

COMMUNICATION AND STRATEGIC HUMAN RESOURCES  
DEVELOPMENT AS PART OF CULTURE ESTABLISHMENT IN  
A HEAVY MINERALS INDUSTRY

*(A study of the impact of an integrative learning philosophy on organisational  
culture as part of organisational development)*

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## ABSTRACT

### COMMUNICATION AND STRATEGIC HUMAN RESOURCES DEVELOPMENT AS PART OF CULTURE ESTABLISHMENT IN A HEAVY MINERALS INDUSTRY

*(A study of the impact of an integrative learning philosophy on organisational  
culture as part of organisational development)*

According to Grobler, *et al* (2005:315) organisational learning is a characteristic of an adaptive organisation, i.e. an organisation that is able to sense changes in signals from its environment (both internal and external).

One of Ticor South Africa's<sup>1</sup> (TSA) corporate values is to be a learning organisation. This implies that the organisation actively creates, captures, transfers and mobilises knowledge which enables it to adapt to a changing environment. TSA utilise an interactive learning strategy. This strategy enabled positional competence which ensures that individuals are empowered to carry out their jobs.

The learning strategy implemented utilises strategic human resources in development and learning management. Its foundation and supports a philosophy of organisational culture. This study focuses on the field of organisational communication that includes management. The study describes the psychology, attitudes, experiences, beliefs and values (personal and cultural values) of an organisation.

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<sup>1</sup> Ticor South Africa is now referred to as Exxaro KZN Sands.

With the split in the Kumba Resources in November 2006. Ticor South Africa formed part of a new Mining conglomerate Exxaro Resources ( Merger of Kumba & Eyesizwe) is the largest South African-based diversified resources company, with interests in the coal, mineral sands, base metals, industrial minerals and iron ore commodities KZN Sands has a permanent workforce of 650 permanent employees.

The Wikipedia website (2009:[http://en.wikipedia.org/wiki/Organisational\\_culture#cite\\_note-hill\\_iones-0#cite\\_note-hill\\_iones-0](http://en.wikipedia.org/wiki/Organisational_culture#cite_note-hill_iones-0#cite_note-hill_iones-0))

states that it deals with a specific collection of values and norms that are shared by people and groups in an organisation. It controls the way they interact with each other and with stakeholders outside the organisation.

In any new dynamic organisation the diverse background of a new workforce and their cultural differences creates a purist culture. This also adds to the implementation of the organisation's vision. Diverse cultures traditionally impact on the implementation of the learning strategy, this hamper cultural competence.

The first part of this study examines the establishment of a new heavy minerals mine in a quasi rural area; this is then followed by a short study of what is viewed as best practices in terms of organisational development.

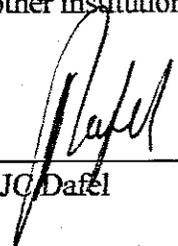
Subsequent chapters deal with the construction and implementation of an integrative learning strategy which not only addresses strategic human resources development but also on site learning management.

The penultimate chapter's looks at two culture surveys which the author designed and conducted in 2004/5, as well as a safety climate culture survey 2005 and an organisational culture analysis 2006. This was conducted in conjunction with a on-site consultant.

The findings of said surveys provided a pattern which substantiated the conclusion and recommendations obtained from the quantitative research methodology used.

## ETHICAL STATEMENT BY RESEARCHER

With the signature below I, Jacobus Christian Dafel, hereby declare that the work that I present in this thesis is based on my own research, and that I have not submitted this thesis to any other institution of higher education to obtain an academic qualification.

  
\_\_\_\_\_  
JC Dafel

*14 August 2009*  
\_\_\_\_\_  
Date

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## LIST OF ACRONYMS

- AIDS: Acquired Immune Deficiency Syndrome
- BSI: Business Standards Institute
- CEO: Chief Executive Officer
- EAP: Employee Assistance /Wellness programmes
- ERG: Economic Reference Groups
- GIBS: Gordon Institute of Business Science
- HIV: Human Immunodeficiency Virus
- HR: Human Resources
- HRD: Human Resources Development
- IDP: Individual Development Plan
- IHM: Iscor Heavy Minerals
- IR: Industrial Relations
- MBA: Masters in Business Administration
- MBL: Masters in Business Leadership
- MDP: Management Development Programme
- MEM: Masters in Engineering Management
- MPRDA: Mineral and Petroleum Resources Development Act
- NUM: National Union of Mineworkers
- OBOF: Our Business Our Future
- OD: Organisational Development
- PMC: Performance Management Contract

**RBM: Richards Bay Minerals**

**SHRD: Strategic Human Resources Development**

**SLP: Service Level Protocol**

**TQM: Total Quality Management**

**TSA: Ticor South Africa**

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## Chapter 1

### ORIENTATION

#### INTRODUCTION

Ticor South Africa, hereafter referred to as TSA, was required to get a competent workforce over a short period of time. This enable the company to compete against established organisations in the international markets. Developing and implementing a learning strategy as part of culture establishment within the South African mining company was crucial for start-up as well as the sustainability of the mine's human capital. The learning strategy not only addressed strategic human resources development, but also dealt intensively with learning management.

As a new organisation, traditional models such as the "Lewin's change model" was outmoded. According to Smit, *et al* (2004:222) Lewin's change model has 3 stages; unfreezing current behaviour; changing behaviour and refreezing behaviour. The change model was thus not applicable and would have made organisational culture establishment problematic.

The diverse background of the new employee workforce and their cultural differences created a purist culture which is inhibit the implementation of a vision of a common organisation. Diverse cultures further impacted the implementation of a learning strategy. The learning strategy thus had to not only address employee's competencies but also look at culture establishment/communication interventions which alters individual's values in founding a singular organisational culture.

Every organisation has its own unique personality, which is known as corporate culture. "When I was in..."; is a phrase often used by subject matter experts on site in an new organisation, thus implying that they applied benchmark/best practices in his previous employ.

The following main organisational cultures came to the fore, namely: Iscor/Kumba culture, Heavy minerals culture, focus here is on ex Namakwa Sands and Richards Bay Minerals staff, Umhlatuze culture, and Australian culture.

Every organisation has a particular culture, which like a person's personality comprises set of beliefs and value systems shared by people in an organisation.

The function of the leader in the culture establishment process is vital. TSA has had 4 name changes and 5 CEO's in 5 years. Each CEO had his own operating philosophy and in some instances the culture differences were poles apart. The phase of operational stabilisation also varied. This implied operational implications which also impact on the relevant CEO's behavioural patterns.

Australian management styles were also not always applicable within the South African cultural context. A statement which one of the Australian CEO's propagated namely- "if its to be, its up to me" --"Steve Wickham CEO in 2004". This statement is in direct conflict with African culture which has strong socialistic basis. He immediately alienated more than 60 percent of his workforce with the organisational culture which he wanted to drive in the organisation.

The average age of employees in TSA is 27 years with the oldest employee being 56 years. The heavy minerals industry is specialized and employers are very protective towards their employees.

Critical positions are earmarked with monetary allowances in order to make it more difficult for specialist to leave. Iscor per say, the founder company had pre-dominantly non heavy minerals specialists in its top structure and therefore had to recruit selectively to attain the knowledge needed for the operations.

tannenbaum and Schmitt (1958:95) state that these recruited employees formed a core of peer educators, which transfers their skills to the other "new" employees. The other new employees were recruited from the Umhlatuze region (60%) and were predominantly young school leavers, hence the organisational average age of 27.

Generally employers expect young people to arrive with a core set of basic knowledge and the ability to apply their skills in the workplace, but in reality this was not forthcoming.

TSA as a green fields operation was given the opportunity to create their own leadership style and it was not tied to preconceived ideas.

TSA had five CEO's in five years. There were various reasons for this, one being constant changing of shareholding.

The leadership styles used by the TSA CEO's were based on a combination of their personal beliefs, values and preferences as well as own preferential organisational culture and norms.

Each CEO utilised a different leadership style in his relevant leadership period; these were:

- Participative,
- Situational,
- Transactional,
- Charismatic and
- Transformational leadership styles.

Cornerstone Values - are principles that are consistent, universal and trans-cultural, and they inform and direct our behaviour and attitudes especially within an organisational environment. TSA implemented eight values.

The common storyline is that organisational values form the foundation of an organisation and support the organisation culture. Thus the base of organisational culture/attitude is established on a strong value base.

The first part of the study looks at the establishment of a new heavy minerals mine in a quasi rural area, this is then followed by a short study of what is viewed as best practices in terms of organisational development.

Subsequent chapters deal with the construction and implementation of an integrative learning strategy which not only addresses strategic human resources development, but also learning management on site.

The penultimate chapter's looks at two culture surveys which I designed and conducted in 2004/5, as well as a safety climate culture survey 2005, and an organisational culture analysis 2006, done by a consultancies on site.

## **LITERATURE SURVEY**

The learning philosophy designed and implemented in 2003 had to cater for a unique phase in the formation of the organisation. Robbins, *et al* (2005:416) refers to writer Peter Senge whom in his book "The fifth discipline" constantly made reference to the "learning organisation." One of the key factors in the design of the TSA learning philosophy was adherence to the concept of a learning organisation. This is inherently displayed in the following fundamental Organisational Development (OD) tenets; namely:

- Flat organisational structure.
- Open communication.
- Teamwork.
- Empowerment.
- Inspired leadership.
- Innovation and change.
- Shared vision.
- Systems approach.
- Job satisfaction and commitment.
- People oriented.
- External and internally focused.
- Technology driven.
- Customer oriented.
- Helps to shape the organisations culture.

Flanagan (1993:9-15) states that great care must be taken to integrate these tenets into the learning philosophy, which resulted in a system.

I will investigate how the learning philosophy is benefiting the community and organisation. Part of this study will also particularly focus on the best practices in terms of organisational development.

This study will be followed by an empirical, qualitative safety survey as well as a quantitative corporate climate survey which will measure the temperature of organisational climate on site.

### **CRITICAL QUESTIONS TO BE ANSWERED**

- Problem 1: Does Learning management impact on organisational culture?
- Problem 2: Does strategic human resources development impact on organisational culture?
- Problem 3: Does organisational culture impact on safety?

### **OBJECTIVES OF THE STUDY**

The objectives of this thesis are:

- To design and implement an integrative learning philosophy.
- To investigate organisational culture.
- To quantify the advantage of strategic human resources development within a South African mining house.
- To measure and analyse organisational climate on site.

## **THEORETICAL ARGUMENTS**

In conceptualising this study, the theoretical approach will define the learning strategy model. This will not only address learning management but also provides a clear strategic human resources development model.

The learning strategy functioned in a relatively flat structured organisation and I am of the opinion that it would even be more effective in any smaller or larger operation.

The learning strategy implemented not only focuses on the development of employees which work in the company, but also look at the society around the mine. This typifies a strategic human resources development organisation versus the traditional human resources development organisation HRD, which is internally focused.

This study provides the basis for evaluating the effectiveness of our existing organisation's corporate culture and the impact that the learning strategy had on it.

## **RESEARCH METHODOLOGY**

This research will consist of a qualitative as well as a quantitative component. The qualitative phase will report on the content of the communication and safety surveys done on site.

The organisational culture climate surveys used quantitative, empirical surveys and helped a lot in establishing the viewpoint of illiterate employees on the mine. Using a questionnaire made the capturing of data easier and the data analysis was developed Microsoft Excel spread sheet.

## **VALUE OF RESEARCH**

This research will assist any future mining company or a large corporate company which can easily establish a competent workforce in a record time. This is especially valuable within a South African context as it caters for the diverse African culture.

A further implication of this study is that organisations seeking to improve employee competence and strategic human resources development. The study also deals with the need to develop a greater awareness of the processes and strategies of organisational learning.

The importance of communication and communication systems cannot be over stressed in this processed. Communication can build or destroy an organisational culture.

## **OVERVIEW OF THE STUDY**

In chapter two I will focus on the following:

- **TSA background:** How the company was founded and developed.
- **TSA company profile:** This aspect deals with the description of the company profile, its shareholding and its assets.
- **TSA strategy:** I will outline the strategy and its effectiveness.
- **Sustainability:** I survey how TSA approaches its business to meet its needs of the present, without compromising the ability of future generations to meet their own needs.
- **Location:** Organisational setting, deposits and future expansion opportunities:
- **Products:** Production products and what they are used for.
- **Markets:** Local/international existing and future markets.

In the third chapter, I will outline organisational development and investigate theories which underline this very important aspect in the establishment of an effective organisational culture and communication structure.

This chapter will also deal with developmental human resources such as; succession planning, career parting, individual development plans and job descriptions. Special

focus in terms of organisational communication structure will be on the theory of the “Leavitt experiment”.

The last part of chapter three is of a very theoretical nature and will deal with organisational leadership approaches. I will look at Afro-centric philosophies in terms of leadership.

As with all organisations TSA has followed the traditional lifecycle process described by Nelson (2000:354) as the organisational life cycle. Organisational life cycles begin at birth, move through growth and maturity and ultimately decline or experience re-growth. We are currently into transition from the growth to the maturity phase of the life cycle process.

TSA was constructed and commissioned in what seems a “record time.” Complex projects facilitate new ways of learning and management as these form is an essential part of the success of such a project. Thus the life cycle was shortened Mulrooney (1995:4).

In chapter four, I defined the key concepts of my study namely a learning philosophy which I designed and implemented in TSA. Some parts of the model I could not implement due to corporate governance, as TSA forms part of a world class organisation, these parts not implemented, where in most instances dealt with an alternative methodology by corporate HR procedure.

The total Learning Strategy at TSA was implemented into this Greenfields operation in 2003, which not only addressed the skills development, but also integrated SHRD as part of the process of getting a competent workforce in place in a short space of time.

Diverse cultures and a very young and inexperienced workforce (average age of 27 years) further impacted upon the implementation of the learning strategy.

According to Kotter (1990:103) the learning strategy not only addressed employee’s competency but also looked at culture establishment interventions. This strategy was to

alter individual's values in founding a singular organisational culture, making learning management extremely effective as part of a comprehensive career development system

In chapter five, reports on the quantitative surveys that I engaged in. The design of questionnaires, conducting research and analysing the data using excel spreadsheets. It must be noted that I not only analysed my own surveys, but also further analysed consultant generated surveys to quantifying the findings from my own surveys. Traditionally, culture has been assessed by qualitative methods.

However it's the quantitative approaches such as culture surveys offer important advantages for both cross-sectional organisational research and knowledge-based cultural change initiatives. The feedback variants we received from employees whom are on various levels in the organisation clearly illustrated this.

In chapter six, the final chapter, the author presents conclusions and recommendations regarding the thesis and findings from the thesis which is not only useful in the mining sector but to industry in general. In short it could be viewed as the confirmation of the "abstract" with attached solutions.

The learning strategy empowers managers to create workshops whereby all the problem and improvement areas in terms of communication and culture establishment is identified and a project plan put in place. Groups can be engaged on stop/start programs and the projects driven hard with a visible approach.

In order to ensure that all the people within the organisation takes ownership of the intervention programme, everyone in the organisation is invited to share power. Everyone proposes Stops and Starts, everyone collaboratively decides which of these are to be applied throughout the organisation, and everyone collaboratively decides how the results of their implementation will be measured. By accepting this collaborative approach the employees will set changes of practices, policies, procedures, perceptions and personal preferences in motion and Ticor South Africa will grow as an organisation.

## **CONCLUSION**

It's the intent that the conclusions and recommendations regarding entrenchment of a learning strategy will not only impact on the organisations strategic human resources development/learning management, but also on the establishment of organisational culture and enhance organisational communication in TSA.

The learning philosophy which was implemented helped tremendously in leadership and organisational development. It is my opinion that if this methodology was to be established in a stabilized organisation its effects would be much more noticeable than the case in TSA as it was in the construction phase when implemented.

In the next chapter the author will discuss the organisational setting, as it provides the backdrop against which this study was done and the organisational setting in which the learning strategy was implemented. The fact that TSA is a new company was still in the forming phase of operational/team development, which provided unique challenges in terms of organisation climate.

## *Chapter 2*

### THE SETTING OF TICOR SOUTH AFRICA.

#### **INTRODUCTION**

In this chapter I will look at the formation of TICOR South Africa. The detailed feasibility study for IHM Heavy Minerals Project was commissioned by Iscor in 1995. This study formed the basis of a detailed engineering and design phase that started in November 1996. This led to further work being ordered to improve the economic feasibility of the project. Site preparation work on Hillendale mining site and the central process was completed in 1998.

In October 1998 the Iscor Board decided not to proceed with the development of the IHM project due to the adverse interest rates. During November 1999, the Iscor Board approved the implementation of the IHM Heavy Minerals project based on the commissioning of Hillendale mine and the Mineral Separation Plant at Empangeni. After the construction of the smelting facilities at Empangeni came the *finalisation of the equity participation and commercial arrangements.*

The project was officially announced during March 2000. TSA was launched on the 5 September 2001 after the major shareholders agreed.

Ticor South Africa website (2006:<http://www.ticor-sa.com>) states that the mine and mineral separation plant completed commissioning in 2001, produced limonite, zircon and rutile. The construction of the smelter was announced in August 2001, with the first furnace and down stream process successfully commissioned during 2003. Eventually, TSA will produce 250,000 tones of titanium slang and 140 000 tones of low manganese pig iron per year. Mineral sands are a term used to refer to deposits of heavy minerals, such as ilmenite, zircon, rutile, leucoxene and monazite. The igneous rocks such as granite and basalt, have weathered to release the heavy minerals.

Mineral sands deposits are usually found in strands along old coastal regions, where weathering and erosion have separated the lighter minerals and have formed concentrated ore bodies. The Richard's Bay reserves amount to some of the largest in the world.

## **COMPANY PROFILE**

TSA encompasses a 3 billion rand investment in the mining, refining and smelting of mineral sands, to produce titanium slag - the company's main product. TSA is comprised of Kumba Resources Ltd, a JSE limited company that own 60%, with the other 40% owned by Ticor Ltd a publicly listed Australian Company.

### ***Strategy:***

The vision of TSA is to be the benchmark in the heavy minerals industry. The strategic focus is on sustainability, international competitiveness, optimizing current operations and proactively seeking value-adding initiatives to improve the business.

### ***Sustainability:***

Keeping in line with the Bundling Commission's definition of sustainable development, the company approached its business in a way that helps meet the needs of the present, without compromising the ability of future generations to meet their own needs. TSA is striving to meet the expectations of all stakeholders and maintain quality of life for future generations by integrating economic development with environmental and social activities.

### ***Location:***

TSA's Hillendale mine and Empangeni's Central Processing Complex are based in KwaZulu-Natal, while other future high grade mineral sands deposits are located at Fairbreeze, also in KwaZulu-Natal and Gravelotte in the Limpopo Province. In total TSA has reserves of more than 16 million tones of valuable heavy minerals.

***Products:***

Finished products are utilized in various manufacturing applications: zircon for the manufacture of ceramics and tiles, rutile in the coating of welding rods or the production of titanium metal, titanium slag is utilized to produce titanium dioxide (TiO<sub>2</sub>) pigment for the paper, paint and plastics industries, low manganese pig iron is used in the foundry industry.

***Markets:***

TSA is a new entrant into the global market, having already built a good reputation with its customers. The focus is on development and managing marketing assets, rather than market share. This is coupled with the testing of marketing strategies in terms of shareholder. The company's approach to customer relations is founded on the notion of intimate, individualised service that meets the unique requirements of each customer. The focus is to create shareholder value on the basis of strong relationships with valued customers.

**CORPORATE SOCIAL INVESTMENT AND IMPACT ON THE ENVIRONMENT**

TSA acknowledges the fact that it has a crucial role to play in supporting sustainable development and assisting in building prosperous societies.

Within this context the company has made a firm commitment to sustainable development. The triple bottom line reporting and the socio-economic transformation of the mining industry as defined in the guidelines and regulatory requirements of the Mineral and Petroleum Resources Development Act and the Mining Charter. Corporate social investment initiatives, managed as an integral part of the business, are tangible evidence of this commitment and reflect directly on the company's value. The focus of social programmes is to promote sustainable development in communities in education, health, skills, business development planning and practices.

Much has been achieved within the community development programmes in the areas of education, health, skills development and business development. Highlights of the programmes in 11 rural high schools, the Bayethe Aids awareness programmed in partnership with the Zulu Monarch, King Goodwill Zwelithini, their technicians-in-training programmed and the Obenjeni project for the disabled. Wherever we work, we are part of a local community, and are constantly looking for appropriate ways to contribute to the general well being of the community and broader societies who grant us the license to operate.

Caring for the environment is a cornerstone upon which we manage our business, be it in the operations or in the community at large. Programmes that address soil conservation and how to take care of the environment comprise a large portion of TSA'S social responsibility programmes.

The Social and Labour Plan (SLP) - Compliance to the mining charter is paramount for mining rights. One aspect of the mining charter being the Social and Labour Plan which assists mines in terms of a guideline to provide the necessary skills and social development required by the mining charter.

A Social and Labour Plan (SLP) is in essence a compilation of the social and labour measures to be undertaken by every mine, in terms of the Mineral and Petroleum Resources Development Act (MPRDA), for the life of the mining right. It is of paramount importance that the SLP complies with government requirements, mine policy and stakeholder expectations, and is able to be implemented during the life of the mine. What makes it different is that of significant consideration is the role of core business. Contracting companies in terms of their contribution and compliance to the provisions of the SLP in place at the employing mine.

The MPRDA clearly indicates that employees of contracting companies should be treated the same as the mine's own employees. This places a substantial onus on the contractors concerned, not only to contribute to the compilation of the mine's SLP but to comply and report therein during the life of their contract. In turn, responsibility lies with the mine to

ensure their contractors are not only complying with the provisions as laid out in their document but to demonstrate that the relevant plans are in place to meet targets and policy objectives as well as report on the results there of.

In TSA, short as well as and long term contractors receive exactly the same training and development. The workplace skills plan, equity plan, and corporate social development are included in the SLP and as such integrate all the reports.

## **CONCLUSION**

In this chapter I outlined the background overview of TICOR South Africa. The next chapter looks at organisational development in general; this provides a framework to measure against, in terms of the learning philosophy implemented in chapter four.

## *Chapter 3*

### ORGANISATIONAL DEVELOPMENT

#### **INTRODUCTION**

In this chapter I will outline the organisational development in general at TSA. Tigor South Africa as with most large organisations followed the traditional lifecycle process described by Nelson (2000:354) as the organisational life cycle. Organisational life cycles begin at birth, move through growth and maturity and ultimately decline or experience re-growth.

TSA was constructed and commissioned in what seems a “record time.” Complex projects facilitate new ways of learning and management as these form is an essential part of the success of such a project. Thus the lifecycle was shortened (Mulrooney (1995:4).

When a new organisation is created the structure is informal and organic. As it grows it becomes more specialised and formalised. TSA had different CEOs in the various phases of its organisational life cycle.

Morgan (1986:46-48) maintains that organisations are complex social systems and identified eight different perspectives in viewing an organisation namely Machines, Organisms, Brains, Cultures, Political systems, Psychic prisons, Flux, Transformation and Instruments of domination.

Machines – suggest that organisations can be designed as if they are machines with orderly relations between clearly defined parts. This form of bureaucratic structure provides form, continuity, and security. It does however limit development of human capability and functions well in a stable and protected environment.

Organisms – the organisation is seen as behaving like a living system, similar to a biological mechanism, adapting to changing environments. Organisations operating within a turbulent and dynamic environment require an adaptable structure.

Brains – viewing organisations as brains involves thinking about the organisation as inventive and rational, and in a manner that provides for flexibility and creative action. The challenge therefore is to create new forms of organisation capable, of intelligent change and endowed with brain like capacities.

Cultures – organisations are seen as complex systems made up of their characteristic sets of ideology, values, rituals and systems of belief and practice. Attention to specific aspects of social development helps to account for variations among organisations.

Political systems – organisations are intrinsically political as they create order and direct people. They are about authority, power, superior, subordinate relationships and conflicting interests. Viewing organisations as political systems helps in an understanding of day-to-day organisational life, wheeling and dealing, and the pursuit of special interests.

Psychic prisons – viewing organisations as psychic prisons provides an understanding of the reality and illusions of organisational behaviour. This is sustained by conscious and unconscious processes, organisations and their members begin constrained by their shadows or ‘psychic prisons’ becoming trapped by constructions of reality. Their inherited or created mystical past, places constraints on the representation of the organisation to the outside world.

Flux and transformation – the universe is in a constant state of flux, embodying characteristics of both permanence and change. Organisations too can be seen to be in a state of flux and transformation. In order to understand the nature and social life of organisations, it is necessary to understand the sources and logic of transformation and change.

Instruments of domination – organisations are associated with processes of social domination, with individuals and groups imposing their will on other, a feature of organisations that results in the pursuit of goals of a few through the efforts of many. Organisations are best understood in terms of variations in the mode of social domination and control of their members.

The eight different perspectives in viewing an organisation provide a broader view of the dynamics of organisational behaviour and management design. An organisation can be a mix of perspectives, and predominantly two or three. These combinations may change over time

### **ORGANISATIONAL CONTROL**

Mullins (1996:592) states that control is a general concept which is applied to both individual behaviour and organisational performance.

Control from an individual point of view provides the motivation to achieve standards and for the development of said individual.

At organisational level, management need to exercise “control” over the behaviour and actions of staff in order to ensure satisfactory levels of performance. Thus, the whole purpose of management control is the improvement in performance at both the individual and organisational level Mullins (1996:593).

Control is the process through which management ensures that all the organisational resources are meaningfully deployed so that the mission and objectives of the organisation can be attained. An example of this type of control implies a process of four steps (Smit and Cronje 2004:401). The process includes setting standards against which actual performance can be measured, measuring actual performance, evaluating any deviations that might occur, and taking steps to rectify deviations.

## CONTROL STRATEGIES

Control can be seen the final component of the management process. Smit and Cronje (2004:397) support this thinking by stating that “control” implies that the behaviour of individuals can be influenced in the course of activities and events. Managements function therefore is to ensure that the actual activities fit in with the predetermined objectives and activities of the organisation, hence the need for control strategies.

A number of writers have attempted to outline possible variations in employer control strategies as a corrective to an un-dimensional view. Friedman (1977:85) suggested two types of strategy which managers use to exercise control, each resulting in quite different types of employment relationship. These are termed Direct Control and Responsible Autonomy.

*Direct Control*, as the name suggests, implies a closely supervised coercive low-trust employment relationship, whereas some employers adopt a *Responsible Autonomy* high-trust strategy to give employees more freedom, thus encouraging the flexibility in situations where this is seen to be necessary for the success of the enterprise. It may appear paradoxical that a *Responsible Autonomy* strategy is a control strategy but nevertheless, as Friedman (1977:85) argued. . .

“The loosening of top managers’ direct control over workers’ activity in order to reduce worker resistance may increase management control over productive activity as a whole” Friedman (1977:84).

Friedman’s ideas can be connected with the ideas of capitalism developing a dual labour market - a central core of permanent workers who provide the high level skills and flexibility, rewarded with security of tenure, “progressive” employment policies and for whom a *Responsible Autonomy* approach was desirable; and a peripheral’ group of workers who form a “reserve army” of labour to be employed in insecure jobs with poor pay and conditions for whom a *Direct Control* strategy is necessary.

Edwards (1979) outlines three main means of employer control. The first is analogous to Friedman's Direct Control, where the control is direct, arbitrary, and personal. What is of interest, however, is that the other two types of control are much less visible than Direct Control and thus more difficult to oppose. "Technical" control is typified by the assembly line and, ". . . involves designing machinery and planning the flow of work to minimize the problem of transforming labour power into labour as well as to maximize the purely physically based possibilities of achieving efficiencies" (Edwards 1979:112).

"Bureaucratic control" consists of the structure of the organisation, its division of labour, work rules, promotion procedures, discipline, wage scales, etc. As such it establishes the impersonal force of "company policy" as the basis for control. The picture of the employment relationship which emerges from this "critical" sociological perspective can be summarized as follows:

- The relationship is inherently antagonistic and adversarial (i.e. it is a major location of class struggle), based on a market relationship of purchase and supply of labour.
- One of its central features is the notion of control: the employer tries to impose control, the worker attempts to resist it.
- There is a wide variation in employer strategies and thus employment relationships; this arises because of differences in contextual factors for the organisation and also because of differences in the nature of the workforce and its ability to influence the conditions of their employment.

## **EMPLOYEE RELATIONS**

Mullins (1996:646) states that traditionally "industrial relations" is associated with institutions and rules pertaining to employment, and in particular with activities of trade unions and their officials, trade unions being seen to promote the interests of their members. Management, on the other hand, look after the interests of the shareholders.

Employee relations broadly defined is concerned with the relationships between the policies and practices of the organisation and its staff, and the behaviour of work groups.

Employee relations within the South African context consist of two main components, namely Industrial Relations (IR) and Employee Assistance /Wellness programmes (EAP). IR has its main focus the alignment of the individual, with the company and EAP is geared to assist with the retention of employees, a human resources strategy of involvement and partnership would support a corporate strategy of innovation (Foot and Hook 2005:36).

The nature and content of an employee relations policy is influenced by factors such as:

- Structure and methods of operations
- The type, nature and size of the organisation
- The nature of staff employed
- Arrangements for collective bargaining
- The structure and strength of the trade unions
- The philosophy of top management and their attitudes toward the management of *employee relations*.

For employee relations to work it is necessary to take account of the institutions, parties, ideologies, and motives in the organisation (Mullins 1996:646). This is why in TSA the Industrial relations (IR) and Employee Assistance/Wellness programmed (EAP) are managed by one specialist on site.

Industrial relations (IR) - in terms of legislation there are numerous acts, which come into play, e.g. the Basic Conditions of Employment act, and the Labour Relations act. It is not the intention of thesis to expand on these acts but merely to point out that acts form the legislative parameters which need to be adhered to when it comes to the relationships between the policies, practices of the organisation, its staff and the behaviour of work groups.

Whilst the observance of legal rules and regulations is clearly a necessary part of effective employee relations this does not, by itself make for a harmonious environment at work. Legal dimensions help to regulate the working relationships of people within the organisation. But rules and regulations by themselves ensure that disputes will be settled amicably. Human nature revolts against forced entrenchment (Mullins 1996:649).

The function of the Employee Relations specialist on site must therefore be viewed as a neutral function; this will ensure that problems are solved before they reach a phase of labour unrest.

The Employee Assistance /Wellness programmed (EAP) function forms one of the ten dent values of an organisation which wants to retain its employees and improve productivity. Although EAP/Wellness programmes require substantial amounts of money, this should be viewed as a long term investment.

More than one third of a day is spent at work, yet because employees are remunerated for services rendered, we tend to overlook their wellness, both physical and mental. According to Harper (1999:18) state that traditionalist organisations select their employees for aptitude/qualifications and their attitude, which is not easily measured, and can even be negated in the selection process.

Accordingly a person coming into the organisation could over time regress if the organisation or social environment should pose a negative impact. This is why organisations are increasingly implementing EAP and wellness programmes.

Grobler, *et al* (2005:440) argue that offices, factories, and stores can become 'stress pools' unless management helps workers cope in ways that go beyond the stop-smoking and cardio vascular and fitness programmes of the last few decades. Ignoring the problems will only lead to increased absenteeism, disability claims, recruiting requirements, health care and training costs.

As a “mine” TSA falls under the Mine Health and Safety Act 29 of 1996. This legislation is stringent and needs to be fully adhered to if you want to continue mining in South Africa. Some of the primary aspects of the act are:

- To protect the health and safety of persons at the mine.
- Minimize risks relating to health and safety at the mine.

This means that as a mine you have no choice but to address behavioural issues as these have a direct impact on your safety and as such impact on future mining rights. This is further supported by the common-law right to work as well as the basic conditions of employment act and Bill of Rights (in the Constitution).

Swanepoel, *et al* (2003:547) is of the opinion that promoting and maintaining employee wellness form part of a proactive and holistic approach towards the management of health and safety. This means that the focus is not only on the safety or provision of medical aid assistance but also on the acknowledgement that any person coming to work comes there as a whole person. It is thus difficult to detach the worker from the human being. The care needed must cater for an employee's “body, mind, and soul.”

Swanepoel, *et al* (2003:548-551) focus on the following key of employee assistance/wellness programmes:

- Ergonomics and workplace design- if the workplace is ergonomically satisfactory it will enhance the general state of health and safety. This view is also supported by Hattingh (1992:55).
- Health Screening - again the mine health and safety act requires one to be medically fit to work on the mine. (The so called “Red Card”). This entails a medical examination you undergo before you start work, after which it is conducted on an annual basis. This medical examination is not only beneficial to the organisation, but also to the employee, as early detection of ill health means that remedial measures can be put in place before the employee's condition gets

worse. It also provides for a baseline medical whereby industrial illnesses can be measured.

- Sensitization and education - for an EAP programmed to work, you need to buy-in by all employees. It is therefore essential to actively promote this product.
- Fitness programmes and recreation facilities, though not always possible on site, are of primary importance in preventative care. "A healthy body houses a healthy mind" is the old adage. Exercise not only improves physical wellbeing, but also impacts directly on employee stress levels.
- Work and family life interactions - Covin and Brush, (1993:25) maintain that that conflicts between family and working life are related to aspects such as increased health risks for parents, poor morale, depression, absenteeism and poor work performance. Things like flexible working hours and a crèche at work help to inhibit this factor.
- Nutrition programmes- most large South African industries supply a canteen facility on site for their employees. Nutritional programmes are basically aimed at improving the eating habits of individuals and encouraging them to follow a more balanced diet.

It is estimated that 35% of the risk of developing cancer is related to diet (Wheeler 1984:294).

From the yearly medical examinations employees who are overweight or have other medical conditions such as diabetics are given nutritional programmes which will enable them to eat more healthily and ultimately this forms part of a holistic wellness programmed which normally includes some form of exercise program and /or anti smoking drive (Swanepoel, *et al* 2003:552).

Smoking policies - legislation is very explicit regarding smoking in public places. All industry has to do is ensure compliance. This has implications for the health of smokers

and non-smokers alike. Smoking as an issue affects health in a holistic sense: physical, mental, and social well-being.

Occupational mental health - Though most employees are on medical aid, psychiatrists are viewed with caution in industry. A psychologist on site is invaluable, not only to supply a psychological service to employees, but also to do psychometric and career testing which is used for career enrichment/development in the organisation.

Stress and work- work related stress is increasing due to fast changing forces like increased competition and an increased pace of doing business, the demands on employees having grown equally dramatically.

Substance abuse-employee assistance in this regard essentially concerns social services offered to troubled employees who need professional treatment for varying kinds of personal problems with which they cannot cope and which may have a potentially negative impact on their work performance and personal lives. Alcohol and chemical drug dependency fall into this category. Employees can enter rehabilitation programmes voluntarily or as a result of counselling. Employers must also provide mentors to employees receiving rehabilitation and confidentiality needs to be ensured. Fisher (1999:10) states that a chemically dependent employee can cost an organisation approximately 25% of his/her salary, in terms of aspects such as absenteeism and poor productivity.

HIV/AIDS in the workplace- though discovered in the early 80's, this pandemic has not been curbed and governments were slow to react. Search for a cure has gathered momentum and world wide there has been awareness drives. Around 95% of the total of HIV infections occurs in the developing world, with 70% in sub-Saharan Africa. Most experts on the subject agree that, as we enter the new millennium, Aids and HIV infection will transcend most other problems in South Africa. The implications for the economy and employers are clear: not only losing people in whom a substantial amount has been invested in terms of training, but people die at the pinnacle of their productivity. It is estimated that by 2020 the labour force in South Africa will be 17% smaller than in

2000. These deaths and illnesses will affect employers by increasing costs and reducing revenues (Swanepoel, *et al* 2003:567).

The HIV/AIDS component of the EAP program thus not only focuses on awareness training but also on ensuring that anti-retroviral are accessible to all relevant employees in a controlled manner.

Employee Assistance/Wellness programmes are needed as a holistic and proactive approach to promoting and maintaining the complete wellbeing of an organisation's personnel- all areas that have to be attended to professionally in order to ensure an environment where employees feel and know that they are cared for – because they are such a valuable resource.

## **ORGANISATIONAL STAFFING**

Grobler, *et al* (2005:139) highlights that especially in a “Greenfield's” operations, human resources planning is of a crucial nature. Certain questions arise, such as: How many people do we need? What specific skills will be needed by employees? At what phase of the organisational development, and what skills will the company need 3 years from now? In a “Brownfield's” operation you would typically look at turnover and future skills needs. These questions are some of the most difficult questions facing current human resources managers in South Africa. Thus, human resources planning sometimes referred to as “manpower planning,” can be important in holding down costs while providing a productive workforce. No organisation can rely on sourcing critical personnel at short notice.

The current skills shortage and brain drain in South Africa is a problem which organisations need to be aware of and greater focus needs to be placed on pre-emptive employment and succession planning within organisations. In some organisations this is referred to as “talent management.”

To assist in organisational staffing, human resource planning is the systematic review of human resource requirements to ensure that the required number of employees, with the required skills, is available when they are needed.

Determining the future skills need and resources (supply forecast) is a first step in developing a manpower plan. The labour supply may come from existing employees (internal market) or from outside the organisation (external market). The supply forecast is the result of interviews with employees, and the use of HR data (such as exit interviews), job progression, and demographics.

The estimate of the total number of employees needed, as well as the skills required is known as the demand forecast.

Human resources planning focused on three main levels in the organisation namely top, mid and entry level. The mid and top level positions are normally filled with internal candidates whilst the entry level positions are pre-emptive employment initiatives such as apprenticeships and learner ships.

Smit and Cronje (2004:239) state that organisational structures provide a stable and logical framework of relationships within which managers and employees can work towards organisational goals. People interact with each other within these structures and management sets and applies these rules by virtue of power and authority.

Positions are thus plotted on the organisation charts in which people are recruited by virtue of their skill and knowledge, as required by the position's job description. The reporting structure is also indicated very clearly on the organisational charts.

To limit confusion, responsibilities, authority, and accountability for each position are clearly spelled out in the job descriptions and for an effective organisational staffing, you need a good recruitment process.

With the implementation of the Labour Relations Act, No 66 of 1995, the Basic Conditions of Employment Act, No 55 of 1998, a number of important issues relating to

the recruitment process have arisen. Employers have to ensure compliance with these acts as candidates and legislators can challenge them.

In 2002 according to Tinarelli (2002:5), it was found that; with regard to management:

- White men and women hold 84% of management positions in South African companies.
- Males of all races hold 83% of management positions
- With regards to promotion:
- White employees still constitute about 74% of management promotions and 54% of skilled promotions.
- In terms of recruitment.
- General recruitment figures show that black men are most targeted.
- Managerial and skilled recruitment figures show that white males are still favoured. For example, the recruitment rate for white male managers is 46%, followed by white women at 19% and black males at 18%.

Most HR professionals recognize the importance of culture fit. A recent Australian survey of 223 hiring managers found that 90 per cent believe that recruiting for culture fit is important. However, only 36 per cent always assess for culture fit.

To better appreciate the role of culture fit in the selection process, it is useful to first explore the broader concept of fit and the reasons why culture fit is particularly important in today's business environment. Fit is typically defined in two distinct ways: job fit and organisation fit.

Job fit refers to the degree to which the candidate's skills and experience are relevant to the job and the degree to which the candidate finds the role's activities and responsibilities satisfying. Organisational fit refers to the candidate's compatibility with

the organisation's values and mode of operation. While organisation fit covers a range of organisational attributes the most common and frequently cited element centres on the congruence between individual and organisational values. This is often referred to as culture fit.

