ORGANIZATIONAL FACTORS INFLUENCING THE TRANSFORMATIONAL PROCESS OF A FINANCIAL INSTITUTION

by

WERNER PRETORIUS

**Submitted in fulfilment
of the requirements for the degree**

DOCTOR COMMERCII (HUMAN RESOURCES MANAGEMENT)

in the

FACULTY OF ECONOMIC AND MANAGEMENT SCIENCES

at the

UNIVERSITY OF PRETORIA

PRETORIA   **April 2004**

ACKNOWLEDGEMENTS

I wish to express my sincere thanks and appreciation for the interest, support, and help of the following people:

Prof. SW Theron, my promoter whose encouragement has sparked off this research.
Our association stretches over many years, and his leadership was invaluable in my academic journey.

Dr. Helena Dolny, former Managing Director of the Land and Agricultural Bank of South Africa, for granting permission to do the research.

Prof. JM Schepers of the Rand Afrikaans University for the use of the Locus of Control Questionnaire.

Jacobie van der Westhuizen for her help in compiling this thesis.

Mariëtte Postma for proofreading this thesis.

My parents for teaching me the values of hard work and dedication, especially my mother for her inspiring encouragement in 1987 when I took the first step towards my future studies.

My wife, Marietjie, for her unconditional support and encouragement.

TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

SUMMARY

ORGANIZATIONAL FACTORS INFLUENCING THE TRANSFORMATIONAL
PROCESS OF A FINANCIAL INSTITUTION

by

WERNER PRETORIUS

PROMOTER   :   Prof. S.W. Theron
DEPARTMENT   :   Human Resources Management
DEGREE   :   D. Com. Human Resources Management

Change is a way of life in organizations today, whether the change is planned or unplanned. The goals of planned change are to improve the ability of the organization, as an open system, to adapt to change, and more specifically, to change behaviour of employees. Change in customer needs, the competition, and changed legislation amongst others, force the organization to change, and lead to change plans, strategies, and techniques.

The drivers for change impacted on the interrelated primary components of the organization (subsystems); viz. technical, structural, management, psychological, goal, and value components. The impact on the structural subsystem of the organization was brought about through restructuring, division of work, new decision-makers and authority, and changes in organizational policies and procedures. The impact on the technical subsystem was brought about by process re-engineering, new technology, and new techniques and equipment necessary for service delivery. The impact on the psychosocial subsystem was brought about by restructuring and affirmative action initiatives, resulting in a new network of social relationships, behavioural patterns, norms, roles, and communications. The impact on the goal and value subsystem was brought about by a new mission and vision of the organization, value changes such as empowerment, teamwork, learning and development, diversity awareness, as well as respect for the individual. All the changes mentioned previously collectively impacted on the managerial subsystem that spans the entire organization by directing, organising and coordinating all activities toward the basic mission. The managerial subsystem is important for the integration of the other subsystems, and the proposed changes were true role modelling, living the new organizational values, participative management, creating opportunities, people-

centerd focus, giving recognition, motivating and coaching staff, and capacity building. For change to be effective there should be an integrated approach of structural, technical (work processes), and behavioural strategies. Through this research it became evident that it could be easier to change processes and structures within the organization, but the challenge is to change behaviour of individuals, groups, and the larger organization as it impacts on the management, psychological, goal, and value subsystems. People are the key to facilitate, implement, and manage change effectively in order to improve organizational effectiveness. Therefore, good leadership, including motivating employees during organizational change, is vital to the success of any change initiative. In summary, organizational strategy alone cannot produce the desired change results; there should be alignment with the management style, and the organizational culture or subcultures.

The purpose of this investigation was to determine if an integrated approach to organizational transformation (focusing on work processes, structures and employee behaviour) was followed. The analysis focused on factors that have an impact on the effectiveness/ineffectiveness to the change process, the impact of change on the organization, employees, and the organization culture. Specific work-related needs were also determined. The specific role of Human Resources (HR) during this change was determined, and recommendations were made accordingly.

A qualitative and quantitative research strategy were utilized to investigate the factors that influenced the effectiveness or ineffectiveness of the transformation process. Quantitative techniques were used to assess attitudes of the factors that influenced transformation, to investigate work-related needs, work motivation, and locus of control variables. Data were subjected to discriminant analysis and two-way factorial analysis of variance. Post-hoc comparisons were done by means of the Scheffé Test. A qualitative strategy was used to gather information about the need for change in this organization, the diagnoses of the current organization, planning of change strategies, implementation of change interventions, and management of the transformation process within the organization. The researcher's role was established as an objective observer of each and every aspect of the transformation process that entailed data collection, evaluation and feedback to the external consultants.

Many issues were identified that impacted on the effectiveness of the transformation initiatives. Recommendations were made for addressing the issues on individual, group and organizational systems level. It was proposed that the organization (business) strategy and organizational culture(s) be aligned, and that all transformation initiatives be driven with a holistic and integrated

change approach. An organization transformation strategy should be part of the business strategy. It was proposed that culture (climate) surveys, and focus groups should become part of the transformation strategy, where the factors that impact on a strong organizational culture or sub-culture are tracked, measured and managed continuously. A motivation strategy (included in the transformation strategy) needs to be developed for the business unit/team that is aligned with the organization's strategy, objectives, business plans, critical success factors, the values of the organization, as well as the subculture(s) of the team/business unit(s).

xix

SAMEVATTING

ORGANISATORIESE FAKTORE WAT DIE TRANSFORMASIEPROSES VAN 'N
FINANSIËLE INSTELLING BEÏNVLOED

deur

WERNER PRETORIUS

PROMOTOR   :   Prof. S.W. Theron
DEPARTEMENT   :   Menslike Hulpbronbestuur
GRAAD   :   D. Com. (Menslike Hulpbronbestuur)

Beplande of onbeplande verandering word 'n lewenswyse in die meeste organisasies vandag. Die doelwitte van beplande verandering is die verbetering van die organisasie as oop sisteem om vaardighede aan te pas by verandering, asook meer spesifiek, die verandering van werknemergedrag. Verandering in onder andere kliëntebehoeftes, die mededingers van die organisasie en wetgewing, dwing die organisasie om te verander en lei na veranderingsbeplanning, -strategie, en -intervensies.

Verandering het 'n impak gehad op die interafhanklike primêre komponente van die organisasie (subsisteme) naamlik, die tegniese, strukturele, bestuurs-, psigologiese en die doelwit- en waardekomponente. Die impak op die strukturele subsisteem van die organisaie is teweeggebring deur herstrukturering, herallokering van werk, nuwe bestuur- en besluitnemingstrukture, en verandering in die beleid en prosedures. Die impak op die tegniese subsisteem van die organisasie is teweeggebring deur werksprosesverbeterings, nuwe tegnologie, en nuwe werksmetodes om dienslewering te verbeter. Die impak op die psigologiese subsisteem van die organisasie is teweeggebring deur grootskaalse herstrukturening en regstellende aksie, wat gelei het tot veranderings in werk- en sosialiseringsverhoudings, werksrolle, gedragsnorme en -patrone, en kommunikasiemetodes. Die impak op die doelwit- en waardesubsisteme van die organisasie is teweeggebring deur 'n nuwe visie en missie, organisasiewaardes waarop gefokus sou word, insluitende bemagtiging, spanwerk, opleiding en ontwikkeling, diversiteitsensitiwiteit, asook respek vir die individu. Kollektief het al die veranderings 'n impak uitgeoefen op die bestuursubsisteem wat verantwoordelik is vir die integrasie van die ander subsisteme. Die voorgestelde veranderings vir die bestuursubsisteem was rol-modellering, bestuursgedrag wat die

organisasiewaardes weerspieël, fokus op menslike hulpbronne met deelnemende bestuurspraktyke, geleentheidskepping, ontwikkeling van potensiaal, erkenning vir goeie werk gelewer, en ander motiveringspraktyke. Vir 'n suksesvolle veranderingsproses moes 'n benadering gevolg word wat die strukturele, tegniese, en gedragstrategieë integreer. Hierdie navorsing het getoon dat dit makliker kan wees om werksprosesse en organisasiestrukture te verander, maar die verandering van menslike gedrag op individuele - en groepvlak, bly 'n uitdaging. Mense is egter die sleutel tot suksesvolle fasilitering, implementering, en bestuur van verandering om organisasie-effektiwiteit te verbeter. Bestuursleiding en werksmotivering is dus van kardinale belang. Tydens organisasietransformasie moet die strategie dus geïntegreer word met die bestuurstyl asook die organisasiekultuur of subkulture.

Die doel van die ondersoek was om te bepaal of 'n geïntegreerde benadering tot organisasietransformasie gevolg is (transformasie van werksprosesse, tegnologie, organisasiestrukture, asook menslike gedrag). Die fokus was op die faktore wat 'n impak uitgeoefen het op die effektiwiteit of oneffektiwiteit van die veranderingsproses, die impak op die organisasie, die werknemers, en die impak op die organisasiekultuur. Spesifieke werksverwante behoeftes is bepaal, asook die rol van die Menslike Hulpbronafdeling.

'n Kwalitatiewe en kwantitatiewe navorsingstrategie is gevolg om die faktore te ondersoek wat 'n impak uitgeoefen het op die effektiwiteit of oneffektiwiteit van die transformasieproses. Kwantitatiewe tegnieke is gevolg om die houdings van werknemers oor sekere transformasiefaktore te bepaal, om werksbehoeftes te bepaal, asook om die lokus van kontroleveranderlikes te ondersoek. Die data is ontleed deur beskrywende statistiek, verbandstatistiek, diskriminantontledings, tweerigtingvariansie-ontledings, en posthoc-vergelykings met die Scheffé-toets. 'n Kwalitatiewe navorsingstrategie is gebruik om inligting te versamel oor die huidige organisasie en die behoefte aan verandering, die beplanning van veranderingstrategieë, implementering van die intervensies, en bestuur van die transformasieproses in die organisasie. Die navorser was'n objektiewe observeerder van elke aspek van die transformasieproses, wat datainvordering, -ontleding, en terugvoer na die eksterne transformasiekonsultante insluit.

