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**QUALITATIVE ANALYSIS OF THE PERCEPTIONS OF
AFFIRMATIVE ACTION BENEFICIARIES IN SOUTH AFRICAN
PARASTATALS.**

by

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DECLARATION:

I declare that this research report is my own work. It is submitted in partial fulfillment of the requirements of the degree of Master of Administration in the University of Pretoria.

It has not been submitted before for any degree or examination in any other University.

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EXECUTIVE SUMMARY

Affirmative action is a sensitive and controversial topic evoking a host of emotional reactions regarding tokenism, window dressing, reverse discrimination, lowering of standards, empowerment, disregard for meritocracy and many others.

It has been a discussion area in countless number of seminars, symposia and conferences held within our borders. Masters and Doctoral thesis and dissertations have as well researched the topic to provide clarity, understanding and new insight into the notion of affirmative action; but most researchers examined the views of management on affirmative action neglecting opinions and views of the very beneficiaries of affirmative action programme – blacks, women and the disabled.

The primary objective of this research exercise is therefore to analyse beneficiaries' perceptions of affirmative action in Company XXX – that is how they feel about affirmative action and how their feelings may have an effect on the success or failure of affirmative action.

This research is of a qualitative nature and enquires into the historical and present context of affirmative action in Company XXX; lessons learned from other countries; assumptions about affirmative action and beneficiaries perceptions of affirmative action programmes in which they are engaged and their ideas of changes and improvements to the programme.

Research method used consists of in-depth interviews with a sample of nine beneficiaries from Company XXX using employment equity criteria. Policy documents and reports on affirmative action in Company XXX were scrutinized.

Research findings reveal the following amongst others:

- That affirmative action programmes generally fail to provide black managers/beneficiaries with a sense of purpose or belonging in their organization

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- That the programmes fail to address problems of racism and resistance to change in the organization
- That the aims of affirmative action are rarely made explicit
- That beneficiaries are not given adequate authority and responsibility
- That beneficiaries are more confident about their abilities
- That buildings are not sufficiently accommodative of disabled beneficiaries who are wheelchair bound
- That the environment does not give adequate support to beneficiaries to help them succeed

Research results indicate that beneficiaries feel that affirmative action is good for the organization and economy if implemented correctly and if the necessary support training is provided to them to help them meet and exceed their employers' expectations.

Although they agree that productivity may sometimes be lowered to an extent on their appointment, they feel that it is not an exception. It is common knowledge that a new appointee cannot be as productive as a person who has been in the same positions and received rigorous training as well for a long time.

Given reasonable time and the necessary support, the short-term costs of appointing affirmative action beneficiaries will be far outweighed by the long-term benefits.

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CHAPTER 1:BACKGROUND, PROBLEM STATEMENT AND RESEARCH AIM

1.1 BACKGROUND

Since 1948, South Africa's political system has been through a sequence of events including separate development and various forms of discrimination, resistance, negotiations, and since 1994, nations building and reconstruction and development.

The many years of separate development has marginalised blacks not only from political power but from economic participation as well. Successive governments used legislation to inhibit the economic advancement of blacks and state budgetary allocations to promote the development of whites through better education, health facilities and housing. Black access to jobs and to economic resources – land, capital and technology was severely restricted through various laws and regulations.

Furthermore the previous South African governments provided dramatically lower levels of social services and physical infrastructure for blacks than for whites. Among the consequences of this today is lower educational achievement, lower levels of health, lower incomes and higher levels of unemployment for blacks. The years of separate development have contributed to problems for the business sector as well. South Africa's earnings are heavily dependent on raw material exports, particularly in the mining industry, which has been characterised by fluctuations in the prices, profit and employment. The economic isolation brought on by South Africa's discriminatory policies led it (South Africa) to develop a self-efficient manufacturing sector, but firms in that sector were characterised by short production runs and low productivity. Separate development, by denying educational opportunities to much of the population, has hindered South Africa from developing a highly skilled labour force.

In 1978 the above South African situation prompted Reverend Leon Sullivan of the Zion Baptist Church in Philadelphia, USA to develop the Sullivan Principles (Code of Conduct) aimed at bringing an end to inequities in South Africa. These Principles were imposed on American companies doing business in South Africa, thus introducing American affirmative action in South Africa. (Herholdt and Marx: 1999)

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The Sullivan signatories' programme, to which American companies operating in South Africa as well as other local organizations were urged to subscribe, specified six dimensions of desirable behaviour on which signatory companies in South Africa were rated. The six original principles included the non-segregation of races in all eating, recreational and work facilities; equal and fair employment practices for all employees ; equal pay for all employees doing equal or comparable work for the same period of time; the initiation and development of training programmes to prepare Blacks and other non-whites, in substantive numbers for supervisory positions, administrative, clerical, and technical jobs; increasing the number of Blacks and other non-whites in management and supervisory positions ; improving the quality of employees' lives outside the work environment areas such as housing, transportation, schooling, recreation and health.

The Sullivan's principles' primary aim was to contribute towards bringing an end to apartheid and American businesses with subsidiaries in South Africa were expected to take a moral stance opposing apartheid. Signatory companies were also expected to improve Blacks', Coloureds', and Asians' education, training, advancement, economic opportunities, health care, housing and living conditions, and to report on progress in these respects. (Gray and Karp, 1993). These measures did not, however, have the anticipated effects and in 1987 Reverend Sullivan called for the Sullivan Principles to be abandoned, all United States-based companies to withdraw from South Africa and for full corporate and government sanctions to be implemented against South Africa.

Immediately following this, large United States companies such as Citicorp, International Business Machines and Xerox closed their operations in South Africa.

These external (sanctions, disinvestments and capital flights) and internal pressures (strikes and boycotts) forced the government to reconsider its discriminatory policies.

Indeed on the 2 February 1990 former State President F.W. De Klerk made remarkable announcements that had far reaching implications as they placed South Africa on the road to the rearrangement of its socio-economic and political sphere. He announced that the South African government would establish a just system of government in which all the

inhabitants will enjoy equal rights. He further announced the unbanning of political parties and the release of political prisoners (Finnemore, 2002)

The unbanning of political parties - African National and Pan Africanist Congress - during the same year (1990) as announced marked the beginning of a new dispensation that culminated in first democratic elections.

On 27 April 1994, the African National Congress won the first-ever elections in which eligible South Africans of all races had the opportunity to vote. Mr. Nelson Mandela was appointed President and the basic policy adopted by the Government of National Unity included the reconstruction of the country, and the upliftment of all people - who were traditionally disadvantaged because of separate development and unfair discriminatory practices – through affirmative action. In actual fact affirmative action drive took off in South Africa after the said elections. (Bendix, 2000).

Since these first democratic elections, affirmative action initiatives have accelerated even further.

With the promulgation of the Labour Relations Act (Act No. 66 of 1995), Constitution of Republic of South Africa Act (Act No. 108 of 1996 and Employment Equity Act (Act No. 55 of 1998) which provide for the empowerment of the disadvantaged, affirmative action has become the permanent feature and responsibility of the South African government.

1.2 PROBLEM STATEMENT

Affirmative action is a sensitive, contentious and controversial topic. It is an issue which evokes a host of emotional reactions regarding tokenism, reverse discrimination, lowering of standards, quota system and a disregard for meritocracy. It has been a discussion area of countless number of symposia and conferences held within our borders. Masters and doctoral theses have researched the topic to provide clarity, understanding or new insight to the notion of affirmative action. It has been argued by numerous authors(Charlton and Van Niekerk, 1994) and researchers (De Witt, 1996:The

Views of Management on Affirmative Action in Telkom and Van der Merwe, 1995:Affirmative Action in the Workplace) that institutional constraints, including deeply entrenched prejudice, too little investment in education and training, managements' attitude and perceptions, and the tendency to take short-term operational approach have hindered the effectiveness of affirmative action programmes. But most of these researchers examine the current status of affirmative action and speak to and for people in management positions, which are predominantly occupied by whites. Their research and arguments does not explain opinions raised by blacks, women and the disabled, the very beneficiaries of affirmative action policies.

Affirmative action beneficiaries are not given an opportunity to speak from their own experience. Affirmative action programmes in most South African organisations are based largely on perceptions of white male managers. The lack of attention paid to beneficiaries is puzzling. Beneficiaries form the primary target of affirmative action programmes although little has been researched on their views. This has created a theoretical gap in affirmative action literature, which this study is trying to address by exploring their (beneficiaries) views with regard to affirmative action – their views on whether they deserved or earned their positions or promotions, or whether their appointments were mere tokenism ; whether their appointments lowered or improved standards ; obstacles experienced ; their responsibility and accountability and career aspirations. These views or perceptions concerning affirmative action need to be dealt with if affirmative action programmes are to be effective in South African parastatals. Given this, it is imperative that organizations begin to reconcile beneficiaries' perceptions with the success or failure of affirmative action efforts. Affirmative action beneficiaries not only represent the pivot around which the whole process of affirmative action centers, but also represents persons on whom the success or failure of affirmative action endeavours impacts.

1.3 RESEARCH AIMS / OBJECTIVES

The primary objective of this research exercise is to examine and analyse beneficiaries' perceptions about affirmative action (that is how they feel about the process of affirmative action and how these feelings will have an effect on the success or failure of affirmative action).

The following are secondary goals, which underlie the above main goal

- to examine the perceived impact of affirmative action on beneficiaries and their organization
- to explore beneficiaries perceptions about the effectiveness of affirmative action programmes
- to investigate beneficiaries experiences and perceptions concerning affirmative action programmes and record their creative ideas and suggestions for reshaping the programmes if there are any.
- to investigate international models of affirmative action and extract lessons for South Africa
- to inquire into the social background and educational experiences of affirmative action beneficiaries and explore ways in which their histories are reflected in their views of affirmative action.

1.4 VALUE OF RESEARCH

The fact that there is little or no research conducted on the attitudes of affirmative action beneficiaries indicates that there is a gap in our knowledge of affirmative action, which can only be filled by investigating the subject (attitudes or perception of beneficiaries). This indicates that the proposed research is new line of inquiry because no other research has been conducted along those lines. The results of this study will therefore add value to the existing body of knowledge of affirmative action which the research community, South African society, industry (private, public and parastatals) can build upon and

utilize to rectify unsubstantiated perceptions they might have had regarding affirmative action beneficiaries.

On the same breadth countless research problems will arise from the findings of the problem in question, which will necessitate further investigation. Therefore this study will be of great value to the research community and industry.

1.5 RESEARCH FOCUS

This research study will be focused on Company XXX – a parastatal institution. Company XXX has been chosen to represent parastatals because it has a well publicized reputation of having implemented affirmative action programmes for more than ten years and therefore have many affirmative action beneficiaries (who form the nucleus of this research study). It is currently perceived as one of the leaders in the field of affirmative action in South Africa. As a parastatal with a large role to play in the Reconstruction and Development Programme (electrification), its policies and practices are of public as well as academic interest. Further reasons for selecting it are its size, location and public profile. The company is a major employer with a large personnel corps. This will enable the researcher to find a suitable number and mix of participants for research. The company is well known in South Africa. It has substantial staff complement in Johannesburg – its Head Office; this will render frequent site visits by the researcher easy and inexpensive.