Traditionally, organisations have focused on identifying people based on their skills and experience. If you can find someone who has the right set of skills and has done a similar job, it is likely they will be able to perform effectively in a new role.

However, while skills and experience continue to be important, research and practice increasingly point to organisational fit and particularly culture fit as a key differentiator in the selection process. Research shows that individuals selected on the basis of culture fit will contribute faster, perform better, and stay longer.

So why has culture fit become so important in today's business environment? A lot has changed in the workplace over the past 10 years. In today's workplace knowledge, intellectual capital, individual and organisational qualities represent the competitive value proposition for most companies.

While an individual's knowledge and skills may appear to be more important on the surface, the reality is that current knowledge and skill sets quickly become redundant. This is why culture is so important. While cultural change is not uncommon, most organisational cultures are enduring and therefore provide an anchor for individuals and organisations.

Provided someone fits into the organisation, and demonstrates the propensity to grow and develop, their knowledge and skills will change and grow over time. Values and motivations on the other hand are almost impossible to change. They are hard wired. To put it simply, cultural fit cannot be developed (Watt, 2005:2).

## **ORGANISATIONAL VALUES AND ETHICS**

Values- An effective code of conduct and set of values help ensure corporate survival. Ethics and values create a solid foundation base on which to build an organisation.

The ethical performance of an organisation is the combined ethical performance of everyone, irrespective of their position in the organisation (Wickli 2004:8).

To implement company values and ethics, four aspects need to be taken into account, this being done by teaching employees how to:

- Define foundational values.
- Concretized ethical standards of conduct.
- Align personal values with the company values.
- Maximize performance in living out their values.

Values are known to contribute to the process of inspiration in corporations and institutions. Three perspectives need to be considered:

- The individual.
- The organisation.
- The team.

The question often arises as to what the difference is between values and norms. Values represent something worth aspiring to and that also directs your actions. Some examples of values are: freedom, responsibility, and trust. Values give meaning to your activities. They form the core of your being. They make up your inner compass. You always carry them with you and they help you in taking decisions and making choices.

Norms are rules that dictate what kind of behaviour is good or bad, wished for or unwanted, allowed or forbidden. Norms are derived from or based on essential values. For example, the norm 'you must always speak the truth' is a concrete outcome of the value 'honesty'. When the connection between the norm (rule for behaviour) and value no longer exists, the norm literally becomes value-less

Values are important building blocks of culture and are deep-seated and enduring. They motivate behaviour and emotional responses. They underpin the very way people approach their work, make choices and decisions, and deal with each other. The leadership of an organisation is responsible for the creation and management of its culture and should aim to achieve alignment between managers' and employees' individual values and the organisational values.

## ORGANISATIONAL STRUCTURE

Organisational Structure is formed to satisfy both organisational and individual needs. It forms an organisation because managers expect people working together in groups will be better able to complete and co-ordinate organisational tasks. People join or form groups because they expect this to satisfy certain personal needs.

Moorhead and Griffin (1998:294) loosely categorizes groups into formal and informal groups, with reference to their permanency and impermanency?

	Relatively Permanent	Relatively Temporary
<b>Formal</b>	Command groups  Quality-Assurance department  Cost Accounting	Task groups  Special council on Finance  Task force on new products
<b>Informal</b>	Friendship groups	Interest groups  Bowling group  Women's network

Figure 1: Group categorisation

Organisational structure guides limits communication flows. Knowing an organisation (from the organogram) can help predict a great deal about the communication media used in the organisation (Mersham, 2000:40).

Organisation design is the decision making process according to which leaders construct an organisational structure appropriate to strategies and plans of the organisation. A close relationship between the organisational structure and the competence and the role of the staff exists. If for example you have large numbers of unskilled workers, it follows that more supervisors are required in the structure.

Mullins (1996:337) argues that a good organisational structure does not by itself produce good performance. But a poor organisational structure makes good performance impossible, no matter how good the individual managers may be. It thus follows that an improved organisational structure is proportional to improved performance.

Corporate, strategies are strong indicators of the preferences of the companies' management (team's management) styles?

Most managers have a personal preference for a particular organisational structure have views regarding authority and the degree of formality that is appropriate in their relationship with subordinates. Modern structures tend to move away from bureaucratic to more informal structures (Smit, 2000:236).

Managers must choose an appropriate organisational structure. Structure refers to designated relationships between resources of the management system. Its purpose is to facilitate the use of each resource, individually and collectively, as the management system attempts to attain its objectives (Bedeian, 1993:252).

Mullins (1996:339) emphasizes that the following basic considerations need to be included in the design of an organisational structure.

Organisation relationships and comprise of the following components:

- Clarification of objectives.

- Task and element functions.
- Division of work and grouping of people.
- Centralization and decentralisation.
- Principle of operation.
- Span of control and scalar chain.
- Formal organisational relationships.
- Line and staff organisation.
- Project team and matrix organisation.

If the above components are in zinc you will be able to maintain the balance of the socio-technical system and the effectiveness of the organisation as a whole.

Organisational structures are normally represented by a graphic illustration called an organisational chart. Traditional organisational charts reflect traditional organisational management structures, pyramid format. Individuals close to the top have more authority than those lower down in the “pecking order” (Smit 2000:217). The relative positioning of individuals within these boxes on the chart indicate broad working relationships and the lines between the boxes designate formal lines of communication between individuals. Figure 3 is an example of an organisational chart.

Mersham and Skinner (2001:32) an organisational chart displays the organisation’s operation and the formal communication channels. The formal structures consist of patterns of formal relationships and duties, job descriptions, formal rules, operating policies, work procedures, compensations, and rewards.

Two basic types of structure exist within management systems: formal and informal structures. Formal structure is defined as the relationships between organisational resources as outlined by management.

According to Smit (2000:218), informal structure is defined as the pattern of relationships that develops because of the informal activities of organisational members. It evolves

naturally and tends to be moulded by individual norms, values, or social relationships. It is thus a system or network of interpersonal relationships that exists within, but which is usually not identical to the organisation's formal structure.

Informal structures are very effective and in terms of company communication often referred to as the "grapevine." It is thus vitally important for management to acknowledge the existence of the informal organisation, which arises from interaction of people working in the organisation. The organisation is a social system and people working within it will establish their own norms of behaviour, and social groupings/relationships, irrespective of those defined in the formal structure (Mullins 1996:338).

Communication behaviour in the formal structure does not completely facilitate communication; hence the informal communication flows in organisations. Informal peer relationships in determining employee productivity and the vast majority of all communication in medium to large organisations are informal (Downs 1967:269).

Human relations writers favour a structure in which there is increased participation from people at all levels of the organisation, greater freedom for the individual thus facilitating a more meaningful organisation and relationships. Some of the strongest critics of the formal organisation (Argyris 1964) claim that the formal structural organisation restricts individual growth and self – fulfilment and, in the psychologically healthy person, it causes a feeling of failure, frustration and conflict. Organisations should provide more "authentic" relationships for their members.

## **ORGANISATIONAL WORK MOTIVATIONAL BEHAVIOURS**

Motivation is the number one problem facing leaders today. In the past it was believed that if one paid people adequately they would be motivated. However today it is recognized that South African employees do not work for money only. Money is not the only motivator; empowerment, job security, and job satisfaction are also important motivators (Smit, *et al* 2000:305).

In looking at what leaders can do in terms of work motivation, we will briefly look at:

- What motivation encompasses the process?
- Different motivation theories.
- Combining the motivation theories with the motivation process.
- The motivational value of money.
- How to create jobs that motivate.

Smit, *et al* (2000:306) states that the motivation process comprises the following interdependent elements:

- Need – A psychological or physiological imbalance may give rise to a need, e.g. lack of food and water or need to belong/ friendship.
- Motive – The individual's drive to take action which he believes will satisfy his needs.
- Behaviour – The individual's needs will lead to a specific behaviour, e.g. a hungry person will buy food.
- Consequences – Of behaviour may be positive or negative, e.g. the hungry person who ate something is no longer hungry, or he might develop a stomach ache from the food.
- Satisfaction/Dissatisfaction – After eating the meal and satisfying his hunger, the person may feel contented.
- Feedback – Satisfaction is usually short-lived, for this reason the motivation process has a feedback loop.
- Work – is one of the ways in which individuals can satisfy their needs. Through

their work, people can satisfy their need for social interaction, status, and power.

Grobler, *et al* (2002:537) maintain that there are a multitude of theories and approaches to employee motivation, but at the end of the day it boils down to – “Determine what the employee needs and offer it as reward for good performance.” This supports the view of Smit, *et al*. As leaders the most common techniques for motivating the unmotivated are:

- Create meaningful goals that are challenging but attainable.
- Invite and use employee participation in decision making.
- Keep employees informed on “where they stand.”
- Reward good work; be generous with praise.
- Treat employees fairly.
- Make work as interesting as possible.
- Be sensitive to individual and cultural differences.
- Help employees grow and develop.

Lussier (1997:214) is of the opinion that motivation theories were primarily developed in America. These motivation theories are not always applicable to South Africa with its uniquely diversified workforce. Leaders in South Africa have to deal with major cultural differences in their workforce where, for example, the focus on business varies from individualistic approaches to group approaches. Australia, USA, Canada, and Great Britain tend to have individualistic approaches to business, where self-accomplishment is valued highly. Collective societies (Japan, Mexico, Singapore, and Pakistan) have group approaches to business where they tend to value group accomplishment and loyalty. This fits in well with the Afro centric communalism type culture of black South Africans. This is why traditional motivational theories don't always work in South Africa.

### **GROUPING OF ORGANISATIONAL MOTIVATIONAL WORK THEORIES**

Smit, *et al* (2000:321) note that motivation theories are complementary and there is no one best theory for a specific situation. The theories can be grouped into content, process and reinforcement theories. Each theory is used in a different stage of the motivational process and is sequential. The following theories are illustrated below:

1. **Content motivational theories** – these are theories like those of Maslow, Herzberg & McClelland – their function is to “*identify the unmet need.*” It answers the question: What are needs that employees have which can be satisfied in their jobs?
2. **Process motivational theories** – these are theories like the Equity theory and Expectancy theory. Their function is to select the appropriate behaviour to “satisfy the need.” It answers the question, how do employees choose behaviour to fulfil their needs?
3. **Reinforcement theories** – puts forward money as a means to reward positive performance. These theories are situational and “shapes behaviour in a desired direction.” They answer the question, what can managers do to shape employees behaviours in ways that contributes to goal attainment?

This thesis is not a study of motivation theories, but we will look at some specific theories in order to understand their impact on motivation.

## **MASLOW'S HIERARCHY OF NEEDS**

Human needs are an important part of human nature. Values, beliefs, and customs differ from country to country and group to group, but all people have similar needs. As a leader you must understand these needs because they are powerful motivators.

Abraham Maslow felt that human needs were arranged in a hierarchical order (Maslow, 1954). He based his theory on healthy, creative people who used all their talents, potential, and capabilities. At the time, this methodology differed from most other psychological research in that they were based on observations of disturbed people.

There are two major groups of human needs: basic needs and Meta needs.

Basic needs are physiological: such as food, water, and sleep; and psychological: such as affection, security, and self-esteem. These basic needs are also called deficiency needs

because if they are not met by an individual, then that person will strive to make up the deficiency.

The higher needs are called Meta needs or being needs (growth needs). These include justice, goodness, beauty, order, unity, etc.

Basic needs normally take priority over growth needs. For example, a person who lacks food or water will not normally attend to justice or beauty needs.

These needs are listed below in hierarchical order. The basic needs on the bottom of the list (1 to 4) must normally be met before the Meta or being needs above them can be met. The four Meta needs (5 to 8) can be pursued in any order, depending upon a person's wants or circumstances, as long as the basic needs have all been met.

#### **MASLOW'S HIERARCHICAL ORDER**

8. *Self-transcendence* - a transgenic level that emphasizes visionary intuition, altruism, and unity consciousness.
7. *Self-actualization* - knowing exactly who you are, where you are going, and what you want to accomplish, (A state of well-being).
6. *Aesthetic* - at peace, more curious about inner workings.
5. *Cognitive* - learning for learning alone, the quest for knowledge.
4. *Esteem* - feeling of moving up in the world, recognition, few doubts about self.
3. *Belongingness and love* - belong to a group, close friends to confide in.
2. *Safety* - feel free from immediate danger.
1. *Physiological* - food, water, shelter, sex.

Maslow posted that people are forever striving to meet various goals. Because the lower level needs are more immediate and urgent, they come into play as the source and direction of a person's goal if they are not satisfied.

A need higher in the hierarchy will become a motive of behaviour as long as the needs below it have been satisfied. Unsatisfied lower needs will dominate unsatisfied higher needs and must be satisfied before the person can climb up the hierarchy.

Knowing where a person is located on this scale aids in determining an effective motivator. For example, motivating a middle-class person (who is in range 4 of the hierarchy) with a certificate will have a far greater impact than using the same motivator to affect a minimum wage person from the ghetto who is desperately struggling to meet the first couple of needs.

It should be noted that almost no one stays on one particular level of the hierarchy for an extended period. We constantly strive to move up, while at the same time various forces outside our control try to push us down.

Those on top get pushed down for short time periods, i.e., death of a loved-one or an idea that does not work, while those on the bottom get pushed up, i.e., come across a small prize. Our goal as leaders therefore is to help people obtain the skills and knowledge that will push them up the hierarchy on a more permanent basis. People who have their basic needs met become much better workers as they are able to concentrate on fulfilling the visions put forth to them, rather than consistently struggling to make ends meet.

#### **CHARACTERISTICS OF SELF – ACTUALIZING PEOPLE:**

- Have better perceptions of reality and are comfortable with it.
- Accept themselves and their own natures.
- Lack of artificiality.
- They focus on problems outside themselves and are concerned with basic issues and eternal questions.
- They like privacy and tend to be detached.

- Rely on their development and continued growth.
- Appreciate the basic pleasures of life (e.g., do not take blessings for granted).
- Have a deep feeling of kinship with others.
- Are deeply democratic and are not really aware of differences.
- Have strong ethical and moral standards.
- Are original, inventive, less constricted and fresher than others.

While the research of Maslow's theory has undergone limited empirical scrutiny, it still remains quite popular due to its simplicity and its being the start of a movement away from a totally behaviourist reductionism/mechanistic approach to a more humanistic one. In addition, a lot of concerns are directed at his methodology: Pick a small number of people that he declares self-actualizing; read and talk about them; and come to the conclusion about self-actualization. Maslow, however, completely understood this, and thought of his work as simply a method of pointing the way, rather than being the final say. In addition, he hoped that others would take up the cause and complete what he had begun.

### **Herzberg's Hygiene and Motivational Factors**

Herzberg developed a list of factors (Herzberg, 1966) that are based on Maslow's hierarchy of Needs, except that his version is more closely related to the working environment.

Herzberg's Hygiene and Motivational Factors- Hygiene or Dissatisfies:

- Working conditions
- Policies and administrative practices
- Salary and Benefits
- Supervision
- Status
- Job security
- Co-workers
- Personal life

### ***Motivators or Satisfiers:***

- Recognition
- Achievement
- Advancement
- Growth
- Responsibility
- Job challenge

Hygiene factors must be present in the job before motivators can be used to stimulate a person. That is, you cannot use motivators until all the hygiene factors are met. Herzberg's needs are specifically job – related and reflect some of the distinct things that people want from their work as opposed to Maslow's Hierarchy of Needs which reflect all the needs in a person's life.

Building on this model, Herzberg coined the term “job enrichment” to describe the process of redesigning work in order to build in motivators.

### **Theory X and Theory Y**

Douglas McGregor (1957) developed a philosophical view of humankind with his Theory X and Theory Y, which are two opposing perceptions of how people view human behaviour at work and organisational life. McGregor felt that companies followed either one or the other approach:

- Theory X

People have an inherent dislike for work and will avoid it whenever possible.

People must be coerced, controlled, directed, or threatened with punishment in order to get them to achieve the organisational objectives.

People prefer to be directed, do not want responsibility, and have little or no ambition.

People seek security above all else.

Note that with Theory X assumptions, management's role is to coerce and control employees.

- Theory Y

Work is as natural as play and rest.

People will exercise self-direction if they are committed to the objectives (they are NOT lazy).

Commitment to objectives is a function of the rewards associated with their achievement.

People learn to accept and seek responsibility.

Creativity, ingenuity, and imagination are widely distributed among the population. People are capable of using these abilities to solve organisational problems. People have potential.

Note that with Theory Y assumptions, management's role is to develop the potential in employees and help them to release that potential towards common goals.

Theory X is the view that traditional management has taken towards the workforce. Many organisations are now taking the enlightened view of theory Y. A boss can be viewed as taking the theory X approach, while a leader takes the theory Y approach.

Notice that Maslow, Herzberg, and McGreggor's theories all tie together:

- Herzberg's theory is a micro version of Maslow's theory (concentrated in the work place).
- McGreggor's Theory X is based on workers caught in the lower levels (1 to 3) of Maslow's theory, while his Theory Y is for workers who have gone above level 3.
- McGreggor's Theory X is based on workers caught in Herberg's Hygiene Dissatisfies, while Theory Y is based on workers who are in the Motivators or Satisfiers section.

### **Existence/Relatedness/Growth (ERG)**

Clayton Alderfer's (1969:142) Existence/Relatedness/Growth (ERG) Theory of Needs postulates that there are three groups of needs:

- Existence - This group of needs is concerned with providing the basic requirements for material existence, such as physiological and safety needs. They are satisfied by money earned in a job so that one may buy food, shelter, clothing, etc.
- Relationships - This group of needs centre upon the desire to establish and maintain interpersonal relationships. Since a person normally spends approximately half of his or her waking hours on the job, this need is normally satisfied to some degree by co-workers.
- Growth - These needs are met by personal development. A person's job, career, or profession provides significant satisfaction of growth needs.

Alderfer's ERG theory states that more than one need may be influential at the same time. If the gratification of a higher-level need is frustrated, the desire to satisfy a lower-level need will increase. He identifies this phenomenon as the "frustration & shy aggression dimension." Its relevance on the job is that even when the upper-level needs are

frustrated, the job still provides for the basic physiological needs upon which one would then be focused. If, at that point, something happens to threaten the job, the person's basic needs are significantly threatened. If there are not factors present to relieve the pressure, the person may become desperate and panicky.

Notice that Alderfer's ERG theory is built upon Maslow's. However, it does differ. First he collapses it from eight needs to three. And unlike Maslow, he did not see these needs as being a hierarchy in which one climbs up, but rather being more of a continuum.

While there has not been much research on Alderfer's theory, most contemporary theories do tend to support it.

### **Expectancy Theory**

Vroom's (1964) Expectancy Theory states that an individual will act in a certain way based on the expectation that the act will be followed by a given outcome and on the attractiveness of that outcome to the individual. This motivational model has been modified by several people, including Porter and Lawler (1968). Vroom's Expectancy Theory is written as a formula:

- $\text{Valence} + \text{Expectancy} + \text{Instrumentality} = \text{Motivation}$
- **Valence (Reward)** = the amount of desire for a goal
- **Expectancy (Performance)** = the strength of belief that work related effort will result in the completion of the task (How hard will I have to work to reach the goal?)
- **Instrumentality (Belief)** = the belief that the reward will be received once the task is completed (Will they notice the effort I put forth?)

The sum of valence, expectancy, and instrumentality is motivation. It can be thought of as the strength of the drive towards a goal. For example, if an employee wants to move up through the ranks, then promotion has a high valence for that employee. If the

employee believes that high performance will result in good reviews, then the employee has a high expectancy. However, if the employee believes the company will not promote from within, then the employee has low instrumentality, and the employee will not be motivated to perform better.

### **Equity Theory**

Swanepoel, *et al* (2003:333) maintain that Stacey Adam's model is an important theory of motivation which has its roots in the cognitive dissonance theory: "*an individual's cognitions (opinions, attitudes and ideas) have three types of relations with one another*":

Constant- when cognition A follows cognition B, e.g. if a person says he feels that an organisation is a good place to work for, the cognition of liking the company is constant with the cognition gained from experience.

Dissonant- when cognition A does not follow from cognition B. e.g. if the same person says that the organisation is not a good place to work for.

Irrelevant- If cognition A has no relation to cognition B, e.g. if the same person decides to buy himself an animal.

One of the tenets of the equity model is that people do not work in a "vacuum," but alongside others and they make comparisons between their perceived efforts and concomitant rewards and the exertions of others and their rewards. Equity asserts that the employee compares his input /outcome ratio with the input / outcome ratio of relevant peers.

If these ratios are equal, a state of equity is said to exist and the employee will perceive the situation to be fair. If the ratio is un-equal on the other hand the employee will then be motivated to equalize the situation as he deems it unfair. An employee could thus distort his inputs, "sell himself," resign, do the minimum, and "radiate" negativity throughout the workforce.

The equity model is thus ideally represented as:

$$\begin{array}{ccc} \text{Perceptions of own inputs} & & \text{Perceptions of others inputs} \\ \dots\dots\dots & = & \dots\dots\dots \\ \text{Perceptions of own outcomes} & & \text{Perceptions of others outcomes} \end{array}$$

**Money as a motivation factor**

Smit, *et al* (2000:321) state that virtually all motivation theories accept that money influences employee's performance to a certain extent; this the individual gets in the form of a salary package. With respect to the motivational theories – Maslow's theory, lower – order needs can be satisfied by money and Herzberg's hygiene factors can be satisfied by money, although according to the theory, motivators cannot be satisfied by money.

The expectancy theories accept that if employees perceive that good performance results in generous payment, money can serve as a motivator. The reinforcement theories put forward money as a reward that can be used to reinforce positive job performance.

Robbins (1994:44) points out that although the modern trend is to place great emphasis on intrinsic "motivators" one should not forget the fact that most people work for money and that an employees system of monetary rewards therefore remains of utmost importance. This supports the modern trend of giving an employee an "all inclusive package"; though a person gets more money and less privileges it gives the individual the choice to structure his salary according to his needs.

Money therefore does play a role in motivation, although it can only really be successful if supported by other motivational factors such as job satisfaction. What is a fact though is that underpayment has numerous negative effects. The South African workforce is very diverse and as such it is important that different needs are catered for as far as possible.

## **Designing Jobs to motivate**

Jobs that motivate employees, according to Smit, *et al* (2000:323) focus on job enlargement, job enrichment and some facets of the job characteristics model.

Job enlargement- this entails adding a variety of tasks the job larger (horizontal work loading). An employee's work thus becomes more meaningful.

Job enrichment- originated as a result of the shortcomings of job enlargements. Job enrichment refers to the vertical extension of a job, it occurs when the planning and control of work, previously done by someone in a higher position are now performed by the person whom is actually doing the job. This creates a new goal which in turn improves performance. An effective, though simple, way to enrich jobs, is for the manager to delegate more variety and responsibility to employees.

The job characteristics model certain core job dimensions create critical psychological states, which in turn create several personal and work outcomes. The five core dimensions indicated in the model are:

- Skill variety- the more variety of tasks the more challenge a job will offer.
- Task identity- the extent to which a job is done in its entirety.
- Task significance- the impact the job has on the lives of other people.
- Autonomy- the extent to which the worker has control over decision making and how the task is performed.
- Feedback- the extent to which the worker receives direct and clear feedback on the effectiveness of his job performance.

In support of this motivation theory, Hackman and Oldham (1980) argue that the most effective means of motivating individuals is through the optimal design of jobs. In closing, it is essential for a leader to have knowledge of various theoretical perspectives concerning the motivation of people in the context of the work environment. What is

important is not to regard any single theory as more or least correct, but rather to study all the theories and adapt them to your own purposes and those of your team.

## SUCCESSION PLANNING

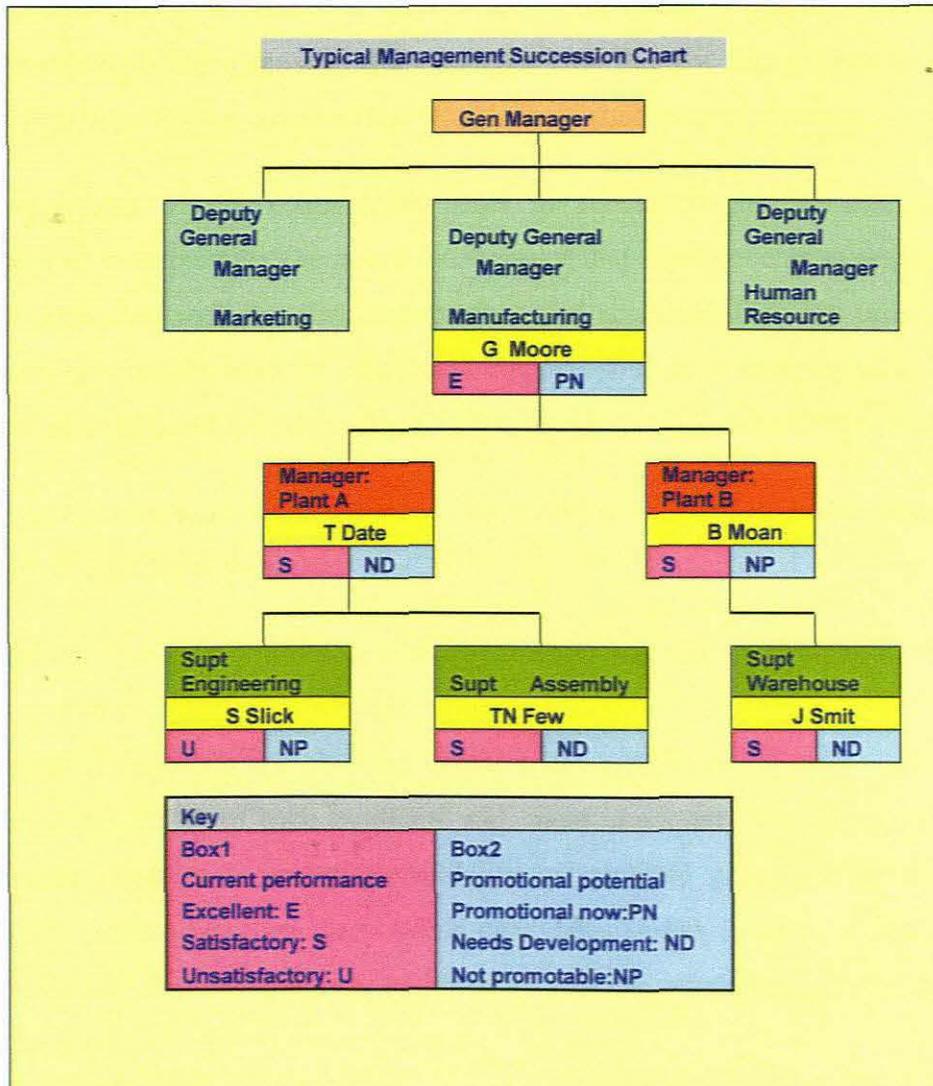


Figure 2: Succession Planning

From an Afro centric point of view in terms of succession planning according to Malunga (2004:12) the following plays a pivotal role:

Leadership development is viewed as a long-term, if not life-long process. The leadership needs and demands of organisations and sectors are constantly changing, so long-term and life-long leadership development processes are necessary to adapt to and implement change effectively.

Planning leadership succession in advance is crucial. Organisations must plan for succession in good time, and have a clear and effective system for identifying their successors. These successors must undergo well thought through programmes that will prepare them to take charge of the organisation when their time comes.

Involvement of the board/elders panel in succession and leadership development planning is important. The board must ensure that appointments to leadership positions are conducted with complete transparency and accountability. The process followed to select new leaders must be transparent and everyone must have the same opportunity, a pool of candidates approach versus the traditional individualized “western approach.”

Organisations must have succession plans well in advance to ensure smooth transitions from one leader to the next.

Grobler, *et al* (2005:140) notes the management succession planning is commonly used to deal with changes in mid-and top-level personnel. The process involves identifying projected vacancies and choosing replacement candidates for each position, estimating the promo ability of each candidate and, most important, identifying development and training needs to ensure the availability of qualified personnel for future openings. Psychometric testing on the possible candidates makes it easier to identify and select candidates, thus ensuring parity between possible candidates, and enabling learning initiatives.

This succession planning is mapped on the succession planning matrix and succession chart. Succession charts indicate the successors for each position in the management hierarchy and often combine current performance data with a judgment of promotion potential.

Although the primary focus of a succession chart is on an organisation's current structure, the performance and promotion data on the chart are valuable for a growing company in determining promotions in the future (Grobler, *et al* 2005:320).

## **Career Path**

Organisations will benefit most from their employee's talent if they individualize career paths and opportunities. In traditional organisations promotion meant the abandonment of technical speciality and becoming a manager or team leader. But many employees who have exceptional technical skills do not have the interests or abilities necessary for them to be successful leaders. They are thus forced to remain in the same no longer challenging positions or move into a role with which they are not comfortable. In diversity management organisations create "alternative" career paths in which people stay within their specialties but receive promotions and complex technical assignments, or allow employees to cycle in and out of leadership positions (Conrad 1998:388).

The research of Grobler, *et al* (2005:140) suggests that employee's generally move through four career stages:

- Establishment - the beginning of an employee's career.
- Advancement - employees demonstrate competence and knowledge of politics of organisational life.
- Maintenance - employees generally achieve their highest advancement during this stage.
- Withdrawal- begins as an employee retires or moves onto a new career.

Robbins, *et al* (2004:359) career planning is something increasingly being done by individual employees, rather by their employers. The role of the organisation in their employees career path planning has gone from paternalism to supporting individuals as they take personal responsibility for their future. A further reason leading to the decision making moving away from the employer, is that uncertainty now limits the ability of organisations to accurately forecast future needs. Both management and employees seek flexibility over permanence, flatten hierarchies have further reduced promotional opportunities and as such the development of career paths are becoming, more difficult.

From a South African legislative point of view, career development practices need to be closely aligned to affirmative action programmes, equity targets, and workplace skills plans.

### PMC/POD/IDP

PMC: Business.com online ([http://home.att.net/~nickols/scrap\\_it.htm](http://home.att.net/~nickols/scrap_it.htm))

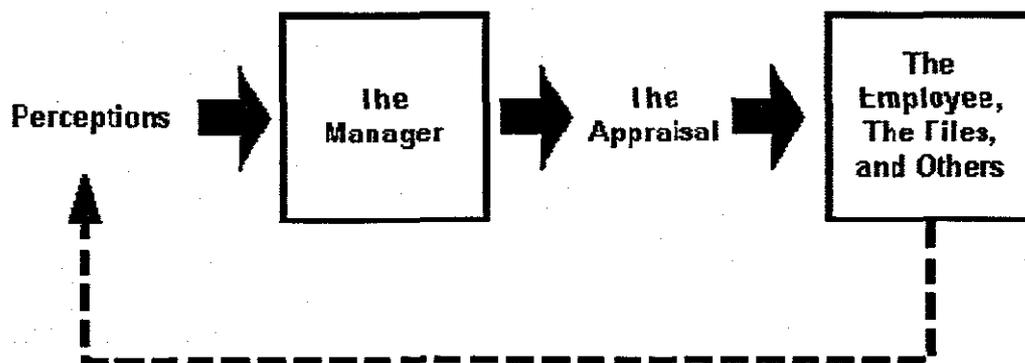


Figure 3: General performance appraisal system

The general form of a basic performance appraisal system is depicted in Figure 4. Based on his or her perceptions, a manager prepares an appraisal of an employee. Appraisals typically have two components: text, and a number. The number is usually the basis for determining the employee's merit increase (i.e., the size of the pay raise for the subsequent year). This is often quite modest and amounts to little more than a cost-of-living increase, an offset against inflation. Moreover, differences between the maximum and minimum increases are also quite modest. The merit carrot is not a very big one.

Perhaps the most significant aspect of the structure depicted in Figure 4 is that the appraisal has as its primary input the perceptions of the manager. Technically speaking, they are the only input. Given this model, it is obvious that if the system is to work effectively the manager's perceptions must be objective, accurate, comprehensive, and free from any significant bias, distortion, or undue influence; otherwise, the system is patently flawed.

This leads us to the following assertion:

The structure of the typical performance appraisal system makes managers who prepare appraisals the targets of efforts aimed at influencing, shaping, even manipulating their perceptions and the appraisals based on these perceptions.

Several people have an interest in influencing a manager's appraisal of a given employee's performance. The most obvious is the employee. But there are others. These include other employees who are being appraised by the same manager, and anyone with a vested interest in having a given employee receive a good or a bad appraisal; for example, clients, customers, mentors, co-workers, and other managers whose own subordinates must compete for a finite pool of merit increase monies, plum assignments, and increasingly limited promotion opportunities. In a word, the politics of performance appraisal can be fierce. The preceding assertion may be elaborated upon as follows:

Many efforts to influence the perceptions of the managers who prepare appraisals, and the appraisals they prepare, are independent of and often have no relation to the performance of the person being appraised.

People and politics are not the only forces tending to negate the positive potential of performance appraisal systems. There are also important systemic or structural factors at work.

An appraisal leads to a merit increase. The size of the merit pool is limited and the distribution of these monies is typically calculated according to some formula. Thus, in performance appraisal systems that allocate merit increase percentage on a five-point scale, not everyone can receive a five because there isn't enough money available to support such an outcome. This is a restraint, a "can't do". By the same token, the numbers assigned must fit within the limits of the available pool of merit monies.

This is a constraint, a "must do". Restraints and constraints can also include employment equity and affirmative action considerations. Because merit rating numbers must be adjusted to meet various restraints and constraints, the language and tone of the appraisals

must in turn be adjusted so as to be consistent with the numbers. From this follows an inescapable conclusion: the honest, fair, valid, and objective assessment of all employees is literally impossible. The structure, restraints, and constraints of the system do not permit it.

The goal of performance is to achieve the company mission and vision. Almost no one performs, for the organisation, however, if his or her own mission and vision are not accomplished as well. An effective performance management system sets new employees up to succeed, so they can help the organisation succeed. It provides enough guidance so people understand what is expected of them. It provides enough flexibility and wiggle room so that individual creativity and strengths are nurtured. It provides enough control so that people understand what the organisation is trying to accomplish.

According to Greenberg and Baron (2000:65), performance management should be a completely rational process, leading to unbiased and objective judgments about how well each employee has performed and how she/he should be treated. People have a limited capacity to process, store and retrieve information, thus making them prone to bias when evaluating others. Researchers have observed that people's ratings of subordinates' performance are consistent with the rater's initial expectations. The effect of this is unsettling, because it suggests that improved performance by some employees may go unrecognized. Perceptions of an employee can also be based on the characteristics of the person being perceived, for examples employees who constantly do "favours" for their supervisors are viewed in a more positive light during evaluation. Performance evaluations represent a complex mix of perceptual biases-effects that must be appreciated and understood if an effective performance management system is to be implemented.

Organisations should design reward systems that focus on performance, even for complex and ambiguous jobs (Conrad 1998:387). Excellent performance is rewarded only if it is also visible to the organisation's power holders and only if they perceive that it provides evidence of exceptional competence.

Mullins (1996:640) suggests that performance appraisals have wider relevance than simply improvement in individual performance. They are also concerned with the development of a participative organisational culture by contributing to the broader goals of creating satisfying, effective jobs, encouraging the involvement of people in the organisation, and the development of people. A performance system operated in an organisational context must, if it is to have any credibility, be based on clear ethical principles. These are particularly important to an involved culture where individual development, trust, and openness are fundamental values. These values would apply to both the appraiser and appraised:

- Appraise on the basis of representative information;
- Appraise on the basis of sufficient information;
- Appraise on the basis of relevant information;
- Make an honest appraisal;
- Keep written and oral appraisals consistent; and
- Present appraisal as an opinion.

The system provides employees with an opportunity to receive feedback regarding their performance, usually at least once a year and often on an interim basis? This leads to reduced error and waste, increased productivity, improved quality and service for customers, as well as enhanced employee motivation, commitment, and a sense of ownership.

The system provides an opportunity for performance-related discussions that includes the following aims: setting work objectives for the employee, aligning individual and organisational goals, identifying training and development needs, and discussing career progression opportunities.

The system standardises performance appraisals which becomes an objective to provide uniform processes and criteria. This further, results in a fair, valid and legally defensible basis for rewarding and recognizing individual performance.

The system affords the corporation legal protection against employee lawsuits for discrimination and wrongful termination.

### **POD- Position Outcomes Descriptor**

POD is a term which TSA uses in lieu of "job description." POD, work or job design refers to the way in which work is structured into different tasks and responsibilities required to execute a particular job (i.e. it tells you what work you will do in a specific job). The POD forms the core against which an incumbent performs, against which he is measured and recruited; after all it is the reason for him being in the company.

Swanepoel, *et al* (2003:194) states that job design is how one defines a given job what work is to be performed, and what authority goes with the job. Though the basis of job design is an analysis of what work needs to be done, is important that consideration be taken as to how the work should be organized in order to obtain the necessary work performance from the employee. Job analysis is the systematic process of collecting information about a job and exploring the activities of the particular job. Whereas job design dimensions are largely strategic in nature, the task of the job analysis is more operational.

De Cenzo and Robbins (1994:135) states the following when doing a job analysis you need to:

- Identify the job clearly, job title, department and number of employees that will be doing the same type of job.
- Identify the reporting relationships (Immediate superior and subordinates, plus their job titles are crucial).
- Provide the performance standards and how they will be measured.
- Indicate any constraints, limits of authority and decision making.
- Indicate those aspects of the job for which the incumbent is responsible (budget, equipment, and material).
- Specify the working conditions under which the incumbent must perform his job.
- Specify the necessary personal characteristics; this including the knowledge, skills, and experience required for the incumbent to meet the job requirements.
- Any relevant information, even if it is of a temporary nature.
- Various job analysis methods, such as individual interviews, group interviews, observations, structured questionnaires, self reports, conference method, etc.

The following is a typical example of a job description/POD:

**Job Title is normally at the top.**

Introduction-All Administrative, Professional and Technical positions will be classified in terms of and in accordance with, the Administrative, Professional and Technical Position Descriptor Guidelines, with the exception of senior positions, and within the salary schedules set out in Schedule 1 of the. (Relevant company name is put in here.)

**Classification-** is the designated level on the (Company name) Classification Structure of a position which is based on a formal evaluation of that position.

Typical activities are activities typically undertaken by staff members in different occupations at each of the proposed classification levels.

**General position descriptors-**In making the formal evaluation of the position, the classification is determined against three broad criteria:

- Qualifications
- Supervision
- Other classification dimensions

**Qualifications-** These definitions also include equivalent recognised overseas qualifications.

- Year 12: completion of Year 12 of secondary school.
- Trade certificate: completion of an apprenticeship, normally of four years' duration, or equivalent recognition.
- Post-trade certificate: a course of study over and above a trade certificate but less than an advanced certificate.
- Advanced certificate: a two year part-time post-Year 12 or post-trade certificate course or a four year part-time course for those who have completed year 10 only of secondary school.
- Certificate: a two year full-time or four year part-time without a Year 12 prerequisite.
- Associate diploma: a two year full-time or four-year part-time course with a year 12 prerequisite.

**Degree:** a recognised degree from a tertiary institution often completed in three or four years and sometimes combined with a one year diploma.

**Postgraduate degree:** a recognised postgraduate degree, over and above a degree as defined above.

### **Supervision**

**Close supervision:** clear and detailed instructions are provided. Tasks are covered by standard procedures. Deviation from procedures or unfamiliar situations is referred to higher levels and work is regularly checked.