Verskeie faktore is geïdentifiseer wat 'n impak uitgeoefen het op die effektiwiteit van die transformasieproses. Aanbevelings is gedoen om sekere faktore aan te spreek op individuele, groep-, en organisasiesisteemvlak. Die strategie van die organisasie (besigheid) en die organisasiekultuur is interafhanklik en moet deur 'n holistiese, geïntegreerde

transformasiebenadering bestuur word. 'n Transformasie strategie (organisasieontwikkeling) moet deel wees van die besigheidstrategie, met 'n spesifieke kultuurbestuurfokus (deur aksienavorsing). Vraelyste en fokusgroepe kan inligting weergee van die geïdentifiseerde transformasiefaktore deur deurlopende, meetbare terugvoer, wat dan dienooreenkomstig bestuur moet word. 'n Verdere aanbeveling is die ontwikkeling van 'n werksmotiveringstrategie (ingesluit in die transformasiestrategie) wat geïntegreer is met die organisasiestrategie, -doelwitte, -beplanning, -suksesfaktore, -waardes, asook die subkulture van die verskillende groepe of spanne in die organisasie.

CHAPTER I
INTRODUCTION AND GOAL

1.1   **INTRODUCTION**

According to Gerber, Nel and van Dyk (1998:35) organizations are social structures or systems, which can be viewed as a number of interrelated, interdependent parts, each of which contributes to total organizational functioning and to achievement of common goals. Organizations are open systems in constant interaction with their environments. During this interaction process an organizatiuon takes in resources, information and energy, which it transforms into products and services, made available to the environment in the form of outputs (Luthans, 1998:529).

Schein (1980:15) views an organization as "the planned coordination of the activities of a number of people for the achievement of some common explicit purpose or goal, through division of labour and function, and through a hierarchy of authority and responsibility." Human resources management links up with this definition. Human resources management (HRM) is the process through which an optimal fit is achieved among employees and their jobs, the organization, and the environment, so that employees reach their desired level of satisfaction and performance and the organization meets its goals (Hall and Goodale, 1986:6). The human resource function must become a strategic business partner to survive today's sweeping workplace changes (Brown, 1997:4).

Organizations are never completely static; they are dynamic, in continuous interaction with external forces. Changing consumer lifestyles and needs, technology, legislation, internationalism, and workforce expectations all impact on organizations, causing them to change. The degree of change may vary from one organization to another, might be imposed upon the organization, or the change might be initiated internally. Because change occurs so rapidly, there is a need for new ways to manage it (Hellriegel, Jackson, Slocum, and Staude, 2001:382). The systems approach is a very important variable in organization change and effectiveness.

1.2   **REASON FOR THE STUDY**

Change is a way of life in world-class organizations today, but organizations should also maintain a stable identity and operations in order to accomplish their primary goals (Harvey and Brown, 1996:31).

According to Greenberg and Baron (2000:586) organizational change is the planned or unplanned transformation in an organization's structure, technology or people. Planned organizational change activities are intentional and goal oriented (Robbins, 1998:629). The goals of planned change are to improve the ability of the organization to adapt to changes in its environment and to change employee behaviour. When customer needs change, competitors introduce new products or services, or when new legislation or other environmental changes take place, the organization needs to adapt. Human resources at all levels of the organization are the main barrier to change, but are also the key to facilitate, implement and manage change effectively (Zimmerman, 1995:15-16).

Schermerhorn, Hunt, and Osborn (1997:267) describe corporate culture as the system of shared actions, values and beliefs that develops within an organization and guides behaviour of its members. Harvey and Brown (1996:410) agree that increased productivity, boosted employee camaraderie, increased employee's sense of ownership and satisfaction, and increased profits are evidence of effective corporate cultures. Each organization evolves a unique culture that has to change continuously to meet changing conditions and maintain organizational effectiveness. Corporate strategy alone cannot produce cutting-edge results; the fit between an organization's strategy, management style and culture can be a major strength in driving the implementation of successful change (Harvey and Brown, 1996:410). It is important to have an integrated approach to any change programme, which involves combining structural, technical, and behavioural change approaches that will take the characteristics of the corporate culture (and subcultures) into account.

Motivating employees is an art, especially in a changing organization (Ndala, 1996:27). Organizational change often causes employees to resign and look for employment elsewhere (Robinson and Galpin, 1996:90). Organizations suffer from the decrease of human capital, and 're-recruitment' strategies have to be employed to ensure stability even during times of change and transition. Organizations embarking on change should first identify key people and assess if and how their loss would affect the organization. Organizations should also measure up to the needs motivating employees to stay and

should formulate strategies and plans to ensure employees' needs are well taken care of
(Robinson and Galpin, 1996:90). In the quest to survive and prosper, many organizations
stampede over their people. Huysamen (1996:34-39) remarks that shortsighted bottom line
chases might cause human resources to be replaced with "human remains". "We need to stop
what we are doing to our organizations at present and start rehumanising them, first of
all"(Huysamen, 1996:34-39). Most organizations do not manage their people in ways that
bring out the best in them (Hiam, 1999:11). Managers are individuals who achieve goals
through other people. Robbins (1998:2-3) explains the four management functions common
in many organizations, viz. planning which includes defining goals and objectives and
developing strategy and plans, organizing tasks and activities, the reporting structure, and
where decisions are made, leadership which includes motivating subordinates, and
monitoring or control of activities to ensure they're being accomplished as planned.

To further emphasize the psychological basis of human resource management as a
management strategy Gerber et al. (1998:11) advance three general functions of human
resource management, viz. human resource utilization, motivation of the human resource
factor, and protection of the human resource factor. Human resource utilization refers to
human resource provision which includes human resource planning, recruitment, selection,
placement and orientation, transfers, promotions, performance reviews, training and
development. Work design and organizational culture, remuneration and benefits,
counselling, development, participation, and equal rights are embedded in the process of
motivation. The protection function includes working conditions of the physical environment
and safety issues, welfare services, and retirement provision and planning.

Because the human resources (HR) of any organization are instrumental in effective change
implementation and management, the HR consultant should be a strategic partner in the
business, especially during times of change.

The reason for this study stems from the problem that largescale change and transformation
of an organization's structure, technology or people is difficult, and the challenge to change
work processes, relationships, and behaviours is not always met. A single focus on work
processes, or a single focus on restructuring the organization would be ineffective if
behavioural change strategies and action plans are not pursued. Various limiting conditions
including the organizational culture, the leadership climate, the formal organization, and

resistance to change need to managed with an integrated change approach. Specific emphasis needs to be placed on motivating people as the main facilitators of change.

1.3   **AIM OF THE STUDY**

The purpose of this investigation has been to determine if an integrated approach to organization transformation is followed. Organization transformation is planned change that is aligned with the mission and vision of the organization. It utilizes action research principles of problem-solving, but is primarily concerned with paradigm shifting and large - scale multi-dimensional and multi-disciplined change. Therefore, an integrated, holistic approach to transformational change involves combining structural, technical, and behavioural change approaches to achieve the desired change. The investigation will focus on the factors that have an impact on the effectiveness or ineffectiveness of the change process, the impact of change on the organization, employees, and the corporate culture. Specific work-related needs during transformation will be determined. The specific role of HR during this change will be determined, and recommendations will be made accordingly.

To achieve the objectives of this study the following aspects will be covered:
-         The need for change, including structural, technical, and behavioural focus areas
-         Work-related needs, locus of control and transformation issues
-         The actual and desired organization cultures and the change of the organization culture
-         The effectiveness of the integrated change process

1.4   **CONCLUSION**

Change is a way of life in organizations today. The challenge is to improve an organization's ability to cope with change and its problem-solving and renewal processes through effective management of organization culture. In this investigation the individual needs, motivation and other factors that have an impact on the effectiveness or ineffectiveness to the change process will be identified.

CHAPTER II
THE NATURE OF ORGANIZATIONS

2.1   **INTRODUCTION**

This chapter offers a broad definition of an organization. Systems perspectives to managing change within organizations, namely the systems approach, the contingency approach, and learning organizations are discussed. The characteristics and components of organizational systems, organizational behaviour, and the characteristics of successful organizations are also discussed.

2.2   **DEFINITIONS OF AN ORGANIZATION**

According to Gibson, Ivancevich and Donnelly (2000:5) "organizations are entities that enable society to pursue accomplishments that can't be achieved by individuals acting alone".

Greenberg and Baron (2000:4) and Robbins (1998:2) define organizations as structured social systems consisting of individuals and groups working together on a relatively continuous basis to attain a common goal or set of goals.

2.3   **THE ORGANIZATION AS AN OPEN SYSTEM**

According to Gibson et al. (2000:14) an organizational system is a grouping of elements that interact with each other and their environment, both as individuals and collectively. Systems theory enables the description of behaviour of individuals, groups and organizations both internally and externally. Due to the interaction between elements of a system and their interdependence, a change in one part of an organization system has consequences for other parts of the organization, and its environment (Ivancevich and Matteson, 1999:23).

The flow of inputs and outputs is a basic starting point in the description of the system (see Figure 2.1). A system contains three basic elements, viz. inputs, information processing and outputs (Luthans, 1998:531). Inputs contain all the resources, information and energy applicable to the processing function. Processes refer to all the activities and functions that are performed to produce products and services. Outputs are outcomes of the processing function, viz. the finalised products and services produced by the organization. In the light of this, the organization can be represented as an open system as shown in Figure 2.1.