1.6 RESEARCH METHODOLOGY

1.6.1 Research Design: Population and Sample

The population of this research is all affirmative action beneficiaries at Company XXX. Since the population is too broad and thus difficult to study, it is necessary to choose a sample, which is representative of the population. Since the aim of this study is to gain deeper understanding and insight into attitudes, perceptions and feelings of beneficiaries, rather than generalizing to a larger population, use will be made of purposive sampling method to select the sample or participants.

Therefore a sample representing the beneficiaries (blacks, females and disabled) will be selected as follows using employment equity criteria.

One male and female Black, Indian and Coloured beneficiaries (six); one male and female Disabled beneficiaries (two) and one white female beneficiary (one). The total beneficiaries (sample) will thus be nine.

All the beneficiaries should have been in their respective positions (acquired through affirmative action) for a period of at least five years. Assistance from The Director Of Human Resources and the Skills Development Manager will be sought in identifying this sample.

1.6.2 Data Collection Technique

Because of the exploratory nature and the sensitivity of much of the content, a qualitative approach in form of interviews will be used to collect information.

Interviews

Interviews provide the researcher with the opportunity to investigate subjective human experiences. This is deemed necessary in this study. In attempting to understand the attitudes of individuals, interviews are suitable for they allow attitudes to be expressed freely depending on the type of technique and questions asked. Probing techniques will be used to encourage respondents to communicate their attitudes and feelings freely. This involves following up topics that were raised by asking specific questions, encouraging the respondents to describe attitudes and experiences in details and constantly asking for clarification of the interviewee's words. Efforts will be made to use this technique in a way that will facilitate enjoyable, yet meaningful dialogue.

Open-ended questions which encourage discursive rather than yes/no responses will be asked – such as “Tell me about...”; “What do you think of...”; or “ Some people have said...What do you think?”.

Use will be made of a semi-structured interview guide to ensure that the interviews cover intended ground. This means that a list of core questions will be prepared in advance but the interviewer may ask additional or follow up questions that do not appear on the list. The first reason for using a semi-structured interview is that it is more flexible than a structured one and a questionnaire – that is the interviewer can probe for more specific

answers and can repeat a question when the response indicates the interviewee has misunderstood the question. The second reason is that the interviewer is present to observe non-verbal behaviour as well as to assess the validity of the interviewee's answers unlike in a questionnaire. The third reason is that the interviewee cannot retract an answer once it is given and cannot ask anybody else to answer on his/her behalf like it may be the case in a questionnaire. Lastly, the semi-structured interview enhances the reliability and validity of responses.

In preparation for the interviews, all interviewees will be sent a letter requesting their participation in the study. The letter will indicate amongst others the purpose of the study or interview and assurance of confidentiality and anonymity.

Each interview will last for an hour. Given the time constraints of business persons, the researcher feels that a longer interview may raise some objections from the participants or their superiors and result in possible refusal to participate.

All interviews will be conducted in at the participants' workplaces. There are three reasons for this. First, it is anticipated that respondents will feel more confident and relaxed in surroundings that are familiar to them. Secondly, there will be a large scope for observation and thirdly more time will be saved in that the interviewees will go back to their workstations immediately after the interview.

CHAPTER 2 : DEFINITION OF CONCEPTS

The following concepts that will be continuously used in this study need elucidation so that reader understands the context in which they are used.

2.1 AFFIRMATIVE ACTION

Affirmative action consist of temporary positive measures or interventions aimed at preferential treatment in appointment, promotion, training and development to designated groups (blacks, women and disabled) in order to accelerate and advance them – thus creating equal employment opportunities for all. (Idasa, 1995:12)

2.2 MERIT

Merit in relation to vacancy or promotion means appointment or promotion of a person based on his or her ability or capability including potential. (Idasa, 1995:6). Qunta (1995: 24) defines merit as the quality of deserving well, or as excellence.

2.3 EMPLOYMENT EQUITY

Employment equity encompasses both the elimination of discrimination as well as the establishment of specific measures to accelerate and advance designated groups.

2.4 EQUAL OPPORTUNITIES

Equal opportunity means not discriminating against a certain group or individual because of race, religion, ethnicity or any other ground.

Equal opportunities is a tool to ensure true equality of opportunities in hiring, retention, promotion, training and compensation.

2.5 PERCEPTION

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Kruger, Smit and Le Roux (1997) define perception as the way in which information is received, processed and interpreted. Therefore for the purpose of this study perception will mean the way in which employees (beneficiaries) view, interpret and feel about affirmative action.

2.6 SUITABLY QUALIFIED

According to Section 20 (3) of Employment Equity Act 55 of 1998, a person may be suitably qualified for a job as a result of any one of the following:

- formal qualification
- relevant experience
- capacity to acquire within a reasonable time, the ability to do the job (potentialities).

2.7 DESIGNATED GROUPS

Designated groups means black people, women and people with disabilities. (Employment Equity Act 1998: Section 1 (e)).

2.8 BLACK PEOPLE

Black people is a generic term which means Africans, Coloureds and Indians (Employment Equity Act 1998).

2.9 BENEFICIARIES

Beneficiaries are people who have benefited from implementation of affirmative action. They include black people, females and the disabled.

CHAPTER 3: LESSONS LEARNED FROM OTHER COUNTRIES

3.1 INTRODUCTION

In addressing the complexities of the subject of affirmative action and implications of such a policy for South Africa, cognisance must be taken of the success, difficulties and weaknesses of such policies and programmes elsewhere in the world.

There is no doubt that much could be learned from the experiences of other countries, which have already made a significant progress in the removal of deep-seated inequalities in organisations. From these lessons many success factors and obstacles that should not be overlooked will be identified. This chapter focuses on the United States, Zimbabwe, Malaysia, India, Mozambique and Sri Lanka. It deals with broad policy issues and specific programmes, and explores and explodes a number of prevailing myths concerning the process and practice of affirmative action. The chapter is not an in depth discussion but rather an overview that highlights specific learning experiences which may be relevant to South Africa.

3.2 THE AMERICAN EXPERIENCE

The American experience is particularly meaningful to South Africa since there are similarities in the two countries situations. These include an African component of the population namely, African-Americans who have traditionally suffered from racial discrimination, as well as other ethnic minorities such as Hispanic-Americans who are also subjected to unfair practices. According to Herholdt and Marx (1999: 1-2) affirmative action was initially introduced in United States America (USA) for the advancement of African-Americans but was later extended to other minority groups such as American-Indians, Hispanics, Asians, women and the disabled. Women came to be regarded as a disadvantaged group and potential candidates of affirmative action for the first time following the emergence of the women's liberation movement in 1960. The disabled people became a further focus of affirmative action in the aftermath of the Vietnam War.

Therefore in both countries, affirmative action is specifically aimed at minorities – namely African-Americans / Blacks, women and the disabled.

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There are differences also between the two countries. Two in particular are of importance.

In USA, African-Americans are a minority (the disadvantaged) are a minority although the largest minority; and in South Africa Blacks (the disadvantaged) are the majority. Furthermore, unlike in South Africa, racial discrimination has never been official government policy. (Quanta1995: p2).

While there has been some progress on affirmative action in USA, it is argued that it has been relatively slow, with business recruitment and promotion remaining largely restrictive and little major advancement for blacks, women and the disabled. The costs of implementing affirmative action are exorbitant, with very little returns.

However, the fact that affirmative action has failed in the USA is not an issue or question.

Rather, the question to be asked is firstly: what is being done in USA that is not right, and that need to be avoided? And secondly: what is being done in USA that is right, and which could be duplicated in South Africa?

In USA, government regulations and Civil Rights Acts played a major role in opening up corporations and educational institutions to minorities. Without these provisions, the numbers of minority members employed would have been even lower. Companies would have taken far longer to implement voluntary affirmative codes, despite the business rationale.

Similarly in South Africa, affirmative action legislation is essential to adopt rigorous affirmative action programmes. Since Africans constitute the majority of citizens, it is crucial for the economy that they should furnish the bulk of skilled personnel in due course. Something so important cannot be left to will of company directors, even if they are aware of the economic imperatives.

There are other more important lessons that South African can learn from the American experience which (Human, 1991:11-15) explains below.

The first lesson that South Africa can learn from American experience has to do with education and social development.

Education and social development can affect the opportunities of many black people to obtain significant work. A feeling of inferiority may exist and this could cause workers to withdraw from competitive situations thus reinforcing the prejudices of many white managers and employees. These prejudices include beliefs by white male managers that blacks, coloureds, Indians and women are less capable than white males. Therefore education is important for the success of affirmative action in South Africa.

The second lesson has to do with training and development. Although training and development are important in the progress of blacks we cannot simply feed knowledge and skills to black people and expect them to function optimally in a predominantly white world. Training and development take time.

The third lesson has to do with stereotypes and prejudices. The expectations and prejudices of white employees will have to be addressed before affirmative action programmes is to be successfully implemented.

The last lesson has to do with legislation. Legislation does not necessarily ensure the advancement of previously disadvantaged groups. Management should be committed to policies that ensures that the disadvantaged groups are advanced.

3.3 THE ZIMBABWEAN EXPERIENCE

Although job discrimination was never legislated in Zimbabwe, as it was in South Africa, racial discrimination was entrenched in a range of statutory provisions for many decades. The Masters and Servants Act (1901), the Land Apportionment Action (1930) and the Industrial Conciliation Action (1934) are examples of such discriminatory legislation which resulted in huge disparities between black and white Zimbabweans in terms of income, employment and ownership.

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As in South Africa, blacks were offered inferior education making it difficult for them to advance occupationally at the same rate as their white counterparts, in both the public and private sector. A high level of unemployment amongst black people was a structural feature of the pre-independence economy, while for white Rhodesians there was almost full employment. (Hofmeyr and Whata, 1991: 14)

One of the consequences of racial discrimination in the Zimbabwean economy and education system was that at independence in 1980, with a population of six million people (less than 300,000 of whom were white), white males were heavily over-represented in managerial positions in the public and private sectors and in all skilled occupational categories.

In 1980, after the war, one of the first priorities of the new ZANU (PF) government in was to redress decades of overt and covert racial discrimination and to enhance the power and authority of black people. One way to do this, and at the same time reward party supporters, was to replace white civil servants with black Zimbabweans (Strachan, 1993). Soon after independence, therefore, a presidential directive on black advancement was issued which directed the Public Service Commission (the body with responsibility for appointments and promotions in the public sector) to recruit staff to all grades in the public service in a way, which brought about a balanced representation element that make up Zimbabwe's population. Rapid advancement was to be given to suitably qualified Africans in appointments and promotions. Furthermore, the Commission was charged with maintaining efficiency and satisfying the career aspirations of existing public officials in carrying out their task (Charlton and Van Niekerk: 1994: 43).

The directive was legally binding on the civil service and prisons services, and was intended to guide parastatals, state-owned corporations and the private sector, but involved no legal mechanisms for implementation in these sectors. White civil servants were encouraged to retire early with the help of generous retirement packages. Many other whites resigned voluntarily, and either left the country, or sought jobs in the private sector. By 1989, only nine years after independence, 95% of the public service was staffed by black Zimbabweans with women generally occupying the lower ranks

The rapid growth in the size of civil service, from 40 000 established posts in 1980 to

90 000 in 1989 facilitated black occupational advancement but adversely affected the efficiency and effectiveness of civil service. Today the public sector appears to be a haven in which nepotism, tribalism, fraud and corruption exists. Mismanagement, inefficiency, disinterest and poor credibility apparently characterise the public service.