**Routine supervision:** direction is provided for the tasks to be undertaken, with some latitude to rearrange sequences and discriminate between established methods. Guidance on the approach to standard circumstances is provided in procedures, guidance on the approach to non - standard circumstances being provided by a supervisor. Checking is elective rather than constant.

**General direction:** direction is provided for the assignments to be undertaken, with the participant/employee/supervisor determining the appropriate use of established methods, tasks and sequences. There is some scope to determine an approach in the absence of established procedures or detailed instructions, but guidance is readily available. Performance is checked on assignment completion.

**Broad direction:** direction is provided in terms of objectives which may require the planning of staff members, time and material resources for their completion. Limited detailed guidance will be available and the development or modification of procedures by staff member may be required. Performance is measured against objectives.

### **Other classification dimensions**

**Training level:** the type and duration of training which the duties of the classification level typically require for effective performance. Training is the process of acquiring skills and knowledge through formal education, on - the - job instruction, or exposure to procedures.

**Occupational equivalent:** occupations typically falling within each proposed classification level.

**Task level:** complexity and responsibility of tasks are typically performed by staff members within each proposed classification.

**Organisational knowledge:** the level of knowledge and awareness of the organisation, its structure and functions that would be required of staff members at each proposed classification level, and the purposes to which that organisational knowledge may be utilised.

**Judgement, independence and problem solving:** judgement is the ability to make sound decisions, recognising the consequences of decisions taken or actions performed. Independence is the extent to which a staff member is able (or allowed) to work effectively without supervision or direction.

**Problem solving** is the process of defining or selecting the appropriate course of action where alternative courses of action are available. This dimension examines the extent to which each of these three (knowledge, judgement & independences) qualities applies at each proposed classification level.

Level one (Indicates at which level the incumbent is working)

**Qualifications or training level**

Persons employed at the base of level one would not be required to have formal qualifications or work experience upon engagement. Staff members engaged at the base of this level will be provided with structured on - the - job training in addition to 38 hours of induction to higher education, which would provide information on available and consequent career path opportunities, physical layout of the institution/work areas, introduction to fellow workers and supervisors, work and documentation procedures, occupational health and safety, equal employment opportunity practices and extended basic literacy and numeracy skills training where required/necessary to enable career path progression.

**Occupational equivalent:** cleaner, labourer, trainee for Level 2 duties

**Level two supervision**

**Supervision received:** close supervision or, in the case of more experienced staff members working alone, routine supervision.

**SUPERVISORY ROLE: NIL**

**Task level**

Straight forward manual duties or elements of Level 2 duties under close supervision and structured on-the-job training. Some knowledge of materials e.g. cleaning chemicals and hand tools may be required. Established procedures exist.

**Organisational knowledge**

Who may provide straight forward information to others on building or service locations.

**Judgement, independence and problem solving**

Resolve problems where alternatives for the job holder are limited and the required action is clear or can be readily referred to higher levels.

### **Typical activities**

Perform a range of industrial cleaning tasks, move furniture, assist trades personnel with manual duties

Recognition is given to - the University of the Sunshine Coast website on line (2008:<http://www.usc.edu.au/>) for this Position Outcomes Descriptors.

### **Individual Development Plan**

An employee's Individual Development Plan (IDP) serves two functions: career enhancement/management as well as cognitive/ learning management.

In this chapter we have spoken about PMC but, to recap, an employee has a job description and from this a performance management contract is drawn up. In the performance discussion between the employee and his supervisor it might become apparent that the employee has some shortcomings in achieving his performance goals as set out in his PMC. The employee might also not have the necessary qualifications to meet his outputs. These are then put on the individual's IDP and funding is set aside for this learning. Ultimately it provides the employee with a tool to better himself as well as meet the objectives as set out in his PMC.

From an employee's point of view we know that a well-prepared IDP might include occupational exploration and research, professional development, skills training, formal education or a job search campaign.

An individual must consider the following guidelines for creating and implementing an IDP:

- Know the Purpose of your IDP.
- Prioritize and develop a plan of action to reach your short- and long-term career goals.
- Focus your personal efforts in the areas that you have selected.
- Identify, outline, and use resources.

- Create an action plan that is clear and achievable.

Put your IDP into Action:

- Discuss your IDP with your supervisor and other appropriate individuals such as a career counsellor. Use this time to state your goals and clarify expectations.
- Ensure that the IDP not only addresses the gaps in your PMC but also your personal developmental aspirations.
- Activate your plan by taking an immediate step toward putting your plan in action.
- Evaluate your plan along the way and modify it as needed.
- Expect obstacles and work to overcome them.
- Your IDP must have a framework which stipulates the goals you wish to achieve, competencies to be acquired, actions and resources needed, measured against short term, medium, and long term time frames.
- Celebrate your successes along the way.

IDP's are not only beneficial to the employee, but also to the employer as it provides long term sustainability and development of employees.

## **ORGANISATIONAL COMMUNICATION STRUCTURE**

Hersey, *et al* (2001:295) states that there are three basic competencies, namely; diagnosing, adapting and communicating needed in any leaders portfolio. We will briefly look at communication structure and media as these provide the avenue for effective communication in any organisation.

Though important, we will not focus on issues such as verbal and non-verbal communication and communication models.

Grobler, *et al* (2002:15) notes some example of downward communication methods, from management to employees as, orientation sessions, bulletin boards, newsletters, and employee handbooks. Upward communication methods usually include suggestion programmes, complaint procedures, electronic mail, attitude surveys and open-door meetings. Horizontal communication is communication between a manager and peers or between co-workers. Hersey, *et al* (2001:309) believe that the Grapevine communication system is often neglected by managers but can be found in any organisation. Grapevines grow primarily to meet organisational member's innate need for information. Although information is often incomplete, it is 70 to 90 percent accurate in content and travels at extremely rapid pace.

It must be remembered however, that the application of the media by both the employer and employee, is the determining factor whether it is upwards or downwards communication.

The following are typical examples of communication medium, which is used in organisations to communicate with employees:

- **New employee orientation** - first impression of an employee into any new organisation is vital for sustainability. This is also the foundation from which company guidelines are given through to new employees and it sets the tone for future participation and involvement.
- **Bulletin boards** - also electronic ones, are good for communication of a general nature.
- **Communication meetings** - this is where top management holds open meetings with small groups of employees to answer questions and provide an opportunity for employees to raise questions of interest to them.
- **Newsletters** - Computers and newsletter software has made the employee newsletter a popular communication technique. News letters are also mailed to retired employees and are a valuable public relations tool.

- **Employee handbook** - these booklets normally have all the most relevant rules and regulations in them as well as things like the company vision, mission, and values.
- **Suggestion programmes** - these, if used correctly, add value in that it allows employees to think creatively.
- **Complaint procedure** - this addresses a critical communication need as it provides employees with a comfortable and effective means for bringing problems or complaints to management.
- **Electronic mail** - is quickly becoming a method of choice for rapid, informal, and accessible intercom any communication. Within this domain you also get intranet which enables employees to pose, or log messages on a “faceless” message board. If managed correctly this bulletin board becomes an important management tool.
- **Surveys** - these are normally posted on the intranet and quick feedback is given electronically.
- **Open-door meetings** - this technique is effective to keep communication lines open between employees and management (Swanepoel, *et al* 2003:669).

Hersey, *et al* (2001:309-315) states that patterns/communication structures impact on organisational performance, this they further substantiate by referring to work done by Alex Bavelas and Herold Leavitt whom critically looked at communication structure/pattern.

The formal organisation chart of a bureaucratic organisation can be thought of as a network. It is a directed graph (a non-symmetric network) that records the social relation "reports to" (or, if you prefer the arrows to go downward, "is the boss of"). That social relation tends to channel a lot of the communications within an organisation.

For example, a lot of **prescriptive** information i.e. does this, stop doing that flows downward along the links. It's unusual, and can cause problems, when prescriptive information moves in a different pattern, such as from a boss to someone else's subordinate, or among peers, or from a subordinate to a supervisor. At the same time, a lot of **descriptive** ('this is the status of such-and-such project') flows up the links, often in the form of reports.

The formal organisation also determines a lot of other communication as well. For example, most roles (jobs) within an organisation are interlinked, forcing occupants of those roles to interact with others playing their own roles. For example, the personnel department, like the payroll department, generally has to interact with all employees. The people from marketing department work closely with people in the product development department.

In addition to these formally prescribed communications, there are also multitudes of informal communications, ranging from getting technical advice to sexual harassment. Some of these are affected by the official organisational structure (e.g., most communication occurs between people whose offices are within 50 feet of each other) and others are not.

Given that there are many ways to structure communication in an organisation, the question arises how the pattern of communications within the organisation affects the performance of the organisation - its ability to sell products, reduce costs, adapt to changes in environment, etc. In other words, what is the best communication structure/pattern?

One way to investigate this question is to perform controlled lab experiments. This is what Alex Bavelas and his student Harold Leavitt did at MIT in the late 40s and 50s.

### **THE LEAVITT EXPERIMENT**

Basically, the experiment had 5 people play a game somewhat similar to Clue in which they have to solve a puzzle. At the start of the game, each person is given a key bit of

information. In order to solve the puzzle, everyone's bit of information must be pooled together. The players communicate with each other, transmitting what information they have, until the puzzle is solved. Unlike Clue, the idea is for every single player to get the answer. The faster, more efficiently they can do it, the better. The following steps listed below is taken from the Analytical Technologies website (2008: <http://www.analytictech.com/mb021/commstruc.htm>).

## **SETUP**

Each person is put in a uniquely coloured cubicle (this is before computers are invented). They are given coloured stationary matching their cubicle. There are slots in the wall where they can send and receive messages.

At the start of each game, each person is given 5 symbols chosen from a set of six. The objective is to discover which symbol they all have in common. Each cubicle has 6 switches on the wall, labelled by the symbols. When a player learns the answer he (they were all men) flips the switch corresponding to the symbol he believes everyone has in common. The experimenters record the time when that happens. When all 5 subjects have flipped a switch, the experimenter calls a halt to the game and records whether they got it right.

If the game has not yet been halted, a subject could change his answer if he likes. Subjects are free to write anything they like on their messages, and to send as many or as few as they like.

The cubicles do not all contain the same number of slots. Some cubicles might have just one slot, which would mean that the subject in that cubicle could only message one person (whoever is at the other end of the tube).

The slots serve to restrict communications into certain patterns. Five separate patterns were tested: the star (wheel), the Y, the chain (line), and the circle. The subjects were not told what pattern they were in, or even that they were in a pattern.

The same set of subjects played the game in the same positions 15 times.

**Results Time** - The star and Y were considerably faster, on average, than the chain and circle.

**Messages** - The star and Y used the least number of messages. The chain was next, then the circle (which used quite a bit more).

**Errors** - An error was defined as the throwing of an incorrect switch before the end of a game. The star, the Y and chain made the fewest errors, while the circle made the most (however, the circle had the most error corrections).

**Satisfaction** - The subjects in a circle network enjoyed themselves the most, followed by the chain, the Y and finally the star.

**Leadership** - The probability of opining that the group had a leader went up in the order: circle, chain, Y, and star. In addition, agreement as to who was the leader increased in the same order (it was 100% in the case of the star).

**Improvement** - Circle people were very likely to say that they could have done things more efficiently and that was missing was "a system". Star people did not feel they could improve much.

Discussion: Which structure should have been the fastest? Theoretically, the star can solve the puzzle in a minimum of 5 time units, the Y in 4, the chain in 5, and the circle in just 3. How do you figure this? Consider the star:

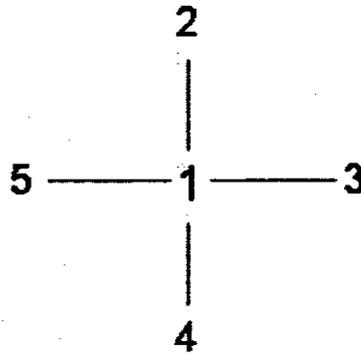


Figure 4: Leavitt communication "star"

At time 1, persons 2, 3, 4, and 5 can send their information to person 1, so at the end of time 1, person 1 knows all the information and therefore (presumably) the answer. At time 2, person 1 can send the answer to person 2. At time 3, person 1 can send the answer to person 3. At time 4, person 1 can send the answer to person 4. And finally, at time 5, person 1 can send the answer to person 5. So, given that you can't send stuff simultaneously to more than one person at a time, it takes a minimum of five units of time for this configuration to solve the puzzle.

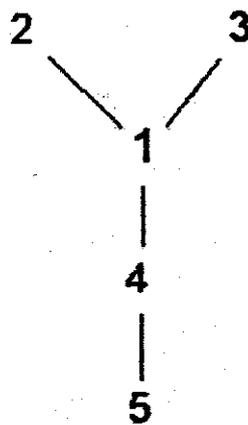


Figure 5: Leavitt communication "why" Y

Now consider the Y. At time 1, persons 2, 3 and 4 send their info to person 1, while person 5 sends to person 4. At time 2, person's 1 and 4 exchanges what they know, so know both of them know everything. At time 3, person 1 sends the answer to person 2, while person 4 sends the answer to person 5. At time 4, person 1 sends the answer to person 3. So it takes the Y only 4 units of time, at minimum.

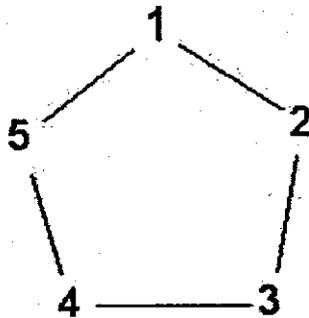


Figure 6: Leavitt communication "Circle"

Now, the circle is more complicated to figure out, so I will use multiple figures to explain it. At time 1, persons 5 and 2 send to person 1, person 1 sends to person 2, and persons 4 and 3 exchange their information, so that at the end of time 1, here is what each person knows:

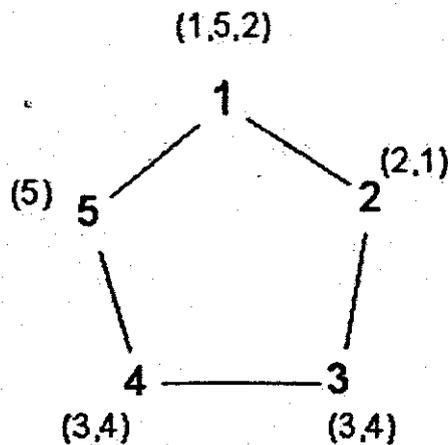


Figure 7: End of Time 1

(The numbers in the parentheses indicate whose information a person has at the end of the round. Person 1 has {1, 5, 2} which means they have obtained the information that 2 and 5 had, plus their own.) Now, in Time 2, person 1 sends their info to person 5, person

4 also sends to person 5, person 3, and person 2 exchange information. At the end of Time 2, person 5 knows the answer, but no one else does:

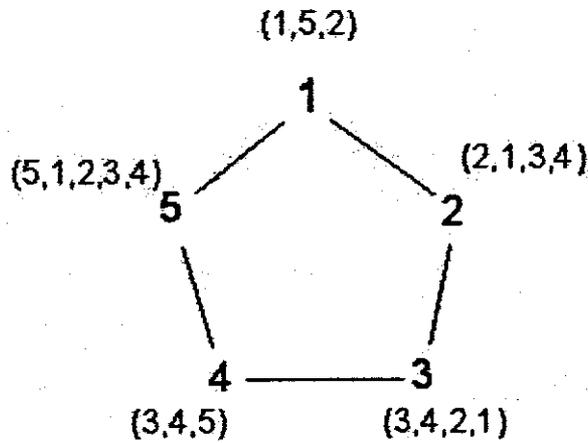


Figure 8: End of Time 2

In time 3, persons 3 and 4 exchange their information (so both know the answer), and persons 1 and 2 exchange their information, so each of them knows the answer. Since person 5 already knew the answer, the round is over. So the circle should have been the fastest. However, the actual experimental results were exactly the opposite. Now, it's easy to think: "big deal: people are not computers. They don't necessarily do things in the mathematically most efficient way." But if that were all there was to it, none of the structures would have performed consistently better than the others. There is clearly SOME effect of structure on performance, just not the one we expected.

So what is the relationship? According to Bavelas and Leavitt, it's centralization. The more centralized a structure is, the better it performs. They use "centralization" to refer to the distance nodes are from the most central node, who acts as an information integrator. The closer everyone is to that integrator, the faster the puzzle is solved. Of course, channelling all information to a single integrator is not the only possible strategy for solving problems. But it is a reasonable strategy that is easy to implement and which works well with simple problems.

Another feature of centralized systems is that the most central node is clearly more central than all the other nodes. This makes clear who is the leader, and also makes the funnel-everything-to-an-integrator strategy more obvious. Centralized-systems don't waste time searching for a strategy or vying for leadership: they just do it. Later research, however, has shown that centralization is not always optimal. The next table shows under which conditions and criteria centralized vs. decentralized systems are best.

Variable	Simple Task	Complex Task
Fewest messages:	centralized	centralized
Least time:	centralized	decentralized
Least errors:	centralized	decentralized
Most satisfaction:	decentralized	decentralized

Figure 9: Centralized versus De-centralized communication table

Centralized systems don't work as well as decentralized systems with complex tasks because some problems are too big for an individual to handle: the whole idea is to use the entire organisation as a distributed processing unit to solve problems that no one person could possibly handle. This is similar to the classic argument for the superiority of capitalism (decentralized) over communism (centralized). Also, with large systems (many nodes) central nodes can be overwhelmed with communications. In addition, in such systems, most of the network remains idle while waiting for information to filter back from the centre.

### POSITIONAL ANALYSIS

Leavitt also analysed the data by position in the network - i.e., by node. He found that:

- The most central positions send the most messages.

- They enjoy their jobs more.

The most central positions send fewer organisational messages and more informational/solution messages (and in highly centralized networks, the most central nodes send few informational messages vs. solution messages).

## **LEADERSHIP**

An interesting implication of the Bavelas-Leavitt research is that one path to leadership is centrality. In the past, many people have assumed that leadership is a personality trait that a person is born with or at least develops over a long period of time. Since in the experiment people are placed in the central position randomly, it is apparent that there are times when it is positional centrality that determines leadership, and not any enduring personality characteristic.

## **STRUCTURE AND COGNITION**

In these experiments, it was initially thought that the winning networks would be those whose pattern allowed the spread of information in the minimum time. This is a structural characteristic. However, it turned out that another structural characteristic, centralization, seemed to have more effect.

One possible reason for this is that in the centralized systems, the number of possible patterns of communication was much smaller. People were more or less forced to adopt a certain strategy for solving the problem. In contrast, for the circle, there were many possibilities, only a few of which worked well. Even if they all worked well, it was much harder for people to choose one strategy and stick to it. It is often the case in organisations that a satisfactory strategy that is easy to find, implement and stick to is superior to an optimal strategy that is hard to find, hard to implement, and hard to stick with.

It is also helpful if the strategy that a structure pushes people towards is one that people are naturally positively disposed towards. For example, people readily understand

leadership. It is much harder to understand the system which, in the circle, would actually lead to much faster performance than the integrator strategy.

This strategy of choosing a satisfactory rather than optimal solution is known as satisfying, and is an important concept in organisational theory. It is part of a larger conception of organisations as systems that overcome human cognitive limitations – a condition known as bounded rationality. The idea of bounded rationality is that people are intensely rational, but they can't really be rational because they can't consider all the possibilities. There isn't enough time, or information, nor the brains needed to sort it all out.

The level of interaction among members of a group is thus influenced by the structuring of channels of communication according to Bavelas and Leavitt as illustrated above.

## **COMPANY/ORGANISATIONAL CULTURE**

The question constantly comes to the fore, what is organisational culture or defines organisational culture?

Answering this question is complicated by the fact that both organisational researchers and anthropologists who specialize in studying culture disagree on what culture is and use different sets of words to define the construct.

According to Ajiferuke and Boddewyn's (1970:154) "*there are almost as many meanings of cultures as people using the term.*" Kroeber and Kluckhohn (1952) already suggested in 1952 that there were as many as 164 meanings of the term "*culture.*" Since then it was hoped that the field may have been further refined and a more "*common.*" definition may have been agreed upon. Instead, what culture is and the nature of it are still hotly contested (Bolman and Deal, 1991).

Fortunately, some areas of overlap can be discerned. Most basic is that there seems to be general agreement that organisational cultures are based in sets of meanings shared by some groups of people. This focus on what is shared has been neglected by other

constructs used to study organisations and thus give the culture construct a useful distinctiveness for organisational research (Beyer, *et al* 2000:324).

At a basic level, culture may be defined as “*the way we do things around here*” (Deal and Kennedy, 1988:4) or “*the way we think about things around here*” (Maull, *et al* 2001:305).

Other definitions of organisational culture refer to some unique characteristics:

- Patterns of shared values and beliefs over time, which produces behavioural norms that are adopted in solving problems (Deal and Kennedy, 1982; Schein, 1990).
- Culture is to the organisation what personality is to the individual – a hidden yet unifying theme that provides meaning, direction, and mobilization (Kilmann, Saxton, Serpa and Associates, 1985).
- Organisational culture is glue that welds managers together for effective implementation of organisational strategies, and the absence of this glue would bring about disastrous effects on the organisation (Alder and Morris, 1982).

The most commonly accepted definition of culture is the one by Schein (1985:9):

*“A pattern of basic assumptions – invented, discovered, or developed by a group as it learns to cope with its problems of external adaptation and internal integration – that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think and feel in relation to those processes.”*

In the literature organisational culture often gets confused with the construct “climate.” The approach taken in this study is consistent with Denison’s view that culture and climate are not strongly differentiated. Instead, they represent different but overlapping interpretations of the same phenomenon Denison (1996:626).

The lack of clarity between researchers on the different meanings of the terms used to describe cultural elements supports the fact that so far it has not been possible to find a common language to define such a complex concept as culture.

The Levels of Organisational Culture - Many researchers combine culture with another term to define its boundaries. Pizam (1993) for example, argued that culture exists at various levels of society.

Accordingly, he created a "*hierarchy of cultures*." The national culture is a geographical distinction, based on the physical boundaries of the nation state, whereas industry cultures, occupational cultures, corporate cultures, and organisational structure and managerial practices form distinctive patterns of behaviour of a social unit. Many other authors use similar approaches and define the boundaries of culture through. Different sub-cultures (Schein, 1985).

Groeschl and Doherty (2000:13) pointed out that culture consists of several elements of which some are implicit and others are explicit. Most often these elements are explained by terms such as behaviour, values, norms, and basic assumptions.

To simplify these manifestations of culture many authors use the layers of an onion as a metaphor (See Figure 9). The shallow, first layer is behaviour and represents the explicit culture. The implicit culture includes a second and deeper layer namely values. The core of culture is formed by basic assumptions.

According to Schein (1985), culture may be studied at its most visible level through the examination of its artefacts and creations, which include physical space, technology, art, symbols, language, mottoes, and overt behaviour.

At the next level are the values espoused by individuals as the organisation faces and deals with new situations. These represent "*what 'ought' to be, as distinct from what is*". Finally, at the deepest level of culture are the *basic, underlying assumptions*.

When actions that are taken in response to problems of external adaptation or internal integration are seen to be effective, the values on which they were based become accepted as “truth,” sink below the conscious level of culture, and become taken-for-granted assumptions that organisational members use to guide their behaviours and attitudes Groeschl & Doherty (2000:14).

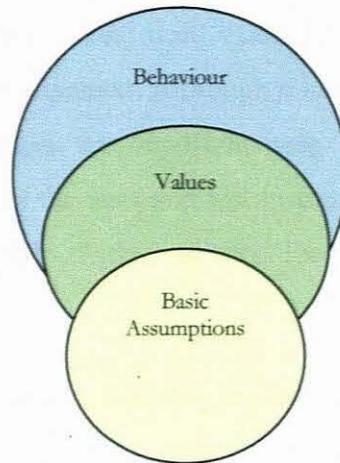


Figure 10: Layers of an Onion (Cultural)

Research into the nature of organisational culture tends to follow several main themes, the earliest being whether culture is directly observable behaviour or under lying shared assumptions (Lewis, 1996:12). Researchers are interested in the difference, because the way one views culture will determine how one studies it (Allaire and Firsirotu, 1984:193).

Various studies (e.g. Hofstede, 1980; Cooke and Szumal, 2000) have found that organisational culture differs from country to country, between industries, between organisations and even within organisations (sub-cultures). The typical South African organisation has its own idiosyncrasies, but is characterized by a highly multi-cultural work force.

According to Mouton (2001) most of the methodological research in the field of survey studies has been conducted in the United States. One obvious limitation, there fore is the applicability of these results to other contexts and countries.

Most of the methodological research in the area of cross-cultural research, although done in various countries (including developing countries), is quite dated and its relevance for current research practice is not obvious.

Very little methodological research has been done in developing countries. The organisational culture instruments developed in other countries may not be suitable for the South African context. Hence a real need exists for validate organisational culture instruments for the South African context. Although it has been proven by various studies that organisational culture plays an important role in the success or failure of organisations, but the validity of the tests and test instruments are constantly questioned in terms of validity, especially if the surveys feedback is not positive towards management.

It is in this regard that the author validates his research against the OCA research instrument as well as an impendent safety and communication survey which independently measured behaviour in the organisation.

## **CULTURE ESTABLISHMENT**

According to Bagriam (2003:26) an organisations initial culture sprouts from its founders thinking and business philosophy. If the founder is a person driven by achievement and success, an achievement culture is likely to develop. If the business is initially managed along rigid rules and guidelines, chances are good that it will develop into a very hierarchical and autocratic concern.

According to Moorhead and Griffin (1998:518) a company succeeds as a result of what a company does, its strategy, and how it does and its culture. The culture is linked to the strategic values and the creation of an organisational culture is really linking its strategic values with its cultural values, much as the structure of the organisation is linked to its company strategy. The establishment/creation of Organisation culture is based on the following five steps:

- Step1- Formulate Strategic Values

Strategic values are the basic beliefs about an organisation's environment that shapes its strategy. Strategic values, in effect, link the organisation with its environment.

- Step2 - Develop Cultural Values

Cultural values – are the values that employees need to act on for the organisation to carry out its strategic values. Employees need to value work behaviours that are consistent with and support the organisation's strategic values.

- Step3 - Create Vision

The “vision” is a picture of what the organisation will be like in some point in the future. Conventional wisdom dictates that the vision statement is written first, but experience suggests that the strategic and cultural values must be established first for the vision to be meaningful.

- Step4- Initiate Implementation Strategies: Build onto the values and initiate actions to establish the vision.

- Step5- Reinforce Cultural Behaviours: The final step is to reinforce the behaviours of employees as they act out the cultural values and implement the organisational strategies. Reinforcement can typically take the form of a reward system. Reinforcement practices are the final link between the strategic and cultural values and the creation of the organisational culture.

Bagriam (2003:153) states that the following are key themes in the implementation and maintenance of culture in organisations:

- Communication – is a key to the whole process of empowerment and sustaining the culture of the long term.
- Commitment – is emphasized as supporting a concept of mutual trust is seen as a key driving force from all levels of the organisation's hierarchy.

- Ownership – All staff needs to be involved.
- Skills and Competencies – staff needs to have all the necessary skills and competencies to function effectively in an empowered culture.
- Leadership – need for confidence in managers as empowered coaches.
- Sustainability – will help or hinder the growth of empowerment in the long term.

Creating an Empowerment Culture – Erstadt (1997:325-333) Organisations wishing to instill a culture of empowerment must find a way of establishing systems and processes that do not restrict employees. To bring this about, shifts in management thinking and management strategy is necessary. Middle management in an organisation controls employee empowerment success. According to Denison (1996: 619) a empowerment culture is cultivated when middle managers know their own level of empowerment and the capabilities of their employees, when they demand appropriate training for their employees and when they are willing to share appropriate levels of empowerment as their employees are ready.

Three crucial factors to success are:

- Shift the supervisory powerbase away from traditional command to that of a coach and expert
- Develop “Boundaries Management” away from narrowly defined jobs to a broadening of competency and overlap between jobs.
- Change leadership style towards building a learning organisation based on consensus and a common vision, ultimately flattening structures.

## **ORGANISATIONAL LEADERSHIP**

Organisational leadership is well researched topic and as such it's not the intent of this thesis to expand on the topic, but rather to provide a personal view of what best practices are in terms of organisational leadership within the South African context, an action

learning approach is going to be called for more and more as the rise of “knowledge workers” are becoming more prevalent in organisations.

### **Introduction to leadership and knowledge workers**

Leadership is an integral component of organisations and one that defines their direction and shapes their vision. Organisational leadership has always been an important aspect of organisational studies. The renewed interest in how leadership must develop to meet the challenges of the knowledge society has primarily been influenced by three developments during the last decade, namely the excellence movement of the 1980s, the emphasis on a resource-based approach to strategy, and the realization that the workplace is being transformed at a pace never experienced before.

The renewed emphasis on leadership started with the excellence movement of the 1980s, led by the investigations of Peters and Waterman (1982), which highlighted leadership as one of the central themes if organisations want to be successful. Together with themes such as a bias for action, the need for constant innovation and regarding employees as a resource rather than a cost, it has set the direction for organisational development into a new century (Grieves 2000:349).

Two related issues that emerged during the 1990s were the emphasis on a resource-based approach to strategy, which emphasized the importance of intangible assets and the pace of change. Corporate strategists like Harrison (2003:10) view organisations as a bundle of resources, with knowledge and learning as the focus point of organisational resources that include financial resources, human resources, physical resources and general organisational resources. Kaplan and Norton (2004:13) claim that in the knowledge society as much as 75% of an organisation’s value is vested in its intangible assets, which are described as human capital, information capital and organisation capital.

Leadership is an important constituent of organisation capital, which also includes culture, teamwork and knowledge management. Together with innovation, customer relationships and brand value, intangibles such as knowledge and intellectual assets are

viewed as the drivers of future corporate wealth with leadership being included as a powerful latent capability of an organisation (BSi 2003:26).

Concurrent with this emphasis on a resource-based strategy, it is also acknowledged that the world is changing at a pace never experienced before and that 'leadership styles and skills that may have worked in stable, predictable environments will be inadequate in an era of radical uncertainty' (Marquardt and Berger 2000:1). The net total of these inter-related developments is the realisation that organisations need to learn how to adapt quickly to changing environments, with leadership playing a central role in achieving the desired change.

Antal, *et al* (2001:868) identify leadership as a primary barrier to organisational learning, while Thurbin (1995:95) and Garvin (2000:187) posit that leadership and managerial influences in the knowledge organisation should receive specific attention if knowledge management programmes are to be successfully implemented.

Similarly, Holsapple and Joshi (2000:239-241) identify four main managerial influences related to Knowledge Management, namely:

- Leadership in the management of knowledge.
- Coordinating the management of knowledge.
- Controlling the management of knowledge.
- Measuring the management of knowledge.

Likewise, Senge (1990:360) argues that leadership in learning organisations is both collective and highly individual. Leadership is an important agency for organisational learning. Nonaka and Takeuchi (1995:61) and Wiig (1999:20) states that creating organisational knowledge essentially evolves around people, and for organisational learning and knowledge management to be effective, organisations must adopt greater people-centric perspectives of knowledge.

Leadership therefore plays an important role in constructing organisational knowledge. However, traditional leadership styles and management methods based on command and

control principles, that once were perceived to increase the competitiveness of an organisation, have become a liability as these methods have not been found to offer competitive advantages to these organisations.

Management's role and organisational leadership need to change to reflect these new realities and therefore require a move away from the command and control approach to a different style of leadership.

The two most common leadership styles in contemporary organisations are transactional and transformational. The former approach is very much present in traditional organisations and it involves the position of power of the leader to use followers for task completion. In other words, leaders help employees identify what must be done to achieve the desired results (Horner 1997:274). Transformational leadership searches for ways to help motivate employees to work towards long-term strategic goals instead of short-term self-interest and they inspire and motivate employees to achieve results greater than they had originally planned (Horner 1997:270).

Bukowitz and Williams (1999:351) argue that today's leaders must pay attention to environments rather than rules, coach rather than tell, ask the right questions rather than provide the right answers. The result is a more distributed decision-making system, in which all members can and must participate. They conclude that from a knowledge perspective, effective leadership hinges on an ability to grasp the value-creating potential of the organisation's knowledge base. The leader must not only set strategy, but also communicate it in a compelling fashion. The shift from being the source of all knowledge to managing the network of how knowledge flows lies at the heart of this new emerging leadership. To address these challenges some leadership approaches, which are not yet clearly defined, are emerging and will now be explored.

### **Emerging approaches to leadership**

The relevance and importance of a new "emerging" leadership have been explored by Nonaka and Takeuchi (1995:156), Bennis (1999:4-6), Scholtes (1999:704-711), Gilley and Maycunich (2000:69) and Marquardt and Berger (2000). In contrast to

transformational and transactional leadership styles, an “emerging” leader is defined as one with a developmental leadership approach or “servant ship”.

Developmental leader’s help employees grow and develop without regard for their own selfish interests. Similarly, Horner (1997:277) posits that leadership is seen as a process in which leaders are not seen as individuals in charge of followers, but as members of a community of practice. The latter needs to display the following characteristics:

- Learning is fundamentally a social phenomenon.
- Knowledge is integrated in the life of communities that share values, beliefs, languages, and ways of doing things.
- The process of learning and the process of membership in a community of practice is inseparable.
- Knowledge is inseparable from practice.
- The ability to contribute to a community creates the potential for learning.

Stone, *et al* (2004:349) argue that there are many similarities between transformational and servant leadership, but that the main difference between transformational and servant leadership is based on a difference in focus. Transformational leaders tend to focus more on organisational objectives, while servant leaders focus more on people who are their followers. Leadership approaches are thus shifting from the individual command and control approach to a collective and collaborative approach. Three distinctive approaches to leadership are emerging, namely the middle-up-down approach, the developmental approach and an action learning approach.

### **Middle-up-down approach**

Line management has a particular role to play in enabling organisational knowledge. Nonaka and Takeuchi (1995:232) argue that knowledge is primarily enabled by middle management and suggest the 'middle-up-down' approach that narrows the gap between the vision of the organisation and grass roots reality. To embrace such an approach, a different organisational structure is required, namely the 'hypertext' organisation. This structure combines a hierarchical and task force approach that promotes an organisational

structure in which there is a continuous interplay between tacit and explicit knowledge (Nonaka and Takeuchi 1995:233). Similarly, MacNeil (2003:301) concludes that the role of the line manager as a facilitator of knowledge sharing in teams could make a significant contribution to maximizing core competence of learning in the organisation.

According to Erstadt (1997:325-333) leadership approach, which one could also describe as the “hypertext” approach, emphasizes the collective nature of leadership. Although the responsibility still largely lies with the leader to set the example, the shift is away from a command and control approach to one where every employee has a role to play in the organisation. It is therefore not only the role of the leader which is changing, but also that of the (knowledge) worker. The power balance is shifting towards a situation where knowledge workers have a greater say and input into decisions.

### **Developmental or servant leadership**

Organisations need to develop and promote leaders who realize that organisational renewal and competitive readiness are totally dependent on employees prepared for future challenges, continuous change, life-long learning, and ever-increasing competition. These leaders are described as developmental leaders, leaders who are firstly characterized by servant ship. Such leaders put employee needs, growth and development above their own interests, and inspire trust via their actions, beliefs and values placed on followers (Gilley and Maycunich 2000:62-65). Similarly, Sadler (2001:422-424) argues that in a learning organisation, a leader has three functions, that of designer, steward and teacher. The essence of this kind of leadership is to design learning processes. Stewardship has to do with the long-term survival of the company and as a teacher the leader is continually helping people to see the bigger picture.

To be an effective leader in the 21<sup>st</sup> century, eight key attributes are emerging which can be summarized as follows:

The ability to think in terms of systems and knowing how to lead systems (Gilley and Maycunich 2000:81; Marquardt and Berger 2000:1; Scholtes 1999:705 and Senge 1990:343).

The ability to understand the variability of work in planning and problem solving (Gilley and Maycunich 2000:124; Scholtes 1999:708).

Understanding how we learn, develop and improve, and leading life-long learning and improvement (Bennis 1999:5; Marquardt and Berger 2000:1; Scholtes 1999:706) .

Knowledge in generating and sustaining trust (Bennis 1999:4; Nonaka and Takeuchi 1995:156).

Understanding the interdependence and interaction between systems, variation, learning and human behaviour; knowing how each affects the other (Scholtes 1999:706; Senge 1990: 359).

Giving vision, meaning, direction and focus to the organisation (Bennis 1999:6; Marquardt and Berger 2000:31; Scholtes 1999:708; Senge 1990:346).

The ability to integrate various methodologies for knowledge construction (Gilley and Maycunich 2000:124; Nonaka and Takeuchi 1995:156).

Comfort and confidence with technology and how it enables organisational performance and learning (Marquardt and Berger 2000:29).

A common feature emerging from these competencies is the emphasis that is placed on both individual and collective, or team learning. In a static world, the need to learn is not very great. But in an uncertain world, learning never ends. This approach requires that we need to revisit the way in which people acquire knowledge and the competencies required by knowledge workers and leaders.

Horibe (1999:6) and Sadler (2001:426) argue that these new management challenges related to knowledge workers require the following:

- Encouraging new knowledge to come forward
- Tapping into everyone's knowledge
- Managing knowledge you do not understand

- Encouraging people to learn
- Encouraging learning by asking challenging, awkward questions; by stimulating intellectual curiosity
- Facilitating the learning of others by acting as coach or mentor.

A central element in being a developmental leader is the ability to communicate effectively and one's command of language. Communication is an essential element firstly to establish trust, which implies open, honest, and direct communication.

Secondly, developmental leaders must also be successful in communicating their organisation's purpose and articulating the vision to enable employee support and involvement. A third important aspect of communication is a developmental leader's ability to ask relevant and pertinent questions, an aspect which the empirical research will focus on. This aspect in particular is highlighted by Seeley (2003:8) as an important step in facilitating change and creating a knowledge-sharing culture. The examples set by the leaders of an organisation are of particular importance. If managers start asking relevant questions, all employees will eventually begin to ask others for their expertise and insights. To enable such an approach, Seeley (2003:8) suggests the Knowledge Leadership Cue Card concept, namely, if you can influence the questions that managers and supervisors ask their staff, you can influence the importance placed on knowledge sharing by those employees.

Developmental leadership provides a possible approach in developing leaders for the knowledge society. These characteristics identified in the previous paragraphs need to be encouraged and nurtured.

### **Action learning alternative in developing knowledge leadership**

An alternative to these new emerging leadership features described above is an action learning approach, which embodies many of these new and emerging leadership traits. Action learning has emerged as one of the most powerful and effective tools employed by organisations worldwide to develop and build their leaders. Action learning derives its

power from the fact that it does not isolate any dimension from the context in which manager's work, but rather develops the whole leader Marquardt (2000:233).

The power of action learning as a leadership development framework has been realized since the early 1990s, but its impact within organisational context has only become visible during recent years.

General Electric successfully used it in the early 1990s Welch (2001:174-176), as well as by other organisations such as Citibank, Shell and Johnson & Johnson, to develop their leaders Dotlich and Noel (1998:19).

Marquardt (1999:4) describes action learning as "both a process and a powerful programmer that involves a small group of people solving real problems while at the same time focusing on what they are learning and how their learning can benefit each group member and the organisation as a whole".