FIGURE 2.1: <u>THE ORGANIZATION AS AN OPEN SYSTEM</u>.
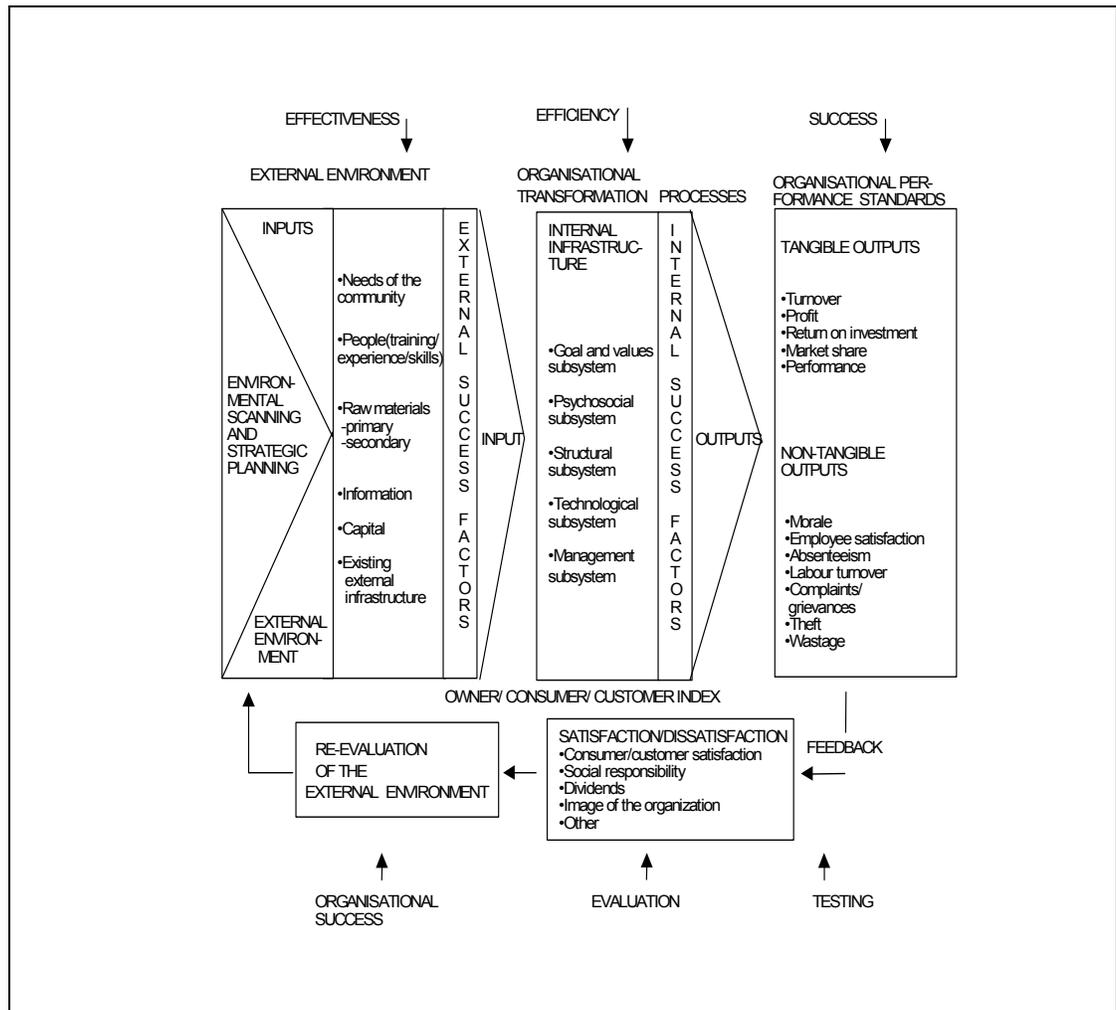
(Source: Adapted from Gerber <u>et al</u>., 1998:37)

According to Gerber <u>et al</u>. (1998:36) the reason for the existence of an organization lies in the needs present in the organization's external environment and the changes in those needs occurring over time. It is therefore essential that the organization should undertake effective scanning to identify opportunities and threats in its external environment and strengths and weaknesses in the internal environment and to formulate its strategy accordingly (Gerber <u>et al</u>., 1998:36). Organizations need to effectively receive, process, and act on information to be successful, and find the optimal fit between the external environment and the design of the transformation process (Luthans, 1998:531-532). The external success factors (input) are processed by the interdependent subsystems (internal infrastructure) of the organization. These internal success factors lead to the tangible and non-tangible outputs that subsequently

determine organizational success. Organizational success is determined by the set objectives and standards and the feedback from all stakeholders on all outputs produced by the organization. The feedback should finally be evaluated and incorporated in the environmental scanning process as part of the input phase (Gerber et al., 1998:36). Organizational effectiveness, efficiency and success will be discussed in paragraph 2.6, while the characteristics and components of organizational systems are discussed next.

2.3.1   **THE CHARACTERISTICS AND COMPONENTS OF ORGANIZATIONAL SYSTEMS**

Organizations do not function as isolated components or parts. The components of the organization interact with each other and with the outside environment. The characteristics of an open system will be discussed next.

A system is composed of interrelated, interdependent parts called subsystems, and functions as an integrated whole, where change in one subsystem will evoke change in the others. Systems are goal seeking which implies that they are flexible and self-regulating and use feedback regarding performance and success to adapt (Harvey and Brown, 1996:37).

Organizations are open systems in constant interaction with their environment (Hellriegel et al., 2001:63). Harvey and Brown (1996:39-40) explains that the organization as an open system consists of five interrelated primary components (subsystems), viz. the structural, the technical, the psychological, goals and values, and the managerial component. The structural subsystem contains the formal design, division of work, decision-making and authority, and organizational policies and procedures. The technical subsystem refers to the primary functions, activities and operations that include the technology, techniques and equipment necessary for production and output of the system. The psychosocial subsystem (culture) is human based and refers to the network of social relationships, behavioural patterns, norms, roles, and communications. The goals and values subsystem contains the basic mission and vision of the organization. Such goals might include profits, growth, or survival and are set after the environmental scanning process. The managerial subsystem spans the entire organization by directing, organizing and coordinating all activities toward the basic mission. The managerial subsystem is important for the integration of the other subsystems.

According to Ivancevich and Matteson (1999:24) systems theory emphasizes two important considerations, viz. organizational survival which is dependent on the ability of the

organization to adapt to the demands of its environment, and management needs to understand and manage the cyclical process of input-processing-output-feedback.

2.4   **THE CONTINGENCY APPROACH TO MANAGEMENT AND THE LEARNING ORGANIZATION**

A contingency approach refers to differences in individual, group, organizational, environmental, and situational factors, which in combination with each other, influence behaviour in organizations (Baron and Greenberg, 2000:14). Although systems theory provides a conceptual overview of organizational functioning, management needs to know how the subsystems of a particular organization are uniquely related in that specific environment and how best to manage it in that environment. What constitutes effective management in one system or subsystem may not be so in another setting, especially in times of change.

The learning organization has evolved out of systems theory and the contingency approach to management. Learning organizations go beyond adapting to change; instead they anticipate and learn from change. In learning organizations learning and innovation is part of the organizational culture, with a sense of urgency to anticipate change and to learn from it (Luthans, 1998:50). Hellriegel et al. (2001:383-385) summarize the elements of a learning organization, viz. organizational culture, strategy, organizational design, and the use of information. Organizational culture in a learning organization is based on shared leadership, empowerment, and continuous learning. According to Brill and Worth (1997:151-152) effective organizations need a total quality-focused, flexible, and entrepreneurial culture. Organizational strategy should be aligned with the organizational culture, have a long-term perspective, and be customer focused. The organizational design of learning organizations are team-based, built on empowerment, cooperation, competence and responsibility. Learning organizations can use strategic alliances with customers, suppliers, and competitors as methods for learning. Information is used in the environment scanning process (described earlier), based on measurement criteria, and managed as a shared responsibility (Hellriegel et al., 2001:383-385). .

2.5   **ORGANIZATIONAL BEHAVIOUR**

Baron and Greenberg (2000:4) define organizational behaviour as "the knowledge of all aspects of behavior in organizations through the use of scientific methods." The understanding of organizational behaviour needs consideration and attention to be focused on

the structure of the organization, work and organizational processes, and behaviour of individuals and groups. A contingency approach implies the assessment of every subsystem including structure, technical functions and processes, organizational culture, goals and values, and the management function across the whole spectrum of the organization.

The basic organizational behaviour model refers to the impact that individuals, groups and structure have on attitudes and behaviour within an organization. This knowledge can be applied to make organizations work more effectively, improve job satisfaction, performance and productivity, improve work motivation, and reduce absenteeism and turnover.

The basic organizational behaviour model is presented in Figure 2.2.

FIGURE 2.2: <u>THE BASIC ORGANIZATIONAL BEHAVIOUR MODEL</u>.
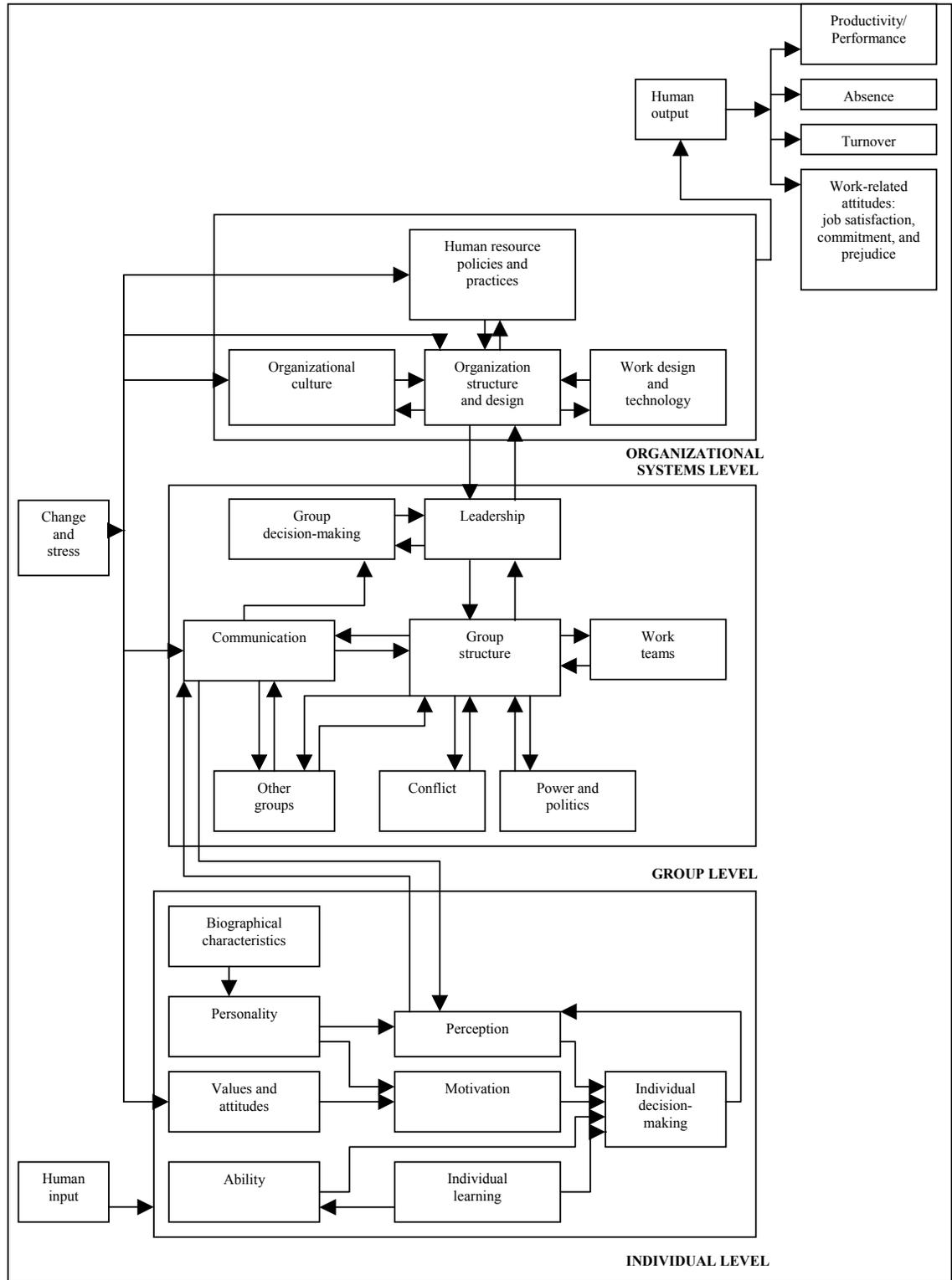
(Source: Adapted from Robbins, 1998:28)

The organizational behaviour model in Figure 2.2 shows four human outputs namely productivity or performance, absence, turnover and work-related attitudes, which are the dependent variables. Robbins (1998:23-26) sees the dependent variables as the key factors organizations want to explain or predict and believes that they are affected by some other factors. Productivity, performance, absence, and turnover are all components of observable behaviour, and important dependent variables. Work-related feelings and attitudes like job satisfaction, organizational commitment, and prejudice (also important dependent variables) are not necessarily observable, but impact on organizational success. The dependent variables are influenced by the independent variables and are discussed next.