At the time of the presidential decree on the public service in 1980, no affirmative action legislation was issued for the private sector. Instead, it was hoped that the private sector would voluntarily follow the example set by the state. Indeed although not compelled, companies in the private sector found it useful to appoint Blacks to positions in personnel and public affairs where they perform a useful liaison role with the government.

The government's "hands off" policy was based on a concern that legislation might precipitate a mass exodus of white skill as had occurred in neighbouring Mozambique.

In any event, progress in the private sector has been significant. Government statistics indicate that the number of black Zimbabweans in professional, technical, administrative and managerial posts increased eight-fold between 1980 and 1987. This means that over 90% of the professional and technical jobs in the private and parastatal sector now have black incumbents. However, blacks tend to hold junior and middle management posts, and fill few top level positions.

What can be learned from Zimbabwe's experience of affirmative action?

(Castle 1995:7-12), Hofmeyr and Whata (1991:13-21) and Alfred (1991:16) identified the following lessons that could be learned from Zimbabwean experience:

- Although helpful, legislation is not the solution for affirmative action.
- Black people in management jobs want to know that they are there because of their qualifications and abilities.
- Affirmative action policies tend to favour already privileged sections of the society.

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- The view of top management on affirmative action in general and the promotion of black managers in particular are decisive for the success of the process.
- Window dressing does not promote productivity of business enterprises or the interests of the black community.
- The training and development of young managers, regardless of race, take time.
- A well-planned strategy of affirmative action should be followed in order to resist pressure from the community and the government to implement unworkable measures.
- A high standard of general education is needed for success.
- Business enterprises should be proactive if compulsory affirmative action government pressures are expected in South Africa to give legitimacy to the attempts made by these enterprises
- Affirmative action needs to be linked to broader strategies for economic reconstruction.
- Decisions should be based on business principles and not political rhetoric.
- The human resources management departments of enterprises will be first to experience the pressure to promote black people. They must therefore be trained for this at an early stage.
- Voluntary affirmative action must be pursued before it is legally enforced.

Thus affirmative action must be holistically and carefully planned. Creative interventions should be pursued to realise affirmative action goals and window dressing should be avoided.

3.4 THE NAMIBIAN EXPERIENCE

Namibia's experience of colonial occupation and exploitation goes back to 1884 when the territory was known as the German Protectorate of South West Africa. In the post World War One settlement of 1919 Germany renounced its colonial rights and Namibia became a British Mandate under first the League of Nations, then the United Nations. The British government delegated its mandate to the Union of South Africa, and, although the mandate was formally terminated by the United Nations in 1966, South Africa continued to occupy and effectively rule Namibia until 1990.

Up to independence, the South African State retained a monopoly of power in a weak civil society. Namibia's monetary, financial and commercial systems are still dominated by South African institutions, which are themselves vulnerable to external shocks and crises. Like Zimbabwe following independence, Namibia has become dependent on expatriate "experts" and organisations to implement improvements to its educational system and economy. Unlike Zimbabwe, however, foreign aid has been made readily available to Namibia, probably because its new leaders quickly renounced the socialist orientation advanced by the South West African People's Organisation (SWAPO) prior to independence.

As in Zimbabwe, at independence the human resources of Namibia were characterised by the dominance of white males in decision-making and skilled posts in the private and public sectors of the economy. The relative lack of productive and entrepreneurial skills amongst the black population are a consequence of deliberate neglect and exclusion in the colonial era, including the period after the Second World War when the apartheid system became entrenched.

Other parallels with the Zimbabwean, and indeed the South African situation are the relative affluence of the colonisers and poverty of the indigenous population; widespread, structural unemployment, skewed allocation of resources and services favouring the urban elite, and the prospect of white emigration following independence and majority

rule, countered by an influx of exiles, including returning soldiers and party supporters, who expected assistance from the new government.

At independence in 1990 Namibia adopted a new constitution, of which Article 10 guarantees the equality of all persons before the law, and prohibits discrimination on the ground of sex, race, colour, ethnic origin, religion, creed or socio-economic status. Modelled on the 1982 Canadian Charter of Rights and Freedoms, the Namibian constitution attempts to weld the notions of equality, anti-discrimination and redress of past imbalances. Strengthening Article 10, Article 23 of the constitution makes the practice and ideology of racial discrimination a criminal offence, and authorises Parliament to enact affirmative action to advance persons within Namibia who have been socially economically or educationally disadvantaged by past discriminatory laws or practices. Parliament is further authorised to implement policies and programmes aimed at redressing social, economic and educational imbalances in Namibian society, including the public service, the police force, the defence force and the prisons service. (Constitution of Namibia)

One of the interesting things about this legislation is the possibility that it opens up for providing assistance to disadvantaged groups, determined by gender and socio-economic criteria rather than racial or ethnic criteria. An inadequate education, or poor living conditions, is recognised criteria for affirmative action, and it is acknowledged that not all people earn the right to assistance on the basis of their skin colour. Also evident is the interventionist role given to the government to act in the interest of achieving a “balanced” society.

A legislative programme, the Affirmative Action in Employment Act, drawn up in consultation with the International Labour Organisation, was enacted in 1994. This Act governs affirmative action in the public and private sectors of the economy, and requires organisations to take action to eliminate, revise or amend discriminatory employment practices. One way in which this is to be achieved is through the provision of special training programmes in companies employing over 50 persons, to ensure that employees

in designated groups may acquire skills and qualifications for their advancement. The bill mandates preferential recruitment and the promotion of suitably qualified persons in designated groups to ensure their equitable representation in various positions of employment. Finally, employers are required to set numerical goals, timetables and objectives for affirmative action.

At independence in 1990 white civil servants in Namibia were guaranteed security of tenure, the new SWAPO government taking the view that in the interests of peace and reconciliation, a policy of inclusion of blacks, rather than exclusion of whites should guide the development of the civil service. However openings for blacks were few until the size of the civil service was increased (from 57 000 at independence to 63 000 in 1993) with the establishment of regional and local authorities. As in Zimbabwe, the state has become the largest employer in Namibia. Unexpectedly, coloured people, privileged by their higher standard of education and language skills, have occupied many of the new jobs in the public sector, earmarked for Namibians of African descent.

So, what can South Africa learn from Namibia's experience of affirmative action so far?

Although affirmative action in Namibia has not been applied for that long, it still holds certain lessons for South Africa.

The following lessons according to Castle (1995: 14-19) and Swanepoel (1992:23-26) can be learned from the Namibian experience if affirmative action has to be successfully implemented:

- Discriminatory employment practices should be revised and amended;
- Tokenism should be avoided;
- Good educational system should be build
- Affirmative action strategies should be integrated with business needs and should not be simply be a numerical exercise;

- There should be preferential recruitment and promotions of suitably qualified persons in the disadvantaged groups;
- Affirmative action should not be at the expense of business effectiveness and efficiency, but should rather support it;
- The persons appointed should be given real jobs and empowered to take responsibility;
- Stakeholders should be consulted.

3.5 THE MALAYSIAN EXPERIENCE

In Malaysia, affirmative action is defined in ethnic rather than racial or gender terms. Statutory affirmative action policies favour the Malays, who constitute 55% of the population of 17 million, over the Chinese (35% of the population) and Indians (10%). Religions differences coincide with ethnic ones – the Malays are mostly Muslim, while the Chinese are either Buddhist or Pantheist, and the Indians are mostly Tamils (Thompson, 1993)

The Malaysian model is of particular interest to South Africa. Many parallels exist in terms of a majority (Malays) benefiting from affirmative action programmes and religions differences coinciding with ethnic ones as explained above.

Malaysia has made significant strides in implementing affirmative action when the minority Chinese government and the Malay majority, anticipating a coalition government, set up a comprehensive plan to implement affirmative action while still maintaining economic standards.

Although much credit must go to the political and economic bargain struck in Malaysia, it needs to be borne in mind that its affirmative action success was in large part due to a

high economic growth rate where resources could be distributed. It is also debatable as to how much the political stability was vital for economic growth and how much economic growth was “fed” by affirmative action. At the end of the day the lesson that South Africa should learn from Malay model is that both economic and political stability are vital for successful affirmative action (Charlton and Van Niekerk : 1994 : 41-42).

Castle (1995: 19 – 25) points out the following as reasons why the Malay’s model is of special interest and relevance to South African situation:

- The Malaysian affirmative action just like South African is entrenched in the Constitution.
- Affirmative action in Malaysia is defined specifically in ethnic terms (i.e. beneficiaries are Malay people versus the other ethnic groups). This is the case in South Africa in respect of Blacks versus Whites.
- The group that was expected to benefit from affirmative action was also the group with preponderance of political power.
- The procedures of selection are on merit.
- The legitimate interests of other communities are protected by certain guarantees in the Constitution.

3.6 CONCLUSION

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The foregoing experiences of other countries are important lessons which South Africa should note. There is no one international affirmative action programme that suits everyone. Each strategy should be based on the unique national and organisational needs in the particular country. Similarly, the attitudes of employees will not be the same for affirmative action in different countries. Employees will differ from country to country depending on circumstances.

CHAPTER 4: BACKGROUND OF COMPANY XXX AND ITS AFFIRMATIVE ACTION HISTORY

4.1 INTRODUCTION

The purpose of this chapter is to give a general background of Company XXX – which is the pivot around which this study will revolve. The chapter begins with a brief introduction to this Company, ending up with the current affirmative action plan.

4.2 NATURE AND OBJECTIVES OF THE BUSINESS

Company XXX generates, transmits and distributes electricity to industrial, mining, commercial, agricultural, residential customers and to redistributors. It is operationally regulated in terms of licenses granted by the National Electricity Regulator (NER), the Company XXX Act of 1987 and the Electricity Act of 1987.

The objective of this company is to provide the means and systems by which the electricity needs of the consumer may be satisfied in the most cost-effective manner, subject to resource constraints and the national interest, and to perform such other functions as may be assigned to it by above mentioned Acts. (Director's Report: 1999).

4.3 PROFILE OF COMPANY XXX

Company XXX produces 98% of South Africa's electricity and employs nearly 40 000 people. It supplies more than half the total electricity consumed in Africa and, at the end of 1993 had total assets of 44.4 million. It is currently the fifth largest utility company in the world. Its net revenue increased by 3.0% from R20 448 million in 1997 to R21 071 million in 1998. With these figures in mind, it is not surprising that this Company is looked to for leadership by much of the business community in South Africa.

Company XXX does not have any shareholders, as it is a public utility. It is funded entirely from debt and accumulated reserves. Under the Company XXX Act of 1987 and the Electricity Act of 1987, the Electricity Council was established as the governing body of the Company. This body is made up of representatives from government, industry, community-based consumers and, organised labour. The chairperson of the Electricity

Council is a government appointee. The management board manages the day-to-day running of this Company.

The changing customer base of the Company, combined with trade union militancy and broader socio-political changes in South Africa, have significantly contributed to the reshaping of the Company over the years.