Action learning's greatest value is arguably its capacity for developing individuals (leaders), teams, and organisations to effectively respond to change. Dotlich and Noel (1998:192) state that "action learning" provides companies with a tool to identify twenty-first century leaders' and provide numerous examples of how action learning has assisted organisations in helping their people to become aware of their command-and-control tendencies and to adopt more relevant leadership traits.

Action learning displays most of the characteristics that are required by emerging leaders as has been explored in previous paragraphs. Marquardt (2004:118) quotes action learning leadership development programmes which specifically develop global competencies such as adaptive thinking, building relations, inspiring trust, aligning the organisation, fostering open and effective communication, demonstrating vision and focusing on quality and continuous improvement. Other important competencies, such as critical questioning and reflection, are also developed in knowledge leaders through an action learning approach.

A number of leading companies have used action learning as an approach to develop their leaders. This approach has shown to be highly successful and has resulted not only in developing effective leaders, but also in improving organisational performance.

A quantitative research approach has subsequently been used to determine if there is a correspondence between organisations that are using action learning as a leadership development programmer, and organisations that have successfully implemented knowledge management programmes.

### **Yenza leadership approach**

The spirit of African leadership closely relates to these new leadership traits that are emerging in a knowledge society. Within the African context, Mbigi (2004:40) identifies the servant leader and proposes the following as key values in African leadership:

- Respect for the dignity of others.
- Group solidarity: an injury to one is an injury to all.
- Teamwork where none of us is greater than all of us.
- Service to others in the spirit of harmony.
- Interdependence. The most successful servant leaders are those who have become skilled empathetic leaders.
- Persuasion, which is the clearest distinction between conventional authoritarian leadership styles and that of servant leadership.

According to Human (1998:172) the word Yenza means “action” in developing a strategic and change management framework, the Yenza leadership framework is proposed. The Yenza leadership framework embodies both the spirit of African leadership and developmental and change leadership which are required to enable learning and the creation of knowledge in learning organisations of the 21st century.

Such a framework emphasizes the importance of teamwork in which collaborative learning is valued, respect for others exists, and where critical questioning is allowed in the spirit of open and respectful communication. These are the central constructs for

adopting an alternative leadership approach suitable for the knowledge society and which will enable the construction of organisational knowledge and learning

## CONCLUSION

Zuber - Skerritt and Perry (2002:177) states that action learning is appropriate and effective methods for developing a person's managerial "soft" skills, competencies and other attributes required by managers and leaders within the 21<sup>st</sup> century learning organisation.

Action learning intrinsically promotes most of those competencies that need to be nurtured in a developmental leader. These competencies, which include problem-solving, leadership development, systems thinking, collective learning, ability to ask questions, building relations and developing trust, are highly relevant to knowledge organisations.

Action learning is used by a number of leading international organisations as a leadership programmes and has already shown itself as a highly effective way of developing knowledge leaders in preparation for the knowledge society of the 21<sup>st</sup> century.

The Yenza leadership framework not only reflects the values important to the African spirit, but also operates simultaneously on the fault line of the Western and African divides. It bridges this divide and is likewise relevant to and suitable for developing leaders in the Africa context (Human (1998:172).

## Chapter 4

### LEARNING PHILOSOPHY

#### INTRODUCTION

In this chapter I will present the learning philosophy implemented in TSA over four years provided an organisation tool whereby people management became a pleasure and this responsibility was not only “Personnel issue” for Human Resources, but rather a shared one whereby all individuals in the organisation took ownership for Human Capital. This Model was implemented in TSA (620 permanent employees) it is the intention of this paper to constantly compare its integrated components with similar operations in terms “best practices” in Organisational Development.

The intention of the power point presentation is to provide an illustrated view of the learning philosophy clarifying the learning strategy, ultimately illustrating how the learning strategy assisted TSA in becoming and staying a learning organisation. I would strongly recommend the viewing of the PowerPoint presentation as the hyperlinks illustrate integration of the learning strategy which cannot be effectively illustrated in a two dimensional sphere.

Robbins, *et al* (2005:416) refers to writer Peter Senge whom in his book “The fifth discipline” constantly made reference to the “learning organisation”. One of the key factors in the design of the TSA learning philosophy was adherence to the concept of a learning organisation which inherently displays the following fundamental Organisational Development (OD) tenets; namely:

- Flat organisational structure.
- Open communication.
- Teamwork.
- Empowerment.
- Inspired leadership.
- Innovation and change.
- Shared vision.

- Systems approach.
- Job satisfaction and commitment.
- People oriented.
- External and internally focused.
- Technology driven.
- Customer oriented.
- Helps to shape the organisations culture.

Great care was taken to integrate these tenets into the learning philosophy, which resulted in a system, which if implemented correctly meets all the requirements of a learning organization.

### **COMPANY STRATEGY**

In figure 12 the TSA strategic company framework illustrates how the strategy is implemented.

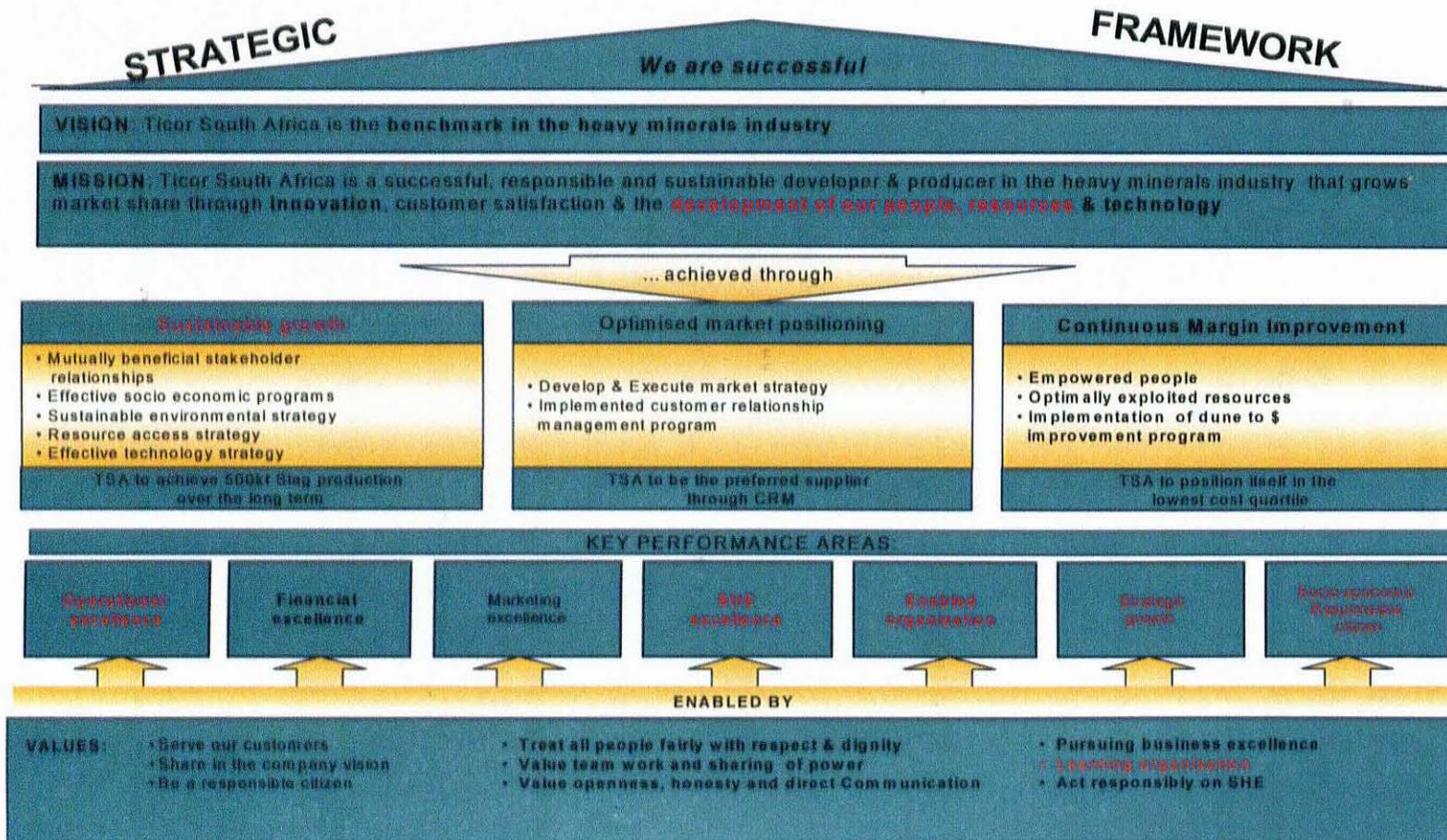


Figure 11: TSA strategic company framework

The TSA strategic framework is viewed as the company strategy and forms the basis to work from. All aspects of each department is defined in this house. The idea is to cascade it down in each department until all details are mapped and measured to workshop level. This means that The Key Performance Areas (KPA) in the strategic framework has relevant Key Performance Indicators (KPI's). These KPI's then become the KPA's of the departments which then formulate new KPI's, which in turn then become KPA's of sub-departments. These KPA's and KPI's then form the nucleus of employee's performance contracts. This cascading ensures alignment within the organisation ensuring that each employee has a performance contract which is aligned with the strategic framework of TSA. For the purposes of this paper the items highlighted in red in the strategic framework, impacts on learning and as such form an integral part of the learning strategy of TSA.

However at TSA it is assumed that for any strategic plan to work in the long term, it is assumed that people:

- Are capable of making decisions.
- Need to engage in communication about the business and their role in it.
- Are responsible and willing to be held accountable for their actions.
- Like challenges and learning new things.
- Are motivated by good intention.
- Desire to make a positive contribution and be recognized for it.
- Through good communication practice.
- Want to be recognized as unique and don't like to be treated like machines.

With the above in mind TSA tried to incorporate most of these aspects in the corporate strategy, again ensuring alignment with the tenets of a learning organisation.

### ***Learning Strategy***

The learning strategy is symbolically represented in the form of a house in figure 13.

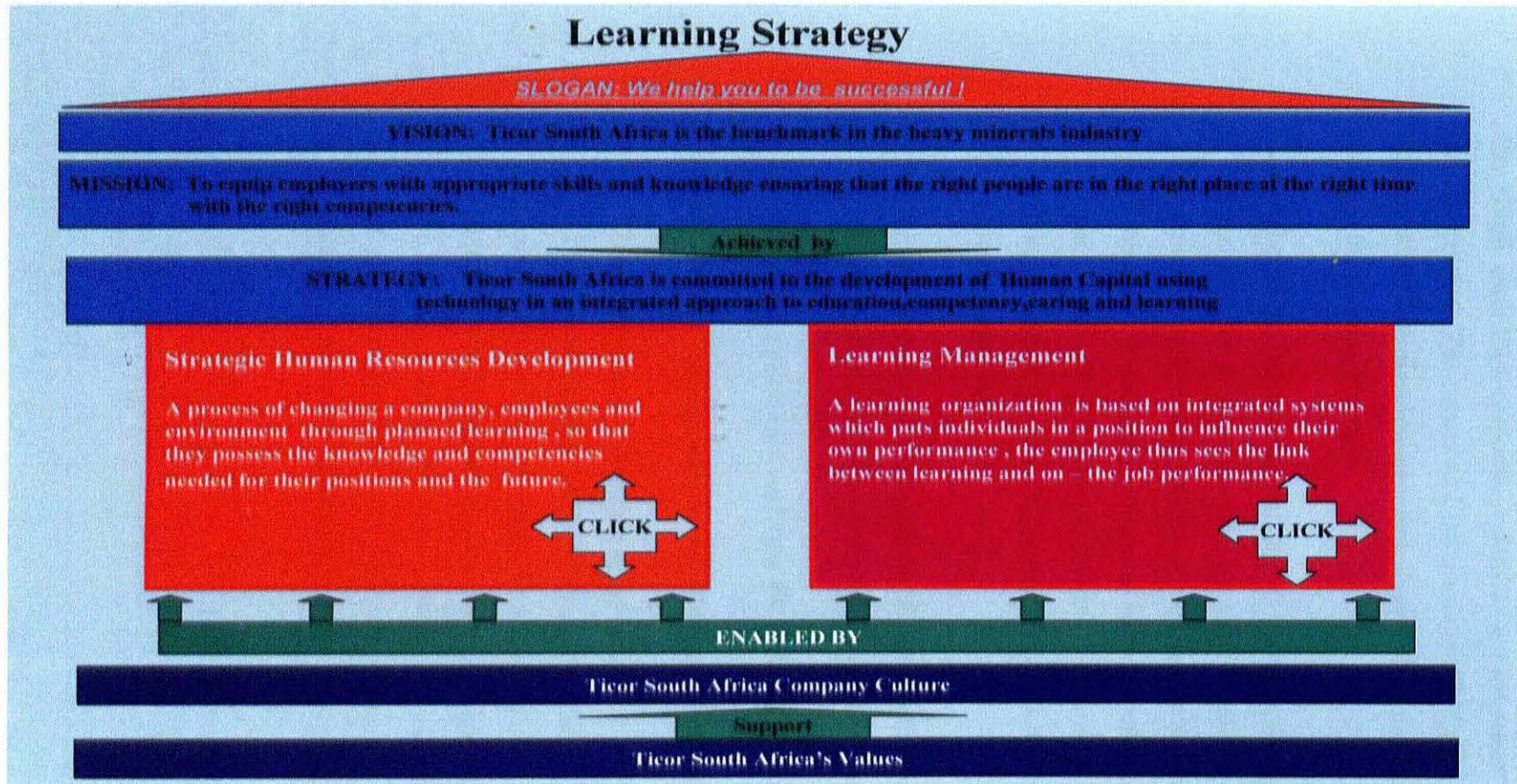


Figure 12: Learning Strategy House

The house uses TSA corporate values as a foundation which supports the company climate/ culture. The values and culture is enabled by two pillars – Strategic Human Resources and Learning Management, these pillars also support the strategy, mission and vision of the learning strategy.

- The design intent of this strategy is to ensure success, with this in mind we know that in order to be successful, futuristic organisations need to form the strategy, structure and culture of the enterprise itself into learning systems, with the objective of becoming a learning organisation Mulrooney (1995:19). In similar vein, Mulrooney (1995:19) refers to Garrat (1990), whom identified three characteristics of a learning organisation which is catered for in the TSA learning strategy, these are:
- Encouragement of employees on all levels in the organisation to learn regularly and rigorously for their work/tasks they need to perform.
- They have systems for capturing the learning and moving it where it is needed.
- They value learning and are able continuously to transform themselves.
- The key features of a learning organisation are its vision of how it wants to be and a clear understanding of its purpose or mission and the ways in which these manifest themselves in values and behaviours. It is the intent of this study to illustrate how the organisational vision and supporting behaviour is entrenched in the learning strategy. The components of the learning strategy is viewed as a set of relationships which links TSA's mission and espoused values and desired patterns of behaviour. Again this will be highlighted in this chapter.

On a Macro level the learning strategy composition is based on the following:

- The 1st tier or base of the strategy is TSA'S value's system.
- The values support the 2nd tier, which is TSA's organisational culture.
- Culture in turn enables the two main pillars of the learning strategy namely – Strategic Human Resources Development and Learning management, which in turn support the roof of the learning strategy.
- A Strategy, Mission and Vision which ultimately culminates in a slogan which illustrates the impact of learning on attitude, which in turn affects the organisational culture.

#### **Ticor South Africa - Values**

TSA's values support continuous learning, challenges the status quo, questions assumptions and established ways of doing things. This leads to continuous improvement which in turn is a characteristic of a learning organisation. TSA has the following core values:

- Value 1: We all share in the same company vision.
- Value 2: We are a learning organisation committed to constructive thinking, creativity and continuous improvement.
- Value 3: We Focus on adding maximum value pursuing business excellence.
- Value 4: We always act responsible on health, safety and environmental issues.
- Value 5: We serve our customers and are prepared to walk the extra mile.
- Value 6: We are consistent in treating all people fair with respect and dignity.
- Value 7: We value teamwork and the sharing of power.
- Value 8: We value openness, honesty and direct communication.
- Value 9: We endeavour to be a responsible corporate citizen.

Company employees are encouraged to view the values of the company as the cornerstone upon which the business is built. Employees are further encouraged to

familiarize themselves with the values and make them part of their daily actions. According to Deal, *et al* (1982:21) recognition awards are also given to employees whom excel in any of the nine values, thus confirming their importance.

### **Ticor South Africa - Company culture**

TSA seemingly has the following key concepts which form a basis in terms of culture establishment within the organisation:

TSA has a vast emerging body of knowledge in the management of diversity, having integrated the complex interface between culture and management of diversity, between culture and management. Thus ensuring equity in the development of both the individual and team. Ashkanasy, *et al* (2003:101) clearly supports the above statement which contributes a stable environment.

TSA promotes fairness to all its members in terms of the design of social interventions, thus ensuring that the heterogeneous population does not become a pluralist society, therefore inhibiting the potentially destructive conflict which typifies a pluralist society.

TSA has the skills and awareness to handle global diversity, cross-cultural understanding, build networks and understand geopolitical forces.

TSA strives to maximise its use of human capital. This is done by liberating this talent and providing an organisational culture in which it can thrive, offering the benefit of developing and empowering people so that they better able to respond appropriately and be flexible to changes in their work environment. This train of thought is supported by Mulrooney, *et al* (1995:169).

TSA is a Greenfield's project and as such recruitment was aimed at recruitment for specialists and ensuring that the best person fills the relevant positions. With it came a diversity of corporate cultures. The cultural diversity is stressed in terms organisational cultural differences and not in terms of race diversity.

The following main organisational cultures came to the fore, namely:

Iscor/Kumba culture, a large percentage of the smelter line managers came from the old steel smelter at Pretoria West; the operators in these teams emulate the functional leaders and mould their behaviour around the examples set by these leaders. This is not limited only to production personnel but also to the maintenance team.

Heavy minerals culture, focus here is on ex Namakwa Sands and Richards Bay Minerals staff, though these operations are on the opposite ends of South Africa they seem to display the same cultural traits. It is also not strange to find that a large percentage of employees whom came from Namakwa Sands , previously worked for Richards Bay Minerals and TSA is viewed as coming home to Richards Bay.

Umhlatuze culture, this is a summative term of all the employees who where recruited within a 100km radius from the existing plant. The diversity range from operators that where unemployed employees from the tribal areas, to employees whom came from the other industrial technology advanced giants in the Umhlatuze area.

Australian culture, two CEO's came from Australia and we must keep in mind that the management of TSA was under Australian control for three years however only a few Australians actually worked in TSA.

Nelson, *et al* (2005:362) states that within organisational culture, there are various levels of culture. One of the most visible is personal enactment. The personal enactment of the CEO transmits values to others in the organisation, especially the management team. The pivotal position of the CEO is thus crucial in the establishment or maintenance of an existing corporate culture. Only time will reveal how what affect the Australian component will have on the final TSA corporate culture as it develops.

The culture in South Africa is not homogeneous (Elhers, *et al* 2004:92). Within TSA we not only have the predominant cultures as highlighted, but also a variety of subcultures based on religion and geographical area. The tribal areas as such create a variance in culture even within the Zulu speaking employees of TSA. Collectivism versus Individualism is discussed by Nelson (2005:28). The Zulu speaking employees make up more than half of TSA workforce and their tight knit social framework ensures that the

individual members depend strongly on extended families and clans. Individualism is viewed with suspicion and is a relatively foreign concept. This is also one of the reasons why the philosophy of socialism fits in well with the Zulu culture and traditional western types of performance management is not easily embraced by the majority of South Africans in Industry.

Cultural establishment is handled as part of leadership development, in particular the concept of situational leadership. Situational leadership forms part of transactional management, which in turn is the basis from which transformational leadership which was launched as an initiative.

TSA's organisational culture/climate will be dealt with in chapter 4 when the surveys done in TSA are discussed.

### **Strategic Human Resources Development**

“A process of changing a company, employees and environment through planned learning, so that they possess the knowledge and competencies needed for their positions and the future” (Grobler, *et al* 2002:9).

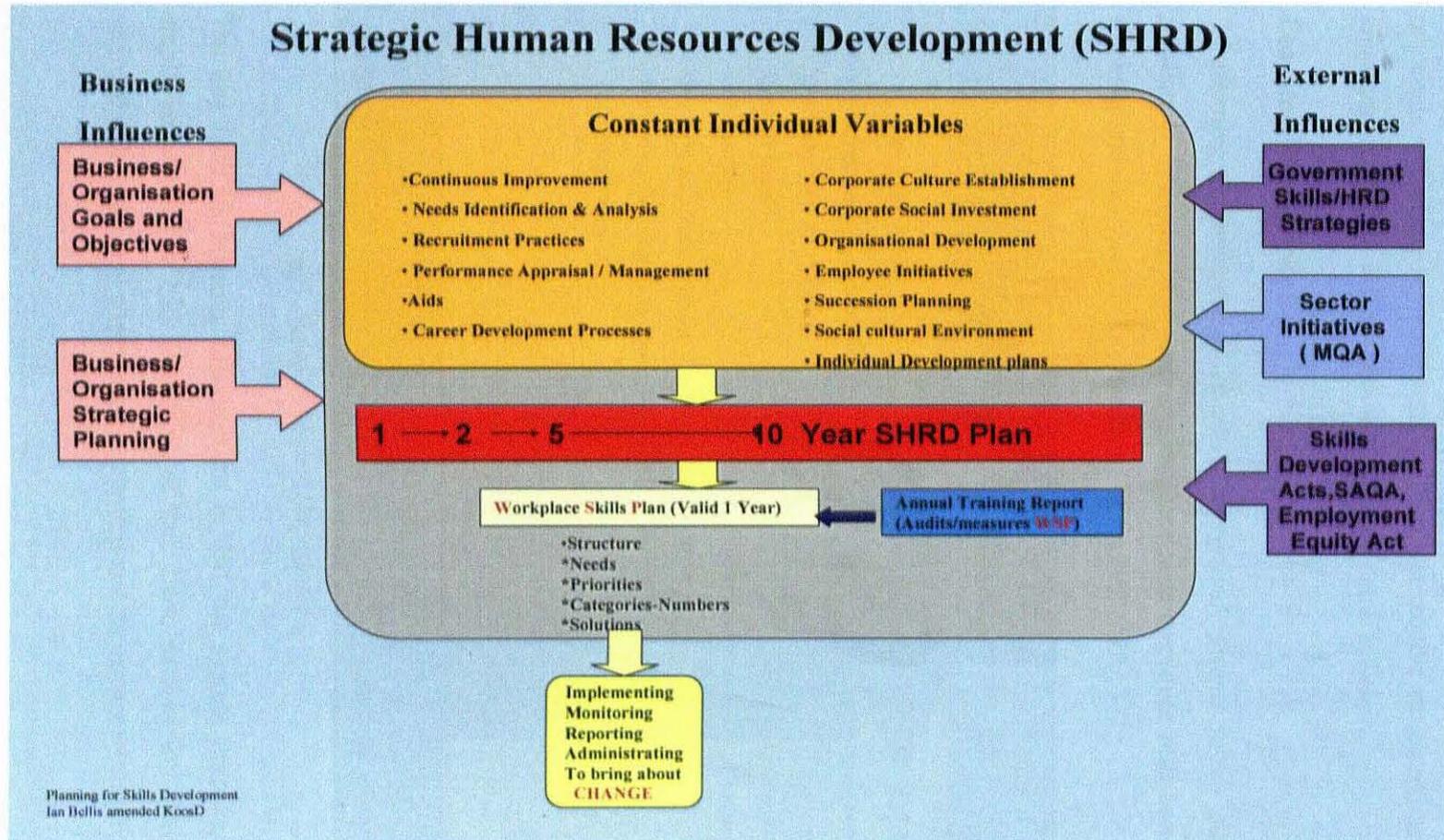


Figure 13: Strategic Human Resources Development (SHRD)

Human Resources Development (HRD) focus is mainly on development of human capital within the organisation. SHRD takes HRD further in that the development of human capital does not only extends from an internal focus to an external focus. This external focus supplements existing CSI initiatives in that it provides for the development of people whom are not employed by TSA, yet receive structured training for possible employment, SHRD will be dealt with in more detail in below.

### Learning Management

*“A learning organisation is based on integrated systems which put individuals in a position to influence their own performance; the employee thus sees the link between learning and on – the job performance.” Kim DH, (1993:37)*

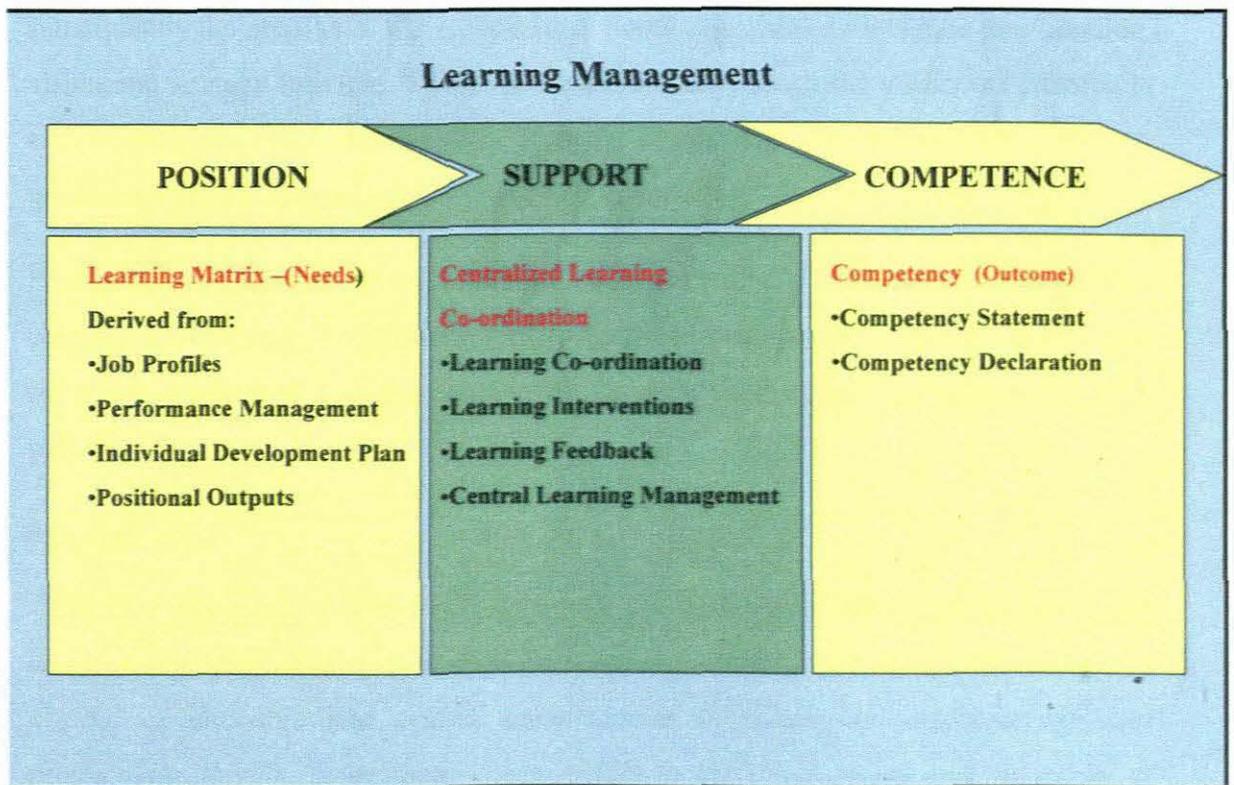


Figure 14: Learning Management

The key to TSA learning management is that the system encourages the individual employee not only to take ownership of their own learning and development, but also seeing the link between what they are learning and its impact on the work they have been

employed to do. The above schematic flow diagram illustrates the intent of learning management in TSA.

### **Strategy**

*“Organisational strategy for Learning is an important component of the HR grand strategy because plans for equipping people with appropriate skills and knowledge for the future are closely related to plans for ensuring that the right people are in the right places at the right times and that they possess the right skills” Robbins, et al (2004:419).*

As previously stated, the learning departmental strategy is cascaded from the organisational strategy; this methodology is also supported by Ehlers, et al (2004:47).

Salaman (2001) states that the strategic intent helps to formulate the vision and subsequently the mission of the organisation. Some organisations integrate their mission, vision and strategy into one. TSA kept it separate and though the vision and mission is clearly spelt out, TSA developed a Strategic Framework into a summative strategy, which includes the vision and mission of the organisation.

From a learning point of view, the strategy we implemented is centred on the concept of a competent workforce. This strategy mainly focuses to equip people with the appropriate skills and ensure that TSA has people with the right skills at the right time, at the right place.

### **Mission**

*“The Learning support centre will determine the qualitative and quantitative education and learning needs of all current employees and learners of TSA and facilitate delivery of a pool of desirable and critical competencies in leadership, craftsmanship and productivity, thereby contributing meaningfully to the development and prosperity of employees, management and all other stake holders”.* (Learning department mission stat

The mission statement needs to answer the following question: “What is our business?” Ehlers, et al (2004:49), TSA’s mission statement says: TSA is a successful, responsible and sustainable developer & producer in the heavy minerals industry that grows market

share through innovation, customer satisfaction & the development of our people, resources & technology.

The learning mission statement supports the TSA mission statement in that its main focus is on the “development of people” aspect of the TSA mission. A strong focus has been placed on creating a pool of competencies and though the individual is catered for the focus is on groups and teams.

### **Vision**

*“TSA is committed to the development of human capital for the heavy minerals industry using technology in an integrated approach to education, caring and learning”. (Learning departments Vision statement)*

The average TSA employee, when questioned will tell you in brief that: “TSA is the benchmark in the heavy minerals industry.”

Ehlers, *et al* (2004:48), States that the vision statement needs to answer the following question: “What do we want to become?”

The TSA vision statement is, “TSA is the benchmark in the heavy minerals industry.” The learning vision absolutely supports the TSA vision as we know that the development of Human Capital is crucial if we want to stay the benchmark in the heavy minerals industry.

Mulrooney, *et al* (1995:43) states that a shared vision is crucial for an organisation to grow and benefit from future possibilities. Part of this vision must recognize the importance of learning of the individual, group and system to enable the organisation to transform itself continuously and thus survive and thrive in an increasingly unpredictable world.

The TSA learning vision highlights commitment, human capital (individual) using technology (improvement), education (group learning), caring (commitment) and learning. The vision thus meets the criteria of a learning organisation.

Communicating the vision to the entire workforce is almost as significant as developing it. Explaining and sharing the new vision and its rationale to all employees could break down any resistance to the new strategic direction. If the vision is not clearly communicated to all stakeholders its implementation will be greatly slowed down due to employee's resistance to change.

### **Learning Slogan**

Selling learning on site ensures that you are strategically positioned as a business partner; part of the process is to get a "slogan" which will add value to the learning department and also align the department with the overall company strategy.

*"We will help you to be successful"- the focus is on attitude. Learning impacts on organisational factors, group factors, personal and external factors which has a direct effect on job satisfaction leading to –improved productivity, lower staff turnover and less absenteeism"*

*(TSA Learning departments slogan)*

McShane, *et al* (2005:111) – defines attitudes as a cluster of beliefs, assessed feelings, and behavioural intention towards and object.

With a slogan of: "We will help you to be successful"- the focus here is on attitude. This is achieved by having learning focus on organisational, group, personal and external factors. The slogan supports the learning vision which ultimately enables TSA to become and stay a learning organisation.

Attitude is not an emotion and as such includes three components, namely beliefs, feelings and behavioural intentions. Behavioural intentions are better than feelings or beliefs at predicting a person's behaviour. Howe (2003) states that behavioural intentions represent the motivation to act, when this is supported by role perceptions and situational factors it has an influence over a persons attitude.

The ultimate objective of the learning department is to ensure that TSA has a competent workforce. At TSA we believe competency has three main components namely, cognitive (knowledge component), applied skills and attitude. What this means, is that

you might have the skills and the knowledge to do a job, but if your attitude is wrong you are not competent to do the job. The measurement of attitude is not easy and is normally measured as part of a climate survey. A survey of this nature is based on perceptions and is a “snap shot” taken at an organisation at a given time.

Ultimately attitude impacts on job satisfaction, when this happens you organisation has an organisational climate which gives you a competitive edge.

### **Implementation of the learning strategy**

Elhers, *et al* (2004:175) defines strategy implementation as the process that turns strategic plans into a series of action tasks, and ensures that these tasks are executed in such a way that the objectives of the strategic plan is achieved.

This implementation strategy does exactly that. What Ticor did to implement the strategy was to integrate all the aspects of the learning strategy ensuring that it fits into the methodology of a learning organisation. The implementation is based on three components, Career development (mission), a House of learning (strategy) which ultimately leads to competent human capital (vision). The process is supported by organisational values, which ultimately support the culture of TSA. The learning strategic framework in turn supports the TSA strategic framework.

Though Organisational structure will be dealt with in chapter five, cognizance must be taken that an organisational structure provides the backbone within which the strategic process must operate to achieve the organisation’s objectives, (Elhers, *et al* 2004:204).

### ***Values support Culture***

Running concurrent, in support of the implementation of the learning strategy is organisational values which ultimately forms the basis of the corporate culture. Morals lay the basis for an employee’s values, these values the influence the employee’s attitude, level of motivation, perception and behaviour. TSA has employees with diverse values systems and as such also come from varied cultural backgrounds. The objective of the

TSA cultural system is to enable all employees to share a collective culture which integrates the varied value systems (Smit, *et al* 2004:255).

*Learning Strategic Framework - supports TSA Strategic Framework.*

The TSA strategic framework is the reference point for all the departments to work from. The strategic framework provides the ultimate vision of TSA in totality. The learning strategic framework is an enabler which empowers the employees of TSA to achieve the output as required in the TSA strategic framework.

## **STRATEGIC FRAMEWORK**

**VISION:** Tidor South Africa

Is committed to the development of Human Capital for the Heavy Minerals industry using technology in an integrated approach to education, caring and learning.

**STRATEGY:** Organisational strategy for Learning is an important component of the HR grand strategy because plans for equipping people with appropriate skills and knowledge for the future are closely related to plans for ensuring that the right people are in the right places at the right times and that they possess the right skills.

**MISSION:** The Learning support centre will determine the qualitative and quantitative education and learning needs of all current employees and learners of Tidor South Africa and facilitate the delivery of a pool of desirable and critical competencies in leadership, craftsmanship and productivity, thereby contributing meaningfully to the development and prosperity of employees, management and all other stake holders.

### **Current 1-3 years (2006)**

- Ensure that every Tidor employee has a Learning Matrix, this means that: POD, IDP, PMC must be in place (HR to assist).
- Ensure full implementation of learning management system and actively promote a culture of a lifelong learning.
- Legal compliance – WSP, ATR and MQA.

- Career Development Model implemented per department.
- Learning needs analysis done in terms of Learning Material and project plan in place for the development of outstanding didactic material.
- Support structure in place in terms of learning implementation in TSA.
- Competency statement per position done. (This refers to the minimum competency an individual needs for the position).
- Strategic positions identified and learning plan implemented per position.
- All Line assessors and internal moderators in place.
- Pre-employment initiatives in place.
- Leadership / cultural establishment - OBOF 1- 4.

#### **Stabilization: 3- 5 years (2008)**

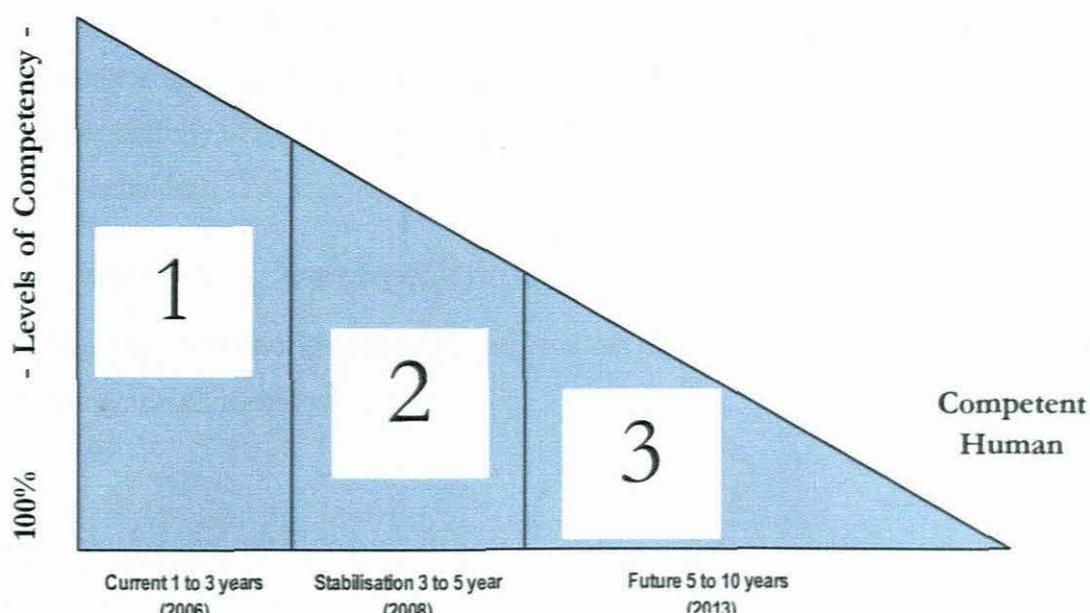
- Learning material where applicable is self-paced learning.
- Learning material and systems ensure that each individual Ticor Employee can manage their own learning via a system. Entrenched culture of lifelong learning.
- Legal compliance continues- Skills Programmes registered with the MQA & SAQA.
- All Learning Material is in place, Develop a capacity for systems thinking at every level of organisational functions.
- Learning is very systems driven, minimum staff needed in terms of management, Learning will be facilitated centrally and managed locally.
- Full competency declaration in accordance to the relevant SETA. Align material with NQF.
- Fast tracking of EE shadowing candidates and programme fully operational.
- Every line leader is registered as an assessor with the SETA.
- Situational Leadership programme fully integrated with cultural diversity management.

#### **Future: 5 – 10 years (2013)**

- Learning material which is self-paced learning is converted into Computer Based Modular Training Format.
- Tigor South Africa is registered as a Learning Centre with the MQA.
- Tigor South Africa part of a virtual university i.e. Australian / Cambridge, etc.
- Situational leadership, cultural diversity management and lifelong learning are part of every Tigor South Africa employee's armour of functioning.
- All learning material registered with MQA & SAQA.
- Formal registered learnership programmes MQA.

The learning strategic framework is short term (3 year), medium (5 year) and long term (10 year) objectives. This enables us to have immediate and long term results which are in line with the ultimate objectives of the TSA strategic framework.

Vision, is the inverse of the learning strategic framework leading to competent human capital. Ultimately the learning strategy is achieved when the vision for learning is met.



**Figure 15: Competent Human Capital**

- | 1  | 2   | 3   |
|--|---|---|
| <ul style="list-style-type: none"> <li>• Learning Matrix in place all positions.</li> <li>• Legal compliance MQA – (ATR &amp; WSP)</li> <li>• Career Development Model Implemented</li> <li>• Strategic positions identified and a learning program implemented</li> <li>• Minimum competency statement per position</li> <li>• Assessors and Moderators in place</li> <li>• Pre employment initiatives in place</li> <li>• Formal Learning Centre 100% in place</li> <li>• MI training needs confirmed</li> <li>• Obof 1-4, established</li> <li>• Learning strategy implemented</li> </ul> | <ul style="list-style-type: none"> <li>• Pre employment qualified</li> <li>• Learning Structures functional (100)</li> <li>• Competency declaration- (Seta)</li> <li>• Fast tracked EE candidates</li> <li>• Video Conferencing / E learning rooms</li> <li>• Cross functional training (MI) completed</li> <li>• Skills programmes (MQA)</li> <li>• Self paced learning material</li> <li>• Finalised 1- 3 year plan</li> <li>• Situational leadership integrated with cultural diversity</li> </ul> | <ul style="list-style-type: none"> <li>• Learnerships</li> <li>• Virtual University</li> <li>• Continue previous years 1-5</li> <li>• Learning Material Aligned-MQA/NQF</li> <li>• Registered MQA training centre</li> <li>• Computer Based Modular Training –learning</li> </ul> |

TSA is committed to the development of Human Capital for the Heavy Minerals industry using technology in an integrated approach to education, caring and learning.