Individual-level variables are associated with the diversity components of people that will influence their behaviour at work. These characteristics are biographical, personality, values and attitudes, perceptions, competencies, individual learning abilities, and motivation. Group-level variables are associated with the behaviour of people in groups that differ from their behaviour when they're alone. Norms of behaviour, the design and structure of work teams, communication, leadership styles, power and politics, intergroup relations, group decision-making and conflict affect group behaviour. Organization system level variables like organizational culture, the design and structure of the formal organization, work processes and technology, and human resource policies and practices all impact on the dependent variables. Work stress and change impact on the individual, group, and organizational levels and affect organizational behaviour and work-related attitudes (Robbins, 1998:27).

From Figure 2.2 it is evident that the independent variables at the individual, group and organizational levels are linked to one another. Organizational culture and structure are linked to leadership because authority and leadership are related and management influences group behaviour through leadership. Communication is the means by which information is transmitted and it is therefore the link between individual and group behaviour (Robbins, 1998:27).

The organizational behaviour model emphasizes individual differences, the link between the independent variables and the impact of change on all the variables (including subsystems) in an organization. It offers specific insights to improve human outputs related to performance, job satisfaction or motivation, absenteeism, turnover, and specific job-related attitudes.

2.6   **ORGANIZATIONAL EFFECTIVENESS, EFFICIENCY, AND SUCCESS**

From Figure 2.1 it is evident that organizational effectiveness, efficiency, and success are important considerations for organizations as open systems. Organizational effectiveness and efficiency on the individual, group, and organizational level will impact on organizational behaviour and success.

According to Bennett, Fadil and Greenwood (1994:474), the most effective practices for an organization demand a solid, consistent foundation of balanced values, strategy and culture, that will ensure the long-term effectiveness and performance of an organization. Successful organizations need vision and commitment to the core strategy and willingness to change where change is needed. Corporate culture is a key ingredient in the success of an organization because it can motivate employees to work together for organizational success (Case, 1996:42). Linking of the strategy to corporate culture and systems will lead to consistency and efficiency (Fitz-Enz, 1997:12).

According to Gibson et al. (2000:15) organizational effectiveness is caused by various factors, but is dependent on group effectiveness and individual effectiveness. Figure 2.3 depicts the perspectives, relationship and causes of effectiveness in organizations.

It is evident from Figure 2.3 that group effectiveness depends on individual effectiveness while organizational effectiveness depends on group effectiveness. According to Gibson et al.(2000:15) the specific relationship depends on the type of organization, the products or services offered and the technology utilized. Some of the possible factors that cause or hamper effectiveness are listed in Figure 2.3.

FIGURE 2.3: <u>THE CAUSES OF EFFECTIVENESS IN ORGANIZATIONS</u>.
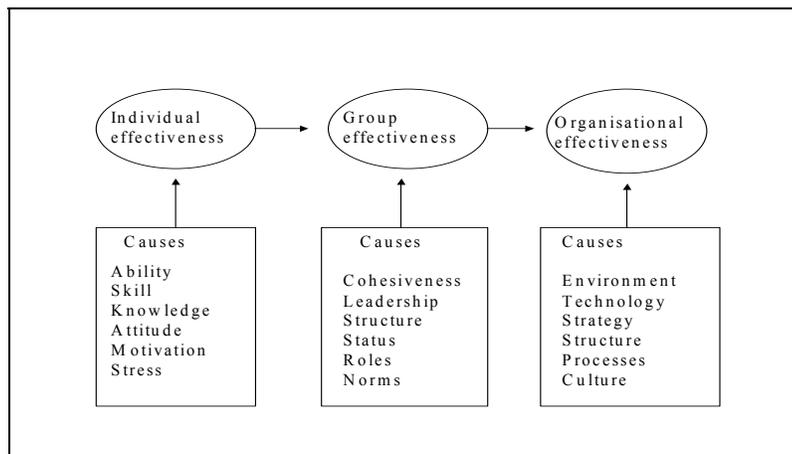
(Source: Gibson <u>et al</u>., 2000:15)

In order for organizations as open systems to be successful over the short, medium and long-term they need to focus on practices to achieve individual, group and organizational effectiveness, and should set measurable objectives and performance standards (Gerber <u>et al</u>., 1998:38). Ivancevich and Matteson (1999:26-29) agree with this view but propose that the following effectiveness criteria should be included, viz. quality and efficiency related to return on investment, cost, turnaround times, and down time. The authors subsequently focus on organizational, group, and individual adaptiveness, learning and development, and innovation that are vital for organizational success. Gerber <u>et al</u>. (1998:38) argue that an organization that pursues tangible outputs at the cost of the human element (quality of work-life) will only be successful in the short term.

2.7   **CONCLUSION**

This chapter discussed the nature of organizations, which are open systems with interrelated and interdependent parts. Attention was also given to the view of organizations as open systems with certain characteristics and primary components that are in constant interaction with its environment. From the discussion it is evident that organizations are complex and unique in many ways and are constantly influenced by an accelerated rate of change and variables on individual, group and organizational level that impacts on organizational behaviour and success.

From the discussion it is evident that there is no "best way" to manage in all situations. A contingency approach should be followed which recognizes that differences in individual,

group, organizational, environmental, and situational factors, all in combination with each other, influence attitudes and behaviour in organizations. What constitutes effective management in one system or subsystem may not be the case in another setting, situation or during change. Organizations should strive to become learning organizations, going beyond adapting to change, anticipating and learning from change, and subsequently being successful.

CHAPTER III
CORPORATE CULTURE

3.1   **INTRODUCTION**

In this chapter the culture concept is explained and some definitions of culture are offered. Levels of culture, some definitions of culture, types of culture, the formation, evolution, manifestation, and the role of corporate culture are discussed. The impact of corporate culture on organizational effectiveness and success are examined and the concept of culture management is explained. The steps in culture change, viz. alignment of strategy and culture, the actual and desired cultures, analysis of the artefacts, beliefs, values, and basic assumptions, analysis of organizational climate, analysis of management and leadership style, and the development of shared values are discussed. The resistance to culture change as well as the role of Human Resources (HR) in culture change are discussed.

3.2   **THE CULTURE CONCEPT**

Theron (1992:18-19) believes that "culture is a broad social phenomenon, which is evolutionary in nature and develops in response to circumstances in a particular society. It effects broader dimensions of social life, like organizations and social movements and ensures stability and continuity of a given society. Culture gives meaning to life and serves as a guide to individuals and groups" (Theron, 1992:18-19). Harris and Moran (1979:10) view culture as a problem-solving social phenomenon, which helps individuals and groups to deal with problems and cope with stress in a particular environment.

3.3   **DEFINITIONS OF CULTURE**

Various definitions are offered on the concept of culture. Malinowski (1944:1) sees culture as "that integral whole consisting of implements and consumer goods, of constitutional charters, of human ideas and crafts, beliefs and customs, a vast apparatus, partly material and partly spiritual, by which man is able to cope with concrete problems that face him". Killmann, Saxton, Serpa and Associates (1985:5) view culture as "the shared philosophies, ideologies, values, assumptions, beliefs, expectations, attitudes and norms that knit a community together". According to Theron (1992:20) "cultural groups utilize these interrelated psychological qualities to reach agreement on decision-making and problem-solving according to how they are accustomed to the way things are done".

Hofstede (1980a:14) describes culture as "mental programming of the mind which distinguishes the members of one human group from another ". Hofstede (op. cit.) describes these mental programmes as intangible constructs which are stable and do not change over time. Theron (1992:21) argues that the stable quality of mental programmes which determine behaviour implies that the same person normally shows the same behaviour in similar situations. According to Hofstede (1980a:14), these mental programmes are partly unique and partly shared by others. He distinguishes three broad dimensions on the level of uniqueness in mental programmes, viz. the universal, the collective and the individual. The universal dimension is the most basic and shared mental programme in all people. An example of the universal dimension is the "biological operating system" of the human body. The collective dimension of mental programming is the area of subjective human culture, shared by people belonging to a specific group or category, which includes the group's perception of general human activities (Hofstede, 1980a:15). The individual dimension of mental programming implies the impact of individual personality that differs from person to person. The individual dimension of mental programming is responsible for the rich variety of behaviours on the collective level (Hofstede, 1980a:16).

Culture is not only evident in individuals, but in groups of people such as ethnic groups, nations, or groupings of people in organizations. Members of a collective programme have usually been conditioned by the same learning and life experiences. The specific conditioning of members of a group and the difference evident in mental programmes of groups, explain the different perceptions of the same reality from group to group. These collective mental programmes that exist in the minds of members of a collective, are stable in nature and gives form to all institutions found in society (Hofstede, 1980b:43).

Krech, Crutchfield and Ballachey (1962:380) argue that behavioural patterns evident in a particular group or society and the beliefs, values, norms and premises that regulate behaviour, form the substance of a culture. Krech et al. (1962:346-349) distinguish two dimensions of culture, viz. explicit and implicit dimensions. The explicit dimension contains all the observable, verbal and non-verbal behavioural patterns of a group of people (Theron, 1992:22). The implicit dimension comprises the belief systems of a collective including cognition, needs, interpersonal response traits, attitudes, beliefs, values, norms, myths, legends, and superstitions (Krech et al., 1962:49; Theron, 1992:28). The belief systems impact on, and influence behaviour of a member of the culture in a typical situation in that

culture (Krech <u>et al</u>., 1962:351,380). A set of cultural arrangements is influenced by the physical environment, social interaction, and other culture groups (Theron, 1992:27).