According to a senior corporate strategist, changes the Company has made in restructuring, staffing and recruitment policies “cannot be viewed in isolation from the broader socio-political landscape. As an organisation, the Company was shaped by the events taking place around it”.

The Company consumer profile has changed substantially over the years, from initially supplying only industry to now supplying the domestic electricity market as well. Moreover, with the current political and economic changes under way, the Company intends to expand its electricity delivery further into Africa. As part of its restructuring, in 1992 (when the work-force was reduced from 66 000 to 40 000), the Company management and trade unions agreed to “develop and institute processes to provide for the meaningful influence of trade unions over decisions that affect them as key stakeholders”. Entitled “Company XXX’s Unfolding Vision”, participatory structures were put in place at all levels of the organisation to provide regular forums to discuss pressing concerns and share information.

The Company was the first organisation of its size in South Africa to undertake such an agreement with organised labour. The intention was admirable and has produced some success in some of its areas. However, the culture of participation is taking time to filter down into the daily procedures and structures of the various components of Company XXX’s decentralised structure.

As a technically oriented organisation, the Company has, for many years, been sensitive to skills shortages in the country. How this need has been met has, as a result of it being

a parastatal, been a highly politicised process, the Company's first experience of affirmative action can be traced back to 1948, when Afrikaner men were targeted for senior positions, promotions, training and bursaries. It took about a generation for Afrikaners to move into the previously English speaking dominated technical positions. But English-speaking managers still tend to retain many of the senior managerial positions. More recently, the first concrete steps towards promoting a company-wide equal opportunity employment policy can be traced back to 1985, Idasa; 1995: 176.

Company XXX is committed to on-going training for employees, as well as to the development of apprentices and granting of technically related field. It recently committed itself to ensuring that all its employees were functionally literate by the year 2000.

It is developing a well-coordinated Adult Basic Education programme through which employees will be able to learn in company time and recognition will be given for prior learning. Refer to attached Appendix on Targets for the year 2000 (Director's Report : 1999).

4.4 BRIEF HISTORY OF AFFIRMATIVE ACTION AT COMPANY XXX

4.4.1 Pilot Initiatives: 1970 - 1985

Company XXX's first steps towards affirmative action for black South Africans can be traced back to the early 1970's. When former chief executive Dr Ian McRae was in charge of Generation at the Company, the organisation expanded rapidly. It quickly became apparent that the supply of available

From the late 1970s to the mid-1980s, there was no fertile soil for affirmative action – white South Africa was retreating into the laager. During this period, the Company was caught between several cross-cutting pressures. It became part of the state security apparatus during the “total onslaught” years and had to electrify farms on the borders at an enormous cost to itself. Power stations and sub-station were targets of armed attacks and there was increased militancy from the trade unions. Senior blacks didn't want to be seen in the Company because it was seen as part of state machinery. Nevertheless, in the

1980s the Company was “committed to equal opportunity within the laws of the land”. (Idasa, 1995:79).

4.4.2 Equal Opportunity: 1985 - 1992

(a) Equal Employment Opportunity

Equal Employment Opportunity for all at Company XXX was launched in 1985. A series of efforts were launched to end discriminatory practices. This included the extension of housing subsidies to married women in 1986 and the introduction of a parity exercise that resulted in salary increases for between 15 000 and 17 000 employees.

By late 1989, the Company’s total work-force of blacks, coloureds and indians in managerial positions (made) up 58% of the work force. Central motivating factors in the development of equal opportunity in the mid-to-late 1980s were the technical skills shortage throughout the country, coupled with political changes and trade union pressure.

Following the announcement of equal opportunity in 1985, a programme was developed and adopted by the board in 1991, called the Equitable Employment Practices and Affirmative Action Policy. With the assistance of outside consultants, equal opportunity entrepreneurs were established in each business unit to drive the process.

Individual executive directors identified the equal opportunity entrepreneurs as employees committed to positive changes in Company XXX. They were sent on training courses to enable them to identify the particular areas in their sectors that needed to be targeted in terms of making equal opportunity a success. (Idasa, 1995:81-82).

(b) Women in Company XXX

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In the late 1980's the position of women in the work-place began receiving attention. Articles were run in the in-house newsletter discussing the barriers women faced to advancement in the workplace and the extent to which women were not given the chance to develop their full potential.

In 1988, with the aid of an external consultant, Company XXX launched a set of workshops aimed at promoting the careers and personal development of women employees. "Women in Company XXX" was initially launched as a pilot project in 1987 with 350 employees, including women and supervisors. Benefits of the workshops were listed as including amongst others: improved motivation and better two-way communication between women and their supervisors, and between both male and female colleagues. (Thus productivity and utilisation of women workers on all levels can be promoted (Company XXX News).

"Women in Company XXX" was the biggest project of its kind to be conducted in South Africa at that time (Idasa, 1995: 82).

© No potential lost

"No Potential Lost" was a combination equal opportunity/affirmative action programme aimed at employing everyone in the company to the best of their potential. "No Potential Lost" became a separate function within the human resources department in 1989. It was first managed by a senior white male manager, then in 1990 by Company's first appointed E Band black manager. The policy that was adopted in 1991 had two components namely, equitable employment practices and affirmative action

Equitable Employment Practices, which states:

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- No discrimination on the grounds of inappropriate criteria
- Job requirement standards are appropriate to the job
- Jobs are designed on organisational requirements for labour and available skills
- Equal reward for equal performance and market validity
- Competent people are appointed
- Staff are supported by development and retraining opportunities based on potential and the demand for skill
- The Company's work-force profile will match the skills profile of the labour market.

Affirmative Action

As the actual skills profile of the Company XXX work force does not match the skills profile in the labour market, The Company will:

- Develop cultural synergy and common values
- Give preference to the development of potential found in under-represented groups
- Give preference to appointing members from all under-represented groups (Company XXX News, February 1999).

4.4.3 Harmonisation and Affirmative Action :1992 – 1994

a. Social Harmonisation

With the significant socio-political changes sweeping the country by 1992, Company XXX decided to broaden the equal opportunity function into a newly established area within human resources called "Social Harmonisation". Different human resource managers were brought in to staff the unit, and a new senior black manager (Company XXX first black woman E Band manager) was

appointed to run the unit. The term “harmonisation” means making sure the Company is in harmony with itself and its environment”. (Idasa, 1995:85).

“Social Harmonisation’s” function was to develop harmony in the Company. This was to be done in terms of the racial composition of the staff, the relations between labour and management and the relations between the different levels and functions in the organisation where there may have been friction in the past. It also aimed to address external harmonisation with the communities in which the company do business, listening to their needs, building relationships, assisting them to develop schools and clinics.

While affirmative action was part of the internal social harmonisation process, initially it did not receive as much attention as the external harmonisation processes of developing community links and promoting social development projects. This created some friction within the organisation as many employees – black and white-felt “harmonisation” was a glossing over of the need for affirmative action in Company XXX itself. Some black managers said they had been very frustrated when the Company received recognition for its external affirmative action efforts when very little seemed to be changing internally.

Under “Social Harmonisation”, the promotion and placement of senior black employees did receive increased attention. Issues that had, until then, largely been ignored in relation to affirmative action began to demand attention. In particular, the work environment in which black employees were expected to perform was now recognised as a significant contributing factor to the loss of black talent.

b. The Black Consultative Forum

The Black Consultative Forum (BCF) was launched in 1992. It was closely linked to the “Social Harmonisation” department. It provided a forum for black managers (the equivalent of D Band and above) to speak as a collective to management about its lack of involvement – especially in the macro issues.

BCF conducted a study into why black professionals had been leaving Company XXX in large numbers during the previous two to three years. It was discovered that none left exclusively because they wanted better salaries elsewhere:

Their complaints were that their jobs had been watered down, they were not being given enough responsibility, and whites were refusing to report to them it had to do with the environment. (Idasa, 1995: 86).

c. Developing an affirmative action policy

The social harmonisation department was charged with developing a more refined and vigorous affirmative action policy. It began by consulting all the political organisations and asking for policy statements on affirmative action. Organisations such as the South African Chamber of Business, the Black Management Forum and 20 South African companies were contacted for their positions on affirmation action. Internally, the BCF and Company XXX 11 trade unions were consulted. (There was, however, a discrepancy between the views of trade union representatives and those of

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Company XXX management interviewed about the extent and timing of this consultation.

After consultation, an affirmative action project team representing various viewpoints formed in the harmonisation department.

External consultants were brought in, literature was reviewed and some project team members went on a fact-finding tour to the United States. Issues were vigorously debated until a document was produced.

Before presenting the final product to the management board, the document was presented to the trade unions. It was received with mixed reactions but only one union, the white, right wing Mine Workers Union' Union, was vehemently against it. Its objections to the document were noted at every presentation thereafter. (Idasa, 1995 : 86).

4.4.4 Company XXX stance on Affirmative Action

a. Current policy and implementation

The management board of Company XXX formally adopted a document entitled Stance on Affirmative Action on 16 February 1994. In this document, the latter committed itself to:

Transform the demographic profile of its business so as to more realistically reflect the community in which it conducts business.

The “desired end state” of affirmative action spelled out by the document is to reach a stage where:

- Race, gender and creed have no effect on employment opportunities.
- Eskom values and cherishes its cultural diversity
- Performance and ability are the only criteria by which employees and potential employees are judged.
- Company XXX is viewed as having credibility and legitimacy.

Targets were set for changing the demographic profile of Company XXX staff. These were incorporated into each executive director's performance contract.

Thirty percent of all staff in C Upper positions to F Band levels on the Paterson grading system had to be black South Africans by the year 1996 and 50 percent by the year 2000. "Black" was defined as including coloured and Asian people. White women were not considered primary beneficiaries of affirmative action. The policy stated, however, "the company is addressing gender inequality by opening up opportunities for women of all races to enjoy the same benefits as men".

Key features of Company XXX Stance on Affirmative Action include:

- Recognising the effects of past discriminatory practices and the barriers these created against black South Africans.
- Ensuring that affirmative action is seen as a means to an end

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- Introducing a strategy, policies and practices aimed at altering the racial and gender profile of the company to be more representative of the nation as a whole.
- Supporting black South African small business and encouraging the companies with which it does business to do the same.
- Removing any remaining discriminatory practices regarding equality of employment.

4.4.5 Company XXX Employment Equity and Policy Directives

a. Objective

The objective of this Employment and Occupational Equity is to ensure that equity in employment is achieved through the promotion of equal opportunities and fair treatment through the elimination of unfair discrimination and the implementation of affirmative action to redress the disadvantages experienced by designated groups in the employment sphere, thereby ensuring that suitably qualified people from these designated groups are equitable represented in each occupational category and level in the workforce.

b. Policy

According to the policy, the company is committed to achieving employment and occupational equity in a substantive way through:

- Transforming the demographic profile of its total workforce so as to reflect the South African community in which it carries out its business – its workforce must be reflective of the demographic profile of the national and regional economically active population of South Africa.
- Identifying and eliminating unfair discrimination and/or employment barriers that currently could obstruct any person, in particular a black person, a female or a person with disabilities, from gaining employment, in all aspects of the employment relationship, including the provision of benefits, and
- Implementing special measures to advance all previously disadvantaged persons, in particular black persons, women and people with disabilities – for example, hiring additional black employees in order to create opportunities to train and develop previously disadvantaged black persons.