*Mission supports Career Development*

The Learning support centre, in conjunction with the relevant line managers, will determine the qualitative and quantitative education and learning needs of all current employees and learners of TSA. Facilitate delivery of a pool of desirable and critical competencies in leadership, craftsmanship and productivity, thereby contributing meaningfully to the development and prosperity of employees, management and all other stake holders.

*Comprehensive Career Development Model*

The Figure below illustrates the a comprehensive career development model for the heavy metals industry.



The comprehensive career development model ensures that all aspects of organisational needs in terms of human capital are addressed. Its integrated methodology ensures that all aspects of human resources development is addressed and met.

The model caters for:

- Strategic Human Resources Development
- Multi career path options
- Knowledge Management / Development
- Study assistance program
- Integrated Leadership Development
- Employee Competency Enhancement
- Talent Management
- Workforce planning

The comprehensive career development model is contradictory to traditional “career development” models which are nothing more than a quasi succession plans. In organisational development, succession planning is the process of identifying and preparing suitable employees through mentoring, training and job rotation, to replace key players - such as the chief executive officer (CEO) within an organisation as their terms expire.

# HOUSE OF LEARNING

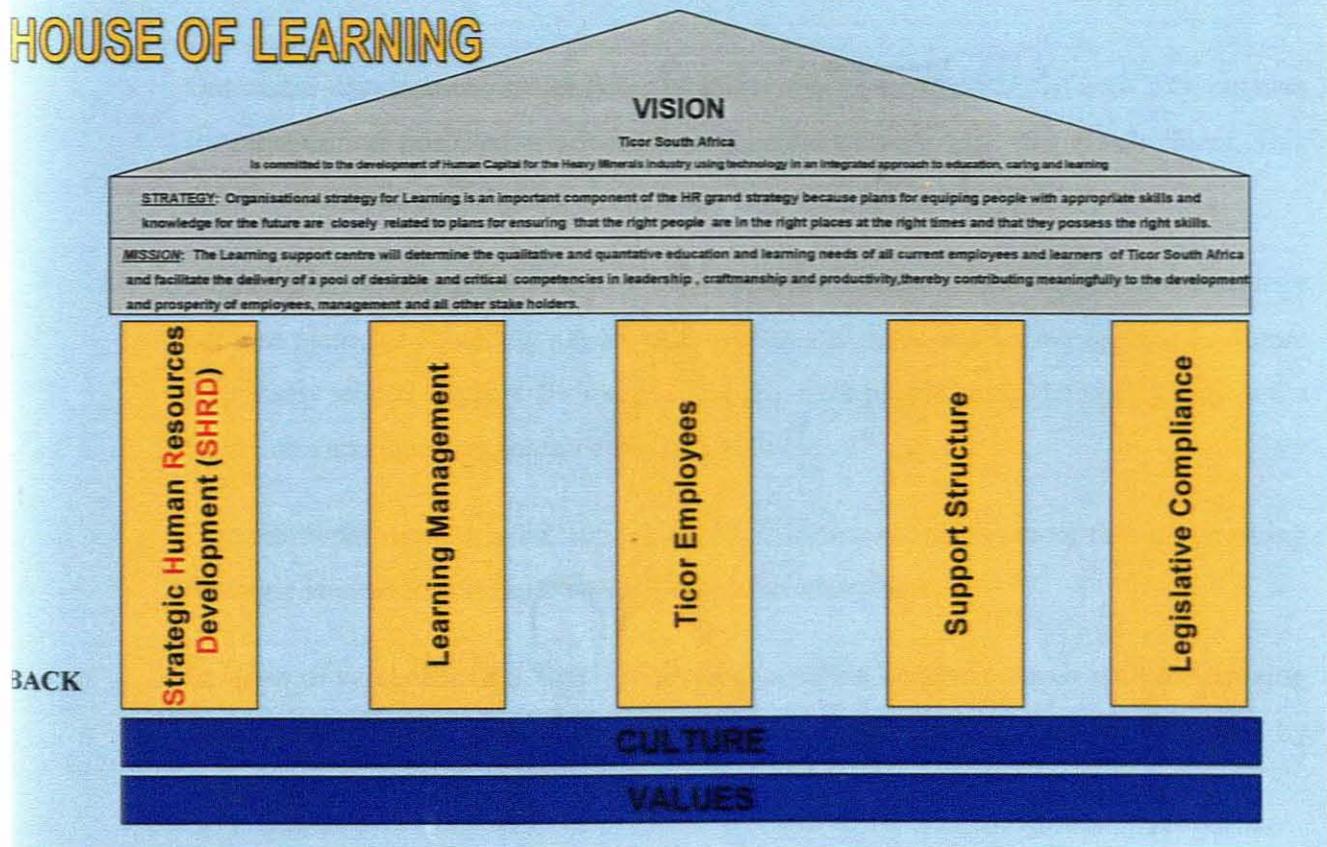


Figure 16 : House of Learning

Our career development model not only allows for the replacement of the CEO, but also for most critical positions on all levels in the organisation, and their development. This creates an organisational culture which assists in the retention of employees.

Organisational strategy for Learning is an important component of the HR grand strategy because plans for equipping people with appropriate skills and knowledge for the future are closely related to plans for ensuring that the right people are in the right places at the right times and that they possess the right skills.

Organisational strategy is further enabled by effective communication, thus empowering Strategic Human Resources Development in the workplace.

In terms of symbolism the “house” has as its roof the company vision with the learning strategy and mission as the support beams. The support beams in turn are supported by two pillars:

- Strategic human resources development.
- Learning Management.

The foundation of the house is based on organisational culture which in turn is supported by the company values.

### ***Strategic Human Resources Development (SHRD)***

SHRD is one of the pillars which support the learning strategy Mission, Strategy and Vision. SHRD is the process of changing an organisation, stakeholders outside it, groups inside it and people employed by it through planned learning so that they possess the knowledge and skills needed. TSA’s model of strategic Human Resource Development (HRD) is multi-level and focuses on the interactions between context, HRD processes, stakeholder satisfaction, and characteristics of the HRD profession.

The SHRD model has 3 main components which it influences, namely:

- Business Influence
- Constant Individual Variances
- External Influences

This it does by:

**Business Influence-** The learning team has very little influence over this aspect, but has to be flexible enough to cope with changes in the business strategies, remember in a typical Greenfield project these changes can be as quick as a merger or a shift in strategic intent or simply a change of CEO. The business influence could also affect the operational structure of the learning team, and apply things like centralization or decentralization of the learning support team. Again the learning support team must be flexible enough to ensure that TSA stays a learning organisation.

**External Influences-** The learning team has very little influence over this aspect, but has to be flexible enough to cope with changes in. External influences are things like government legislation, Mining Qualification, BEE, Social and Labour plan, Skills and employment equity acts. These external factors are mostly of a legislative nature and as such it's merely a case of ensuring compliance.

**Constant Individual Variances –** This is the one aspect which we can manage up to a point. A learning strategy is created which has short term 3 & 5 year objectives as well as long term 10 year objectives. When the 10 year objectives are achieved, it effectively means the vision of learning for this period has also been achieved. The traditional leadership and culture establishment programmes are also implemented here to assist in limiting variables for which we can implement remedial actions.

### **Learning Management**

Learning Management is the other pillar which supports the learning strategy Mission, Strategy and Vision.

The learning management individual aspects and integration will be explained in more detail further in this chapter under “Learning Management defined.”

Learning management is divided into three basic concepts or to rephrase, what do you need to manage learning on site? (Position/Support and Competence)

### ***Position***

In terms of learning each position requires a learning matrix, i.e. what learning is required for the position. The matrix is derived from the job profile, performance management, gap analysis and individual development plan. It is thus a collective of all learning individual employees need to do.

### ***Support***

Learning is centrally coordinated by the learning support team this is done by not merely facilitating learning on site, but by also ensuring the delivering and sourcing learning material and interventions.

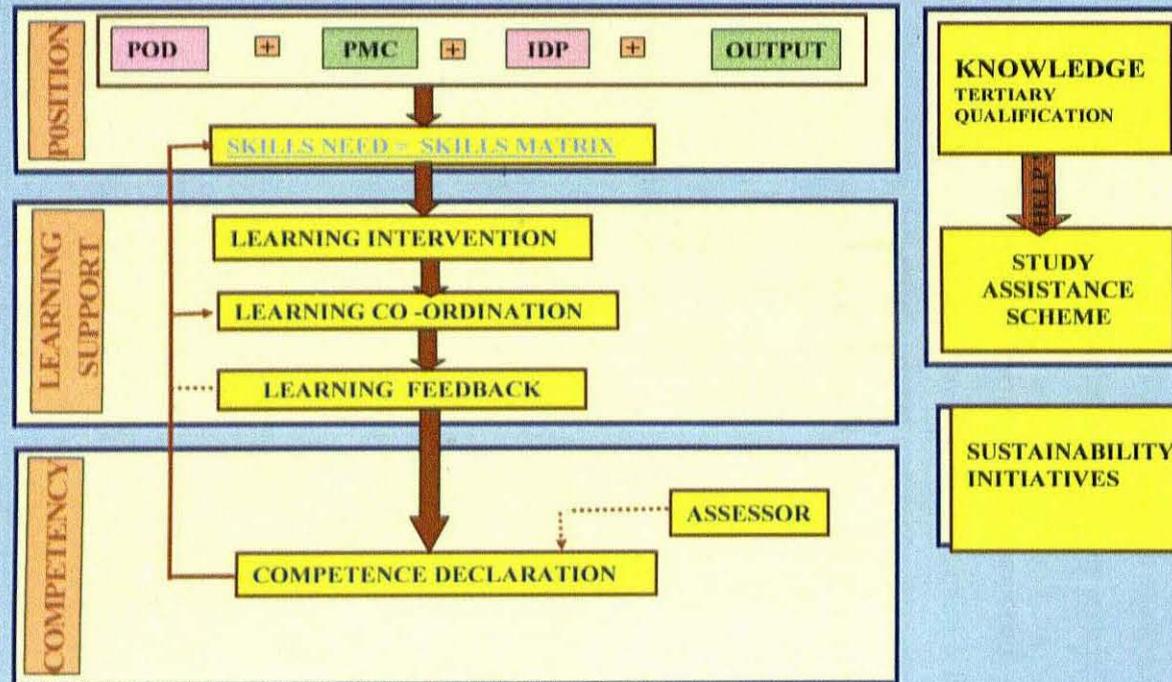
### ***Competence***

Competence closes the loop in terms of the learning process. The comprises of two parts , a formative assessment which the learner does on completion of a learning intervention and a summative assessment which is done in the workplace by the relevant line leader, whom is also a qualified assessor and subject matter expert. This ensures that learners / employees are fully competent as their skills applied are measured in their work milieu.

### ***Learning Management defined***

Learning management as previously stated is primarily based on defining positional needs, learning support and the competency of the individual in the position.

# LEARNING MANAGEMENT



(C) KoosD

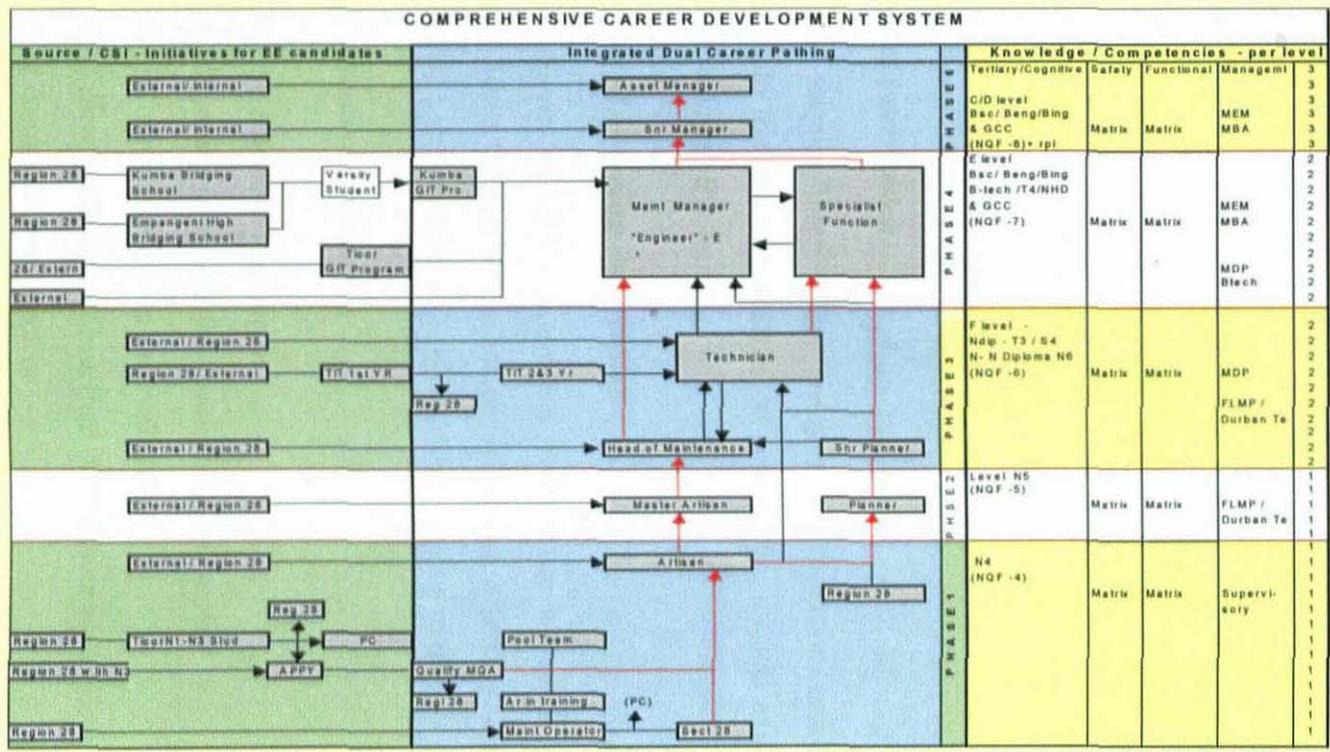
Figure17: Learning Management

There are however two aspects which have a long term effect on learning:

Study Assistance scheme - The career management model has a cognitive component, part of this component is specifies that an employee per level requires a formal qualification. The study assistance schemes will be described. Of note though is that that per year TSA spends an average of 750 000 rand on study assistance, this indicates that the philosophy of being a learning organisation is truly entrenched.

A further component in terms of the cognitive component of the career management model also states that not only does an employee require a formal qualification, but an employee also requires safety, functional and leadership skills, these are addressed per level, per individual and technically should form part of a learners learning matrix.

***Position leads to: - Skills Matrix***



(C) KoorD

The skills matrix forms the core of learning needs per individual and provides the learning facilitator a framework to work from. The matrix is derived from an employee's job description, performance management contract and individual development needs. It provides a visual tool whereby all learning needs per individual is measured, controlled and implemented.

***Support: - Learning intervention***

In TSA there are two types of learning interventions namely:

- Formal interventions.
- Self-paced interventions.

***Formal intervention***

Formal learning interventions are normally classroom based, which includes, but not limited to formative assessment on completion. Typical examples are first aid, forklift and other legislative training.

***Self paced Learning intervention***

The majority of TSA's production modules are written in self paced learning format which fulfils the learning needs per individual, affording each individual to progress at their own pace, creating a situation whereby group training is not needed.

This ensures that learning is:

- Self directed learning
- Learning responsibility resides with the learner
- Existing resources is used optimally
- Learning culminates in a final competence assessment
- Learning is cost effective
- Learning programs can lead to E-learning

Each Learning program consists of:

- A Learning Program Framework
- Learner Guides
- Learning Resources (Or indication where it can be found)
- Assessment resources

TSA is in the process currently of converting these self paced learning programs into E-learning as the philosophies concur

### ***Learning Organisation***

A 'learning organisation is one in which people at all levels, individually and collectively are continually increasing their capacity to produce results they really care about'. According to this definition, the basic meaning of a 'learning organisation' is an organisation that is continually expanding its capacity to create its future. For such an organisation, it is not enough merely to survive. 'Survival learning' or adaptive learning is necessary. However, for learning organisation, 'adaptive learning' must be joined by 'generative learning', learning that enhances our capacity to create (Senge1990:14).

According to Garrat (1990:77) and various researchers in field of learning organisation, hold a common belief that it can be classified better in the following vision elements:

- Operational effectiveness including customer satisfaction, quality and productivity
- Better as a place of work
- Better for investors and customers
- Better for workers of all kind including managers

Fisher (1999:476) states that the most effective organisations are learning organisations- they notice problems, investigate them, and modify systems to prevent the same mistakes from happening again.

Bagriam, *et al* (2003:83) state that the emphasis in a learning organisation is on the organisation becoming more intelligent and therefore better able to deal with the environment, in other words, to try and capture the “collective genius” of the organisation. To do this, people in the organisation have to continually learn and share information with others. Learning organisations are populated with knowledge workers. A knowledge worker can be described as someone who uses their own knowledge base in the execution of their job. This knowledge base is typically a combination of formal academic study and work experience.

Senge (1990:08) points out that the rate at which an organisation learns may become the only sustainable competitive advantage. The rate of change in the world accelerates exponentially, therefore organisations have to learn to change with what markets and the world will become.

Gilley, *et al* (2000) states that an organisation where learning is the key to development of effective knowledge workers, the performance management process must support the objectives of “acquiring, creating, transferring and using knowledge”. In addition, the performance management system should help to manage the retention of knowledge workers because they are very mobile and they can easily take their knowledge and move to another organisation.

TSA’s value no four states, “we are a learning organisation”; this confirms once again the organisations commitment towards learning one site.

### ***Centralized co-ordination***

The debate over centralisation vs. de-centralisation is something which has been ongoing for the past decade. The lack of staff learning at TSA as well the need for a strong common learning strategy necessitated the need towards centralized learning co-ordinations at TSA.

Gordon (2002) states that centralization means that the decision making and authority are concentrated at a single point in the organisation. One of the main negatives in terms of centralized learning co-ordination is:

**Little or no input from lower-level personnel**

To counter this TSA ensured that the learning systems on site are accessible to all employees and entrenched a futuristic philosophy of learning on site, whereby each employee is responsible for his own learning on site. This empowerment drive, lead to ownership of learning by the employees.

Centralized learning co- ordination- All learning on site is centrally co-ordinated via the relevant departmental learning facilitator.

Learning needs are sourced from an individuals learning matrix or individual development plan. From time to time needs are also given through by the relevant line manager for processing. The need is then shared between the various learning facilitators to establish if there is a common need. This also ensures that the class is full and economies of scale are maximized in terms of costs.

***Learning feedback***

**Why is constant feedback in terms of learning important?**

Frequent feedback provides opportunities for students to practice what they have previously learned. Research tells us that the “brain’s flexibility allows the neural networks that were nstructed to address such problems to be quickly reworked to deal with more pressing matters” (Kotulak, as cited in Ewell 1997:9). The brain wants to deal with the most pressing matters, it is necessary to practice those things that we wish to retain and to receive feedback that includes “explicit cues about how to do better, such as that provided deliberately (or unconsciously)” by a teacher or peer (Seely, Brown, & Duguid, as cited in Ewell 1997: 9).

This influences learning by virtue of the frequency (i.e., number of interactions with a particular environmental stimulus such as a person or a task) and by the quality of the feedback the learner receives. Quality feedback would reveal “specific, readily-correctable, mistakes or discrepancies in current practices or in the 'mental models' that lie behind them” (Ewell PT, 1997:9). Without frequent feedback and opportunities for practice, particularly in areas like mathematics and foreign language, “even well-learned abilities go away (though recovery is not as difficult as initial acquisition)” (Ewell 1997:9)

The learning matrix is managed via the computerised Learning Management System which is intranet based and assessable by all employees on site. This enables the individual learner to manage his own learning, thus complying with the learning philosophy.

#### **Competency – Competency statement**

Competency statement forms part of the competency declaration and is the core process component. This component answers the question, what core competency clusters do we assess to prove competence in the competency declaration process.

The competency statement should clearly outline the competencies, their associated performance standards and methods of measurement by which these competencies will be measured.

Every competency in TSA learning programmes is defined in a **competency statement**. The general purpose of **Competency Statements** is to provide what TSA refers to as transparency. That is, each statement should spell out clearly and precisely – transparently – exactly what a learner needs to do to complete that particular competency.

A competency statement tells the learner what learning they specifically are expected to demonstrate, and it provides the assessor with guidelines of the competency which specifically needs to assess.

Each Competency Statement consists of the following:

- Rationale - This explains the competency's reason for being in the curriculum, why it is important to the TSA's mission and why we think it is an important skill or knowledge for a TSA employee to have.
- Competency Statement - A summary statement of the required learning outcomes.
- Criteria - The criteria spell out what one must do to demonstrate that competency.
- Standards - The Standards spell out how the Criteria must be met.

The Examples of Demonstration are intended to suggest different ways in which students can show – demonstrate – that they have developed the particular set of skills or knowledge that that competency involves. The College of Public and community service website online at (2008:<http://www.cpcs.umb.edu/>)

Competency – Competency declaration

Competency Declaration Flowchart of TSA

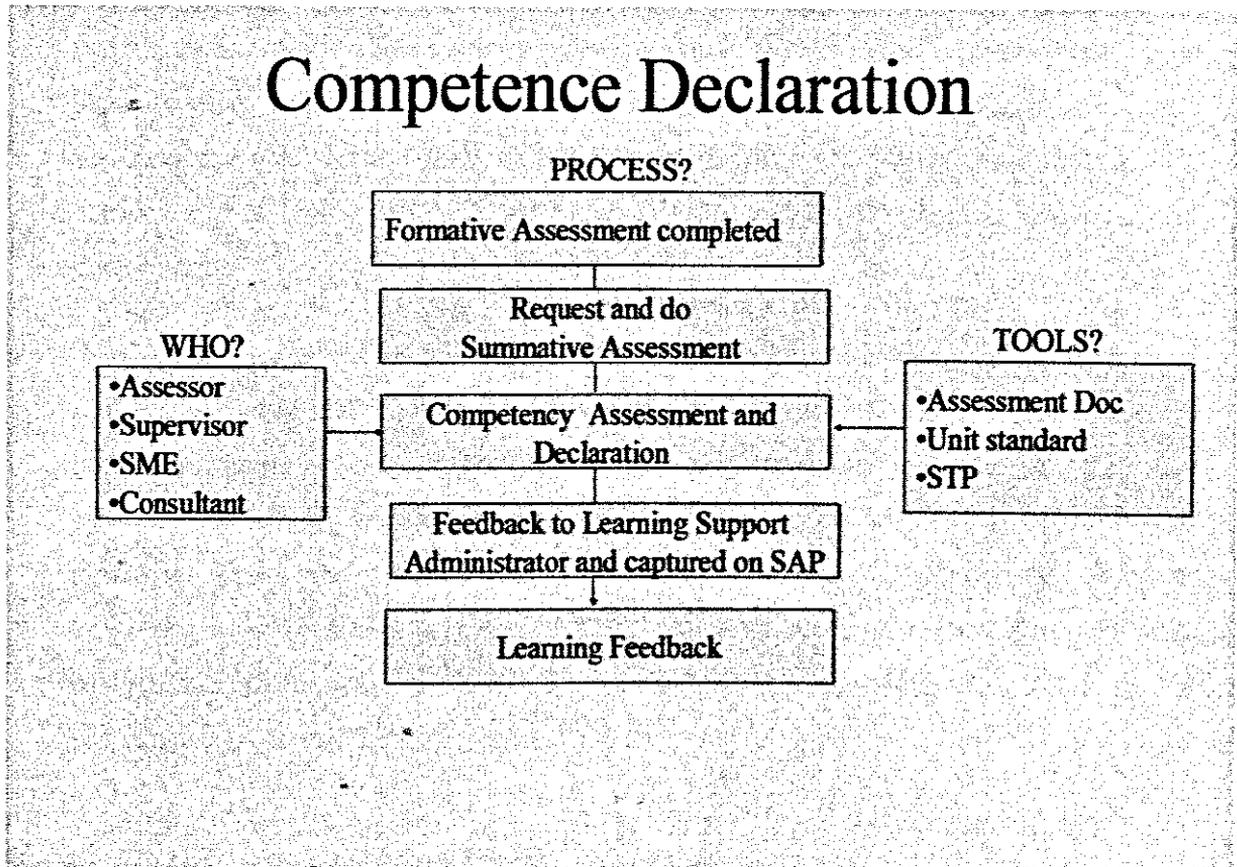


Figure 18: : Competence Declaration Flowchart

Competence can be viewed as -the knowledge, skills and behavioural attributes required to perform work to an acceptable standard.

A competency is any human characteristic or trait that an individual uses in appropriate ways to successfully achieve one or more outputs or results expected from them. These characteristics or traits include an individual's knowledge, skills, and aspects of one's self-esteem, social roles, mindsets and thought patterns. A characteristic or trait is a competency if and only if its use can be proven to be essential for successful performance.

Why are competencies a more important predictor of performance success than an individual's work task experiences? Job or work tasks are units of work that workers complete to achieve the outputs or results expected of them. An individual performs tasks by using their competencies in ways that are appropriate to meet the performance demands. Tasks are transient across various performance settings. However, an employee's competencies are enduring and are more readily transferred across work assignments. In summary, competencies are the tools that individuals use for successful performance; without them, performance is not possible.

According to Gibson, *et al* (1997) states that knowledge is the prior experience/education and experience that an individual needs as a prerequisite to success for a position. Skills- refer to the practical or technical skills required for performance in a position. Behavioural – attributes refer to the personality characteristics that are important for performance in work situation.

Competency declaration at TSA culminates in sign off of an employee's competence on site. It is at this stage of employment when said employee is also fully responsible for his actions and as such can be legally held accountable.

### ***Knowledge Tertiary Qualifications***

TSA entrenched in its recruitment policy Grade 12 with mathematics and science as the minimum entry requirement. This implies that TSA employees can be viewed as

knowledge workers. The career development model is also very accommodating in as far as it indicates clearly what knowledge/ qualifications is required per organisational level.

Specific Traits of Knowledge Workers are:

- Primarily identify themselves with their profession rather than workplace; more sensitive to the feedback and esteem they receive from their peers than those they receive from management.
- Highly mobile and quick to change jobs.
- Driven primarily by the pride of accomplishment.
- Have strong beliefs and personalities; they respond much better to being pulled than being pushed.
- Informal networking with peers, inside and outside their own company, helps them benchmark their personal efforts and their company's competitiveness.

Of note: the individual effectiveness of knowledge workers is based on results and credibility, perceived reputation, and network of relationships rather than formal authority, job description, or position in the hierarchy.

To meet the specific requirements of knowledge workers you have to:

- Consider and treat them as professional partners.
- Respect their expertise, support them in its application, and help extend them further.
- Give them influence in decisions that determine where and how their expertise is applied to specific innovation initiatives, as well as how it contributes to the overall business strategy.

The Statbrain.com website available online at (2008:<http://www.1000ventures.com/>) contributes the following:

### ***Study Assistance***

TSA having knowledge workers on site, realized the necessity of an effective study assistance programme, which not only enhances talent management, but also acts as a retention strategy of critical skills.

To provide Study Assistance guidelines within TSA for employees who wish to continue in a culture of lifelong learning. Assistance is granted in terms of tertiary post school education.

TSA is committed to a culture of lifelong learning and thus provides avenues of learning/ study assistance which will benefit learners as well as the company. Cost allocation: Cost for learning will be borne by the departmental cost centres.

Only national/international recognized courses complementary to the business of TSA at a recognized institution will be considered for study assistance action.

TSA's study assistance is divided into three categories A, B&C.

**Category A** - Learning which on completion develops the learners in terms of their position/job i.e. the learning relates to the work the learner has to perform within TSA. This is in effect a bursary scheme; the benefits are:

- Study leave as per policy. No Special paid leave is applicable for rewriting of failed subjects.
- Costs of registration.
- Tuition.
- Assistance towards costs of approved study schools and approved part-time lectures.
- No subsistence and travelling will be paid.

The costs of additional prescribed books can be included in this bursary, provided that they are specifically mentioned as compulsory in the official study brochure. Management learning development such as MAP, MDP, MBA, MEM and MBL form part of category C.

Learning which fees exceed R10 000 per year or which requires a learner to be absent for more than 10 working days forms part of category C. The work back period is equivalent to the course's full time duration

**Category B** - Learning which will not benefit the position directly, but is relevant to TSA's business. Example: a PC or artisan who is studying BCom.

- This is in the form of a Student Bursary Loan, payback commences on a monthly basis and may not exceed 10 % of an employees basic salary after deductions (Again the R10 000 or 10 days clause applies).
- No work back period applies to this category.

**Category C**-Learning which is specified for an individual in terms of succession planning, Individual development planning and which do not comply with category A or B. All categories C learning must be approved by EXCO.

- All rules as per category A apply.

Category C is when learning:

- Forms part of an Individuals IDP, succession planning initiatives and is mainly centred on Management training such as: MAP, MDP, MBA, MBL and MEM.
- Any learning intervention which ;The studies fees exceed R10 000 per year or more than 10 Working Days.

### ***Sustainability Initiatives learning impacting on CSI***

TSA is actively involved the community in environmental scanning. A community forum (external) and employee forum (internal) was established to ensure that there is an effective communication flow, to and from the community.

The employee forum was created to afford employees (internal) a platform to work from in terms of decision making. This forum worked well, but has currently being challenged by the National Union of Mineworkers (NUM) in terms of support. A memorandum of understanding was signed in late 2005 by TSA and NUM. Numerous factors came to play in the establishment of a union on a non union site and on of the findings in the climate survey which was done in 2004 is the pending formation of a union on site.

The community forum (external) has worked well up to now. It is representative of the community in which TSA operates and has both councillors and traditional leaders on it. Things like recruitment and selection is discussed on this forum and it also affords the community to voice any concerns that they might have. Remember at its inception the intention has always been to recruit locally as far as possible. A figure of (60%) was aimed for.

The skills on the lower levels (operator type) have not been too problematic to recruit, but due to the specialized nature of TSA operation CSI initiatives had to be launched to ensure a steady feedstock of future local candidates for skilled and highly skilled positions.

The CSI initiatives are the first column in the career development system. The functionality of this system is what makes it special in that it:

- Provides for future employees on every level in the operation.
- Focused on critical and scarce type of positional development.
- Has a very high success rate on every initiative implemented over the past 3 years.
- Has of the development initiatives are very unique and effective.

- Cost implications are minimal and the utilisation of learners is effective in reducing labour needs.
- Assists greatly in ensuring that recruitment is localized. This pre-emptive employment initiative also greatly inhibits the turnabout skilled labour as the employer is not held to ransom and replacement of an individual is done with a person whom is skilled and familiar with they are he or she is going to work.

The CSI initiatives are dealt with on four levels. Again these initiatives are “hyperlinked” in the attached power point presentation on CD. Please peruse the attached presentation as the affectivity of the presentation is greatly enhanced.

### ***Employee Assistance Program***

A joint venture with the University of Zululand, Psychology department placed a student on site equipped with his own office/computer and telephone. This programme did experience some challenges however the intern also was required to ensure its success rate. Initially (2001) an office was given at the Empangeni Memorial Hospital. Although this employee assistance programme was widely advertised, employees did not make use of it. These interns where available twice a week at the hospital which was approximately ten kilometres from the Central Processing Complex. The employees felt that the intern was not part of TSA since they were located off-site. In 2003 it was decided that the intern be placed on site and spend five days on site. The intern for this period was someone with lots of experience and she fitted in well after and adjustment period on site. In fact this particular intern spent 2 years on site and built up a clientele. She also helped tremendously when TSA underwent an optimization in 2004 in terms of counselling, etc.

What does the intern get out of this exercise? An on the job experience which is industry based, opportunity to effectively apply what they learnt at university and the exposure of working people on all levels in an operation’

Pre-emptive Employment Initiatives, for an operation with just more than 600 employees TSA has more than 80 pre-emptive employees on site. This provides a recruitment edge of world class proportion

### *N1- N3 Mechanical and Opencast mining*

TSA has a minimum recruitment qualification of Grade 12 with Mathematics and Science. This on itself was problematic as Mathematics and Science in the schools in our area is problematic. Due to the large number of applicants, two primary tests are done , Vienna Dover (Hand eye co-ordination test) and an ABET4 , literacy/numerously test. One more than one occasion we have found that of 800 applicants with Grade 12 math's and science, more than 600 fail the ABET 4 assessment. This effectively means an individual fails a Grade 7/8 exam even though the applicant has a Grade 12. Of late I have noted that most tertiary institutions have their own entrance examinations. It is not the intention this study to establish why we get this phenomenon for failure, but it seems that retention of learning and teaching methodologies seem to be problematic.

Society generally does not encourage their children to study engineering, in particular mechanical engineering. It is thus not strange to have 3 electrical classes of 30 students and one mechanical class of 30 students, of which more than half are not equity candidates. Again not only the stigma of mechanical work, but also the fact that rural schools don't promote technical/engineering drawings makes the problem worse. The high failure rate on Vienna Dover also gives an indication that depth perception seems to be a problem. As Engineering drawings require depth perception we often find students with 3 subjects above 70% and a failure in drawings or they simply take another subject in its place.

To assist in finding mechanical students we implemented a programme whereby Grade 12 students with maths & science attend a year programme at Richards Bay Technical College doing N1 to N3. These learners all passed Vienna Dover, Medicals and ABET4 in the screening process. The success rate of this programme has been good and we have been able to absorb these learners into the apprenticeship system.

In 2005 in a joint venture with Richards Bay Minerals and Richards Bay Technical College, we launched a similar initiative, but with a focus on opencast mining. TSA recruited 4 students from the Fairbreeze area for this programme. N1 Opencast mining commenced in January 2005, N3 was completed in November 2005. The practical component of the learners will be completed by the end of 2006, when the learners have completed their practical in-service training on the mine. Both the mechanical and opencast mining learners will be employed if there is a position available.

### *Apprenticeship*

This programme was started in 2000 and achieved all the objectives planned. To date we have trained 28 artisans using this system. This skills programme works in the following manner:

- 1 Permanent position is sacrificed and 3 learners are trained using the funding allocated for this permanent position. We have been getting tax rebates for every artisan trained, the biggest rebate however is the additional man power a head of maintenance receives once his learners come back for in-service training
- 12 Months Training centre training at Grootegeluk training centre at Ellisras and 18 Months in service training at TSA. Top students are offered additional the opportunity during this period to do training in a second trade at Newcastle training centre (4 months).

- On completion of the 18 months in service training learners write trade test under the auspices of the Mining Qualifications Authority, those lucky enough to have received training in a second trade, receive in-service training in a second trade for 6 months, on completion of this six months said learners write their second trade test under the Metal Industries sectoral training board, namely MERSETA.
- On qualifying in their trade tests learners are offered a 6 months contract as an artisan in training. During this period the learner is normally placed on site due to natural turnover of artisan.

What effectively happens is that we have a database of well qualified artisans, as well as enough artisans in the system to limit the impact of the current skills shortage of skilled personnel.

#### *Maintenance Operator Multi-skilling*

Maintenance operators are developed to achieve their maximum potential. The opportunity is there for every Maintenance operator to become an artisan over a period of 6 years whilst he earns a salary and does not have to leave home.

#### *Technician in Training*

Technikon's now referred to as Universities of Technology offer a three year Diploma. Said diploma comprises of a two year cognitive theoretical component (S1-4) and a practical on the job component (P1&2). The problem is that very few learners are afforded the opportunity to do the practical component. In industry as organisations don't employ large numbers of technicians. This implies that there are large numbers of learner technicians with S4 whom cannot complete their Diploma's as no industry wants to provide them with in service P1&2 training.

TSA has twelve positions which is allocated to Technicians in Training, this ranges from finance, drafting to instrumentation.

### *Ticor Graduate in Training (GIT) program*

Critical skills such as metalurgy and mining constantly call for additional skills development. TSA offers a 3 year in-service programme to Graduates. This “internship” programme provides TSA with a pool of in-house graduates which can be fast tracked at short notice. This initiative does not form part of corporate (Kumba) office’s GIT programme.

### *High School Bridging Program*

TSA has ten rural schools which it provides guidance to. These rural schools cater primarily for disadvantaged individuals of which a large percentage of individuals are either orphaned or come from single parent families. In doing a school assessment in 2002 we found some individuals whom where performing exceptionally well. TSA then took three grade 9 individuals and provided them with bursaries to study at Empangeni High School, to inhibit external problems they where put into the schools hostel.

The end result proved favourable as all three passed Grade 12 with university exception and are currently studying in tertiary institutions.

### *Post Grade 12 – Bridging Program*

Kumba resources which is the primary shareholder in TSA, has a “Bridging School” in Pretoria. The intent of this bridging school is to provide disadvantaged learners with a facility where they can redo their grade 12 and score higher marks, giving them the option of a possible bursary at an university. These learners are invariable taken not only by Kumba, but also by other industries. Those that do not get an industry are given a bursary by the department of education to become a mathematics teacher.

The entry requirement to this program is Grade 12, with Maths & Science D- HG or Grade 12, maths & science C –SG. A further stringent selection process is followed which includes the following:

- Vienna Dover.
- LP Cat screening.

- One on one psychologist evaluation.
- Panel Interview in Pretoria at Kumba Resources.

On completion of the programme all doubt is taken out in terms of candidates capabilities.

#### *Kumba Graduate in Training (GIT) program*

Kumba resources are one of the few mining houses which give first year bursaries to study at university in the engineering spheres. Kumba is able to do this as the capabilities of said learners are effectively evaluated during the screening process.

The entry requirement to this program is Grade 12, with Maths & Science - C- HG. A further stringent selection process is followed which includes the following:

- Vienna Dover.
- LP Cat screening.
- One on one psychologist evaluation.
- Panel Interview in Pretoria at Kumba Resources.

On completion of the programme all doubt is taken out in terms of candidate capabilities.

#### *Ticor South Africa Employees*

TSA view their employees as a principle business asset and invest in them thoughtfully and strategically, with the intent to reap rewards that pay off now and for years to come.

#### *Selection*

Selection is increasingly important as more attention is paid to the costs of poor selection, and as reduced job mobility means that selection errors are likely to stay with the organisation for longer (employee retention).

The selection process has always been important as the way for a company to obtain the human resource that is appropriate for the job and company.

TSA uses an assortment of methods for selection such as: testing, advertising, screening, corresponding with the prospective employee. Among these, the two principal selection methods, which most are used, are profiling/application forms, and interviews. In fact, it is not just one selection method used in practice. Generally, two or more methods are often used in combination. Comparison of strengths selection is a two-way process. The interview is a necessarily medium of two-way communication.

It supplements the information in the pre-procedures such as application form and reference. It also provides the further particulars respectively to help both ends take decisions. On one side, the interviewer usually has some basic information from the application form or test, and these may require further face-to-face communication to clarify.