3.4   **LEVELS OF CULTURE**

Schein (1990:8) distinguishes between structural levels of culture. Civilisations form the broadest structural level, followed by countries with ethnic commonality and then different ethnic groupings. The levels of occupation, professions and occupational community follows and the last structural level are organizations and subcultures within organizations (Schein, 1990:8). Besides these structural levels of culture, Schein (1985:13-14) identifies three levels of culture, viz. artefacts, referring to the visible, tangible, and audible behavioural patterns evident in the physical and social environment, basic beliefs and values of the organization, and the underlying conceptual categories and assumptions needed for thought processes, feelings, and behaviour.

Artefacts include the organization's written and spoken language and jargon, office utilization, technological output, structures within the organization, dress code and overt behaviour (Theron, 1992:35). Schein (1985:15) refers to values and beliefs as the sense of "what ought to be, as distinct from what is". This level of culture comprises ethos, philosophies, ideologies, ethical and moral codes, and attitudes (Ott, 1989:60), and reveals "how people communicate, explain, rationalise and justify what they say and do-and how they make sense of the first level of culture" (Sathe, 1985:10). Theron (1992:36) mentions that "level two elements of organizational culture often yield espoused values-what people will say rather than values in use which can be used to predict what people will do". Schein (1985:16) argues that many values remain conscious and are explicitly articulated as norms to guide members of a group on how to deal with key situations. Only validated values that are used continuously to solve the group's problems will be transformed into assumptions (Theron, 1992:36). According to Schein (1985:18) the true organizational culture resides in the basic underlying assumptions of people, which is the third level of culture. He defines basic assumptions as fundamental beliefs, values and perceptions that "have become so taken for granted that one finds little variation within a cultural unit. These basic assumptions tend to be non-confrontable and non-debatable". Basic assumptions include spirit, truths, transactional analytic concepts of organizational scripts guiding behaviour, perceptions, thoughts, and feelings (Schein, 1985:18; Ott, 1989:61). Deeply held assumptions in an organization often start off as values, but are validated as they stand the test of time, taken for granted and then take on the character of assumptions (Theron, 1992:38).

3.5   **DEFINITIONS OF CORPORATE CULTURE**

Hofstede and Bond (1988:6) define corporate culture as "the collective programming of the mind that distinguishes the members of one category of people from those of another".

According to Flanigan and Finger (2000:305) and Harvey and Brown (1996:67) every organization has a unique culture, determined by the individual and group beliefs, values, attitudes and expectations, which interact with an organization's people, structure, and systems to produce behavioural norms ("the way things are done around here").

According to Kaye (1998:13-15) everything that happens in an organization is driven by the organization's culture. It defines what the organization considers as being important and what it considers as being unimportant, how people celebrate successes, react to challenges, and deal with disappointments. If strategy defines where an organization wants to go, culture determines how - maybe whether - it gets there, because it controls how people make decisions and set priorities (Kaye, 1998:13-15; Case, 1996:42). Robbins (1998:595-596) adds to this view by referring to organizational culture as a system of shared meaning or a set of key characteristics that the organization values. The primary characteristics that capture the essence of an organization's culture include innovation and risk taking, an outcomes focus rather than techniques and processes, a people and team orientation, competitiveness, and a developmental focus.

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

Theron (1992:33) defines organizational culture as "the social force that controls patterns of organizational behaviour by shaping members' cognition and perceptions of meanings and realities, providing effective energy for mobilization and identifying membership or non-membership".

3.6   **TYPES OF ORGANIZATIONAL CULTURE**

According to Schein (1990:111) and Greenberg and Baron (2000:487) several subcultures, based upon occupational, professional, or functional divisions, usually exist within a single organization and it is important to keep the existence of these subcultures in mind when considering corporate culture and its effects. Three types of subcultures are distinguished by Martin and Siehl (1983:53), viz. enhancing, orthogonal and counter-cultural subcultures. An enhancing subculture always adheres to the core values of the dominant culture, while in an orthogonal subculture the people will adhere to the core values of the dominant culture, but also develop an unconflicting set of values peculiar to themselves. The core values of the counter-culture present opposition and a direct challenge to the dominant culture which leads to uneasy symbioses (Theron, 1992:42).

Handy (1987:188-196) distinguishes between four types of culture, viz. a power culture, a role culture, task culture, and a personal culture. Organizations with power cultures are proud, tough, competitive, and have the ability to move quickly and react to threats and danger. Power politics is a particular feature of large organizations where the diversity of people who think and behave differently, leads to tension, which can only be resolved through political means (Theron, 1992:43). Role cultures are often stereotyped as bureaucratic and are based on position power, not personal or expert power (Theron, 1992:43). According to Lessem (1989:292) role culture is based on the assumption that rational man is capable of organizing an organization in a logical way by means of a system of prescribed roles, sustained by rules and procedures. Handy (1987:196) views a task culture as a team culture being job or project orientated, where it derives its power and influence from expert power. Efficiency is enhanced by selection of individuals with the objectives of the organization. The unifying power of the team facilitates the formation and reformation of the project and other teams for specific purposes (Theron, 1992:43). Organizations with personal cultures are characterized by self-orientated individuals being given centre stage to do what they are good at, and the power base is usually expertise. Examples are social groups, families and small consultancy firms (Theron, 1992:45).

Deal and Kennedy (1982:107) distinguishes between four generic types of culture, viz. the tough guy-macho culture, the work hard and play hard culture, the bet-your-company culture, and the process culture. The tough guy-macho culture implies a high risk culture with rapid decision-making and feedback to individuals on their behaviour. This culture is also categorized with internal competition and requires a tough attitude (Theron, 1992:46). The

work hard and play hard culture is categorized by fun and a high level of relatively low risk activity where systems are designed to minimize risk. This culture values customers and their needs (Theron, 1992:46). The bet-your-company culture is categorized by high risk, big stake decisions and slow feedback from the environment. Deal and Kennedy (1982:116) describe this culture as "a duet of high risk and slow feedback". It implies a huge risk for the future of the organization that invests large sums of capital in projects that might take years to develop and implement before success could be measured. The values of this culture are future orientated (Theron, 1992:46). Deal and Kennedy (1982:107, 119-120) describe a process culture as a focus on the technical perfection of the work performed. Process cultures are usually found in banks, insurance industries, and financial services organizations.

3.7   THE FORMATION AND ROLE OF CORPORATE CULTURE

3.7.1   THE FORMATION AND EVOLUTION OF CORPORATE CULTURE

Factors affecting the formation of a corporate culture include the influence of founders and management, its history, size and technology used, various factors of the external environment, goals and objectives, and the beliefs, values, norms, assumptions, attitudes and expectations of individuals and groups (Handy, 1987:197; Greenberg and Baron, 2000:496).

Ivancevich and Matteson (1999:93) argue that corporate culture evolves over a period of time and can be influenced by powerful individuals, but typically evolves when individuals and groups interact and work together.

3.7.2   THE MANIFESTATION AND ROLE OF CORPORATE CULTURE

Armstrong (1999:96-97) proposes that corporate culture is expressed by behaviour in the area of management style, the organization climate, and corporate values and norms. Corporate values are the beliefs of what will lead to success for the organization and the unwritten rules or norms used to set guidelines for behaviour. The organization climate is the working atmosphere as perceived and experienced by employees. This will encompass people perceptions and reactions to the characteristics and quality of the corporate culture and its values (Armstrong, 1999:96-97).

According to Greenberg and Baron (2000:488) the role of corporate culture is to provide a sense of identity to its members, to enhance commitment to the organization's mission, and to reinforce behavioural standards.

3.8   **CORPORATE CULTURE, ORGANIZATIONAL EFFECTIVENESS AND SUCCESS**

According to Harvey and Brown (1996:68) the most critical factors in organizational strategy and success are management style and culture. Denison (1990:5-6) agrees that there is a close relationship between organizational culture and organizational success. The success of effective and high performance organizations are usually attributed to a combination of beliefs, values, policies, procedures, and practices. There is a relationship between effectiveness and the translation of core beliefs and values into policies and practices. Specific practices regarding the management of human resources, management of the internal environment, planning strategy, work design, decision-making, and conflict handling influence performance and effectiveness (Denison, 1990:5-6).

Robbins (1998:602) argues that organizational culture can be a liability, where the potentially dysfunctional aspects of a strong culture can impact on organizational success. Strong cultures can become barriers to change where practices that led to previous successes, can lead to failure when those practises are not aligned with environmental needs, transformation and change (Robbins, 1998:602). Managing diversity is a strategic process to change the organization's culture to one that values diversity and should be implemented as part of business objectives (Dobbs, 1998:161-174). Many organizations view diversity as a problem to overcome or manage, but few organizations recognise the impact of diversity on organizational culture, and as a potential source of organizational success (Miller, 1998:151-160).

According to Denison (1990:5-7) there are four integrative principles by which an organization's culture influences its effectiveness, viz. involvement, consistency, adaptability, and mission principles. Denison (1990:7) argues that involvement and participation might be seen as a management strategy for effective performance but might lead to a better work environment for the worker with these needs and expectations, leading to a sense of ownership, commitment and responsibility. The consistency principle refers to the positive impact a strong culture can have on organizational effectiveness (Denison, 1990:8). He argues that the shared values, symbols and beliefs influence employees to be committed to the objectives and policies of the organization. This system of internalized values acts as an effective control system coordinating the objectives and behaviour of the members of the organization (Denison, 1990:8). The consistency principle is fundamental in developing a strong, effective culture and a committed workforce (Theron, 1992:51). Theron (1992:51) argues that a management system that exerts constructive pressure for employees to perform,

needs a high degree of integration and coordination, which is brought about by a close alignment between central values and beliefs and actual policies, practices and objectives. The adaptability principle of Denison (1990:9-11) covers three mutually supporting aspects which impacts on organizational effectiveness, viz. the ability to perceive and react to the external environment, the ability to respond to the needs of internal customers, and the capacity to restructure and institutionalise behaviour and processes which allow the organization to adapt (Theron, 1992:51). The mission principle implies organizational culture to be driven by a clear mission, which defines the appropriate course of action, purpose and meaning to the organization and its workforce (Denison, 1990:13).

Sherwood (1988:7-9) claims that efficient, high performance work cultures are characterized by high energy and enthusiasm, a quality drive, efficient organizational structures and work designs. Other features include a shared sense of purpose and vision, teamwork, delegation and empowerment, opportunities, and the integration of people and technology. The development of an efficient work culture revolves around five key elements, viz. people, technology, political processes, the environment, and the links between these five elements (Sherwood, 1988:18).