To achieve the objectives and goals set out in this policy, forced retrenchments will not be undertaken, and neither tokenism nor nepotism will be acceptable. (Company XXX Policy and Directives, 1999: 1-2).

4.4.6 The company's plan to draw Africa into its power

The company has established a commercial arm – Company XXX Enterprises in Uganda (Kampala). The aim of this office is to build a strong base in Africa, which in turn will

be the stepping-stone to take on the rest of the world (The Sunday Times 3/10/99). Company XXX Enterprises has been operating since March 1999 and has already shown some successes. It has concluded memorandums of understanding with Libya, The Democratic Republic of Congo, Angola, Namibia, Ghana, Tanzania and Uganda. It operates very much on a partnership basis and its projects include building transmission lines and rehabilitation of infrastructure.

The company is ranked among the top five power utilities in the world and it is very close to the top in rural electrification. It is a key drive in the development of the Southern African Power Pool, in moves to bring about economic integration

for the Southern African Development Community, and in steps to realising the dream of a Cape-to-Cairo power grid. The company supplies some 95% of South Africa's electricity and more than 60% of Africa's electricity, and it offers the opportunity to turn South Africa's low-cost and abundant electricity into one of the country's most valuable export (The Eskomite, 1999: 2).

4.5 CONCLUSION

The evolution of affirmative action Company XXX has not been a smooth, unfolding process. The company's history as a parastatal played a role in the shifting approaches towards affirmative action, as did social, political and economic forces both inside and outside the organisation.

CHAPTER 5: ASSUMPTIONS ABOUT AFFIRMATIVE ACTION

5.1 INTRODUCTION

In this chapter, literature on what has already been done that relates to the topic is reviewed. Topics covered include tokenism, lowering of standards, empowerment, affirmative action good for economy and organisation, underperformance as a result of stress and reverse discrimination, which form the core of this study.

5.2 WINDOW DRESSING

The window-dressing strategy usually occurs when a company or organisation is keen to promote blacks into prominent positions within the organization in order to look good in the eyes of the law. Such programmes have generally involved targeting and placing historically disadvantaged people in strategic positions in the corporate world or on boards of management in non-executive positions

According to Madi (1993) most of South African organisations embark on affirmative action programme because of external pressure or political climate in order to get their colours look better. In his peacock and rhinoceros theory he asserts that in peacock companies blacks are employed solely for display purposes and in rhinoceros companies they are appointed in an uncalculated rush to have a politically correct mix.

While it can be conceded that in this mad rush, companies are bound to stumble across real black talent, the chances are even higher that they will make wrong appointments. Fingers are then pointed and statements such as “I knew from the start that this black advancement business will not work” are echoed (Hebert, 1994: 38-9). This gives affirmative action a bad name and serves to strengthen the perception that affirmative action is equal to tokenism, which represents a net loss in standards.

The understanding among managers using this approach is that the company remains fundamentally unchanged, that blacks brought in are not expected to perform. Hollow jobs are then created for them in some far little corner of the company. These appointees are offered shiny offices and grand titles without concomitant responsibility and accountability. They are encouraged to remain quiet and are displayed only for

public relations purposes. All this information is kept away from the recruit, who is allowed to build castles in the air and is rewarded for keeping those castles in the air. When their high expectations are not met, the beneficiaries or affirmative action appointees (as they are commonly known), will become disappointed, disillusioned and will eventually leave. (Madi, 1993: 13). This result in what Thomas (1996:7) called “Revolving Door Syndrome” – that is, new appointees will come and go not because they are incompetent but because they are used as tokens and not given an opportunity to compete. Therefore when better offers comes up, these affirmative action subjects are prone to leave the organization for greener pastures. The problem is, however, that the situation regarding affirmative action is similar in most organizations. The affirmative action subject therefore, never really experiences job satisfaction, which results in the recurrence of job-hopping.

5.3 TOKENISM

Some affirmative action appointees in South Africa see their appointments as nothing more than tokenism. This is unfortunately true as some companies are prepared to offer huge salaries way in excess of the market rate in order to recruit as many black managers as possible. Such appointees usually do not possess the necessary qualifications and experience needed to function optimally in management positions. They are therefore mainly appointed as tokens.

Essentially what these companies do is to promote blacks into very visible positions, without ensuring that they have acquired the requisite skills to take responsible decisions in their new positions. In order to reduce the damage that could ensue, the company often devalues the position. Thus although the position still carries a grand-sounding title, the incumbent is stripped of all decision-making powers to ensure that he or she cannot cause too much damage to the organization (Hattingh, 1994: 18).

According to Madi (1993: 20) affirmative action beneficiaries in these organizations are expected to perform but only to a limited extent. They are coached not to rock the boat. They are repeatedly advised of the virtues of silent toil and carrying on placidly amid the noise and haste. In order to ensure that the risk taken by employing these managers do not backfire on the employing officer, invisible boundaries are set within which these

managers can operate. The incumbent is given responsibility, but no authority. He has no budget, no hiring or promoting powers.

Another trend that is commonly found in South African organizations is that affirmative action beneficiaries are appointed in or promoted to “soft” positions like public relations. It is believed that they will not be able to do too much harm or damage to the company’s profitability in such positions. Alpherson (1993 : 12) quotes Cunningham Ngcukana, then General Secretary of the National Council of Trade Unions (NACTU) as saying that “it’s not a question of the promotion of a few blacks but whether it is a promotion to improve skills and the promotion is a merited promotion. Too often promotions go into personnel and other soft departments that are incidental to production.

5.4 LOWERING OF STANDARDS AND PRODUCTIVITY.

The basic assumption about affirmative action is that qualified staff are replaced by untrained, unqualified, inexperienced people who will go through the learning curve and make mistakes at the expense of company shareholders or country’s rate payers – this Koekemoer (1998:32) says will lead to lowering of standards and productivity.

It (affirmative action) promotes the hiring of less skilled workers because employers have to choose from a limited group, instead of having the possibility to choose simply the best available employee. This will have a negative impact on performance, finances and productivity of the organization. (Koekemoer, Ambeeld: 1998:32).

The moment an organization commits itself to the implementation of affirmative action, the company’s finances will be negatively influenced. For example, recruitment and selection processes have to be aligned to the stipulations of the new legislative framework; when affirmative action candidates are appointed, the organization will have to address their individual training and development needs; attractive remuneration packages have to be offered to candidates appointed in executive positions. All these are costly exercises, which impacts on the organisation’s finances and consequently productivity. The current job-hopping trend, where affirmative action appointees leave the organization due to an attractive offer received from another company, is also having a negative influence on finances. The funds involved in recruiting and developing the

appointee will be lost if he leaves the company soon after being appointed. (Ryan, 1994:38).

Lee Badgett, Brimmer, Conrad and Hartman in their book *Economics of Affirmative Action* (1995:41) argue that if there is discrimination in the labour market (which obviously cause dissatisfaction and thereby affect performance), then affirmative action, to the extent that it eliminates discrimination, has the potential to increase overall productivity by ensuring that the qualified black worker has an opportunity to compete. They argue that without affirmative action an employer may pass over a qualified potential black worker for one who is less qualified but whose skin is white.

On the other hand critics of affirmative action contends that even if affirmative action eliminates some discrimination, it can have a negative effect on productivity if litigation-shy employers hire less qualified workers or if the increased diversity of the workforce leads to conflict (brought about by disgruntled white workers who are unhappy to work with blacks) on the shop floor.

However, despite the frequency of complaints that affirmative action programs reduce productivity, there have been very few to test this hypothesis directly and there is no evidence that employers on a systematic basis routinely hire blacks with lower qualifications than whites. In theory, competitive markets allocate workers to jobs for which they are best suited. An employer will hire a worker as long as the marginal cost of that worker – that is his wage- is less than what the worker adds to the firm's revenue. In other words an employer will hire a worker as long as hiring the worker is increases the employer's profit.

Therefore affirmative action candidates should meet the requirements of the job or at least have the potential to do so. If this is the case, it will not lead to the lowering of standards nor will it affect productivity.

Affirmative action should be regarded, as a proactive response to future manpower needs in South African organizations. It enhances the necessity of ensuring that sufficiently qualified black people are available to fill management positions. It therefore ensures equal employment opportunities for traditionally disadvantaged groups.

Madi (1993:35) in dismissing the assumption of lowering standards contends that there is nothing like standards or high standards in South Africa. He says that South Africa, owing to being isolated from the rest of the world continued to harbour illusions of high standards only to find that when it re-entered the international arena South Africa found itself to be just another developing or even underdeveloped country. Therefore there is no point in lowering standards, which are already low.

5.5 EMPOWERMENT

An important concept in affirmative action is empowerment - which depends on two things, skills and authority.

All this means that beneficiaries need to be skilled and given the necessary authority in order to be productive or perform a particular task efficiently (Johnson: The Challenge, 1998:47) In South Africa these people happen to be black, women, and the disabled who were previously denied opportunities for advancement. Consequently people empowerment and development demands a commitment of time, money and skill to become competent. (Charlton and van Niekerk; 1994:14). Trevor Herbert (1994:24) a proponent of empowerment said “everybody who is anybody today got there because someone opened some doors, someone gave the breaks and someone provided opportunities”.

5.6 AFFIRMATIVE ACTION AND NEGATIVE STEREOTYPES.

Some critics of affirmative action accept that there is discrimination in the labour market, but argue that affirmative action makes a bad situation worse. Their basic concern is the stigma that affirmative action may impose on members of the targeted groups (beneficiaries). This stigma is created by the perception that members of the targeted groups would not qualify for employment in the absence of affirmative action programs (Lee Badgett et.al, 1995: 45).

Barbara Bergman, in her book In Defense of Affirmative Action (1996: 131) continues and says that according to those critics affirmative action makes beneficiaries lazy,

unambitious and ruins the reputation of those who could make it on their own. Furthermore it (affirmative action) it makes blacks angry at whites and whites angry at blacks. Inevitably, such programs engender attitudes of superiority or alternatively provoke resentment among those who believe that they have been wronged by the government use of race. These programs stamp the beneficiaries with a badge of inferiority and may cause them to develop dependencies or adopt an attitude that they are entitled to preferences. In the words of Bergman (1996) “affirmative action offers entitlements or preferences rather than development to beneficiaries. It teaches no skills, instills no values and only makes colour the passport. Just as all potent medication have side effects, affirmative action may well have some results that are bad for its intended beneficiaries”.

The question to ponder is : would beneficiaries be stigmatized if there was no affirmative action, or has affirmative action created derogatory feelings about beneficiaries in people who would otherwise have had perfectly friendly feelings towards them, or would those who stigmatize beneficiaries citing affirmative action have found other reasons to run them down?

5.7 AFFIRMATIVE ACTION AND WHITE BEHAVIOUR.

South Africans of all races live with high stress levels. While all employees irrespective of colour are afraid of unemployment, beneficiaries of affirmative action especially blacks are even more stressed firstly because of their disadvantaged social background. Secondly they are stressed by the behaviour of their white colleagues in the work situation. The company has high expectations on them. They are often put under a magnifying glass and expected to perform but when they try their utmost best receive less praise and more criticism (Human, 1993: 28).