For the selector, the interview can provide some further evidence and clues concerning the applicant's personal data, circumstances, career pattern and attainments, powers of self-expression, range and depth of interests, intelligence and special aptitudes, behavioural patterns and preferences which selectors are interest in. On the other side, because interview has a broad range of topics, the employer has the opportunity to introduce the company and explain job details in depth. Applicants also have an opportunity to ask questions about the job and the company.

The primary process is the following:

- Employees are hand picked (screening/profiling).
- Profiled to the group and position.
- Addressed Legislation needs.
- Energetic and highly motivated workforce.
- Baseline of Matric, Maths and Science.
- Medically sound (Red card).

#### *Career Path*

The comprehensive career development model allows for a clear picture of what is typically available within their career progression.

Of note is that the dual/multi career path does not create false expectations with employees and it clearly indicates generalist versus specialist routes.

Its primary advantage is that each employee knows what is expected of them if they wish to get to the top of their current field of expertise, plus as an added advantage it also illustrates to them what relevant alternatives are available, multi-national company Tata Interactive Systems (TIS) follows a similar pattern in their career path development with some variants.

<b>Employee Hand</b>	<b>Specialist</b>	<b>Non-Specialist</b>
<b>Executive</b>	Manager in the Senior Specialist Group.	Manager within the same function.
<b>Manager</b>	Deputy in the Senior Specialist Group.	Deputy within the same function.
<b>Deputy</b>	A Deputy SSG potentially has two options: Grow into Head of the Senior Specialist Group, or Move laterally into another function as part of a conscious developmental strategy agreed upon between the organisation and the individual.	A Deputy within a non-specialist function has two options: Grow into Head of that function, or Move laterally into another function as part of a conscious developmental strategy agreed upon between the organisation and the individual.
<b>Head</b>	The Head of a function potentially has three options: Grow into the position of Chief Executive whenever the opportunity arises. Move laterally into another function as part of a conscious developmental strategy agreed upon between the organisation and the individual. Move laterally to another organisation within the Tata group (based on mutual understanding and consent between the two organisations).	

Figure 19: Tata Interactive Systems (TIS)

It is important to note that these are potential career opportunities. The actual career progression is determined by several factors including:

- Performance record.
- Competency profile.
- Opportunities available within the organisation at different points of time.

TIS support employees' career development through the Competency Development system. As the employee's competencies improve, he/she becomes increasingly capable of playing more enhanced roles—and this facilitates career progression.

While the chart above depicts a normal career path, the organisation retains the flexibility to deviate from the norm in special cases. For example, lateral moves between the Specialist line of function and Generalist functions like Project Management are quite acceptable. Such moves are based on mutual agreement between the individual and the organisation, and are treated on a case-by-case basis as the situation merits. The Tata Steel website available online at (<http://www.tatainteractive.com>).

## **SITUATIONAL LEADERSHIP**

Wikipedia Website (2009:[http://en.wikipedia.org/wiki/Situational\\_leadership\\_theory](http://en.wikipedia.org/wiki/Situational_leadership_theory)) states that situational leadership theories in organisational studies are a type of leadership theory, leadership style, and leadership model that presumes that different leadership styles are better in different situations and those leaders must be flexible enough to adapt their style to the situation they are in.

The Situational Leadership method from Kenneth Blanchard and Paul Hersey holds that managers must use different leadership styles depending on the situation. The model allows you to analyse the needs of the situation you're in, and then use the most appropriate leadership style. Depending on employees' competences in their task areas and commitment to their tasks, your leadership style should vary from one person to another. Sometimes you may even lead the same person in one way and other times in another way. To recap; a good situational leader is one who can quickly change

leadership styles as the situation changes. Situational leadership theory was detailed previously and it is thus not necessary to duplicate it in this chapter.

TSA knows that its success is based on its most valuable asset, the workforce. In Establishment a “Greenfields” company one of the variables is the diverse work culture, a cauldron of cultures.

In TSA culture and values are critical to the business and to survive long TSA implemented a programme called ‘Our Business Our Future’ (OBOF).

The philosophy of OBOF is that every employee can be a leader is followed (Situational leadership).

A leadership programme was designed and built for TSA by various subject matter experts. The programme is practical and is fully applicable to the work environment. The succession nature of OBOF allows for continuance and all employees in the workforce are catered for in the programme.

This learning intervention followed the following curriculum:

OBOF1- All employees. (2 days) this programme is done at Shakaland and emphasis is placed on cultural diversity, in particular the Zulu culture is highlighted. Individuals/teams are committed to the TSA values and sign a pledge accordingly.

OBOF2 - ValuesThroughLeadership1, VTL1 – (1day). The programme was designed for all employees.

The following outputs are delivered:

- Leadership behaviours in TSA- Effective & Ineffective.
- Understanding yourself and others- Meyers Briggs indicator type of test is applied.
- Communication in TSA.
- Leadership styles.
- Body Language.
- How to make constructive suggestions.

OBOF2- Values through Leadership- VTL2- module 1 – Workshop for the practicing leaders in TSA (2days)

- Module 1- Leading behaviour and tasks.
- Conversation Techniques.
- Constructive feedback.
- Team Inspiration.
- Team Empowerment.
- Meetings.
- Problem Solving.
- SWOT analysis.
- Brain Storming.
- Team business plan.

This module is concluded on the completion of a project which the team leader does with his team.

- Module 2 - Knowing yourself and others.
- Module 3 - Performance management.
- Module 4 - Strengthening performance.

OBOF3- Understanding our Business – Involvement in OBOF3 is team based with the following objectives:

- Every employee understands the business fundamentals of TSA and the factors, which impact on business performance.
- Every employee understands the factors within their own work environment that can be managed to improve business margins.
- Every team in TSA is writing their own business plans by the end on the 2003/04 business cycle.
- Every leader and manager understands and utilised processes which encourage employees to become involved and invested in business improvement.

Using Situational leadership as the cornerstone of OBOF, TSA has been able to achieve/entrench leadership development throughout the organisation and to empower all employees with regard to leadership.

## SUPPORT STRUCTURES

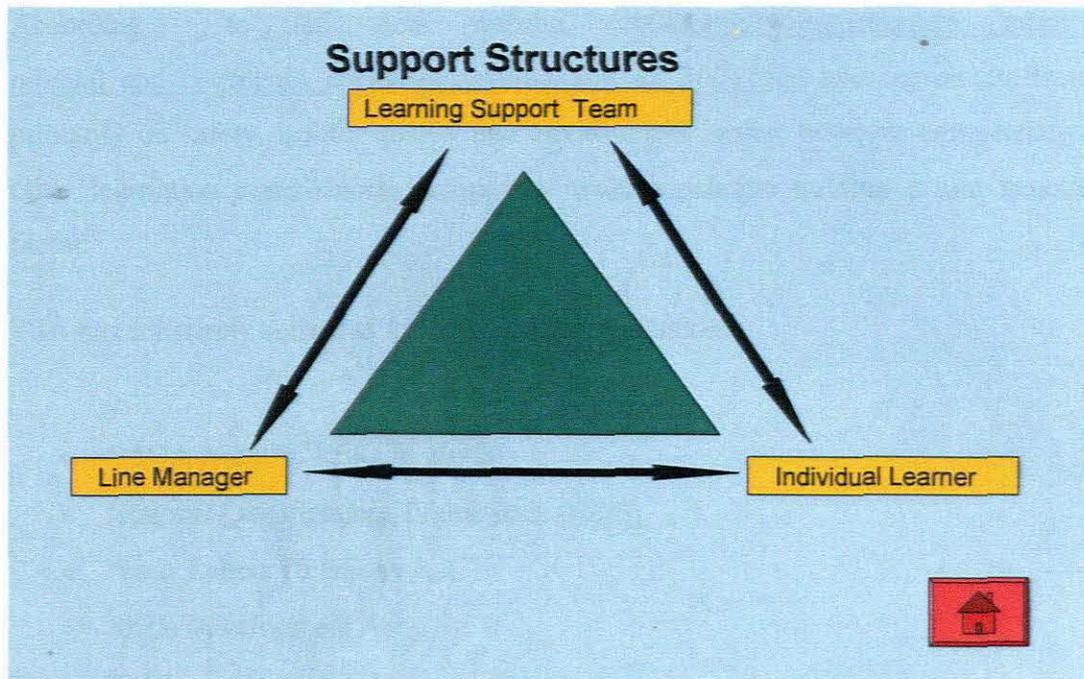


Figure 20: Support structures

### LEARNING SUPPORT TEAM

The role of the learning support team is to offer expert advice to management and the operation about what learning can and cannot be achieved and to facilitate the learning process so that it is participative, transparent and provide an in-house consulting role.

#### *Line Manager*

Line Managers are held accountable to ensure that departmental goals are achieved, thus ensuring that the human capital in their department are used and developed to their full capacity.

#### *Individual Learner*

The individual must be in a position to influence their own performance, so it is important that the individual (employee) sees the link between learning and performance on-the-job. To achieve this, individuals need to participate fully in the learning process.

## **LEGISLATIVE COMPLIANCE**

According to the Acts website (2008:[http://www.acts.co.za\\_mprd\\_act/mineral\\_and\\_petroleum\\_resources\\_development\\_act\\_2002.htm](http://www.acts.co.za_mprd_act/mineral_and_petroleum_resources_development_act_2002.htm)) learning on site focus is primarily on safety, health, quality and environment issues, however competency and other legislation compliances factors has made legislative training a non negotiable factor.

TSA has constantly complied to the following legislation:

- SAQA Act , ACT 58 OF 1995.
- National Qualifications Framework (NQF).
- “New Labour Relations Act.”
- Skills Development Act.
- Employment Equity Act.
- Mining Qualification Authority.
- Mine Health and Safety Act.
- Occupational Health and Safety Act.
- Basic Conditions of Employment Act.
- King 2 Report.

## **CONCLUSION**

In this chapter I presented the learning philosophy implemented in TSA over four years provided an organisation tool. The integrated learning strategy which the author designed and implemented impacts not only on strategic human resources development, but also on learning management as a whole.

The design of the strategy catered for the young workforce as well as the diverse workforce. In the next chapter we will look at organisational climate surveys which

highlight issues in terms of corporate climate and provided feedback to management to enable remedial action.

## *Chapter 5*

### CLIMATE SURVEY'S CONDUCTED AT TICOR SOUTH AFRICA

#### **INTRODUCTION**

In this chapter I will present the climate surveys conducted at TICOR. The most common purpose for surveying employees is to measure satisfaction. Employee satisfaction surveys deal with workplace issues, such as benefits, commitment to diversity, and effective communications. The data from these surveys helps paint a portrait of employee attitudes and opinions. These kinds of surveys are particularly useful after a company has undergone some sort of change, such as a layoff, an acquisition, or a new department head. Ultimately all surveys where the inputs of employees are requested can be adapted to measure/illustrate organisational culture which is invaluable information to the management team. They also help employers to isolate the root causes of persistent problems, such as low productivity or high expenses.

#### **ORGANISATIONAL CULTURE- REVIEW**

Bagriam (2003:26) states that an organisation's initial culture sprouts from its founders thinking and business philosophy. If the founder is a person driven by achievement and success, an achievement culture is likely to develop. If the business is initially managed along rigid rules and guidelines, chances are good that it will develop into a very hierarchical and autocratic concern

A culture is the values and practices shared by the members of the group. Company Culture therefore is the shared values and practices of the company's employees.

Company culture is important because it can make or break your company. Companies with an adaptive culture that is aligned to their business goals routinely out-perform their competitors. Some studies report the difference at 200% or more.

To achieve results like this for your organisation, you have to figure out what your culture is, decide what it should be, and move everyone toward the desired culture. Company cultures evolve and they change over time.

As employees leave the company and replacements are hired the company culture will change. If it is a strong culture, it may not change much. However, since each new employee brings their own values and practices to the group the culture will be influenced towards change a little. The company matures as time passes, from a start up to a more established company, its culture will change. The environment in which the company operates (the laws, regulations, business climate, etc.) changes, the culture of company will also change.

These changes may be positive, or negative. The changes in company culture may be intended, but often they are unintended. They may be major changes or minor ones. The company culture will change and it is important to be aware of the changes.

## **COMPANY CULTURE CLIMATE**

Organisational culture, workplace environment and the confidence your employees have in management impacts on employee perceptions. Employee attitude and commitment directly predict the productivity and success of the organisation. It is management's ongoing responsibility to recognize, understand and effectively manage the organisation's culture.

Moorhead and Griffin (1998:516) states that organisational culture and climate are based as the same thing by researchers even though their research base differs. Much of the study of company climate is based on psychology. The study of organisational culture is based in anthropology and sociology.

“Climate” usually refers to current situations in an organisation and the linkages among workgroups, employees and work performance. Climate therefore, is usually more easily manipulated by management to directly affect the behaviour of employees. “Organisational Culture” on the other hand, usually refers to the historical context within which an organisation occurs and the impact of this context within which a situation occurs and the impact of this context on the behaviours of the employees. Organisation culture is generally considered much more difficult to alter in short term situations because it has been defined over the course of years of history and tradition.

The two concepts also differ in their emphases. Organisational culture is often described as the means through which people in the organisation learn and communicate what is acceptable and unacceptable in an organisation – its values and norms. Most descriptions of organisation climate do not deal with values and norms.

So descriptions of climate are concerned with the current atmosphere in an organisation, whereas organisational culture is based on the history and traditions of the organisation and emphasize values and norms about employee behaviour.

Kreitner and Kinicki (2001:75) states that the link of organisational culture to organisational performance as illustrated by the following:

Constructive cultures are cultures in which members are encouraged to interact constructively with each other to attain goals and grow and develop emphasizing normative beliefs of achievement, self-actualisation, human encouragement and affiliation.

Passive-defensive cultures reinforce the belief that members must act passively in order to safeguard their job security. This type of culture reinforces normative beliefs associated with approval, traditional rules, dependence and avoidance.

Aggressive-defensive cultures encourage members to act in forceful ways in order to protect their status and job security. This type of culture emphasises on competition, perfectionism, power and opposition.

Organisations as social entities are very complex and even though they may predominantly reflect one type of culture, they could also show characteristics associated with other types of culture.

Organisational culture change - In many organisations the employees are constantly changing, but despite shifts, the organisations themselves change only slowly – if at all. In fact, it often is the new employees who change rather than the organisation. This stability is created by shared beliefs, expectations, and core values of people in the organisation- what is known as organisational culture (Greenberg and Baron 2000:485).

Cultures within organisations - Large organisations typically have several cultures operating within them.

Greenberg and Baron (2000:487) state that people tend to have more attitudes and values in common with others in their own fields or work units than with those in other fields or units of the organisation. This leads to subcultures, that is, cultures existing within parts of organisations rather than entirely throughout them. Indeed, several subcultures based on occupational, professional, or functional divisions usually exist within any large organisation.

There is however a distinctive, overarching “personality” which reflects its core values, its dominant perceptions that generally are shared throughout the organisation, this is referred to as the dominant culture.

Typically, members of subcultures generally also accept the core values of their organisation as whole, subcultures should thus not be considered as totally separate cultures but rather as “mini” cultures operating within a larger, dominant one. The dominant culture may override the local norms within a subculture.

To sustain an organisational culture, ethics need to support it, ethics like TSA’s following core generic concepts in terms of ethics:

- *Values* – are standards for proper conduct. Whereas facts inform us about the way

the world is, ethical values hold up ideals for our conduct – how our conduct should be. Basic ethical values are those of life, respect, integrity, honesty and truthfulness.

- *Obligations* – ethics concern discharging our duties and obligations to others. These may be specific because of relationships or arrangements –for example, our specific obligations to others to honour promises or agreements, such as contracts. They may also be general because of considerations of well-being that apply to all – for example, our general ethical obligation not to harm others, whether customer or stranger.
- *Rights* – ethics involve rights that are claims or entitlements others hold in respect of something against us, and these may correspond with our obligations. If we contract to deliver a service, the client holds an ethical and legal right to that service against us.
- *Consequences* – ethics are about making the world a better place.

The importance of ethics is so important that they are even included as guidelines in the second King Report on corporate governance Ethics like Discipline, Transparency, Independence, Accountability, etc (Bagriam, *et al* 2003:29).

## **ORGANISATIONAL CLIMATE SURVEYS**

The following surveys were conducted:

Over four years numerous surveys were done on site at TSA, some by the writer and some done by external professional consultants.

Of note is that they are all interlinked, though diverse and range from organisational climate surveys, communication to safety culture surveys. The supporting data is unique and interlinked. It's the intent of this writ to publish the findings of the corporate climate survey in full. The other supporting surveys will be in abstract format with the full documents as attachments.

Of note is that TSA has a very flat organisational structure of five levels of which level five is the Exco and level one is the entry level of the organisation. The writer was involved in all the surveys and it was attempted to gain inputs from employees of all five levels in TSA during the surveys.

All surveys were tabled to the TSA executive team for their attention and action.

The surveys are:

- TSA Organisational Climate surveys (April 2004 & 2005).
- Safety Climate Culture Survey October 2005 final.
- Organisational Culture Analysis - 2006.

## CORPORATE CLIMATE SURVEY – APRIL 2004 & APRIL 2005

A corporate climate survey was done at TSA using feedback from 125 respondents, constituting more than 22 % of employees on all levels (1-5) in the organisation.

The survey was done on a Macro and Micro level and threads have been highlighted. OBOF feedback from employees over the past two months have been taken into account, the feedback received predominately relates to problems in terms of internal communication, delegation & authority, dignity and respect issues. A compounding factor is the current initiatives overload, which is causing teams and individuals to loose focus and move into “survival mode”.

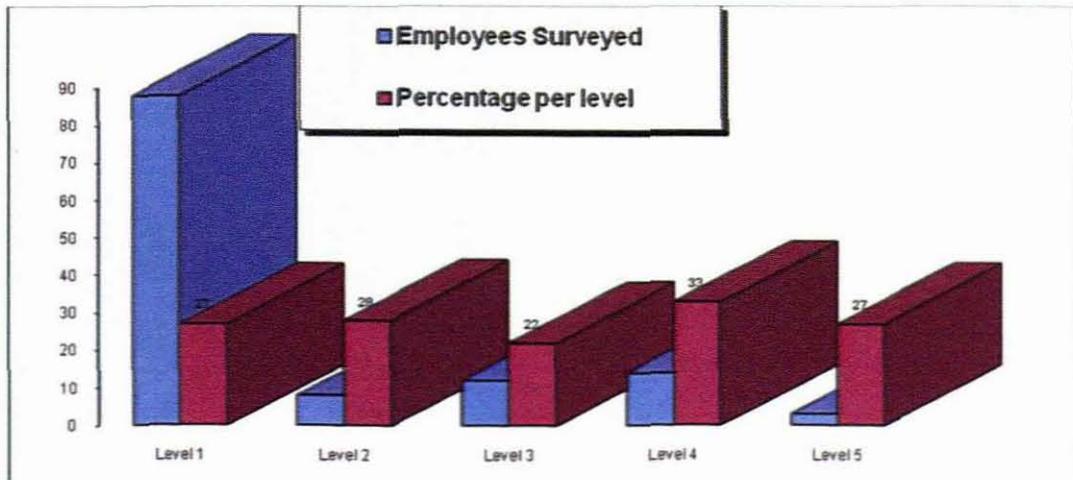


Figure 21: Survey Group

- Level 1 – ( 1.2/1.3 or P3/A3/J3 employees such as process controllers and artisans)
- Level 2 - ( 2 or G role employees such as senior planners & safety officers)
- Level 3 - ( 3 or F role , this is the Heads level)
- Level 4 - ( 4 or E role , professionals, engineers, managers etc)
- Level 5 - ( 5 – D role and higher- Exco)

There is nothing accidental about cultural strengths and there is a relationship between an organisation's culture and its performance. Without exception, the dominance and coherence of culture proved to be an essential quality of excellent companies.

Moreover, the stronger the culture and more it was directed to the marketplace, the less need there was for policy manuals, organisational charts, or detailed procedures and rules. In these companies, people down the line know what they are supposed to do in most situations because the handful of guiding values are crystal clear (Mullins LJ 2002:808).

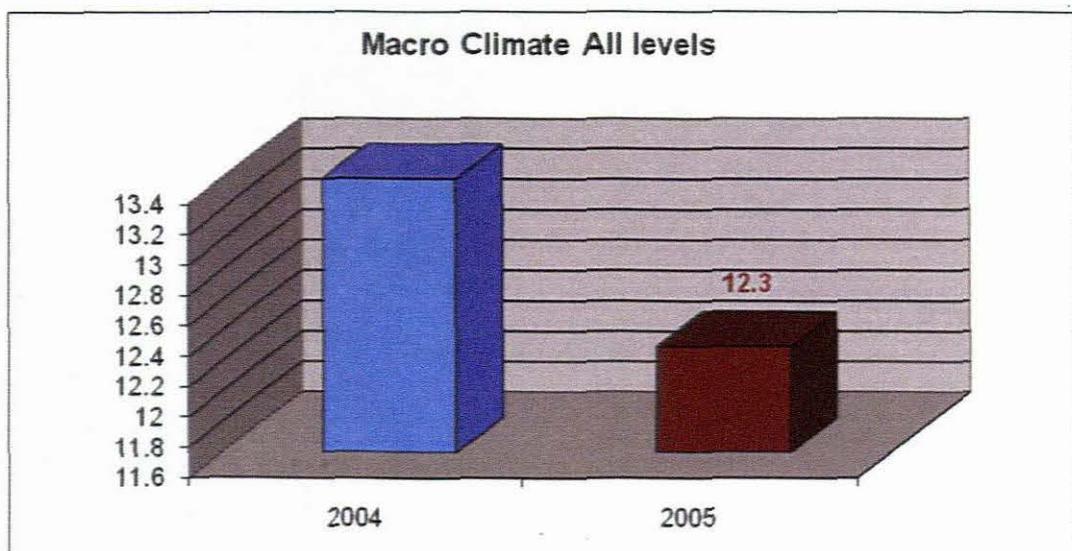


Figure 22: Macro Climate Survey

On the Macro level a questionnaire comprising of 20 questions was used. Taken from the internet "the work and family connection." What it does is to provide you with the "bigger" picture and is a clear indicator as to how fluid/mobile your organisation is and what the employees perception is in terms of corporate climate.

- **Score 18-20**, The organisation high levels of flexibility and supportiveness
- **Score 14-17**, The organisation is probably more supportive and flexible than most, with room to grow
- **Score 11-13**; As the race for talent tightens up again, your employees may be open to the next good offer
- **Score is 10 or less**, Give your managers the help they need to manage the

workforce

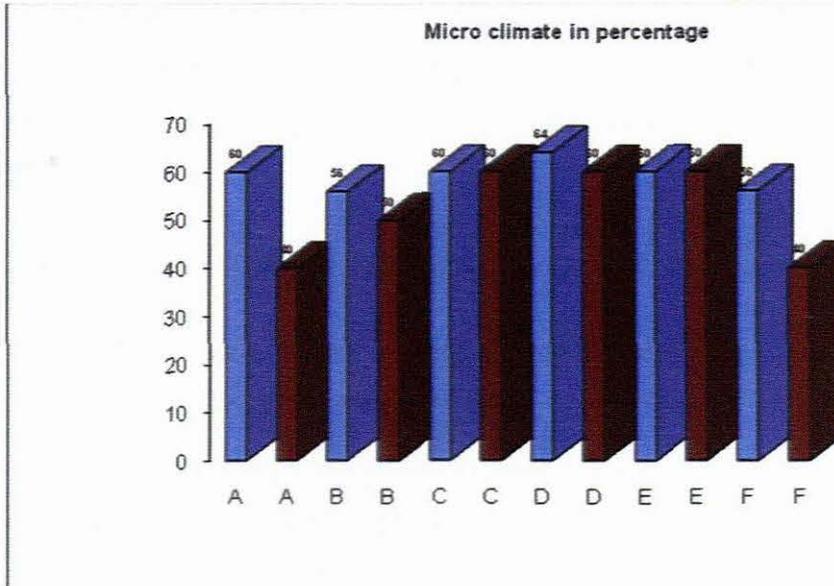


Figure 23: Micro Climate Survey

(n=125 data questionnaires)

- A -Knowing, understanding and living TSA Values
- B- Alignment of employees with the strategic direction of TSA
- C- Understanding of TSA as a multicultural organisation
- D - Understanding TSA's company culture
- E - Leadership
- F - Company communication

#### A -Knowing, understanding and living TSA Values

Since work values and ethics are closely related, it is likely that changes in corporate values can lead to changes in business ethics. Survey indicates a (20%) decline in the understanding, knowing and living the values since 2004. This trend is unacceptable.

#### B- Alignment of employees with the strategic direction of TSA

Emphasis has been placed on this facet of organisational management. The strategy of developing a “Ticor House” and integrating it on all levels had led to the stabilization of alignment with respect to strategic direction throughout the organisation. We believe that the performance management system which is currently being rolled out will entrench this alignment and the hypothesis is that we could have a 20% improvement factor in 2006.

#### C- Understanding of TSA as a multicultural organisation

The Kumba, Ticor, Tiwest and international client base has made TSA leaders work within the new “Global Village”, which has ultimately made them more capable of working with people from different cultures. These cultures are not only based on a cultural background, but also across business units within one holding group. Cultures may even differ across departments within one functional unit.

There has been no change in the trend of understanding since 2004.

#### D- Understanding TSA’s company culture

Culture socialisation is when an organisation seeks to mould an “outsider”/new employee into an employee of “good standing.”

If an organisation has no dominant culture and is composed only of numerous subcultures, the value of organisational culture as an independent variable would be significantly lessened because there would be no uniform interpretation of what represents appropriate and inappropriate behaviour. This is typically when the leaders have to resort to formalization ie, a system of rules and regulations as an interim/permanent way of controlling an organisation.

Organisational culture is developed over a period of time and mergers/buy-outs/takeovers/ retrenchments can be inhibiting factor in the establishment of an organisational culture. TSA is still in the establishment phase of its corporate culture. There have been two name changes, one restructuring process (TSAmi) and cultural

impacts arising from a closer relationship with Kumba and the Kumba/Anglo merger. This has led to a slight decline by employees in terms of understanding Ticor's culture (60%).

In the establishment of culture the stabilization phase will only be reached once all appointments have been made and the Anglo/Kumba organisational and structural changes finalized. The OBOF program has helped in the establishment/formalization of a corporate culture, but as previously stated TSA has not reached its stabilization/maintenance phase in terms culture establishment and as such we are still vulnerable in terms of culture establishment.

Until the corporate culture is entrenched in the minds of 100% of employees, important company initiatives, which involve people, will be problematic to implement.

#### E- Leadership

Leadership has stabilized on 60% and has not changed since 2004. It is my opinion that the transparent leadership style which Ticor is driving should lead to a substantial improvement in 2006.

#### F- Company communication

Survey indicates a drop in the effectiveness of communication channels and structures from 56% to 40%. Internal communication in TSA is problematic and I would recommend that it needs to be put on a high level risk matrix. Issues raised in the OBOF sessions confirm the low score on communication. This trend is unacceptable.

\*\* No internal communication strategy could be found.

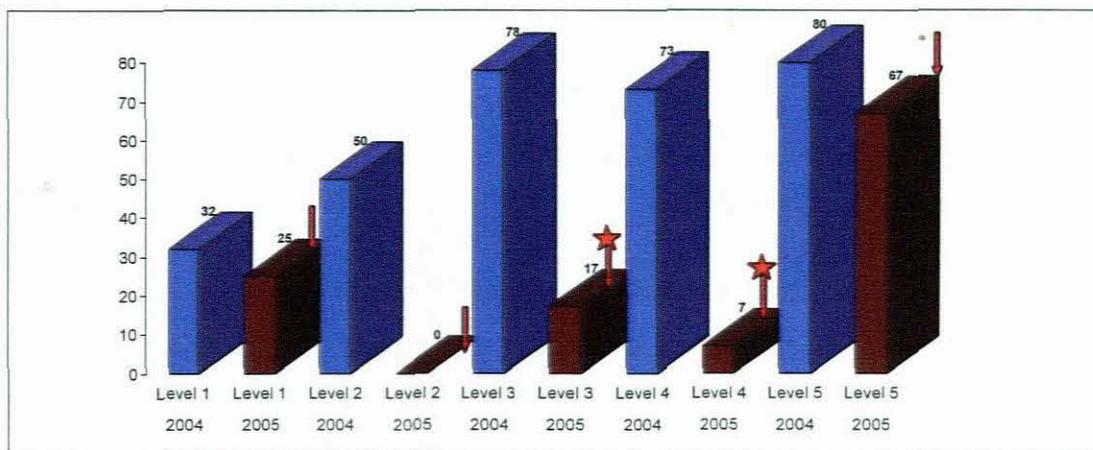


Figure 24: Employee forum support

The survey indicates that this initiative needs to be revisited as a matter of urgency as there has been a serious decline in the perception of its value on all levels.

Possible reasons/perceptions might be that the forum:

- Members on the forum do not represent the employee's interests. Questions have been posed about the selection process and whether the elected individuals actually represent their constituents.
- The forum does not have a say in the decision making process.
- The forum is not representative.
- Management manipulates the forum.
- Feedback by the forum representatives to their members seem to be very limited.
- Has achieved very little since its inception and has attracted few new members.
- Since its inception it seems that the annual election process for new committee members has either been ineffective or non-existent.
- The communication structure between constituencies and their committee members is done primarily via email. Studies have indicated that this way of communication is inefficient since it does not allow for discussions. It is worth mentioning that a large number of Level 1 employees have very little or no access to email.

- The forum members do not have a sense of ownership.

Pre TSAMI, a remarkable decline in employee forum membership was observed.

During TSAMI a slight increase was observed. Post TSAMI a decline resulted in a lack of a quorum which puts the legitimacy of the voting/ decision making process in contention.

In 2004, 144 employees joined NUM (union); these are mostly level 1 employee. The existence of a union in an organisation adds another variable in our search to explain and predict employee behaviour. Unions have been found to be an important contributor to employee's perceptions, attitudes, and behaviour (Robbins, et al 2003:370).

#### **CASE STUDY 1:**

16 people attended the forum meeting held on the 13 April 2005, of which 9 were elected forum members. As there are 42 elected forum members at TSA a quorum was not achieved. The chair did not ensure a quorum was reached. Technically the decisions taken at this meeting by the forum are nul en void.

The same trend in terms of attendance was observed in the previous 3 employee forum meetings, the lack of a two-thirds attendance places a question on decisions taken by the forum during this period.

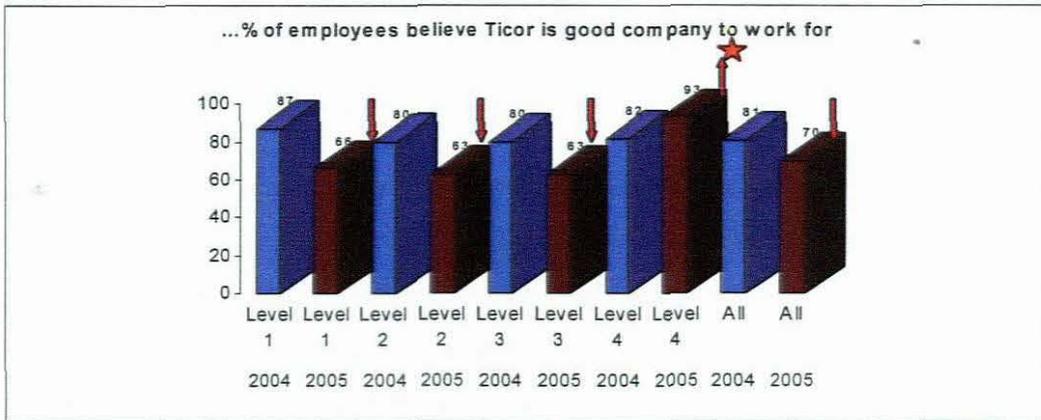


Figure 25: Good company to work for.

Overall, the results reveal that there is a decline in believing that TSA is a good company to work for. Level 4 is a glaring exception (Improvement to 93%).

How does one explain these findings? One answer is that, whatever it is that level 4 employees want from their jobs, TSA seems to be providing it.

It is important to note that:

- Employees don't select jobs randomly. (Especially level 4's). They tend to gravitate towards jobs that are compatible with their interest, values and abilities. TSA also prides itself on selective employment practices where high performance employees are picked for their abilities. Because people are likely to seek jobs that provide a good person-job fit, reports of high satisfaction shouldn't be totally surprising.
- Based on our knowledge of the cognitive dissonance theory we might expect employees to resolve inconsistencies between dissatisfaction with –job/employer and them staying within the employ by not reporting their dissatisfaction. So these positive findings might be tainted by efforts to reduce dissonance. ( Robbins et al; 2003 :66)

Research shows most organisations “look after” their high flyers as they often have fields of expertise which are not easily replaceable. There is also a tendency for such employees to squeeze management for more benefits; salary etc. This might explain why 93% of level 4 employees claim Tigor is a good company to work for.

Turnover at TSA- From January to March 2005, 24 individuals resigned. If this trend of 8 employees/month continues we will have 96 people leaving Tigor in 2005. This will give us an employee turnover of 21 % for 2005. Industry norm is between 7 & 10%. The majority of level 4 employees are leaving to Kumba. The problem however is on level 1, this constitutes 85% of our current turnover, meaning that we could lose up to 60% of Level 1 employees in 2005. It could be said that it is easy to replace level 1 employees, but we must remember that we will be losing the best level 1's and it can take up to 6 months to get a new employee up to speed. This is also the level that requires more work related training as they don't normally have the necessary experience or applicable skills.

Labour turnover is commonly classified as either functional or dysfunctional. Functional turnover is defined by a situation where high-performance employees remain while poor performers leave.

Some authors point out that mobility can lead to organisational renewal and change, clean out “dead wood” and make it easier to introduce new ideas. It can also prevent complacency and create mobility opportunities for existing staff.

The literature, however, generally reports mainly on dysfunctional turnover, which is characterized by high-performance employees leaving and poor performance employees staying.

It is extremely difficult to place exact estimates on the total financial impact of labour turnover, particularly as intellectual capital is almost unmeasurable. The cost of turnover can be divided into direct and indirect costs. Some components of indirect costs of turnover are: loss of knowledge; lowered morale of remaining staff; loss of momentum in the organisation; loss of organisational memory; and customer dissatisfaction resulting in negative productivity impacts.

The American Management Association reports the costs of the loss of an employee at between six and 18 months' salary. Gordon Institute of Business Studies: 1995. If turnover in Tigor proceeds at this level and rate, it has a serious implication for safety due to inexperience and the lack of peer tutoring.

## CASE STUDY 2

A study in 1995 by the Gordon Institute of Business Science shows that the retention of key employees is probably the biggest challenge in human asset management today.

The Gordon Institute of Business Science study was carried out on more than 300 workers across a wide range of demographic groups and industries in SA. The average age of the respondents was 32 with an average of four years' of service in their organisation, while 80% had at least one degree. The results of the study illustrate the need to find new ways to manage key employees.

GIBS 1: How much longer do you envisage working for your organisation?

Less than 6 months	6-12 months	12-24 months	3-5 years	More than 5 years	Until Retirement
9.5%	16.4%	36.7%	24.9%	9.5%	3.0%

Table 1: Duration of working for the organisation

The table shows high mobility with a quarter intending to leave within the year and more than 60% within two years.

GIBS 2: Describe your current situation

<b>I am currently looking for another job</b>	<b>33%</b>
<b>I occasionally look for opportunities to change my job</b>	<b>52%</b>
<b>I am continually actively seeking another job opportunity</b>	<b>15%</b>

Table 2: Current Situation

The table shows that 67% of the sample is in the job market.

What is surprising from this study is that the sample showed a relatively very high level of job satisfaction:

GIBS 3: Job satisfaction levels:

	<b>Very satisfied</b>	<b>Somewhat dissatisfied</b>	<b>Neutral</b>	<b>Satisfied</b>	<b>Very unsatisfied</b>
<b>Nature of work</b>	<b>5.5</b>	<b>20.2</b>	<b>13.7</b>	<b>43.3</b>	<b>17.3</b>
<b>Relationship with leader</b>	<b>10.7</b>	<b>20.2</b>	<b>19.5</b>	<b>29.6</b>	<b>19.9</b>
<b>Peer relations</b>			<b>19.3</b>	<b>53.6</b>	<b>19</b>
<b>Pay</b>			<b>22.5</b>	<b>36.5</b>	<b>4.2</b>
<b>Promotion opportunities</b>		<b>26.1</b>	<b>20.8</b>	<b>22.5</b>	<b>11.7</b>
<b>Overall satisfaction</b>		<b>23.1</b>	<b>19.5</b>	<b>40.4</b>	<b>8.5</b>

Table 3: Job satisfaction levels

In comparing the preceding tables it is clear that despite high levels of satisfaction the estimated future length of service is extremely low. This is consistent with the views expressed by the Corporate Leadership Council that the link between employee satisfaction and intention stay is weakening as increasingly satisfied employees are leaving their organisations for new job opportunities.

**GIBS 5: Are you committed to furthering the goals of your' employing organisation?**

<b>Not committed</b>	<b>4.9%</b>
<b>Slightly committed</b>	<b>13.8%</b>
<b>Very committed</b>	<b>57.0%</b>
<b>Totally committed</b>	<b>24.3%</b>

Table 4: Goals of your employing organisation

It becomes clear that despite more than 80% of the sample seeing themselves as being very committed to the organisation, more than 60% intend to leave within the within two years.

Literature on staff turnover is traditionally views turnover as an indicator of organisational commitment. It is a false belief that commitment can only exist in long-term relationships; what should be expected is commitment to current work, rather than long-term loyalty. Thus loyalty and commitment are not synonyms in the new world of work.

These employees demonstrate how the psychological contract has moved on from an era where there was an emphasis on job security and loyalty to an era where the emphasis is on employability, recognition and loyalty to one's own career and skills.

The second part of the study identified the relative importance of 42 variables that determine retention. What are the most important issues affecting the retention of employees?

**GIBS 5: The most important retention issues**

1. Lack of challenging work and sense of recognition
2. Level of trust in management
3. Lack of career development opportunities
4. Incentives/bonus/variable pay
5. Base pay
6. Individual recognition and praise being given
7. Freedom to work independently

8. Career planning by the organisation
9. Relationship with your immediate boss
10. Issues raised not attended to

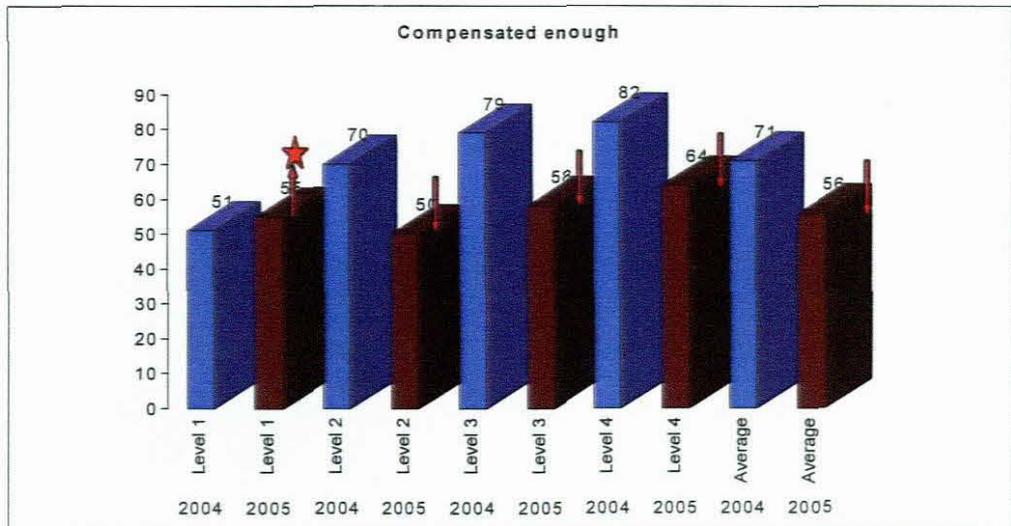


Figure 26: Compensation

For the vast majority of people, money is clearly important and a motivator at work but to what extent and how important depends upon their personal circumstances and the other satisfactions they derive from work (Mullins 2002:423). From this survey we see a marked decrease in compensation satisfaction for levels 3 and 4. However, low satisfaction overall is clearly evident in levels 1 and 2 (even though level 1 satisfaction has grown by 5%).