3.9   **CULTURE MANAGEMENT THROUGH CULTURE CHANGE**

According to Harvey and Brown (1996:70-71) and Greenberg and Baron (2000:496) several factors make it highly unlikely that the culture of a given organization will remain entirely constant over long periods of time. Shifting market conditions and increased competition, new technology, new legislation, changes in human resources, internal processes or structure changes, virtually assure that organizational culture will have to change as well.

3.9.1   **A DEFINITION OF CULTURE MANAGEMENT AND CULTURE CHANGE**

According to Armstrong (1999:97) culture management is the process of developing or reinforcing an appropriate culture in the organization. Armstrong (1990:80; 1999:97-98) explains that culture management is concerned with culture change, culture reinforcement, implementation, and change management. According to Harvey and Brown (1996:70-71) culture change implies a "change in the basic values, in the hearts and minds of employees and management ". Armstrong (1999:97) explains culture change as the diagnosis of the present culture, and the development of values that are congruent with the organization's mission, strategies, technologies and environment. The aim should be to achieve changes in the organizational climate, management style and organizational behaviour (Armstrong,

1999:97). Culture reinforcement is needed of the values in the present culture that are applicable to the new culture as well. Planning and implementation on the basis of the above steps indicate what aspects of the culture as defined by assumptions, values, climate and management style need to be changed and what aspects should be maintained or reinforced (Armstrong, 1990:80). Change management is needed to enable the culture to adapt successfully by building commitment to the mission, strategies and values (Armstrong, 1999:98).

3.9.2   **STEPS IN CULTURE CHANGE**

Corporate culture is embedded in the very nature of organizations and impacts on organizational effectiveness and success. Sherrington and Stern (1997:27) identified the steps in changing a corporate culture (or department subculture), viz. alignment of corporate culture and corporate strategy, needs assessment, executive direction, infrastructure, collateral organization, training and development, tracking, and evaluation. The alignment of corporate culture and corporate strategy is essential when any significant organizational change occurs. This organizational alignment is concerned with the compatibility and consistency between the strategy and culture. During the needs assessment the desired culture will be determined by focusing on the mission, strategy, technology, and environmental factors, scrutinizing the present culture by analyzing the artefacts, the beliefs and values, and basic assumptions, organizational climate, and management style across all subcultures in the organization. Data will be gathered and analyzed with regard to the current culture and the desired culture, and the gaps need to be identified. Executive direction implies that management addresses the results of the needs assessment and develops a new philosophy, standards for success, role definitions, and other leadership decisions that will form and drive the new culture. Executives should start the culture change initiative for the development of shared values that are aligned with the mission and strategy. Infrastructure implies that all policies, procedures, and systems need to be changed or instituted to fully support the new culture and to ensure alignment with the desired values. The infrastructure addresses role expectations, accountability, and HR systems. Collateral organization implies that the implementation and communication of change initiatives should be monitored either by a steering committee, compliance monitors or other culture change groups. Training employees and managers will ensure new role expectations, new attitudes to such matters as customer service, quality, managing and motivating people for improved performance; to increase commitment to the organization and its values; to review and challenge assumptions, and to improve competencies or

develop new or relevant competencies. Organization development interventions should focus to improve coordination, teamwork, commitment, and conflict management. Tracking and evaluation are needed to communicate on progress, provide feedback from all stakeholders, and to add amendments to the change programme where needed. These steps will be discussed next.

3.9.2.1 **THE ALIGNMENT OF STRATEGY AND CULTURE**

Renton (1997:20) argues that the days of organizations being driven exclusively from the top have passed and he emphasizes the utilization of the total people-power of the organization. Management determines the strategy, provides direction and leadership, and manages the change that is needed to stay ahead in the face of ever-increasing competition. A key ingredient for success is developing a corporate culture that fully supports the strategy and the continuous change (Renton, 1997:24). Management and staff share the responsibility for developing and maintaining the supportive corporate culture of the organization. According to Jackson (1993:34) developing a new consistent culture is a process that should ideally involve a representative culture change team.

According to Harvey and Brown (1996:68) the most critical factors in organizational strategy and success are management style and organizational culture. Organizational culture can be a liability, where the potentially dysfunctional aspects of a strong culture can impact on organizational success (Robbins, 1998:602). Both strategy and culture provide important business direction and contribute to organizational success (Tosti, 1995:20). The model in Figure 3.1 provides a framework for examining the relationship between organization's culture, strategy, and performance.

FIGURE 3.1: <u>THE RELATIONSHIP BETWEEN STRATEGY AND CULTURE</u>.
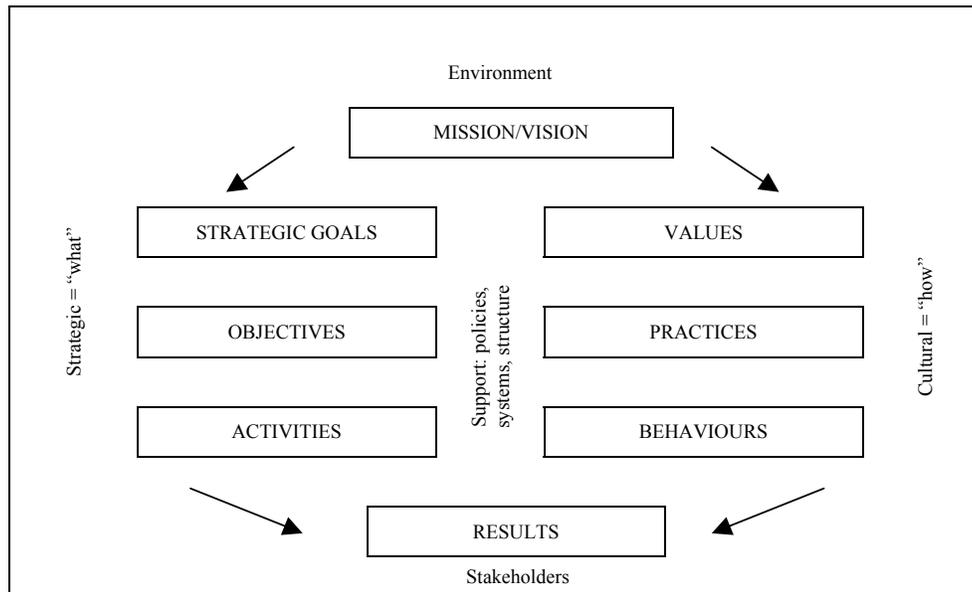
(Source: Tosti, 1995:20)

The model in Figure 3.1 depicts two independent paths for providing direction - for helping people move from the global statement of an organizational mission and vision to specific organizational results. These two independent paths are strategic and cultural. The strategic path (what must be done) on the left-hand emphasizes the broad strategic goals the organization will work toward, the objectives that everyone should accomplish, and the tasks and activities that must be performed to meet the goals and objectives (Tosti, 1995:19). The cultural path (how things should be done) on the right-hand emphasizes the business values implied by the mission and vision, the practices that reflect those values, the applicable behaviours that will represent the business values and practices to everyone (Tosti, 1995:19). The directional paths do not operate in isolation but interact with the external environment, its internal support systems, and all its stakeholders (Tosti, 1995:21).

The key implication of this model is that any significant organizational change - whether strategic or cultural - must take into account organizational alignment which is concerned with the compatibility between the strategic and cultural 'paths' and consistency within them (Tosti, 1995:19). Developing a mission statement that defines corporate mission, vision and values provides the foundation for aligning strategy and culture (Renton, 1997:24).

3.9.2.2 **THE ACTUAL AND DESIRED CULTURES**

Jackson (1993:34) argues that in order to build the most appropriate culture, it is necessary to have a clear idea of the strategic influences on the organization. Once this has been accomplished, the present (actual) and desired cultures and the 'gap' can be examined to identify the direction in which the organization's members would like to see the culture develop and where the largest 'gap' exists. Determining the desired culture, as reflected by the organization members' opinions, may not be best for the organization - this occurs where all employees are not clear on the organizational vision, mission, critical success factors and strategies or where leaders have not been successful in translating their sense of direction to the rest of the organization. When determining the desired culture and identifying the extent of 'gaps', the leadership can gain useful understanding of the ability and willingness within the organization to make changes in the values system which underpins particular norms (Jackson, 1993:34).

3.9.2.3 **ANALYZING ARTEFACTS, BELIEFS, VALUES, AND BASIC ASSUMPTIONS**

In order to understand the present culture the artefacts, the basic assumptions, beliefs and values need to be analyzed. Schein (1985:13-14) refers to artefacts as the visible, tangible and audible behavioural patterns evident in the physical and social environment. The analysis of the artefacts will identify the factors applicable to the desired culture and those factors that need to be changed (i.e. language and jargon, dress code, and overt behaviour).

South African organizational cultures are characterized by a diversity of values. Krech et al. (1962:102) see values as beliefs about what is good or desirable and what is bad or undesirable. The belief systems impact on, and influence behaviour of a member of the culture in a typical situation in that culture (Krech et al., 1962:351,380). Allport (1958:24) defines values as "the goal objectives of human motivation, personally attributable to or derived from the basic needs or instincts". Renton (1996:25) sees values as deep-down beliefs about what it takes to run lives successfully. Because they reflect attitudes to what is the 'right' way to behave (plan, work hard, quality results, integrity, reward results), they are the informal guidelines that people put into practice every day of their lives. Values represent people's views of the way things really should be and what they should expect of those around them. Everyone has and owns a collection of values which is used to set priorities, to make decisions, to manage relationships, to evaluate their own behaviour and the behaviour of others (Renton, 1996:25). Values lay the foundation for the understanding of attitudes and motivation and it influences perceptions and behaviour (Robbins, 1998:133). Deal and

Kennedy (1982:22) advance three characteristics of the value systems of successful organizations, viz. they have a clear and explicit philosophy about conducting business, values are shaped to conform to the business environment, and the values are known and shared by all employees. McDonald and Gandz (1992:64) define shared values as "the glue of the organization", "an overall sense of definition", and "divisional planets revolving around a corporate sun, shared values acting as the gravitational force". Organizational values are central to organizational culture and impacts on organizational behaviour, viz. give character and identity to the organization and its members (Deal and Kennedy, 1982:23), determine its design, interpersonal relationships, goals, focus areas, decision-making, problem-solving, and ethical conduct (Theron, 1989:85;1992:101).

