	
Macsteel Roofing				
Macsteel Special Steels	4%			2%
Macsteel Trading	2%		9%	2%
Macsteel Tube & Pipe			4%	

Macsteel VRN	17%	11%	4%	9%
	23%	13%	21%	15%
	Coloured Male	Coloured Female	Asian Male	Asian Female
Macsteel VRN	6%	11%	4%	6%
	6%	11%	4%	6%
	Total		Total Male	Total Female
Macsteel Bright Bar				
Macsteel Coil Processing				
Macsteel Exports	2%		2%	
Macsteel Flanges				
Macsteel Fluid Control	2%			2%
Macsteel Head Office	4%		2%	2%
Macsteel Roofing				
Macsteel Special Steels	6%		4%	2%
Macsteel Trading	13%		11%	2%
Macsteel Tube & Pipe	4%		4%	
Macsteel VRN	68%		32%	36%
	100%		55%	45%

APPENDIX 15.5: THE STEEL MERCHANT'S REGIONAL CONTRIBUTION TO THE SAMPLE

<i>The Steel Merchant's Regional Contribution to the Sample</i>				
Branch/Geographic Region:	White Male	White Female	Black Male	Black Female
Eastern Cape				
Free State	2%		2%	
Gauteng	19%	13%	17%	13%
Kwazulu Natal				
Limpopo				
Mpumalanga			2%	
Northern Cape				
North West	2%			2%
Western Cape				
	23%	13%	21%	15%

	Coloured Male	Coloured Female	Asian Male	Asian Female
Eastern Cape		2%	2%	
Free State				2%
Gauteng	6%	4%		
Kwazulu Natal			2%	4%
Limpopo				
Mpumalanga				
Northern Cape				
North West				
Western Cape		4%		
	6%	11%	4%	6%
	Total		Total Male	Total Female
Eastern Cape	4%		2%	2%
Free State	6%		4%	2%
Gauteng	72%		43%	30%
Kwazulu Natal	6%		2%	4%
Limpopo				
Mpumalanga	2%		2%	
Northern Cape				
North West	4%		2%	2%
Western Cape	4%			4%
	100%		55%	45%

APPENDIX 15.6: HIERARCHAL LEVEL OF THE SAMPLE

Hierarchal Level of the Sample				
Hierarchal Level: M2,M3, M4 or M5	White Male	White Female	Black Male	Black Female
Level 2	11%			
Level 3	11%	2%	4%	
Level 4	2%	9%	9%	
Level 5		2%	9%	15%
	23%	13%	21%	15%
	Coloured Male	Coloured Female	Asian Male	Asian Female
Level 2			2%	
Level 3	2%			
Level 4		4%	2%	2%

Level 5	4%	6%		4%
	6%	11%	4%	6%
	Total		Total Male	Total Female
Level 2	13%		13%	
Level 3	19%		17%	2%
Level 4	28%		13%	15%
Level 5	40%		13%	28%
	100%		55%	45%

APPENDIX 15.7: IN ADMINISTRATIVE POSITIONS

<i>In Administrative Positions</i>			
White Male	White Female	Black Male	Black Female
0%	17%	20%	86%
Coloured Male	Coloured Female	Asian Male	Asian Female
33%	60%	0%	100%
Total		Total Male	Total Female
34%		12%	62%
		19%	81%
<i>Women occupy 62% of their jobs in Admin Roles</i>			
<i>Women occupy 82% of all Admin Jobs</i>			