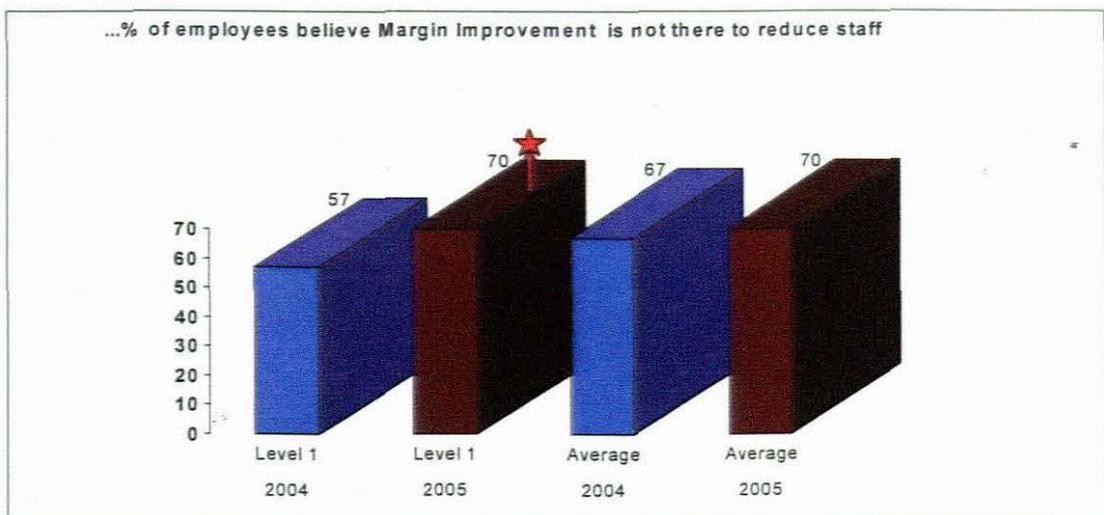


Figure 27: Margin Improvement

The outcomes of the TSAmi process confirmed this trend and there is no need to survey this aspect in the future.

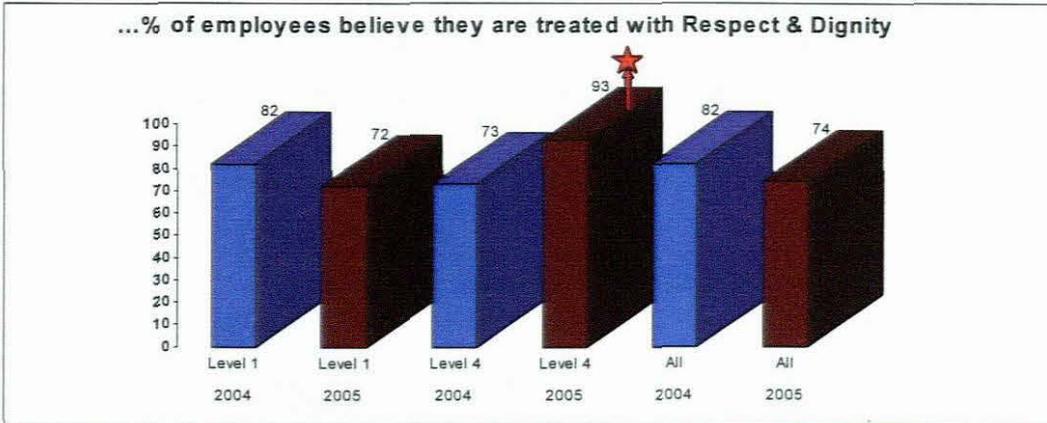


Figure 28: Respect and Dignity

Theoretically, in organisational development, emphasis is placed on collaborative and participative processes – power, authority, conflict and coercion are held to be counter productive. Individuals are perceived as being responsible, conscientious and caring; it is thus expected of all individuals to treat each other with dignity and respect.

However, we must again remember that in culture surveys employees “resolve inconsistencies” and report “what they think leaders want to hear.” Interestingly OBOF feedback does not support these positive findings, particularly at level 4

### DIVERSITY MANAGEMENT

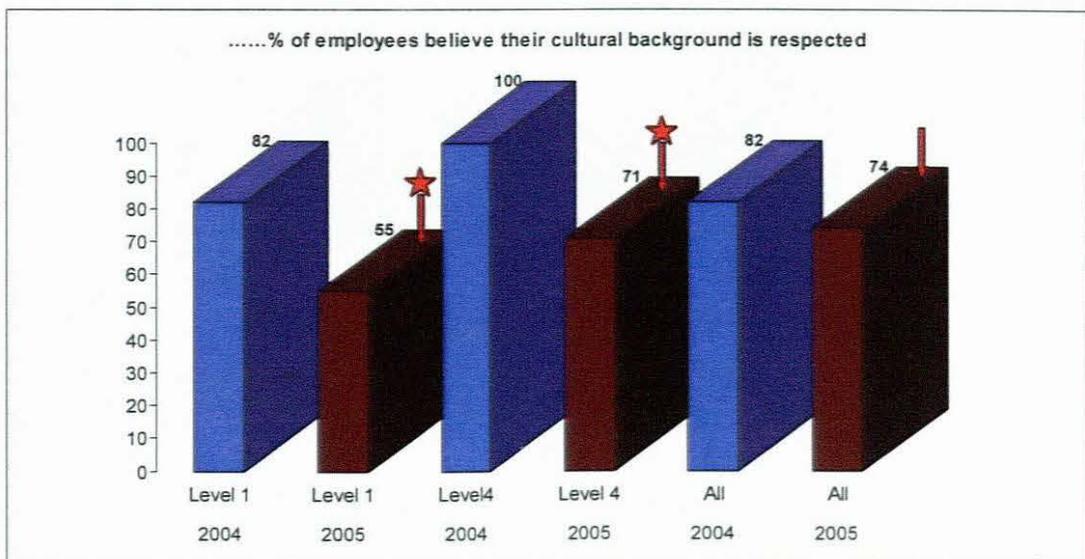


Figure 29: Cultural background respected

Diversity is the vast array of physical and cultural differences that constitute the spectrum of human differences. Six core dimensions of diversity exist: age, ethnicity, gender, physical attributes, and race and sexual/affectation orientation. These are the core elements of diversity that have a lifelong impact on behaviour and attitudes.

Valuing cultural diversity from an organisational and leadership perspective means understanding and valuing these differences between oneself and ones co- workers. The chart shows that levels 1 and 4 employees perceived a drop in respect for their cultural backgrounds (there was no significant change at other levels).

However the overall high scores in terms of dignity and respect and job satisfaction indicate that OBOF 2 VTL1 is having the required cross functional effect for which it was designed. With a theme of knowing yourself, supported by the Meyers Briggs analysis, employees have grown in this aspect in the past year even though statistics prove to be slightly contradictory. It's also my opinion that some level one employees equated ethnic race with culture hence the negative connotation.

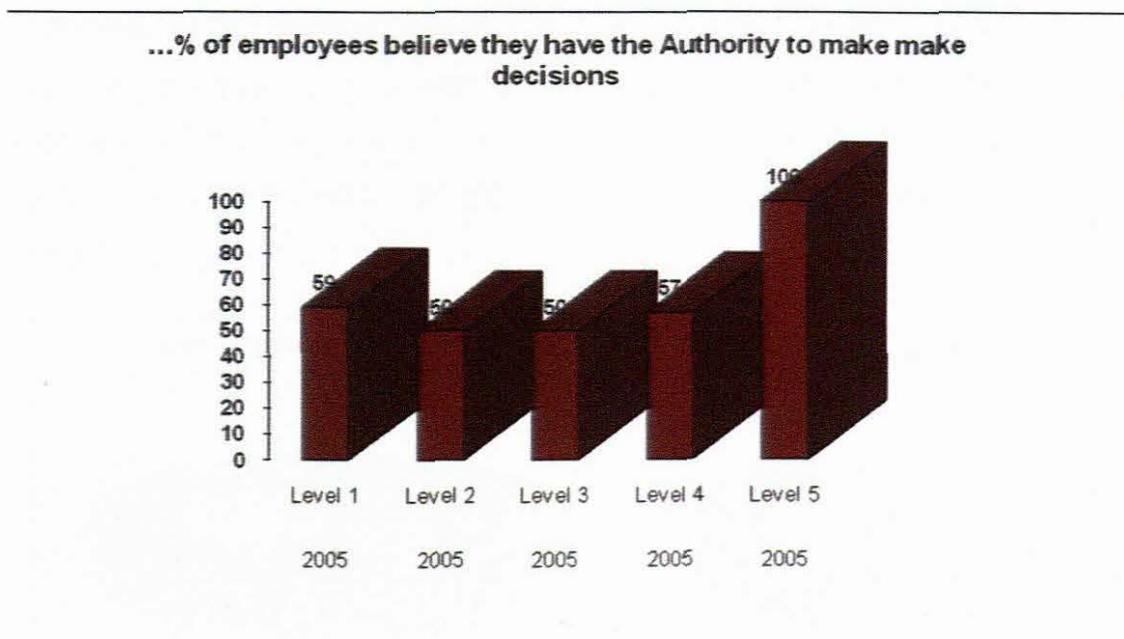


Figure 30: Authority/Empowerment

Level 4, 57% of employees believe that they have the authority to make decisions; this indicates a perception of non empowerment. The statistics do not follow a normative trend (i.e. Level 5 – 100%, Level 4- 90%. Level 3 – 80, Level 2 – 70, Level 1 – 60%), hence the fact that level 1 employee don't seem overly concerned with empowerment issues.

According to Gilgeous (1997:295), middle managers are frequently the people who feel the least powerful within an organisation. They often perceive themselves as sandwiched between senior management who create company policy and the workforce and may resist changes which senior managers wish to implement. As they feel they are not empowered, their management style becomes Authoritarian.

The current initiative overload further entrenches this authoritarian management style as delivery on all spheres becomes important and the leaders are measured against these increased outputs. This management style is where the human aspect is kept to a minimum so as not to interfere with work arrangements, as the manager is highly concerned with production.

One way communication becomes the norm and little attention is paid to the ideas of subordinates. The low score (50%) of Level 3 employees may be explained by the fact that they are on the average older and seasoned individuals who have been around in industry and have previously experienced higher levels of empowerment. From the survey done, their projection of 50% in terms of empowerment can be viewed as an actual.

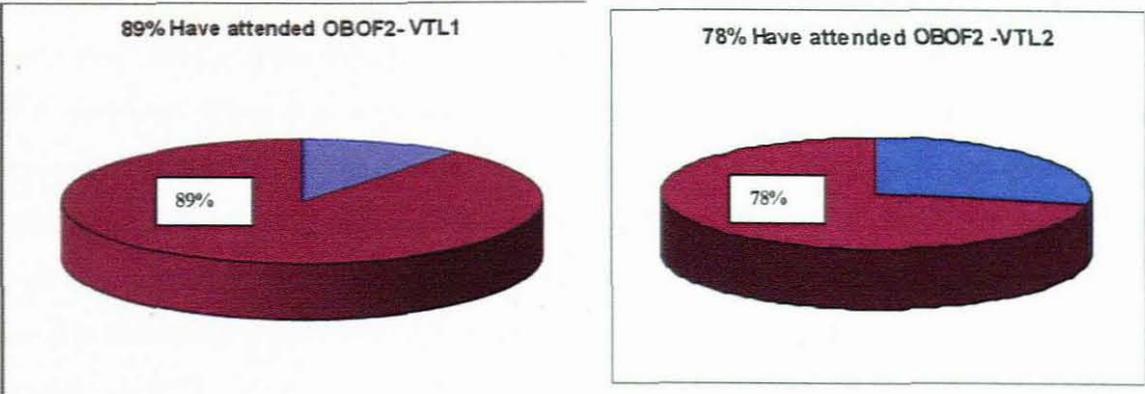


Figure 31: OBOF Attendance

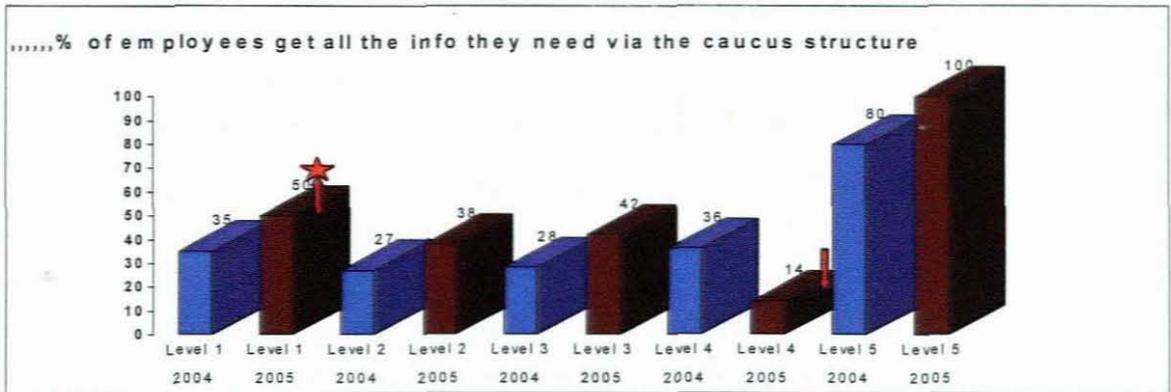


Figure 32: Caucus

Caucus – by definition is a parley, conclave or “indaba”. You caucus with your team and family (those close to you). The perception is that the Tigor. Caucus sessions are used as information dissemination/briefing sessions whereby information is given in a top down approach. Opportunity for feedback is limited and it is uncertain whether the delegates understand the messages from a caucus. Employees would like the caucus to be run like SHE meetings where it is expected that each delegate contributes and each member is also given the opportunity to give feedback. Having said this, Meetings or the amount of meetings held in Tigor, or their intent, was often raised/attacked in the OBOF feedback communication. Noticeably there has been a shift upwards in support at level, but the level is still unacceptably low (50%); and there has been a significant negative shift at level 4 which should be of serious concern.

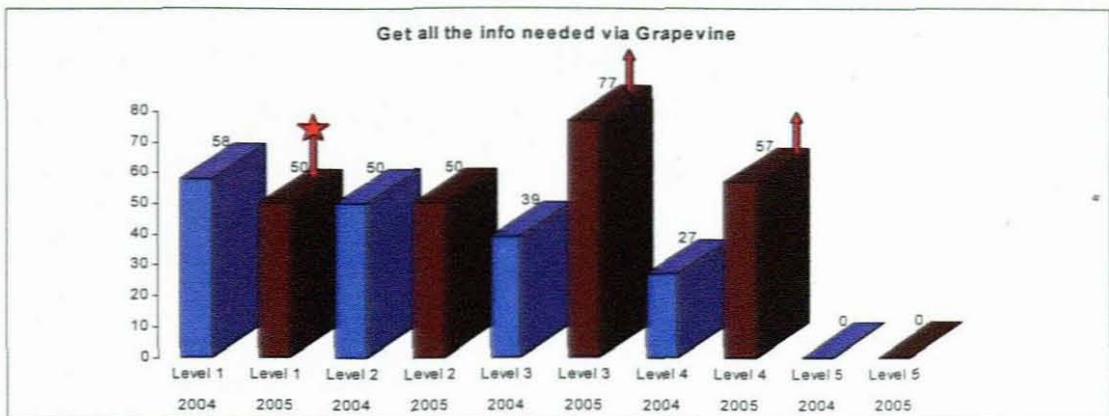


Figure 33: Grapevine

The grapevine is an organisation's informal communication network. The grapevine has three main characteristics. First, management does not control it. Second, it is perceived by most employees as being more credible and reliable than formal communiqués issued by top management. Third, it is largely used to serve the self-interest of those people within it.

Formal networks are typically vertical, follow the authority chain, and are limited to task-related communications. In contrast, the informal network (grapevine) is free to move in any direction, skip authority levels, and is likely to satisfy group member's social needs as it is to facilitate task accomplishments.

Effectiveness - recent studies have shown that 75% of employees hear about matters first through rumours on the grape vine, it was also found to be 75% accurate. Rumours on the grapevine have four functions: Structures and reduces anxiety, to make sense of limited or fragmented information, serve as a vehicle to organize group members and to signal a sender's status. In a nutshell anxiety/uncertainty makes rumours grow. Management will never be able to eliminate rumours completely; however we can minimize the negative consequences of rumours by limiting their range and impact. Robbins, *et al* (2003:228). An example is the strategy used by the CEO during TSAmi, Steve Wickham told all employees not to believe rumours and he updated the plant on a weekly basis.

What is cause for concern is the increase in grapevine support on levels 3 & 4, with a decline in the caucus support by the same people. The statistics could be interpreted as follows: Level 3 & 4 employees get/believe little of the information given via the caucus structure as they have already heard about it via the grapevine prior to the caucus.

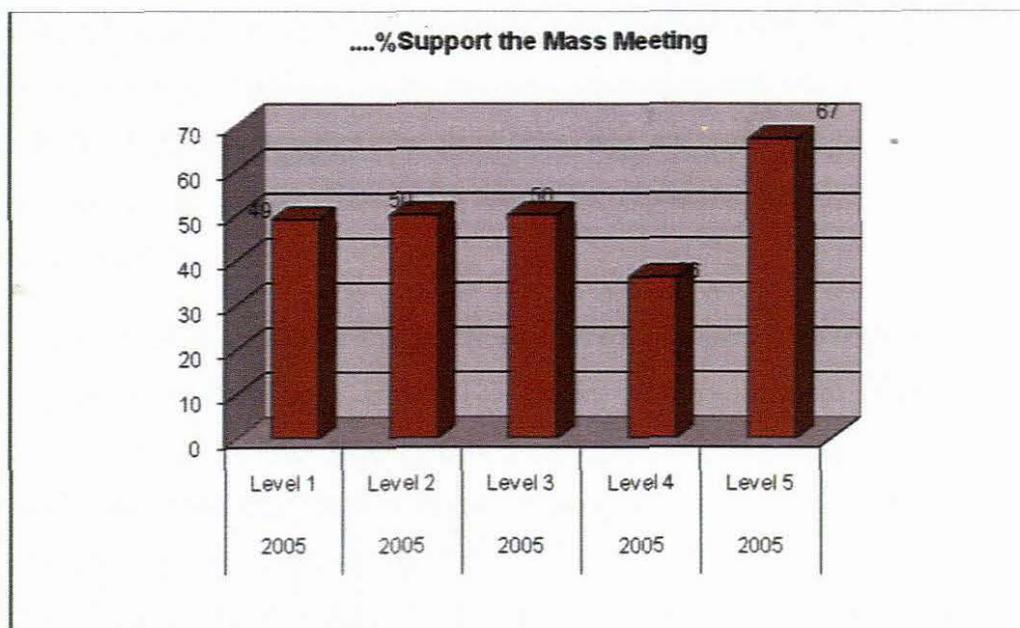


Figure 34: Mass Meeting

The survey shows us that overall support is very low (with the exception of level 5) and dangerously low at level 4.

### CASE STUDY 3

The following supports the perception in terms of mass meetings:

4 April 2005- Dayshift Mass meeting- only 31 people attended the mass meeting.

14 April 2005- Dayshift Mass meeting - only 7 people attended the mass meeting.

Mass meetings held on training days cannot be used as a measurement as they are the first item of the training day's agenda and people have to be there. If they were also voluntary as with dayshift mass meetings, we can only assume that the attendance would be similar

#### *Conclusion of Executive Summary and recommendations:*

Perceptions:- a situation may be the same but the interpretation of that situation by two individuals may be vastly different. However, the significance of individual differences is particularly apparent when focusing on the process of perception. This is a characteristic

feature of behaviour which is of particular importance to the manager. We do not passively receive information from the world, we analyse and judge it. By implementing a right or wrong answer type to the questions posed, we forced the respondents to choose and as such, cognizance needs to be taken that perceptive interpretations to questions have been limited.

The survey was done using a questionnaire with 62 questions. The respondents cannot be traced and confidentiality is assured. 125 Papers were returned for analysis. This is an increase from 109 in 2004. Respondents are proportionally represented at more than 20% of all levels in the workforce. It is my opinion that the questionnaires were filled in responsibly and the survey is accurate. Measurements were done on 54, 80 and finally 125 respondents, the pattern of feedback was similar and it once again indicated that the survey feedback is accurate.

In 2005 we were in the middle of the KBIP implementation process and as KBIP only affects services departments, the impact on most Ticor employees was insignificant. (KBIP = Margin improvement process)

This climate survey is a snapshot taken over March and April 2004/ 2005.

Though its too early for Ticor to claim a corporate culture as it is in a formulation phase, strategic learning interventions such as OBOF seems to have impacted on corporate culture and commitment to TSA

No formal internal Communication strategy could be found at TSA.

Increase in disciplinarians/counselling sessions. Initiative overload has lead to Authoritarian management style internal communication strategies and structures are problematic/ ineffective such as email, caucus, mass meetings and employee forum. From 1 on 1 interview, it has been found that social problems have increased significantly; there has been of late an increase in alcohol, drug abuse, gambling addiction and domestic problems. Outcomes: **Table: 37: 2004/2005 Integrated Climate Data.**

Integration analysis of threads. /2004 Level4 2005 / 2004 Level1 2005				
Good Company to work for	82%	→ 93%	86%	→ 66%
Compensation	82%	→ 64%	51%	→ 66%
Respect & Dignity	73%	→ 93%	82%	→ 72%
Cultural Background Respected	82%	→ 55%	100%	→ 71%
Authority to make decisions		→ 57%		→ 59%
Level 4 employees believe TSA is a good company to work for/ not compensated enough/treated with dignity & respect/don't have the authority to make decisions and their cultural backgrounds are not respected				
Level 1 employees believe TSA is a below average company to work for, paid below average, treated below average in terms of dignity and respect, culture is respected and they have the authority to make decisions.				
Integration analysis of Communication /2004 Level4 2005 / 2004 Level1 2005				
Support the forum	73%	→ 7%	32%	→ 25%
Support the Caucus	36%	→ 14%	35%	→ 50%
Support the Grapevine	27%	→ 57%	58%	→ 50%
Support the Mass Meeting		→ 36%		→ 49%
Level4 employees don't support the forum, caucus and mass meetings.				
Shift in support for the grapevine				

Level 1 employees did not support the forum in 2004; in 2005 their support has declined further, increase in caucus and mass meeting support figure: 37.

Figure 35: 2004/2005 Integrated Climate Data

### **RECOMMENDATION:**

If the organisational climate is to be improved then attention should be given to the level of morale, the sense of involvement and strength of commitment of employees. The climate created by managers will have a significant influence on the motivation and behaviour of employees. The management of organisational climate is therefore an important means of improving productivity and standards of work performance. Similar types of organisations may share certain common features but each will have its own distinctive characteristics. Every organisation has its own climate, or internal environment or “personality” (Mullins 2002:813).

TSA’s employees are relative young and highly skilled, could be referred to as a “knowledge worker.” This buzzword was initially used to describe employees in the information technology sector. It can however describe any employee who uses their specialist knowledge to contribute significantly to the products or services from which the company profits. The knowledge worker has confidence in his or her intellectual capacity as a product which they sell in terms of a deliverable. They are not looking for employment for life and are comfortable working as free agents, entrepreneurs and contractors. The old motivators are not relevant to this generation of people who are highly specialized, work with cutting edge technology and are able to use information for competitive advantage (Robbins, *et al* 2003:164).

### **Proposed Remedial Actions:**

Formal Communication Audit-Audit to look at all aspects of internal communication as well as structures. If time and funding permits, external and crisis communication can

also be evaluated. Examples of recent bad crisis communication are: Foscor, Samancor-Manganese and Sasol. Disband the Employee forum.

Re-election of forum members, election strategy must be transparent and voting methodology used must ensure that all employees are part of the election. (Email must not be used as approximately 20% of employees don't have access to email and the voting process on the intranet confirms this voting process's as ineffective). Increase the Ratio – 1 Rep for 25 employees.

Re-look recruitment, E roles too young, and employee more experienced E roles.

Provide time for representatives to give feedback to constituents.

Forum to be empowered.

Revisit the Employee Assistance Programme.

Revisit the Leadership Programme (Implement a Coaching and Mentorship Programme).

#### 5.4 Safety Climate survey – September 2005

##### **PREAMBLE**

This Safety Climate Survey was done by an international consultancy named “Safe map.” The function of this researcher was to conduct the survey on behalf of this organisation at TSA. The survey was completed by cross functional employees and 307 out of 610 employees completed the survey, giving the survey substance and validity. It is also the intention of this writer to use the data to analyse and valid date my own surveys and highlight prominent issues which may or may not be highlighted by the attached consultant Safety Climate Survey feedback document (PowerPoint).

This survey is quantative and its simplistic nature makes it effective. The survey was used by virtue of a collective computer connector. Questions are flashed on an overhead projector and the candidates then respond by pushing a button on a hand held input devise. Up to 15 candidates are able to attend one session. This helped tremendously in getting large numbers of employees to complete the survey.

The Profile of the Group surveyed comprised of the following.



Ticor SURVEY GROUP NUMBERS

GROUPS	TOTAL
Operators CPC	183
Operators PWP	35
Supervisors CPC	35
Supervisors PWP	12
Mid Managers CPC	23
Mid Managers PWP	9
Sen Managers CPC	10
<b>TOTAL</b>	<b>307</b>

Figure 36: Safety survey group survey

The following quantitative feedback was received as per grouped collective related questions: (70 Questions were asked and clustered per core group)

The grouping led to the following core questions relevant response analysis:

Question	Answer
1. Do Tigor employees view safety as a commitment for the company?	Positive
2. To what extent is commitment translated into formal values and statements?	Positive
3. What are employees' views of the "responsiveness" towards safety?	Positive
4. Are safe behaviours evident in the company?	Mixed
5. What kind of behavioural reinforcement is evident in Tigor?	Mixed
6. To what extent are employees consulted, formally and informally	Positive
7. What are the levels of trust between employees and their leadership?	Mixed
8. What is the potential impact of formal safety interventions and systems?	Negative
9. What types of stresses on employees exist at Tigor?	Negative
10. What is the potential impact of the team environment on behaviours?	Positive
11. What is 'morale' in Tigor like?	Mixed
12. What safety attitudes are prevalent?	Negative
13. How do the overall results compare with the mining industry?	Mixed
Table 5: Summative of questions asked	

## **SURVEY FINDINGS: PERCEPTION OF ALL FACTORS**

Managers (especially Senior Managers) and Supervisors are generally happy working for Ticor, and feel positive about safety and the safety standards at the mine.

Operators, on the other hand, are stressed and dissatisfied in their work. They face a lot of safety hazards, but feel like no one will listen to them if they speak up. The positive news is that, given the opportunity, Operators really feel that they can make a lot of improvements in their job. When compared to other Operators working at other African or International Mines, Ticor Operators appear to be more motivated to improve safety standards in their jobs. This opportunity for positive change should be capitalised on.

At Ticor, employees generally do not feel safe in their jobs. They feel tired, overworked, forced to take safety shortcuts, and at risk of being fired. An improvement in communication between Management and employees about job security may increase employee morale.

Overall, the safety evaluation indicates that Ticor is roughly equivalent on safety measures to other African and International Mines. This statistic can be interpreted positively, as it indicates that with safety-improvements, Ticor could become a leader in mining safety standards.

Safe map provided core feedback and classified its summary into the following categories:

### **WEAKNESSES**

The following points reflect the perceptions of employees indicated by the survey analysis. This section reveals the major issues that can be considered a weakness in the company's operation.

Employees are worried that the safety standards at Ticor are not high enough.

Although both Senior and Mid-Managers perceive themselves as safety-conscious, other employees are concerned that the Management team at Ticor is not really serious about safety.

In addition to the last point, Operators are generally unhappy with Management's decisions on safety, and feel that Managers do not provide Operators with enough information about safety matters. At Ticor, Managers should be made aware of these issues, so that they can concentrate on looking after the safety of employees at the Mine,

In comparison to employees from other African and International Mines, those working at Ticor find themselves having to cut more corners, and take more shortcuts in regards to safety. This may indicate that whilst many employees would prefer to work safely, they feel that they can't if they want to get their jobs done.

The company is not seen as doing a lot for its employees – for example, employees are concerned that if they break a safety rule they will be treated unfairly. The company being perceived as unjust and uncaring in its treatment of employees presents a major area of weakness. Improving the company image may encourage increased employee loyalty and safe working behaviour.

Operators do not feel that they can trust their Supervisors.

Operators and Middle Management (CPC) do not think that there is a positive team spirit at Ticor South Africa.

## **STRENGTHS**

The following points reflect the perceptions of employees indicated by the survey analysis. This section reveals the major strengths that have been identified in the survey and thus complement the company's operation.

Most employees agree that Ticor is serious about safety, and that it values the importance of working to a high standard of safety.

Employees believe that the company has clear goals and ideas for safety that have translated into good safety standards.

Employees at Ticor feel that their fellow employees strive to comply with safety rules. This is a major strength, as it suggests that there may be a group mentality at Ticor that values and encourages safe workmanship.

Most employees at Ticor enjoy their work. Supervisors and Managers are particularly satisfied with their roles. This is a considerable strength, as happy employees may be more likely to work safely, and show loyalty to the company in doing so.

Supervisors appear to be popular at Ticor. Most employees get on well with their Supervisors. This is strength in the current report as positive interpersonal relationships such as these may create a pleasant working environment, and promote communication and safe behaviour at work.

Senior Managers appear to be particularly enthusiastic about safety, the company, and their working lives at Ticor Mines.

Supervisors and Managers really feel that the company listens to their views on safety.

## **THREATS**

The following points reflect the perceptions of employees indicated by the survey analysis. This section reveals the major issues that can be considered a threat to the company's operation. The points identified in this section warrant immediate action by Ticor to ensure safety to its employees.

The employees at Ticor think that the safety training in the company is not of a high standard. It may be beneficial to find out what safety issues employees feel they need more information on, and incorporate these issues into the safety program.

At Ticor, employees do not feel that their jobs are secure. They also feel stressed and overworked. This may be a problem, as it is possible that employees who feel worried about their job and being fired may not concentrate on working safely. -

Operators (CPC) expressed serious concerns about the safety levels at Ticor, which should be taken seriously.

Employees feel that if they raise their concerns about safety, these concerns will NOT be followed up quickly. This may leave employees feeling powerless in the face of hazards or danger. The results may also indicate that employees feel that it is not worth speaking up about safety. It may be advisable to work on a new system that encourages employees to feel free to talk about safety, and feel heard in regards to their safety concerns.

When working safely, employees feel that they will not get recognition. This is an area of concern, because it alerts the company to the fact that employees may feel that there is no reward for safe behaviour. If employees do not feel that safety is appreciated they may not be striving to maximize safety.

Most employees feel that they have to break safety rules to get jobs done. They also feel that it is impossible to not have accidents and that when accidents occur they are very often out of the control of employees.

Senior Managers do not seem to be aware of many of the attitudes listed. This may pose a serious threat to safety at Ticor as it may indicate that safety violations are being overlooked by upper Management.

## **OPPORTUNITIES**

The following points reflect the perceptions of employees indicated by the survey analysis. This section reveals opportunities that can be capitalised on by Ticor in order to improve or initiate safety programs.

Employees at Ticor are considerably less happy to work for their company (Ticor) than are those working for other African and International Mines. This presents itself as an

opportunity to the company – improvements in loyalty to Ticor may encourage safe working behaviour. Improving employee relations with Ticor should be a focus of the company.

Supervisors are genuinely concerned about the safety of employees, and the employees trust that the Supervisors will take care of them. This fact should be incorporated when implementing new health and safety initiatives. It is possible that Supervisors, rather than Managers, should present new health and safety updates or regulations, as employees really feel that Supervisors listen to their health and safety concerns, and can be trusted.

Although Managers feel really involved in making safety improvements, other employees don't. If Operators, Supervisors, and Specialists felt like they played a part in improving safety regulations at Ticor, it is possible that they may work harder to improve safety standards. Therefore, it may be advisable to include other employees, as well as Managers, when discussing safety.

Supervisors and Senior Managers are particularly happy in their work, whilst Operators are not overly so. It is possible that Supervisors and Senior Managers could help improve work satisfaction in Operators by sharing what they personally like about their jobs, with the aim of eventually implementing positive changes for Operators.

## **OVERALL FINDINGS**

### **Executive Summary**

At Ticor, there appears to be an admirable safety ethic at work. Employees really try to work safely and appear to encourage one another to do so.

Supervisors are liked and trusted by Ticor employees. Employees feel that their supervisors listen to their concerns and act well on their behalf. Those working at Ticor Mines also rate Managers highly, when compared to the ratings of employees at other African and International Mines.

Ticor Mines is seen by employees as a safety conscious company that aims to avoid hazards and mishaps by taking a strong stance when it comes to safety.

The Safety Program at Ticor, and additional safety regulations were found to be inadequate, when evaluated by employees. As the Safety Program directly affects and guides safety behaviour at Ticor, this should be addressed. It may be recommended that Operators, especially, are consulted in the construction of a new program. The Operators at Ticor identified the most safety weaknesses and concerns, yet felt the least consulted of all groups.

At Ticor Mines there are a poor safety standard, and a high level of risk taking in the line of work, when compared to other African and International Mines.

Although the current report reveals a number of weaknesses and threats at Ticor where safety is concerned, this should not be viewed in an overly negative light. Holes in the present safety procedure protocol should be viewed as areas in which improvements can be made.

#### **ORGANISATIONAL CULTURE ANALYSIS (OCA) APRIL 2006 PREAMBLE**

This Organisational Culture Analysis (OCA) was done by a consultancy named "Leadership Systems International." The function of the writer was to conduct the survey on behalf of this organisation at TSA. The survey was completed by cross functional employees and than 420 out of 618 employees completed the survey, giving the survey substance and validity. It is also the intention of this writer to use the data to analyse and valid date my own surveys and highlight prominent issues which may or may not be highlighted by the attached consultant OCA feedback document. I will also transcript the data into 'mind-maps' which makes the data more users friendly and understandable.

*Abstract – taken from the attached Occupational Cultural Analysis*

**PERFORMANCE = POTENTIAL – INTERFERENCE**

*The philosophy of a High Performance Organisation is based on the philosophy that the work environment of a high performance culture must be established first so that performance excellence can subsequently be fully realised and savoured. A high performance culture requires maximum potential coupled with minimal interference.*

*In OCA conditions have been voted by the people as they currently are – “ACTUAL” working conditions – and as people would like them to be in order for them to do their best work – the “DESIRED” working conditions. The OCA therefore reflects the dimensions and work environmental conditions of both the ACTUAL as well as the DESIRED Organisation Culture of an organisation.*

### ***The OCA at its core evaluates CCC- collaboration, Commitment, and Creativity***

*The OCA provides insights into current policies, practices and procedures which serve as barriers to quality performance and specific guidelines to help leaders effect changes needed for improvement of both organisation culture and performance by unleashing the unused potential of competence and creativity. The OCA will tell you where you are now and will guide you to where you want to go.*

### ***OCA –Background theory and research***

The Organisation Culture Analysis is rooted in the theory of organisation competence described in the book: “The Competence connection” – a Blue print for Excellence by Jay Hall. The fundamental premise of the Competence Process is that workers possess both the ability and the desire to do what needs to be done – i.e. they are competent and possess a potential for both the talents and motivations necessary for productive effort.

The essential characteristics of the work environment necessary for the release of potential are conditions which encourage: Collaboration, Commitment and Creativity – the dimensions of Organisation Culture and the Competence Process. Workers have little control over such conditions. Leaders, therefore, determine organisational performance

because they create – or fail to create – the environmental conditions which minimise interference with available potential. This means that leaders desiring high performance must make sure that Collaboration, Commitment, and Creativity – the conditions in support to unleashing this available potential to build a high performing Organisation Culture - are present in their organisation.

Because it is possible to measure the organisation culture dimensions of Collaboration, Commitment, and Creativity within an organisation through the technique of Organisation Culture Analysis, we have been able to study the relationship of such conditions to performance.

The differences between high-performing and low-performing organisations are so great that they may be achieved by chance fewer than 1 out of 10,000 times.

Therefore, for those of us concerned about quality and productivity, the implications are clear: If we want people to perform well, to do their best, we must provide them with an organisational culture environment that releases their potential by supporting their natural capacity and need for doing what needs to be done, for working productively and creatively.

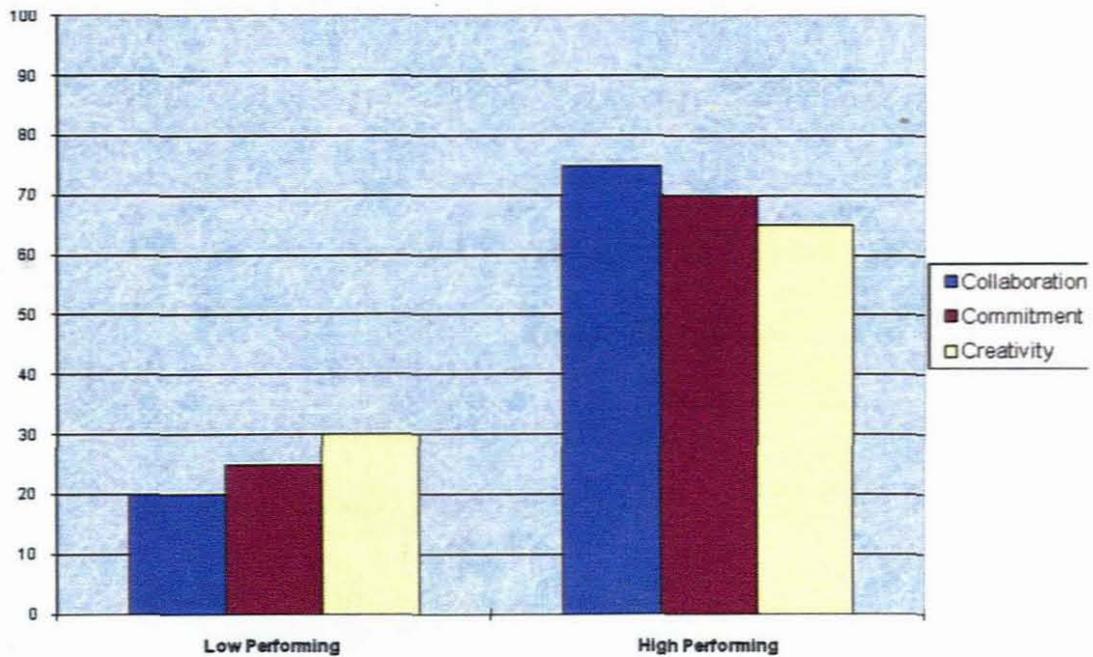


Figure 37: Culture in low and high performing organisations.