In order to determine the gap between the present corporate culture and the desired culture, the values and beliefs within the organization and its subcultures need to be analyzed. McDonald and Gandz (1992:64) state that if an organization hopes to see a set of shared values manifest itself in increased capability and effectiveness, those values must be brought out into the open and discussed. According to McDonald and Gandz (1992:64) the analysis should focus on the identification of the shared values across the diversity of the workforce, boundaries and all subcultures in the organization, tracking of these core values in the actions, behaviours, policies, procedures and practices, analyzing if the shared values support or impede the vision and the competitive advantage of the organization (McDonald and Gandz, 1992:64). The authors argue that management must ensure that its shared value set is appropriate for the diverse workforce, given their skills, goals, tasks, and cultural or ethnic beliefs. The analysis should focus on the sense of meaning of the core values, the commitment to the core values, the manner in which they empower employees, and the manner in which the organization recognizes and reinforces these values in the selection, training, compensation, promotion, and corporate communications programmes (McDonald and Gandz, 1992:64).

Only validated values are transformed into assumptions (Theron, 1992:36). According to Armstrong (1990:80-81) the analysis of the cultural assumptions should focus on the type of business and the nature of the market place, the business style at present (aggressive, competitive, opportunistic or reactive, dynamic or static), and the orientation to the market (production or technology-orientated), the way work is organized and structured (bureaucratic or informal, multi-level or flat structures), the human resources (diversity, competencies, needs and expectations), the manner in which employees are treated (as

partners or servants, open, two-way communication, participation in problem-solving and decision-making, motivation or controlled people management). The assumptions could be invalid, in which case they need to be challenged, or they could be valid and not acted upon, in which case they need to be reinforced (Armstrong, 1990:81).

3.9.2.4 **ANALYZING THE ORGANIZATIONAL CLIMATE**

Guastello (1987:165-183) argues that changes in performance levels, rates of absenteeism, and turnover are best described by a non-linear interactive process that is controlled by employee abilities, intrinsic and extrinsic motivational factors, and organizational climate variables. Armstrong (1999:96) defines organizational climate as the perception (views, opinions and feelings) about the culture in the organization. According to Altmann (2000:15) these perceptions are descriptively based rather than value based. Altmann (2000:15) argues that organizations that want to remain competitive and maintain a competent and motivated workforce, should focus their attention on a key component of organizational success – the organizational climate. Nave (1986:14-19) suggests that climate surveys focus on four factors that affect the climate within the organizational context, viz. communication patterns, management practices, employee morale and motivation, and the job itself. People could be asked what they think is good and bad about the organizational climate. This can be done comprehensively by an attitude survey or by using focus groups – special semi-structured discussion groups of employees set up to elicit shared attitudes and beliefs about the organization (Armstrong, 1990:84). According to Greenberg and Baron (2000:170) work-related attitudes can be defined as lasting feelings, beliefs, and behavioural tendencies towards various aspects of the job itself, work settings and the people involved. Figure 3.2 indicates that attitudes have three major components.

FIGURE 3.2: <u>THE BASIC COMPONENTS OF ATTITUDES</u>.
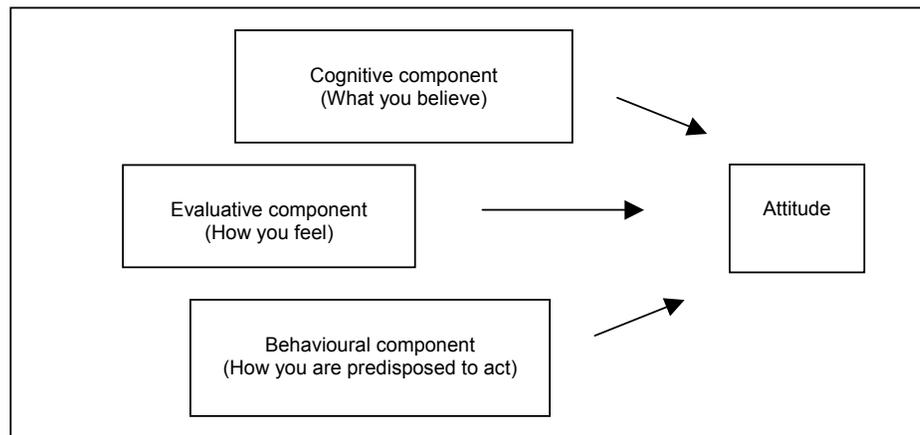
(Source: Greenberg and Baron, 2000:169)

Greenberg and Baron (2000:170) argue that work-related attitudes are one of many factors influencing organizational behaviour with important outcomes such as job performance, absence from work, and voluntary turnover. In this and many other situations, a link between work-related attitudes and important aspects of either individual behaviour or organizational functioning may exist, but other factors may moderate it, or make it difficult to observe. Three prominent work-related attitudes are discussed next.

According to Greenberg and Baron (2000:170) job satisfaction involves positive or negative attitudes toward one's work. Job satisfaction is affected by many factors relating to organizational policies and procedures, specific aspects of jobs and work settings, and personal characteristics of employees. Job satisfaction affects important aspects of organizational behaviour, such as absenteeism, withdrawal, and voluntary turnover. Its impact on task performance is less certain, but some evidence indicates that it may have an effect on citizenship behaviour (Greenberg and Baron, 2000:170-179).

According to Robbins (1998:142) job involvement measures the degree to which a person identifies psychologically with his or her job, their active participation in the job, and considers his or her perceived performance level important to self-worth.

According to Robbins (1998:143) organizational commitment involves attitudes on the part of individuals toward their organization. High levels of organizational commitment are associated with strong acceptance of the organization goals and values, and a willingness to

exert efforts on its behalf. Organizational commitment stems from many different factors (e.g. the level of responsibility or autonomy connected with a given job, employee ownership of the organization). It affects several aspects of organizational behaviour (e.g. absenteeism, turnover)(Baron and Greenberg, 2000:181). Organizational commitment is a better predictor of organizational behaviour than job satisfaction alone, because organizational commitment is a more global and enduring response to the organization as a whole (Robbins, 1998:143).

The assessment of employee attitudes can help organizations to manage change. Attitude assessments should cover the following three levels, viz. job satisfaction, job involvement, and organizational commitment. The analysis regarding the organizational climate should access the identification with organizational goals and values, perceptions of organizational policies, procedures and practices, specific needs and expectations of work including responsibility, performance standards, feedback on performance, challenging and motivating jobs, adequate support and guidance in the work environment, opportunities for growth, fair reward systems, recognition and promotion systems, the approach to work (reasonably flexible and informal or bureaucratic), risk taking, openness of management regarding innovation, new ideas and problem-solving, feelings of warmth and good fellowship in the atmosphere, and whether the organization is seen as an employer of choice where staff are motivated and valued for their contributions (Armstrong, 1990:82-83).

South Africa's human resources hold the key to its success. Competitive levels of productivity, customer service and product quality need motivated and committed staff. Restructuring, re-engineering, transformation and making more use of technology may be necessary, but positive employee attitudes are critical to long-term success. With knowledge of the current attitudes of employees it will be possible to target the areas that need attention. The measurement of employee attitudes can help organizations to manage change. The challenge for organizations is to measure and acknowledge the prevailing attitudes and then explore the reasons behind them. This information enables HR to propose a programme of action.

3.9.2.5 **ANALYZING MANAGEMENT AND LEADERSHIP STYLE**

Analyzing the management and leadership styles are of vital importance during culture change because leaders are there to influence and motivate staff during the culture transition. In order to be effective in this role leaders need certain personality traits, competencies, motivation, attitude, and behaviour. The steps in organizational culture

change, viz. alignment of organizational strategy and organizational culture, the actual and desired cultures need to be determined, an analysis of the artefacts, beliefs, values, and basic assumptions is needed and the organizational climate should be analyzed through attitude measurement, but for successful change of organizational culture, effective management and leadership are needed to motivate individuals and to facilitate culture change.

Armstrong (1990:84) argues that a change in management style is best achieved by example from senior management. Management style will also be strongly influenced by the previous steps of strategy and culture alignment, the desired culture and values, and the analysis of organizational climate. When managers are appraised, their management style should be a subject for discussion and agreement should be reached between the people concerned on where changes are desirable. Self-appraisal and appraisals from seniors, peers and subordinates should be encouraged (Armstrong, 1990:84). Formal assessments of the competency profiles of management would help to determine development needs such as knowledge and skills, establishing own motivation and commitment to culture change, analyzing leadership qualities and behaviour (task-oriented, person-oriented), analyzing perceptions and assumptions about change, and leadership styles for a diverse workforce. This analysis would provide insight as to where the focus should be for individual leaders to be more effective during the culture change programme.

3.9.2.6 **DEVELOPMENT AND IMPLEMENTATION OF SHARED VALUES**

The alignment of corporate culture and corporate strategy, changes needed for the desired culture (focusing on the mission, strategy, technology and environmental factors), and the analysis of the artefacts, beliefs, values, basic assumptions, organizational climate and management style across all subcultures in the organization, will provide information on the changes needed during culture change. The development of shared values is vital to address the "gap" between the actual and desired corporate cultures. McDonald and Gandz (1992:64) observe that organizations confronted by change on the one hand and their traditional set of shared values on the other hand have been carefully analyzed and found to be dysfunctional. They should analyze their willingness and capacity to change those shared values, the specific changes required, the subculture(s) affected, and analyze their commitment to those changes (including senior management).

With all the information at hand the values for the new culture can be developed through participation of all employees and subcultures. The core values of the organization can be determined and should be discussed – at board level and throughout the organization. The core values should be restated formally on the basis of these discussions, reinforced and acted upon by other culture change activities (Armstrong, 1990:84). Development of shared values, the communication and implementation of the new shared values should be driven by line management to ensure commitment and responsibility. Renton (1996:27) argues that the various messages and communication methods must focus consistently over time on the same core values (behaviours and priorities), be reinforced by all the management processes that control behaviour and priorities (recruitment and selection, induction and training, performance management, systems and work processes, recognition and rewards), and be evaluated in the same way as every other management process is evaluated.

Values will only be effective if they are shared, developed with representation across all subcultures, structures and levels of employees, believed in, acted upon and pursued relentlessly (Armstrong, 1990:82). According to Renton (1996:25) shared values will make certain aspects of organizational life obsolete, viz. multiple layers of management and supervision, comprehensive rule books and procedure manuals, and tight controls and policing to ensure employees behave the way they should.

McDonald and Gandz (1992:64) suggest different propositions of shared values for different organizations or cultures. "Relationship-oriented organizations will emphasize and reward the shared values of broad-mindedness, consideration, cooperation, courtesy, fairness, forgiveness, humor, moral integrity, openness, and social equality. Change-oriented organizations will emphasize and reward the values of adaptability, autonomy, creativity, development, and experimentation. Task-oriented organizations will emphasize and reward the values of aggressiveness, diligence, and initiative, and organizations interested in maintaining the status quo will emphasize and reward the values of cautiousness, economy, formality, logic, obedience, and orderliness" (McDonald and Gandz, 1992:64).