According to Bergman (1996) white colleagues resent the presence of affirmative action beneficiaries, shun and do nothing to help them learn the ropes. The motive behind this hostile behaviour is to maintain segregation that some white workers prefer. This hostile treatment makes life miserable for affirmative action appointees sometimes causing them to quit or fail; but to accuse them of being lazy, indifferent and uncooperative is unfair

and devoid of the truth considering the stressful circumstances under which they are expected to perform.

Research into the attitudes of whites on the advancement of blacks has revealed that these attitudes are probably the single most important contributing factor to the failure of affirmative action, equal opportunity and other programmes directed at changing the colour of the management cadres in South Africa.

Furthermore even if one can put knowledge and skill into affirmative action appointees, they cannot be expected to function in a white world which remains fundamentally unchanged.

5.8 THE GOOD AND BAD OF AFFIRMATIVE ACTION

Deciding whether affirmative action is worthwhile policy involves balancing the good and the bad: the good and bad results of keeping affirmative action versus the good and bad results of abandoning it must be weighed. While affirmative action may offer the possibility of important gains, it can have important disadvantages.

Like all “human engineering” affirmative action is difficult to implement effectively : the very fact that so many oppose it as vociferously as they do and that their interests are hurt by it, increases its difficulty. Unless its management is in skilled and dedicated hands, affirmative action is easily bungled or sabotaged. Like painful surgery affirmative action can be legitimately advocated as a means of improving a bad situation.

The purpose of affirmative action goes beyond improving the position of individuals or of previously deprived groups. Those who favour affirmative action believe that such programs can change the nature of our whole society. They hope

that affirmative action will help us move towards a fairer society – one in which people are less disabled in the competition for jobs by race or sex than they are now (Bergman, 1996: 28).

South African organisations do not have much choice with regard to affirmative action. This is not only from a legal and moral point of view, but from an organisation and economic point of view as well. (Adams, 1993: 47)

If South Africa has any hope of succeeding within the global market, blacks, women and disabled will have to play an increasingly critical role in the economy both in technical and managerial positions. A minority, no matter how skilled, will not be able to sustain the competitive advantage in South Africa. Diversity through affirmative action should be promoted.

Tomasson, et al (1996:85) contends that when a company adopts affirmative action goals and procedures, not only do previously excluded workers gain from having access to jobs, the organisation gains from finding ways to have access to fresh talent. Increased access to talented employees, expanded market access, enhanced creativity, increased sales and organisation's financial success, and economic growth, are some of the benefits of diversity brought about by affirmative action. Therefore affirmative action should not be ended but mended.

What is true for individual organisations is also true for the nation. What is good for business is also good for the country

5.9 REVERSE DISCRIMINATION

The reverse discrimination argument against affirmative action is briefly as follows according to those who are against it : if arbitrary discrimination has occurred because morally irrelevant characteristics of persons – such as sex or race – have been taken into account to treat them differently, it would not be morally permissible to take into account the same characteristics in order to compensate them for initial act of discrimination. In

other words, if a particular ground is held unjustifiable as a ground for unfavourable discrimination on the one occasion, it cannot be held justifiable as a ground for favourable discrimination on subsequent occasion. That is, a ground for discrimination once found irrelevant is always irrelevant. Therefore affirmative action is regarded as an unjustifiable form of discrimination (Faundez, 1994: 4).

Charlton and Van Niekerk (1994:13) mention a few of the most common arguments against affirmative action. Proponents of one such argument believe that the process is nothing less than yet another form of positive discrimination. Just like apartheid, it perpetuates racial discrimination and increases the already strained tensions. They contend that to benefit blacks with quotas, the government must hold down whites. At the end of the process there is always a loser, and this means that affirmative action must amount to reverse discrimination.

Of course reverse discrimination is one of the most prevalent accusations directed at affirmative action initiatives. This accusation is normally following from longstanding employees who were expecting promotion, but who felt that they had become the victim of an affirmative action appointment.

James Nickel has put a strong defense of affirmative action denying that it involves reverse discrimination forward. According to him, those who describe affirmative action as a form of reverse discrimination claim that it is unjust because it involves preferential treatment of members of a group based on an irrelevant characteristic. Nickel argues that affirmative action does not involve reverse discrimination because the preferential treatment involved in affirmative action for purpose of reparations is not based on a morally irrelevant characteristic. For example, if it is decided to apply affirmative action measures as a form of reparation to benefit members of a group who have been discriminated on account of their race, the differential treatment is not based on an irrelevant characteristic, but on the fact that members of that group were treated unfairly because of their race. While the original act of discrimination was indeed based on a morally irrelevant characteristic – belonging to a particular race – affirmative action measures are not based on a morally irrelevant characteristic – having been treated unfairly because of race. The characteristic that was the basis of the act of discrimination

is thus, according to Nickel, not the same as the characteristic that is used to extend preferential under affirmative action programmes. Hence, affirmative action cannot be regarded as discrimination in reverse.

Bendix (1996:593) in her support of affirmative action also believes that affirmative action will become unfair and discriminatory only if a previously disadvantaged person is appointed “at all costs” and without allowing other persons the opportunity to compete. Hence she believes that discrimination only occurs if one of the parties is intentionally disadvantaged. Therefore affirmative action would indeed be reverse discrimination if it were merely a programme designed to advance particular sectional interests at all costs.

5.10 AFFIRMATIVE ACTION AS A MEANS OF MANAGING DIVERSITY

Another assumption of affirmative action is that it is seen as a means to effectively manage the diverse workforce. Managing diversity means valuing the differences between people and managing people in such a way that differences are taken into account. Most authors (such as De Villiers, 1993:21) advocating this approach see the management of diversity as a final process in affirmative action intervention. Oakley-Smith and Baxton (1993) sees it as the third generation after equal opportunity and affirmative action. It is going beyond, though not abandoning affirmative action to recognize and capitalize upon diversity in the workplace. After ensuring that the diversity of the population is reflected in the workforce by means of affirmative action, this diverse workforce has to be managed effectively. Therefore affirmative action and managing diversity should be seen as complimentary practices, with affirmative action preceding diversity management.

Management of diversity aims to obtain the same commitment, productivity levels and profitability from these diverse workforces, as was the case when the majority of the senior workforce was white. Management of diversity is therefore seen as necessity in order to ensure that all employees’ potential is utilised to its fullest and to maximize productivity. This entails that current management practices will have to be modified to accommodate a more employee population. (De Villiers, 1993:22).

Managing diversity therefore refers to the optimal utilization of all cultures in an organisation by ensuring that all employees contribute positively to productivity levels.

Thomas (1996:10) defines management diversity as a planned, systematic and comprehensive managerial process for developing organizational environment in which all employees, with their similarities and differences, can contribute to the strategic and competitive advantage of the organization, and where no one is excluded on the basis of factors unrelated to productivity.

The emphasis is therefore placed on the unique contribution each employee can make to strategically benefit the company. It (managing diversity) is not affirmative action in disguise as other people see it. Instead it is managing to get the greatest contribution from increasingly diverse workforce. It recognizes that a variety of views enrich organizational life. Managing diversity does not ask people to give up their individuality and take on the values of the majority. It honors differences among people, but also asks everyone to accept the core values of the organization.

According to Thomas (1996:91) diversity involves a broad range of uniqueness – perceptions and attitudes, work style, personality, values, lifestyle, sexual orientation, work ethic, age, communication style, world view, ethnicity, recreational and personal habits, religion, educational background, work experience, appearance, parental status, marital status, seniority, work location union affiliation, management status.

The basic assumption underlying the management of diversity is that the workforce consists of individuals who differ in terms of race, gender, ethnicity, age, and development levels and these diverse individuals should be utilized to ensure that they contribute positively to the benefit of the organization.

South African organizations committed to affirmative action should realize that affirmative action does not merely entail the creation of equal opportunities or the upliftment and development of disadvantaged employees, but a much more complex challenge, namely the proactive and ongoing utilization of their workforce.

5.11 AFFIRMATIVE ACTION AND ITS EFFECT ON BENEFICIARIES

One of the most disturbing criticisms levelled at affirmative action is that the policy harms rather than helps those it purports to benefit. The potential cost of affirmative action on its beneficiaries is based on two assumptions: first, affirmative action has a derogatory influence on the perceptions of members of beneficiary groups (interpersonal effect); and second, that these negative perceptions lead to behaviour that further discriminates against the candidates (Crosby and Clayton, 1990)

Crosby and Clayton (1990) note that the mere existence of an affirmative action programme may reinforce existing stereotypes about the beneficiaries. Stereotypes, which hold that targeted groups are not really qualified for certain, positions and could not have obtained them in the absence of affirmative action. The expectation based on this perception is that the performance of beneficiaries will be lower than that of others. In turn employers and fellow employees may behave in ways that do not allow the candidates of affirmative action to perform to their potential. Inconsistence behaviour in the form of good performance is attributed to situational factors rather than to the ability or skills of the candidate.

The potential intrapersonal effects of affirmative action on expectancies is a more critical concern, for affirmative action has been accused of undermining the self-confidence of the very people it is designed to help (Steele, 1990). According to Steele (1990) it is stigmatizing and psychologically harmful to beneficiaries.

5.12 CONCLUSION

All the eleven aspects covered under literature review constitute the core of this study.

CHAPTER 6 : RESEARCH METHODOLOGY

6.1 INTRODUCTION

The purpose of this chapter is to discuss the methodology used to investigate the research problem identified in chapter 1. Attention will be paid to the focus of research, sample used, data collection method (interviews) and limitations of methodology.

6.2 RESEARCH FOCUS

This study is focused on a South African parastatal, which will not be named for reasons of confidentiality. The parastatal will therefore be referred to as Company XXX for the purpose of this study. Reasons for selecting this organization for attention are its public

profile, size and location. The organization was chosen to represent parastatals because it has a well- publicised reputation of having implemented affirmative action for more than ten years and have substantial affirmative action beneficiaries in Johannesburg and Pretoria, rendering frequent site visits by the researcher easy and inexpensive. It is also perceived as one of the leaders in the field of affirmative action in South Africa

6.3 SAMPLE

A sample of nine beneficiaries – one male and female black, indian and coloured (six); one male and female disabled (two) and one female white beneficiary was selected through the assistance of The Director of Human Resources and The Skills Development Manager (using employment equity criteria.)

6.4 INTERVIEWS

Nine Company XXX employees from Corporate (Megawatt Park) and Business Unit (Menlyn) were interviewed using semi – structured interview guide / method (see Appendix A). Participants were selected from different levels (senior, middle, lower management and administrative personnel) and had been in respective positions for a period of at least three years. The questions were selected based on the literature survey. That is the eleven assumptions about affirmative action in Chapter 3 were analysed and translated into 14 questions. Additional questions, which do not appear in the semi-structured guide, were asked as follow-up to participants’ responses.

The interviews were conducted at participants’ workplaces (Company XXX premises: Megawatt and Menlyn). Two private offices within the Human Resources department were allocated to the researcher for the purpose of interviews. The main reason for conducting interviews on site was that it was anticipated that participants would feel more confident and relaxed in surroundings, which were familiar to them. Furthermore, privacy will be ensured if interviews are conducted in private offices.