How people feel about where they work, the work they do, and themselves has obvious significance for how they perform. We cannot separate morale or job satisfaction from productivity. But intertwined as they are, the work-morale interface is one of the least understood dynamics in management.

The message is clear: The more that Actual conditions in support of Collaboration, Commitment and Creativity coincide with those workers say they need, the more feelings of satisfaction will characterise their work experience.

## THE TSA POPULATION ANALYSED

This analysis is based on the results of the Organisation Culture Analysis completed by 420 of TSA employees of all levels

Range in Percentiles	Performance classification of the Organisation Culture <b>(Culture Description)</b>
1 – 31	<b>Anti-</b> performance Org. Culture
32 – 46	Low performance Org. Culture
47 - 49	<b>About Average.</b> Performance Org. Culture
50 - 55	<b>Average</b> Performance Org. Culture
56 - 61	<b>Above Average</b> Performance. Org Culture
62 - 68	<b>Moderately high</b> Performance. Org. Culture
69 - 75	<b>High</b> Performance Org. Culture
76 - 93	<b>Highest</b> Performance Org. Culture
94 & higher	<b>Unrealistic</b> Performance. Org. Culture

Table 6: Organisation Performance Classification

A gap between the Actual and Desired conditions pinpoints both the causes and areas of interference with available potential. Moreover, since leaders create the conditions characterising their organisations, they have an opportunity to reduce interference and increase performance by closing the gap. They can close the gap by providing the conditions people need to do their best work. Actual – Desired gaps are the target areas of leader influence and the key to enhanced performance.

### **ORGANISATIONAL CULTURE AND ITS RECORDED DIMENSIONS**

Results are presented in terms of the major dimensions of Organisation Culture or Competence – Collaboration, Commitment, and Creativity – and their support conditions leaders manage to unleash the competence and creativity potential necessary to create and maintain a high performing Organisation Culture. In each case, Actual and Desired conditions will be described, and the quantitative difference between Actual and Desired scores will serve as an index of the amount of interference present in your employees' work environment.

The scores obtained from the people surveyed and presented in this analysis indicate how closely your organisation actually provides (or might approach) the following conditions necessary for a release of potential and true organisational culture.

### **ORGANISATION CULTURE**

Organisation Culture is defined as the energized and sustained capacity for performance excellence that responds to the demands for productivity, profitability, achievement and growth. This capacity is developed by the Organisation's Leadership by managing the competence and creativity potential of its peoples. The dimensions of Organisation Culture are Collaboration, Commitment and Creativity. Collaboration has four supporting work environmental conditions; Commitment and Creativity have three each.

## **COMPETENCE**

Competence defined as the exercising of all one's knowledge, experience, skills and talents in a committed and creative way to fuel the organisation's sustained capacity to deal effectively with the demands for productivity, profitability, achievement and growth. The organisational leaders are responsible to create the opportunities and supply encouragement for the unleashed of the latent competence available within the organisation.

## **COLLABORATION**

The first of three dimensions of Organisation Culture and the Competence Process, defined as the extent to which people are actively involved in planning, decision making, and problem-solving concerning the work to be done. Collaboration leads to a sense of partnership and triggers the Competence Process.

## **COMMITMENT**

The second major dimension of organisation culture defined as people's sense of ownership of their work and based in their beliefs that their ideas and opinions count for something, that they have power, and that they can actually take action based on their collaborative efforts. Commitment fuels self-esteem and provides the energy of the competence process.

## **CREATIVITY**

Creativity is defined as the exercising of one's skills, creative talent, novel insights and ingenuity in solving problems or creating opportunities within one's work environment. Organisational leaders are responsible to create opportunities and supply encouragement for the full release of this individual creativity within the organisation.

Individual Creativity, the third and most operational dimension of Organisation Culture, allows self expression – realisation of personal competence potential – through task

accomplishment and allows people to feel good about themselves. Creative problem solving is the capacity or output of the Competence Process.

## COMPETENCE PROCESS

The Competence Process is the Leadership system; organisational leaders employ to create conditions for a full release of potential in pursuit of a high performance culture and performance excellence.

As depicted in Figure 44 the Competence process begins with Collaboration, the trigger – the prime mover – in a sequence which stimulates Commitment and Creativity.

The sequence culminates in a competent, productive culture.

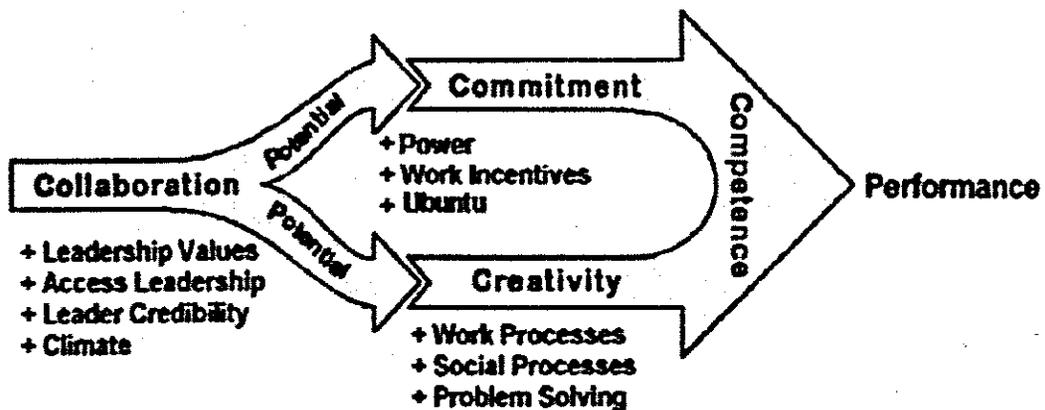


Figure 38: The Leadership system of potential and quality performance.

When we can harness and utilise the collective creativity of many individuals or entire teams in a sequenced and structured fashion, we have created a new force called Organised or Overall Creativity. Organised Creativity, therefore, relates to organisations or work teams and not to individual Creativity – the third dimension of the Competence Process - described above.

## RESULTS

	Actual (Percentile)	Desired (Percentile)	Significance (p-values)
Organisation Culture	42	78	.0001
Collaboration	42	80	.0001
Commitment	40	77	.0001
Creativity	43	78	.0001
Number of participants 420			

Table 7: Results

p-value less than or equal to 0.1 a difference to be expected by chance fewer than 10 out of 100 times.

p-value less than or equal to 0.01 a difference to be expected by chance fewer than 1 out of 100 times.

p-value less than or equal to 0.001 a difference to be expected by chance fewer than 1 out of 1 000 times.

p-value less than or equal to 0.0001 a difference to be expected by chance fewer than 1 out of 10 000 times.

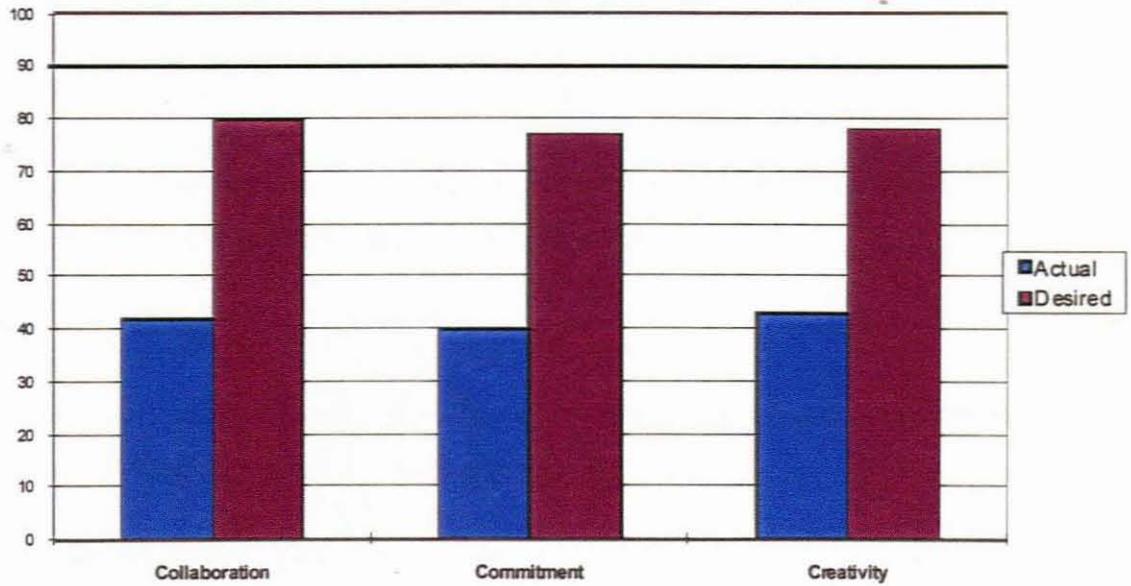


Figure 39: Overall comparison of actual and desired scores

*The Polarity Principle Polarity Principle*

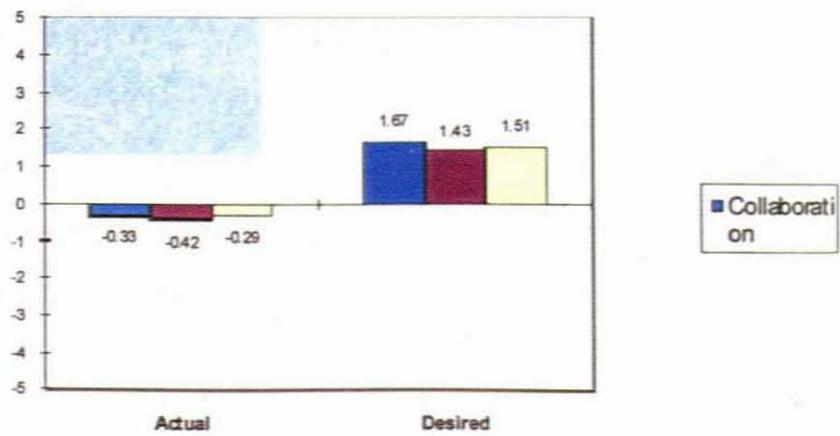


Figure 40: Actual and Desired Polarities

### ***Actual Polarities***

The Actual Polarity scores represent the current situation as perceived by the employees and reflect an assessment of how the forces for Collaboration, Commitment and Creativity are being managed at the present time.

Research has indicated that low performing groups have an average net polarity index of -0.33. The net polarity index recorded for TSA is 09.

### ***Desired Polarities***

Research has indicated the high performing groups have an average net polarity index of +0.44. TSA desired net polarity index recorded is 38.

TSA desired score plot shows that employees strongly want the forces for **Collaboration, Commitment and Creativity** to be managed in a **Positive Acceleration** state.

### ***Desired Scores***

Like the pattern reported by TSA Actual scores, TSA Desired scores demonstrate the principle of Proper Sequential Management although the Desired strength levels are still only moderately high

Employees have some reservations about the organisations capacity for change and/or management's sincerity in bring change about.

The desired sequence index for TSA is 03.

<b>Collaboration</b>			
	Actual (Percentile)	Desired (Percentile)	Significance (p-values)
Collaboration	42	80	.0001
Leadership Values	37	75	.0001
Access Leadership	40	80	.0001
Leader Credibility	42	78	.0001
Climate	49	87	.0001
<b>Commitment</b>			
	Actual (Percentile)	Desired (Percentile)	Significance (p-values)
Commitment	40	77	.0001
Power	34	68	.0001
Work Incentives	43	82	.0001
Ubuntu	40	80	.0001
<b>Creativity</b>			
	Actual (Percentile)	Desired (Percentile)	Significance (p-values)
Creativity	43	78	.0001
Work Processes	39	77	.0001
Social Processes	46	78	.0001
Problem Solving	42	81	.0001

Table 8: Comparison of (CCC)

Performance = Potential - Interference

Environmental Conditions	Actual	Desired	% PNU	Priority
Leadership Values	37	75	51.2	1
Access Leadership	40	80	50.5	2
Leader Credibility	42	78	46.7	8
Climate	49	87	44.2	9
Power	34	68	50	3
Work Incentive	43	82	47.6	6
Ubuntu	40	80	50	4
Work Processes	39	77	48.9	5
Social Processes	46	78	40.5	10
Problem Solving	42	81	47.6	7

Table 9: Environment

Developing an optimum route to start the Intervention Process (This is the recommended remedial action)

TSA optimum route is: Leadership Values, Power and Work Processes

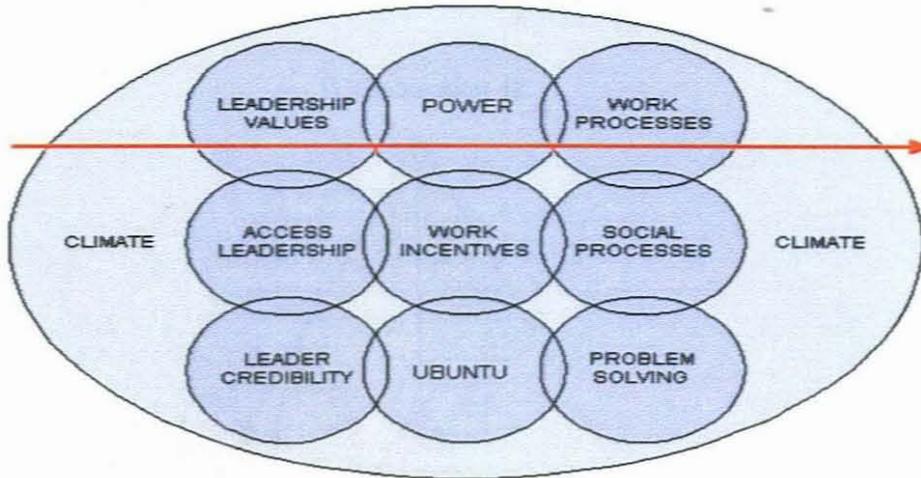


Figure 41: Optimum route

Analysing the OCA data further and looking at its findings with regard to TSA and other relevant surveys done on site we established the following primary findings.

The valuable accurate data supported the cultural climate surveys done in 2004/2005. As such analysing the existing data further and focused on the organisational levels in TSA which in the past also proved problematic and looked for similarities. Attached please find three mind-maps which we formulated to assist us in enabling the OCA data to become functional. They are:

- TSA – Actual vs Desired state
- Management vs Non Management
- Exco vs E- roles

Special reference will be constantly made to; 4.3.3.1.2 -The TSA Population analysed range in percentiles, indicating the actual competence level in the organisation. This gives as a strong indication of the actuals as to where we are in terms of the competence process.

A good departure point is TSA's Iso dynamic analysis/ profile, to indicate whether TSA is a low or high performing organisation.

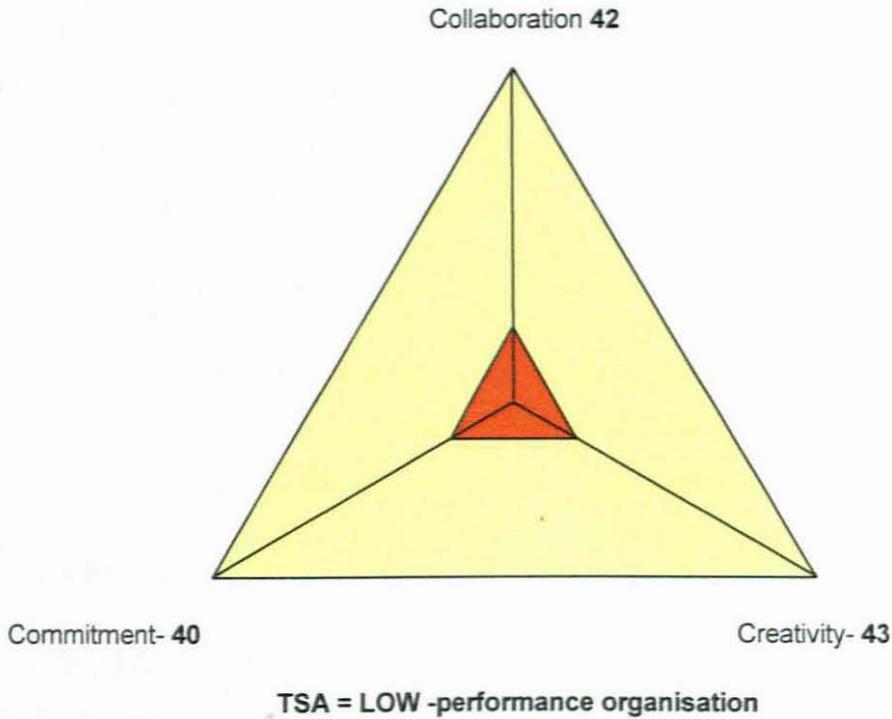


Figure 42: TSA Isometric Triangle

Though the Iso dynamic triangle is balanced, it is very small....half the size of the desired state. This further implies that it is non competent in terms of the CCC process. Top management (Exco) intervention is crucial in the dimensions of Collaboration, Commitment and Creativity if TSA wants to grow into a High Performance (Competent) organisation.

In terms Collaboration, Commitment and Creativity – some highlights are prominent from the consultant's data, and current relevant issues highlighted. (For more details please refer to the attached 3 mind maps).

Overall competence: is rated 42- a *LOW* performance organisation.

Management perception-47 – an ABOUT average performance organisation....but.

Non Management perception -40- a *LOW* performance organisation.

Collaboration 42 -has four components: and seen as "Working together" defined as the extent to which people are actively involved in decision making and problem solving of work to be done.

#### **LEADERSHIP VALUES 37**

Defined as positive expectations about the competence and creativity of people that is characterised by an egalitarian value system – people are valued as individuals and not because of the work they do.

#### **ACCESS LEADERSHIP 40**

Is the way people interface with their work and one another, how much access they have to resources and authority to ensure collaborative effort. The P score -0.0001- is absolutely significant indicating possible future collaboration problems on site.

#### **LEADERSHIP CREDIBILITY 42**

Morgan (2002:50) states that the image people hold about leader intent – followers' beliefs and expectations about leadership's trustworthiness and their good faith. It is a reflection of and relates to how people perceive the values their leaders hold.

#### **CLIMATE 49**

Scores between management and non management scores are very dissimilar and it indicates no common future/vision/expectation about the future use in terms of creativity.

- With a P score of 0.0334 –it is a significant Gap; what Management sees is different to what Non Management believes (Possible future conflicts!).
- Org Climate - reflects peoples feeling's about the leadership values and practices which characterise the workplace and their role in it, work-related feelings precipitated by prevalent leadership values and authority relationships.
- Commitment – 40- has three components, it can be seen as the “energy” that drives the competency process.

## **POWER 34**

Non Management is viewed as an ANTI Performance Organisation and with a P score of 0.0005- it is highly significant. Power is therefore the amount of impact that people feel or believe they may have on decisions and policies that govern their work and their work teams. This is crucial for transformation.

## **WORK INCENTIVES 43**

E roles believe that their talents are not being used, as the average E role is on superintendent level (BSc), and as such it is important that these future “CEO’s” feel that their contributions are important.

Ubuntu – 40; is defined as unconditionally sharing of resources amongst work team members.

Creativity – 43 has three components:

## **WORK PROCESSES 39**

The E roles low score in this respect is problematic in as far as it is defined as the trigger of the creative process. This implies that the E roles indicate that they are NOT prepared to trigger the creative processes thus ultimately stunting organisational growth.

## **SOCIAL PROCESSES 46**

The P score 0.00028-and is highly significant and this component is defined -as the energy of the creative process

## **PROBLEM SOLVING -42**

This is the “output” of the creative process.

## **CONCLUSION**

In this chapter, the author reported on the quantitative surveys that he engaged in. The design of questionnaires, conducting research and analysing the data using excel

spreadsheets. I have also used consultant driven surveys to quantify the findings of his own surveys.

## **CONCLUSIONS AND RECOMMENDATIONS**

### **INTRODUCTION**

The implication of this study is that organisations seeking to improve employee competence and strategic human resources development need to develop a greater awareness of the processes and strategies of organisational learning. The importance of communication and communication systems cannot be over stressed in this process as it is our opinion that communication or the lack of communication can build or break down an organisational culture.

Various factors impacted on the implementation of learning on site. Greenfield's operations are very problematic when it comes to culture establishment and this factor becomes problematic in the establishment of a competent workforce.

When a new company is established there is company history and employees all tend to struggle in the survival of the fittest, what makes the situation worse is that no peer tutoring is in place as all individuals are on the same level and treated as equals, after all, every one was recruited over a two year period.

In summary it can be stated that TSA, needed to get a competent workforce in place over a short period of time. Diverse cultures and a very young and inexperienced workforce impacted upon the implementation of a learning strategy to obtain this. The learning strategy thus had to not only address employee's competencies but use existing communication structures to establish culture interventions to alter individual's values in founding a singular organisational culture. Strong community players also had to be catered for in the learning philosophy, hence the strong focus on Strategic Human Resources Development.

Organisational knowledge is distributed across functional groups and its generation and continual existence is dependant on the overall communication climate which is embedded in the organisational culture.

TSA's philosophy of implementing a learning philosophy which embraces the Comprehensive Career Development model has provided it with the tools to become an enabled organisation in terms of strategic human resources development.

### **THE THESIS IN RETROSPECT**

In chapter one, the problem was presented on the setting and the background of the newly founded TSA.

In terms of the problem; the following aspects were looked at:

- The Problem

Developing and implementing a learning strategy as part of culture establishment in a South African mining company.

In summary it can be stated that TSA, required to get a competent workforce over a short period of time which had to enable the company to compete against established organisations in the international markets

- New Company-

As a new organisation traditional models such as the "Lewin's change model" did not apply. Lewin's change model has 3 stages; Unfreezing current behaviour; changing behaviour; refreezing behaviour (Smit, *et al* 2004:222). The change model was thus not applicable and made organisational culture establishment problematic.

Diverse background of new employees-

The diverse background and cultural differences created a purist culture which is inhibiting in the implementation of a common organisation vision.

Diverse cultures further impacted upon the implementation of a learning strategy and the learning strategy thus had to not only address employee's competencies but also look at culture establishment/communication interventions to alter individual's values in founding a singular organisational culture.

- Corporate cultural diversity-

Every organisation has its own unique personality, which is known as corporate culture. "When I was in"; is a phrase often used by subject matter experts on site in a new organisation, thus implying that they applied benchmark/ best practices in his previous employ.

The following main organisational cultures came to the fore, namely:

Iskor/Kumba culture Heavy minerals culture, focus here is on ex Namakwa Sands and Richards Bay Minerals staff, Umhlatuze culture, and Australian culture.

Every organisation has a particular culture, which like a person's personality comprises set of beliefs and value systems shared by people in an organisation.

## **THE AUSTRALIAN AND MANAGEMENT FACTORS**

The function of the leader in the culture establishment process is vital,

TSA has had 4 name changes and 5 CEOs' in 5 years. Each CEO had his own operating philosophy and in some instances the culture differences were poles apart. The phase of operational stabilization also varied and this implies operational implications which also impact on the relevant CEO's behavioural patterns. Australian management styles were also not always applicable within the South African cultural context –an example is a saying which one of the Australian CEO's propagated namely- "if it's to be, it's up to me

-Steve Wickham.” This is in conflict with African culture which has a strong socialistic bias and as such he immediately alienated more than 60 percent of his workforce with the organisational culture which he wanted to drive in the organisation.

- Young workforce

The average age of employees in TSA is 27 years with the oldest employee being 56.

The heavy minerals industry is specialized and employers are very protective towards their employees. Critical positions are earmarked with monetary allowances in order to make it more difficult for specialist to leave. Iscor per say, the founder company had predominantly non heavy minerals specialists in its top structure and their fore had to recruit selectively to attain the knowledge needed for the operations.

These employees formed a core of peer educators once recruited, which transfers their skills to the other “new” employees. The other new employees where recruited from the Umhlatuze region (60%) and where predominantly young school leavers, hence the organisational average age of 27.

Generally employers expect young people to arrive with a core set of basic knowledge and the ability to apply their skills in the workplace, but in reality this was not forthcoming.

- Leadership and Values establishment

TSA as a green fields operation had the opportunity to create an own leadership style as it was not tied to preconceived ideas

TSA had five CEO’s in five years. There where various reasons for this, one being constant changing of shareholding.

The leadership styles used by the TSA CEO’s were based on a combination of their personal beliefs, values and preferences as well as own preferential organisational culture and norms.

Each CEO utilised a different leadership style in his relevant leadership period; these were- Participative, Situational, Transactional, Charismatic and Transformational leadership styles.

- **Cornerstone Values**

Cornerstone values are principles that are consistent, universal and trans-cultural, and they inform and direct our behaviour and attitudes especially within an organisational environment. TSA implemented eight values.

The common storyline is that organisational values form the foundation of an organisation and support the organisation culture. Thus the base of organisational culture/attitude is established on a strong value base.

In the second chapter the author looked at:

- TSA background-How the company was founded and its development.
- TSA company profile-This is a description of the company profile, its shareholding and its assets.
- TSA strategy.
- Sustainability- how TSA approaches its business in a way that helps meet the needs of the present, without compromising the ability of future generations to meet their own needs.
- Location – organisational setting, deposits and future expansion opportunities.
- Products- production products and what they are used for.
- Markets – local/international existing and future markets
- Corporate social investment and environmental impact: TSA acknowledges the fact that it has a crucial role to play in supporting sustainable development and assisting in building prosperous societies.
- The Social and Labour plan (SLP) – ensured compliance to the mining charter which is paramount for current and future mining rights.

In the third chapter, the author outlined organisational development and spent some time on theories which underline this very important aspect in the establishment of an effective organisational culture and communication structure. The chapter also dealt with developmental human resources such as; succession planning, career parting, IDP's and job descriptions. Organisational communication structure was dealt with special focus on the theory of the "Leavitt experiment."

The last part of chapter three is of a very theoretical nature and deals with organisational leadership approaches. The author tried to look at Afro-centric philosophies in terms of leadership as the Strategic Human Resources Development (SHRD) model which I designed and implemented, intensively addressed this organisational cultural climate trend and I required other subject matter experts/literature to validate quantify my model.

As with all organisations Tigor South Africa has followed the traditional lifecycle process described by Nelson (2000:354) as the organisational life cycle. Organisational lifecycles begin at birth, move through growth and maturity and ultimately decline or experience regrowth. We are currently in transition from the growth to the maturity phase of the lifecycle process.

TSA was constructed and commissioned in what seems a "record time." Complex projects facilitate new ways of learning and management as these form is an essential part of the success of such a project. Thus the lifecycle was shortened (Mulrooney, 1995:4).

In chapter four, concepts of my study were defined namely an integrated learning strategy which I designed and implemented in TSA. Some parts of the model he could not implement due to corporate governance, but as TSA forms part of a world class organisation, those parts not implemented, where in most instances dealt with an alternative methodology by corporate HR procedure.

At the end of the day the Learning Strategy at TSA was implemented into Greenfield's operation in 2003, which not only addressed skills development, but also integrated SHRD as part of the process of getting a competent workforce in place in a short space of

time. Diverse cultures and a very young and inexperienced workforce (average age of 27 years) further impacted upon the implementation of the learning strategy. The learning strategy not only addressed employee's competency but also looked at culture establishment interventions to alter individual's values in founding a singular organisational culture, making learning management extremely effective as part of a comprehensive career development system.

In chapter five, the author reported on the quantitative surveys that he engaged in. The design of questionnaires, conducting research and analysing the data using excel spreadsheets. I analysed consultant driven surveys to quantifying the findings from my own surveys.

Traditionally, culture has been assessed by qualitative methods.

However, quantitative approaches such as culture surveys offer important advantages for both cross-sectional organisational research and knowledge-based cultural change initiatives. The feedback variants we received from employees whom are on various levels in the organisation clearly illustrated this.

In chapter six, this, the final chapter, the author presented his conclusions and recommendations regarding thesis and findings from the thesis.

In short it could be viewed as the thesis "abstract", with attached solutions.

## RECOMMENDATIONS

The following is strongly recommended:

- Five CEO's in five years, the constant change in leadership has been one of the main stumbling blocks in the establishment of organisational culture/communication on site. It would be suggested therefore that the current CEO stays in the position for at least three years.
- The average age of an employee on site is 27 years. Most of the leaders are thus relatively "young" and as such they don't always have the people skills needed to lead effective teams. Though TSA have implemented intensive leadership initiatives its effect will only be seen in a few years time, when the recipients are more experienced. It is thus suggested that should a line manager resign, the position be filled by a more experienced older individual.
- Managers must create workshops whereby all the problem and improvement areas in terms of communication and culture establishment is identified and a project plan put in place. Groups must then be engaged on stop/start programs and the projects driven hard with a visible approach. In order to ensure that all the people within the organisation takes ownership of the intervention programme, everyone in the organisation is invited to share power. Everyone proposes Stops and Starts, everyone collaboratively decides which of these are to be applied throughout the organisation, and everyone collaboratively decides how the results of their implementation will be measured. By accepting this collaborative approach the employees will set changes of practices, policies, procedures, perceptions and personal preferences in motion and TSA will grow as an organisation.
- Consider recommendations made by the employees. If any of these recommendations are used, the employees ought to be recognised for making the

suggestion.

- Review the structure of the communication function and ensure that the incumbents are competent in the management of information flow and the utilisation of the communication media.
- Optimise the available communication structure to distribute information quickly, consistently and throughout the organisation – up and down and horizontally. Line management ought to be trained to achieve this.
- Address employees' need for current organisation information using the available media. Optimise the notice boards and use them to enhance the transparency of the information.
- Create an environment that will enable employees to feel confident enough to air their views.
- The communication department ought to assist the HR department to communicate effectively.
- Build the confidence of people to address performance – both excellence and when it did not meet the expectations.
- Present communication training.
- Address the specific communication needs of young employees, those in the core service and on the operational level.
- Improve the quality of meetings. Provide training in meeting effectiveness and monitor the impact of the training by means of dipstick analysis.

- Be consistent, fair and involve people – that is the only way that employees will eventually start to trust each other and the management of the organisation.

## **CONCLUSION**

In this chapter the author presented his conclusions and recommendations regarding the establishment strategic human resources in TSA and the effect it had organisational culture / communication in TSA.

The fact that TSA is an emerging organisation with a very young workforce and leadership made the establishment of culture and communication on site problematic.

The learning philosophy which implemented helped tremendously in leadership and organisational development and it is my opinion that if this methodology was to be established in a stabilized organisation its effects would be much more noticeable than was the case in TSA as it was in the construction phase when implemented.

### **After word**

**TSA is now referred to as Exxaro KZN Sands.**

Due to the split in the Kumba Resources in November 2006. TSA formed part of a new Mining conglomerate. Exxaro Resources (Merger of Kumba & Eyesizwe) is the largest South African-based diversified resources company, with interests in the coal, mineral sands, base metals, industrial minerals and iron ore commodities KZN Sands has a permanent workforce of 650 permanent employees.

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ADDENDA

For office use only: Respondent Number: \_\_\_\_\_  
Voluntary questionnaire for the Consumers

**COMMUNICATION AND STRATEGIC HUMAN RESOURCES DEVELOPMENT AS  
PART OF CULTURE ESTABLISHMENT IN A HEAVY MINERALS INDUSTRY**

*(A study of the impact of an integrative learning philosophy on organisational culture as part of  
organisational development)*

**University of Zululand  
Department of Communication Science  
Researcher: Jacobus Christian Davel**

**(Student Number: 20034985)  
Supervisor: Prof. H. Rugbeer  
Co-Supervisor: Dr L Michell  
Dr Y Rugbeer**

**Note to the respondent**

- I appreciate your willingness to assist in this research, however, please note that you are not compelled to partake in this survey.
- Your contributions to this questionnaire will remain private and confidential. No one will be able to trace your responses back to you as a person.
- Your permission to use these responses is required. This will form the first part of the questionnaire.
- This is a confidential survey and your name will not be linked to your responses. All personal information will remain confidential.

**How to complete the questionnaire**

1. Your opinion is required. It does not matter what other people think. I am solely interested in your opinion. Tell me how you feel. Your responses are important to me.
2. Read each question carefully and take a moment to ponder your answer.
3. Please use a pen to mark your responses by placing a tick (✓) or a cross (X), in the appropriate column, or by writing down the appropriate information, where ever required.
4. Please do not change any of your responses afterwards (for instance: do not scratch out or tippex any of your responses).

Contact Details: **Jacobus Christian Davel**

PO BOX 1332 Empangeni, 3880

Tel: +27-83 2800488

Email: [koos.davel@exxaro.com](mailto:koos.davel@exxaro.com)

***Thank you for your participation.***

***Thank you for completing this questionnaire.***

**TICOR SOUTH AFRICA COMPANY CLIMATE SURVEY - Questionnaire**

*Please Cross where applicable*

Date.....

Department- eg. FMP, IRC, Asset, Finance, LAB, Mine, Services, Slag, HR, MSP etc

Position in Ticor South Africa

A= (PC= 1,2-P2, SPC&Artisan=1,3-P3/A3/J3) // B= (Level 2 - G- planners.)

C=(level 3/ F role heads) // D-(Level 4, professional, Engineer, E - role)

E=(Level 5- Exco)

A B C D E

Have done OBOF1 (Shakaland)

YES

NO

Attended OBOF2 - VTL1- 1 day @ the Country Club

YES

NO

Attended OBOF2 - VTL2- 2 days @ the Country Club

YES

NO

As an essential component of organizational training and development, Company/Employee climate surveys provide a picture of the organization's needs. The survey can be used to solicit employee opinions on a variety of issues such as the company's success in communicating its mission, values to employees, or local issues such as quality of the working environment and the impact of leadership within the organization.

The results of the feedback process provides an understanding of how the employee perceives the organization along different dimensions. One of the major indicators in this survey is to test whether the team members match management's perceptions of the company culture.

Please complete this survey document as accurately as possible. The survey should not take more than 30 minutes to complete.

Thank you once again for completing this questionnaire

*Koos Dafel*

Please post the survey back to me, before or on 06 April 2004

1	My manager/supervisor treats my work-life needs with sensitivity.	Agree	Disagree
2	It is usually easy for me to manage the demands of both work and home life	Agree	Disagree
3	My career path at this company is limited because of the pressures of home life demands.	Agree	Disagree
4	My job at this company keeps me from maintaining the quality of life I want	Agree	Disagree
5	My manager/supervisor is supportive when home life issues interfere with work.	Agree	Disagree
6	My manager/supervisor focuses on results, rather than the time I am at my desk.	Agree	Disagree
7	My manager/supervisor has a good understanding of flexible work practices.	Agree	Disagree
8	If I requested a flexible work arrangement my manager/supervisor would support me	Agree	Disagree
9	My manager/supervisor is often inflexible or insensitive about my personal needs.	Agree	Disagree
10	I believe my manager/supervisor treats me with respect.	Agree	Disagree
11	My manager/supervisor allows me informal flexibility as long as I get the job done	Agree	Disagree
12	My manager/supervisor tends to treat us like children	Agree	Disagree
13	My manager/supervisor seldom gives me praise or recognition for the work I do.	Agree	Disagree
14	My manager/supervisor seems to care about me as a person	Agree	Disagree
15	I would recommend this company to others.	Agree	Disagree
16	The work I do is not all that important to this company's success.	Agree	Disagree
17	If I could find another job with better pay, I would leave this organization.	Agree	Disagree
18	If I could find another job where I would be treated with respect, I would take it.	Agree	Disagree
19	If I could find another job where I could have more flexibility, I would take it.	Agree	Disagree
20	I am totally committed to this company.	Agree	Disagree

Reference to: "The work & family connection"

<b>A</b>	<b>1 Ticor South Africa has eight values</b>	<b>Agree</b>	<b>Disagree</b>	
	<b>2 I Am compensated fairly for the work I do</b>	<b>Agree</b>	<b>Disagree</b>	
	<b>3 Ticor South Africa - values its employees</b>	<b>Agree</b>	<b>Disagree</b>	
	<b>4 I feel that I am treated with respect by my supervisor</b>	<b>Agree</b>	<b>Disagree</b>	<b>A</b>
	<b>5 My manager is fair and even handed in the treatment of all employees</b>	<b>Agree</b>	<b>Disagree</b>	
<b>a</b>	<b>6 Given what I know about the company today, I see myself working here 3 years for now</b>	<b>Agree</b>	<b>Disagree</b>	
	<b>7 Organisational goals and objectives are clearly explained to me</b>	<b>Agree</b>	<b>Disagree</b>	
	<b>8 Everyone is given a fair opportunity to succeed in the organisation</b>	<b>Agree</b>	<b>Disagree</b>	
	<b>9 The company vision is: "If it is to be its up to me"</b>	<b>Agree</b>	<b>Disagree</b>	
	<b>10 The main function of Margin Improvement is to reduce staff</b>	<b>Agree</b>	<b>Disagree</b>	
	<b>11 I am given a real opportunity to improve my skills within the company</b>	<b>Agree</b>	<b>Disagree</b>	
	<b>13 The amount of pay I get compares well with the other companies in the area</b>	<b>Agree</b>	<b>Disagree</b>	<b>B</b>
	<b>14 I do not know what I am responsible and accountable for</b>	<b>Agree</b>	<b>Disagree</b>	
<b>c</b>	<b>15 Ticor South Africa promotes a climate where there is a free exchange of ideas</b>	<b>Agree</b>	<b>Disagree</b>	
	<b>16 I am satisfied with the level of balance between my work and personal life</b>	<b>Agree</b>	<b>Disagree</b>	
	<b>17 Employees are encouraged to participate in solving work-related problems</b>	<b>Agree</b>	<b>Disagree</b>	<b>C</b>
	<b>18 Ticor South Africa acknowledges my cultural background</b>	<b>Agree</b>	<b>Disagree</b>	

- D**
- 19 All in all, Tigor South Africa is a good company to work for  Agree  Disagree
- 20 People communicate comfortably with one another in the organisation regardless of their position level  Agree  Disagree
- 21 There is a strong feeling of team spirit and co-operation in Tigor South Africa  Agree  Disagree
- 22 There is a high degree of involvement and positive energy in my organisation  Agree  Disagree
- 23 There is consistency in what we stand for and how we act  Agree  Disagree
- 24 I am feeling depressed (feel down), about the current situation at Tigor South Africa  Agree  Disagree
- E**
- 25 The opinions and concerns of others are incorporated before final decisions are made in Tigor South Africa  Agree  Disagree
- 26 I feel that I am treated with respect by my co-workers  Agree  Disagree
- 27 People are given the resources they need to successfully perform their work  Agree  Disagree
- 28 People have the authority to make decisions required to get the job done  Agree  Disagree
- 29 I have trust and confidence in the leadership of this organisation  Agree  Disagree
- 30 My immediate supervisor is accessible  Agree  Disagree
- 31 I feel that I am not able to talk to my Senior Manager if I want to  Agree  Disagree
- 32 In the past 6 months my supervisor has spoken to me about my progress  Agree  Disagree
- 33 My leader is a role model of effective leadership  Agree  Disagree

**D**

**E**

F 34 Email is an ineffective means of communication

Agree

Disagree

35 I get all the information I need via the caucus structure

Agree

Disagree

36 I get most of the information I need via the "grapevine"

Agree

Disagree

37 The employee forum works for me, and I support the forum

Agree

Disagree

38 I welcome the Mass meetings and get enough information from it

Agree

Disagree

F

c 39 Which other issues not included in this survey needs to be addressed in Ticom South Africa or general comments