In preparation for the interviews, all interviewees received a letter requesting their participation the study. The letter included the purpose of research and assurance of confidentiality and anonymity.

Through the Assistant Skills Development Manager, dates and times of interviews were arranged with the participants. On the scheduled dates participants were phoned and requested to avail themselves at the interview venue.

The duration of the interviews ranged from 15 to 20 minutes. Given the time constraints of business persons, it was felt that a longer interview would have raised objections from participants and resulted in possible refusal to participate.

At the beginning of each interview, the purpose and procedure of the interview was explained (to allay their fears of being victimized and their status jeopardized as a result of their participation), anonymity of responses assured (and participants were invited to propose a pseudonym for use in written report, if they so desired) and a copy of material (survey report) once completed was promised to each participant. Assurance of confidentiality of responses and guarantee of anonymity increase the chance that more reliable results would be obtained. Interviewees were further informed that they are not bound to answer all the question and could reserve their comments to any question they wish to, as well as ask questions for clarification. All interviews were conducted in English, recorded in short hand and typed within 24 hours of completion.

As affirmative action is a sensitive and emotional issue, attempts were made to build a rapport and trust with each participant to make him or her feel at ease, open up and disclose innermost feelings and experiences.

6.5 PROBLEMS ENCOUNTERED AND METHODOLOGY LIMITATIONS

Time was a crucial factor in completing this research report. Getting permission to conduct research at Company XXX was not easy.

My initial contact with Company XXX was extremely frustrating. The Human Resources representative delegated to help me was always in a meeting or if available did not have adequate time to talk to me. She told me that I came at a wrong time of the year because she is very busy with other research projects. She would always postpone our appointments because of impromptu meetings and other personal reasons. I had a feeling that she was reluctant to help me may because she does not want to take responsibility or

may because of the sensitive and emotive nature of my research title. This delayed my study for two months. After two months of frustration, she referred me to the Skills Development Manager who was so helpful and very easy to work with.

The methodology used in this study has some limitation. The non-random qualitative sampling process combined with Company XXX's unique history of equal opportunities and affirmative action programmes limits the generalization of research findings across other parastatals.

6.6 CONCLUSION

Although there are some limitations, this research study nevertheless reveals certain sentiments and experiences, which are likely to be replicated in other companies and parastatals.

CHAPTER 7 : FINDINGS / RESEARCH RESULTS

7.1 INTRODUCTION

This Chapter deals with the reporting of participants' responses to the questions or items in the attached semi-structured interview schedule (Annexure A). For the purpose of this study, interview responses will be reported for each item as listed below:

7.2 ITEMS

Item 1: Job Title

Respondents included a receptionist, two secretaries, one administrative assistant, two administrative officers, junior and middle managers and a senior manager.

Item 2: Interviewees' career history at Company XXX

All the interviewees' period of service with Company XXX range from three to five years with the exception of middle and senior managers who have been in the employ of the company for a period of eight and twelve years respectively. All the interviewees are affirmative action beneficiaries having been appointed or promoted according to the company's affirmative action programme.

Their ages range from twenty-seven to forty years.

Item 3: Interviewees' job responsibilities

This item deals with the job description of the interviewees.

All interviewees were requested to briefly explain their responsibilities to establish how they fit into the broader picture of Company XXX.

Item 4: Career Aspirations and performance (Window Dressing)

This item deals with interviewees' career expectations and their comments concerning their own performance management. Interestingly, the majority of interviewees see themselves at the Executive or Board of Directors level where they can influence direction and strategy of the Company within the next five to ten years.

Forty percent of the interviewees had the vision of being the Chief Executive Officer of the Company. They did not foresee any major obstacle that would hinder this achievement.

Only one interviewee felt that her race may act as a deterrent.

All interviewees were satisfied with their performance to date. While some interviewees were completely satisfied, others felt that there was always room for further improvement.

A number of interviewees reported that other companies to join them on a more senior level, with more responsibilities and better benefits, had approached them. While one interviewee has accepted a more senior position at another company, most of the interviewees reported that they were not interested in moving to other companies.

Item 5: Affirmative action Strategy, its perceived deficiencies and philosophy.

When asked whether or not company XXX has a formal affirmative action strategy with supporting policies in place, the following emerged:

90% of the interviewees responded positively. They were quick to indicate that the strategy has been in existence for more than ten years. It dealt with amongst others:

- the process of identifying and developing potential
- the setting of targets
- eliminating and dealing with discrimination
- identifying and dealing with obstacles
- recruitment, selection, and placement policies and how these should support affirmative action without being discriminatory in any way
- training coaching and mentoring

One interviewee pointed out that the strategy stresses the need to give priority to the previously disadvantaged as well as the need to develop internal resources where possible, than to recruit externally.

In response to the question, “in what areas do you think the strategy is deficient?” the following emerged:

- “ Progress should be monitored more closely to ensure that the company achieve what it intended to achieve”
- “More emphasis should be placed on the formulation of development plans or formal development plans for candidates”
- “The strategy is too tolerant of resistance towards affirmative action. We seem to always be looking over our shoulders because of the strong right-wing resistance that we anticipate”
- Some managers are only interested in affirmative action if they have time, they do not see the business relevance of it”
- “It could be improved upon. Selected candidates need formal mentoring coaching.”
- It does not address diversity management.

There was considerable support for the philosophy of affirmative action, namely to eliminate discrimination and afford everyone the same opportunity.

Interviewees believe that equal opportunity is not sufficient in itself to ensure true equality of opportunities because it will serve to perpetuate the current system of inequities – it has to be supplemented with affirmative action.

They felt that a focus on black people, females and the disabled was justifiable given the denial of opportunities in the past, educational disadvantages experienced and the resulting racial imbalances in South Africa. However they said, the implication is that of ensuring true equal opportunities, rather than retribution and reverse discrimination.

In contrast, one interviewee felt that a focus on black people was unnecessary and that the application of the principle of equal opportunities should be sufficient to address inequities of the past.

Item 6 : Counterparts reactions to beneficiary’s appointment and the effects of such reactions if any.

All interviewees indicated that they were affirmative action beneficiaries.

When asked how their counterparts reacted to their appointment and whether these reactions affected how they are perceived, the beneficiaries responded as follows:

Most of the interviewees indicated that their counterparts viewed them negatively as if they did not deserve their positions.

“When we succeed, non-beneficiaries discount our abilities and merits as a causative factor. We receive less credit for our performance, since our accomplishments are attributed to the presence of affirmative action policy. We are seen as less competent than if hired under normal circumstances. The presence of affirmative action policy leads to the degrading of our abilities”, so they said.

One interviewee said that non-beneficiaries have a tendency to attribute successful acquisition of desired outcomes to the existence of affirmative action rather than the

competencies of beneficiaries forgetting that it is the individuals and not the policy who perform.

He interestingly remarked, “my colleague’s attitude changed after I invited him to my graduation party when I was celebrating completion of my Masters In Business Administration Degree”.

Beneficiaries are not seen as individuals with their own strengths and weaknesses, their own abilities and their own individual and training needs. The stereotype is still there, couched in modern euphemisms, but still there nonetheless.

Item 7: Window dressing and Tokenism

There were mixed reactions to the above item. Some felt that their appointments were tokens because they were not given concomitant responsibilities, whereas others felt that their appointments were genuine in a sense that they were given everything that goes with it such authority and responsibility.

One major concern, however said one interviewee, is that a number of black managers are not given sufficient responsibility and accountability and are therefore often under-utilised. In a particular case, the manager’s black subordinates believed that his position was “window dressing” because he was not in a position to make important decisions on his own.

“Blacks are always employed below their capabilities and therefor while they may appear to be performing well, they should never have been put in such junior positions in the beginning. Very often the positions they are put into lack any real responsibility and accountability,” one of the interviewees said.

Most interviewees are generally satisfied with their own and their colleagues’ performance but suggest that the tendency to place blacks in managerial positions which require less authority and responsibility needs to be addressed.

Some interviewees believe that their performance was affected because they are preoccupied with the issue of “white-backlash” and do not see the urgency to perform as other people are continually watching them to see whether they will fail or not.

Some interviewees indicated that there is a tendency to appoint or promote black people into cost centers (for example, Human Resources, Public Relations) rather than profit centers (for example Sales, Production, etc).

It was also indicated that there is a shortage of blacks, women and the disabled in Executive or Board-level positions. The company tends to place people from disadvantaged groups in middle to senior management positions but executive positions are still largely white male dominated.

Item 8: Lowering of Standards

Most of the interviewees believe under normal circumstances, it is common knowledge that a new appointee cannot immediately be as productive as a person who has been in the same position for a long period of time. This is the case even if the appointee has all the necessary qualifications and experience. But given time and the necessary support, so they say, the appointee will meet and exceed expectations.

One of the interviewees agreed that standards may be lowered, but argue that this will be a short term cost which companies must be prepared to incur. She further said that this is caused by a variety of factors some of which are beyond the control of the appointees themselves such inadequate training, lack of support for the appointee, appointing less qualified people in order to comply, and many other reasons. However, she said, if the beneficiaries are appointed on merits and given the necessary support, the long term benefits of appointing them will far out weigh the short term costs.

Item 9: Support strategies from the Supervisor and the organisation (Empowerment)

Interviewees were asked about support strategies (supervisory and organisational) in place at their Company to support them in their positions and how they rate their effectiveness. Responses to the question were as follows:

Support from seniors

Views on this development strategy were mixed. Some interviewees reported that support from their seniors was seriously lacking and that it was entirely up to the individual to seek help or support from his/her senior.

Other interviewees, however, reported that they received a lot of support from their seniors and they rated the effectiveness of this support at between 80 – 90%.

Mentoring

It was generally felt that mentoring was critical in terms of making affirmative action work. The company had tried to develop a formal method of matching mentors and their protégés, but in some cases it was up to the individual to select his/her own mentor.

Coaching

While it was seen to be important in affirmative action process, it was reported that the company was just starting to formally address the question of coaching and therefore it was too early for interviewees to comment on its effectiveness. Any coaching, which is in place, occurs on an ad hoc basis and was often line managements' responsibility.

Support from organisational environment

60 percent of the interviewees reported that their organisational environment was not supportive. Examples included the fact that while there is no visible discrimination, it existed covertly, for example, black managers do not receive the same responsibility,

accountability and benefits as their white counterparts. Furthermore, it was reported that the relationship between management and the unions is very poor since the union do not trust management because of its past anti-union attitudes. This makes life very difficult for black managers.

Generally speaking it is up to line managers to provide support for individuals because the environment as a whole is not supportive.

40 percent of interviewees reported that the organisational environment is supportive and a culture of learning is promoted through access to the company library and company sponsored development programmes.

Although it was reported that there were staff development initiatives, most of the interviewees said that it was difficult to get approval to attend a conference, affiliate with professional bodies or register for a particular course.

Item 10 : Effect on beneficiaries (Self-Assessment / Feelings of inferiority)

When asked whether they feel inferior and incompetent because of preferential treatment, most interviewees said that because they deserved their positions, they were more confident about their abilities and have proved by way of their performance even though their adversaries discount it.

Three of the interviewees indicated that their self-confidence seem to be affected every time when negative comments are passed against them. This will also affect their performance. Many of such negative comments, they said were common immediately following their appointments.

Item 11 : Diversity Management

Responses from most interviewees indicated that workshops are conducted on Diversity Management to help employees to deal with issues of handling diversity, which is brought about by affirmative action. But they say this workshops are a waste of time there is no implementation of what is preached – they just another pep talk.

Some of the interviewees indicated that cultural days are also organized but they tend to be more of fashion shows than strategies to address diversity issues.

A disabled beneficiary who is wheelchair bound indicated that some of the buildings or infrastructure are not accommodative of his disability and thus restricts his movement.

Item 12: Obstacles to individual Progress

The interviewees were asked to rate their experience if any of the following obstacles to their development, and to rate the effect that these have on their attitude, motivation and performance:

Negative attitude

This question probed whether the interviewees had experienced any negative attitudes or behaviour as a result of their placement at supervisory or managerial level for example, discrimination, name calling etc. Most of the interviewees responses pointed out this factor is evident though covertly but as they say, have a mild negative impact on their motivation and performance.

Problems with direct supervisors

This question probed whether or not the interviewees had experienced any problems relating to their direct superior for example, obtaining support, exposure to development opportunities etc. Most interviewees indicated that they had experienced problems with their direct supervisors. This had affected their attitude and motivation but had a negligible impact on their performance.

Exclusion from critical information for decisions

Exclusion from critical information was experienced by approximately half of the interviewees in varying degrees. It was felt that a lack of or incorrect information had a fairly negative impact on individual attitudes and motivation, but a more negligible impact on performance.

General lack of support

Most interviewees experienced a general lack of support. Interestingly, one interviewee pointed out that this obstacle had, in some, contributed to increased motivation because the job incumbents were more determined to overcome the obstacle and prove that they could be effective and efficient even in the face of adversity.

Problems with subordinates and peers

Very few of the interviewees had experienced problems with their subordinates in the form of threats, resistance and insubordination. One interviewee, an Industrial Relations Manager had experienced problems with the union. Once again this factor did not have serious impact on his motivation and performance.

In some cases, interviewees indicated that they experienced initial problems with their peers after having been promoted, but once they had settled into their positions and proven their capabilities, they tended to win them over.

7.3 CONCLUSION

It is clear from the findings that despite progress that has been made, a number of problems remain. Some of the problems have further been confirmed by the literature study and need to be taken cognisance of. Recommendations in this regard are contained in the next chapter.

CHAPTER 8 : RECOMMENDATIONS AND CONCLUSIONS

8.1 INTRODUCTION

Company XXX has a sound affirmative action policy, which has been developed with the involvement of all stakeholders as noted in the history of the company (Chapter 4). This positive step should have established a solid foundation to build on. Some progress has undoubtedly been made, but the implementation of affirmative in Company XXX remains a serious problem. It became evident from research results as well as literature survey that certain shortcomings need to be addressed in order to make the further involvement of affirmative action and its implementation in Company XXX a success. These shortcomings will be addressed in a form of recommendations that follows in this chapter.

8.2 RECOMMENDATIONS

8.2.1 Support Strategies (Mentoring, Coaching, Training and Development)

Mentoring and coaching are the most effective methods for developing previously disadvantaged groups but managers in Company XXX do not effectively utilize these methods.

It seems that managers' people management skills require more rigorous evaluation and development especially in the areas of support strategies. Little progress will be made unless this managers understand that advancing affirmative action beneficiaries is an essential (and therefore rewarded) part of their job and that a considerable amount of time must be devoted to support functions.

8.2.2 Obstacles

Generally speaking there are factors, which get in the way of the interviewees' progress, but most of the interviewees had dealt with them in a way as to minimise their effect on their motivation and performance.

It is however important for Company XXX to identify potential obstacles, address or remove them wherever possible if it wants its affirmative action beneficiaries to meet or even exceed the company's level of expectations.

In addition to this, affirmative action beneficiaries should be given supportive mechanisms to assist in dealing with obstacles.

8.2.3 AA and negative stereotypes

Providing information on the relative merit and qualifications of beneficiaries should reduce the tendency of individuals to attribute success to the policy rather than individual factors.

Therefore the use of affirmative action is more likely to produce negative attributions in situations where the policy is stronger and when respondents have very little information about the beneficiaries' abilities and qualifications.

Conversely, negative inferences about beneficiaries are less likely to occur when positive information about beneficiaries' abilities and qualifications are emphasized and when they have confidence in their abilities.

From beneficiaries' responses, it can be concluded that negative perceptions do exist but they are relatively of short duration provided more information on beneficiaries is disseminated. It is only after positive information and after the candidate has proved himself or herself that perceptions change.

Therefore in order to decrease the negative effect, it is necessary for Company XXX to provide a more supportive environment for beneficiaries and make others aware of their abilities.

8.2.4 Lowering standards and productivity and finances

Most of the reasons given as to how affirmative action could affect work standards negatively relate to poor implementation of affirmative action programmes, tokenism and incorrect selection of affirmative action candidates. It was the way in which affirmative

action is conducted that affect work standards; if conducted properly, work standards will not be affected adversely; or if affected, it will be for a short spell.

It is true that there is a lot of money involved in developing affirmative action appointees, but this has to be taken as an investment with a bigger pay off in the longer term. The economy of the country depends on how well organizations invest in human development.

Mkhwanazi and Rall (1994: 49) support this stance by arguing that the immediate short-term costs of developing black employees need to be seen against the long-term needs for black advancement and the benefits.

Although it seems as if affirmative action can only impact negatively on finances, it can in the long run benefit the company financially, if implemented correctly.

It can thus be concluded that affirmative action has a short-term negative financial impact on organizations. However, if implemented as a high-quality affirmative action initiative, with long-term focus, affirmative action can eventually be utilized for the company's financial benefit.

8.2.5 Effects on beneficiaries

From the interviewees' responses on the above item, it is recommended that competence should be the first screening criterion in hiring affirmative action beneficiaries, with issues of race and gender only considered once competence is established. Thus all individuals hired will be competent and negative assumptions and its effect on beneficiaries will diminish.

8.2.6 Diversity Management

While it is important for Company XXX to conduct diversity management workshops to help in handling and managing diversity issue brought about by affirmative action, workshops and cultural day only are not enough.

Affirmative action has brought people from different cultural backgrounds, more females into the workplace and into previously male-dominated positions, more disabled people

into the workplace; therefore more approaches into managing this diverse workforce should be employed because this workforce has different needs.

Examples of other strategies that Company XXX should employ to manage diversity with a view to improve its effectiveness and efficiency include introducing flexi-time, day care facilities, redesign infrastructure to accommodate people with disabilities.

8.3 CONCLUSION

In conclusion, while beneficiaries feel positive about affirmative action and their contribution towards company XXX, they feel that there are some obstacles that have already mentioned in the previous chapters that need to be addressed. Unless these problems are addressed, there will always be unfounded assumptions about affirmative action appointees.

Although some of the assumptions are to a certain extent true, however their effects on beneficiaries are of short term and if support strategies are intensified, these negative assumptions will fade away.

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ANNEXURE A

INTERVIEW QUESTIONS

1. What is your job title and how long have you been with Company XXX?
2. Can you briefly describe your history in the company?
3. Tell me more about your present job responsibilities and how they fit in the company as a whole.
4. What are your career aspirations in the company?
5. Does your company have an affirmative action policy?
If yes, give a brief description of the policy?
6. Was your appointment an affirmative action one?
If yes, can you briefly explain how your black and white counterparts reacted to it?
7. What is your reaction to the assumption that affirmative action is nothing else but window dressing or tokenism?
8. What is your reaction to the assumption that affirmative action compromise standards and lowers productivity?
9. Explain the kind of support that you got from your supervisor.
Is your supervisor an affirmative action beneficiary?
10. Do you feel proud or inferior to be labelled an affirmative action beneficiary?
Explain the reason why.
11. What makes it easy / difficult for you to do your job more effectively?(Obstacles to individual progress)
What in your opinion are the main obstacles to affirmative action?
12. To what extent does your organisation promote cultural understanding and assist people to manage diversity creatively?
What processes or mechanisms are employed to manage diversity in your organisation?

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- 13 Explain your experiences (if any) of the following in your working environment:
- Negative attitudes
 - Problems with superiors
 - Exclusion from critical information decisions
 - General lack of support
 - Problems with subordinates
14. Is there any area that I have not touched upon with regards to affirmative action which you can comment on?

ANNEXURE B

GENERAL EXPLANATION OF COMPANY XXX GRADING SYSTEM

Company XXX utilizes the Paterson Band Grading System as explained below:

- A band: unskilled workers (labourers)
- B band: skilled workers (clerical staff, drivers, cashiers)
- C band: lower: senior supervisors, junior managers
upper: senior administrators,, maintenance managers, officers
- D band: senior managers, senior officers
- E band: executive managers, senior general managers, power station managers
- F band: management board members

ANNEXURE C

P.O. Box 911-1603
Rosslyn
0200
24 September 2004

Attention : Jane Sankar / Soso Maholwana
Eskom
Skills Development Unit

RE: PERMISSION TO CONDUCT RESEARCH ON AFFIRMATIVE
ACTION.

Thank you very much for having granted me permission to conduct the above research in your company. However I would like to request permission in writing as evidence to my promoter that I have conducted the research.

As you would know, documentary evidence (such as letter of request to conduct research or interviews, permission letter to conduct research, interview schedule) should always be attached as Annexures to the dissertation otherwise it will not be approved. The document will only be availed to the assessor for the purpose of assessment only.

I am pleased to inform you that my promoter is satisfied with my dissertation so far save the submission of your written permission. She has already given me the go-ahead to bind my submission and send it to her for final assessment as soon as I have received written permission.

Once more I promise to avail the final copy to you as soon as it is approved.

Your assistance is always appreciated.

Yours truly
R.A. Boikhutso

P.O. Box 911-1603
Rosslyn
0200

Date:
19 February 2004
Enquires:
S. Maholwana
012 421 3113

Dear Mr. Boikhutso

RE: PERMISSION TO CONDUCT RESEARCH SURVEY – MR A.R. BOIKHUTSO

TITLE: QUALITATIVE ANALYSIS OF PERCEPTIONS OF AFFIRMATIVE ACTION BENEFICIARIES IN SOUTH AFRICAN PARASTATALS

As per your request, permission is hereby granted to you to conduct the above research at Eskom, in fulfilment of your Masters Degree in Labour Relations Management, subject to the condition that a fictitious name be used in the final report.

Furthermore the company will highly appreciate it if it can be furnished with a copy of the dissertation or research upon completion of your studies.

Wishing you all the best in your studies.

Yours sincerely

Sonwabo Maholwana
Eskom Distribution
Human Resources
Tel: 012 421 3113
Fax: 012 421 3102

Northern Region

Human Resources

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TN Msomi B Nqwababa* SV Zilwa *Executive Director **Company Secretary:** M Adam
Eskom Holdings Limited Reg No 2002/015527/06



I trust that this clarifies the issue. Should you require any further clarity or information please feel free to contact me. [University of Pretoria etd – Boikhutso, R A \(2005\)](#)

Yours sincerely

Nkokeng Morufane
HUMAN RESOURCES MANAGER

CC ID du Plessis: General Manager – Northern Region
JA Engelbrecht: Regional Engineering Manager – Northern Region