Once the shared values have been developed they should become part of organizational behaviour and be reinforced in all HR systems and management practices. Renton (1996:27-28) argues that management has a vital role to play in this regard. Managers need to clarify with their employees what values and behaviours are expected, inspected, and rewarded in their team. They also need to ensure everyone knows why they are important to the success

of both the individual and the team (Renton, 1996:28). Managers need to define with their team what each value means to them and how it will be monitored in practice, regularly monitoring the progress in living the values and implementing the improvements needed, assessing the demonstration of shared values in performance management (both team and individual performance), implementing and tracking all shared values in the HR processes, appointing compliance monitors (and all employees) to report on observed behaviour and issues in aligning established practices with each shared value, lead by example, behaviour modelling (in meetings, discussions and reviews, when questioning, challenging, and recognising employees), living the values and championing the values publicly, and publicly recognising the behaviour of organization 'heroes' who have shown dedication to corporate values.

3.10   **RESISTANCE TO CULTURE CHANGE**

Armstrong (1990:83) argues that the analysis of assumptions, values, climate and management style should indicate any areas where changes need to be made or the existing situation reinforced. Culture change is and can be difficult, painful and prolonged. Quick results might be wishful thinking. Fundamental changes can take years, and organizations should anticipate resistance to change. Cultural assumptions and values may be deeply entrenched and people will not give them up easily. Organizations cannot simply issue a new charter of corporate values and expect people to act on them whole-heartedly and at once. Values should be shared, developed across all differences in the organization, relevant and valid (Armstrong, 1990:83).

Tichy and Devanna (1990:79-84) argue that successful planning and implementation of culture change require management anticipation of the key reasons for cultural resistance to change, viz. cultural filters resulting in selective perception, "regression to the good old days", and a lack of climate for change. Cultural filters resulting in selective perception implies that organizational culture may highlight certain pertinent values, making it difficult for members to perceive other ways of doing things. Management should have the knowledge and skills to anticipate the resistance to change and to manage the change initiatives accordingly. Because people feel secure when returning to the past it is of vital importance for them to clearly understand the change initiatives, and be involved as far as possible from the planning stage to the implementation stage. People would also like to know how they can benefit personally.

Harvey and Brown (1996:74), Robbins (1998:616) and Armstrong (1999:99-100) add to the views of Tichy and Devanna by identifying the key factors in culture change, viz. management's ability to lead with a vision and by example, management's understanding of the old culture, management's ability to apply incentives to motivate employees to take ownership of change initiatives, management's ability to encourage, recognise and reinforce change in employees, selection, promotion and support to employees who live the new values, redesign of the socialization process, the HR policies and systems to align with the new values, and if necessary changing current subcultures through transfers, job rotation, and/or terminations, and patience because largescale change takes time. It is critical that an integrated and planned approach is followed where everyone is involved, linking and aligning the strategy and the desired culture, and tracking the progress.

3.11   **HUMAN RESOURCE'S ROLE IN CULTURE CHANGE**

Ndala (1996:27-28) states that the modern, learning organization will be judged in terms of its ability to use knowledge, and its effectiveness will be based on intelligence, information and ideas. Such an organization is governed by consent and participation rather than by command, and people will contribute because they identify with the core values and purpose of the organization. Managers should seek applicants who have inner motivation and whose values match those of the organization (Buhler, 2000:17). According to Ivancevich and Matteson (1999:77) intervening conditions are needed to evolve a positive, cohesive culture. Organizations should develop a sense of history about the successes of the past and should promote a sense of membership and commitment during recruitment, placement and socialization practices, promote intergroup coordination, participative decision-making, job security, career management, and development (Ivancevich and Matteson, 1999:77).

According to Sherrington and Stern (1997:27) HR professionals must play three critical roles in changing an organization's culture, viz. change HR's own subculture to be a role model for the larger organization, facilitate the culture change in the rest of the organization, and influence the culture. Facilitate the culture change implies that HR as a business partner must be an integral part of the planning and decision stages of change, provide direction for the change initiatives, provide the knowledge and skills training for change agents (all managers) to ensure success, and help drive the process of culture change. HR must influence the culture providing perspective and feedback especially regarding "people" aspects, support line management where needed and create supportive

changes in policies, procedures, and systems. Culture change will not be successful as a HR initiative but need the commitment, drive and support of all line management and employees.

3.12   **CONCLUSION**

From the discussion it is evident that corporate culture is complex and resists change. It can have a major negative impact on organizational success if managed improperly. Organizations in today's fast changing environment need an innovative corporate culture that incorporates the history of the organization, employees' needs, the organization products and services and the market place. Changing a corporate culture is difficult, but not impossible and starts with a shared vision, alignment of strategy and culture, and empowerment of employees. Building a new corporate culture involves quality information regarding the actual and desired culture(s) as well as a culture management programme to analyze artefacts, beliefs, values, and basic assumptions, organizational climate, and management style. All this information should then be incorporated and a holistic, integrated approach followed to culture change. The vital role of HR in culture change was also discussed.

CHAPTER IV
MOTIVATION

4.1   **INTRODUCTION**

In this chapter a definition of motivation as well as the motivation process will be reviewed. The early theories and the contemporary theories of motivation are discussed. Motivation within the organizational context is discussed with emphasis on variables that influence motivation, guidelines for creating motivated employee behaviour, activation techniques for management, motivation and modelling, the responsibility of employee motivation, and an integrated model for work motivation is offered.

4.2   **A DEFINITION OF MOTIVATION AND THE MOTIVATION PROCESS**

Motivation is primarily concerned with why people behave in a certain way. According to Daft (1991:402) motivation can be described as "the arousal, direction, intensity and persistence of individual behavior or action". Luthans (1998:161) explains, "motivation is a process that starts with a physiological or psychological deficiency or need that activates a behaviour or drive that is aimed at a goal or incentive". Physiological or psychological imbalances or deficiencies lead to needs, and drives or motives are set up to alleviate these needs. Luthans (1998:162) explains, "drives or motives are deficiencies with direction, are action orientated and provide an energising thrust towards reaching an incentive". The outcome/goal/incentive will alleviate the need and reduce the drive, or lead to feedback and reassessment of needs. These concepts give rise to the motivational process model, which is illustrated in Figure 4.1.

FIGURE 4.1: <u>THE MOTIVATION PROCESS MODEL</u>.
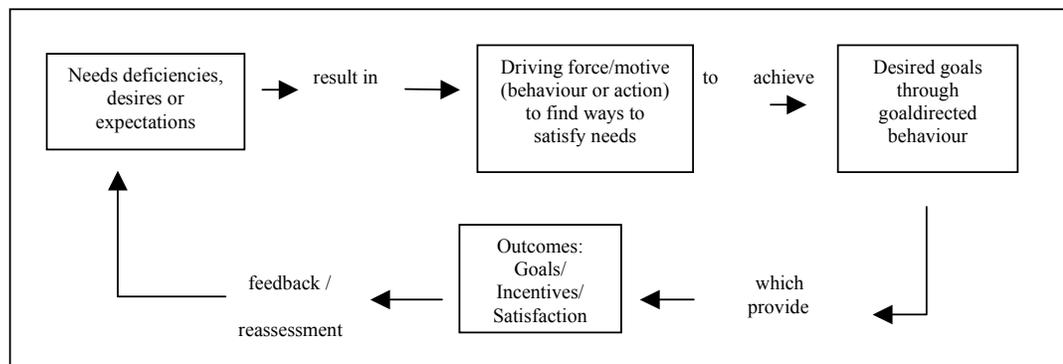
(Source: Adapted from Mullins, 1994:481; Ivancevich and Matteson, 1999:149)

As illustrated in Figure 4.1 people seek to reduce their need deficiencies that cause tension within people through goal-directed (outcome-directed) behaviour, that will provide feedback on the needs met and lead to the continuous reassessment of needs and expectations (Ivancevich and Matteson, 1999:148). Gerber et al.(1998:257) describes four common characteristics of motivation, viz. motivation is an individual phenomenon, motivation is described as intentional, motivation is multifaceted, and the purpose of motivational theories is to predict behaviour. Motivation is an individual phenomenon because people are different and unique in many aspects. This characteristic is supported by all the major theories of motivation. Motivation is intentional because behaviours that are influenced by motivation, such as effort expended, are seen as choices of action. Motivation is multifaceted with two important factors, viz. the motives that arouse or activate individuals to action, and the force (direction or choice of behaviour) of an individual (Gerber et al., 1998:257). Luthans (1998:187) explains that motives can be classified into primary, general, and secondary categories. Primary motives are unlearned and physiologically based, and include motives like thirst and hunger, avoidance of pain, sleep, sex, and maternal concern. General motives are unlearned as well but not physiologically based, and include activity, curiosity, affection, and manipulation. Secondary motives are learned, and include needs for security, affiliation, achievement, power, and status (Luthans, 1998:187).

4.3   **A BROAD CLASSIFICATION OF MOTIVATION IN THE WORK ENVIRONMENT**

Kastner (1988:20) argues that when new employees come to work, they bring with them sets of needs and expectations, which continue to change and evolve during their association with the organization. The degree to which these needs and expectations are satisfied, will not only influence the duration of the 'partnership', but also the employee's level of motivation and performance as well as the manner in which the organization achieves its goals (Kastner, 1988:20). Megginson, Mosley and Pietri (1992:420) view motivation as the process of inducing an individual or a group, each with distinctive needs and personalities to pursue not only the organization's objectives but also personal/group objectives. According to Ivancevich and Matteson (1999:146) job performance is a product of three factors, viz. the capacity to perform, opportunity to perform, and the willingness or motivation to perform.

Mullins (1996) in Gerber et al.(1998:258) provides a threefold classification for the motivation to work, viz. economic rewards, intrinsic satisfaction, and social relationships. Economic rewards include all remuneration and benefits, retirement rights, material goods and security. This is an instrumental orientation to work and concerned with "other things".

Intrinsic satisfaction is related to the nature of the work itself, interest in the job, and personal or professional growth and development. This is a personal orientation to work and concerned with "oneself ". Social relationships relate to friendships, group or teamwork, and the desire for affiliation, dependency, status, and socialization. This is a relational orientation to work and concerned with "other people" (see Figure 4.2).

FIGURE 4.2: <u>NEEDS AND EXPECTATIONS OF PEOPLE AT WORK</u>.
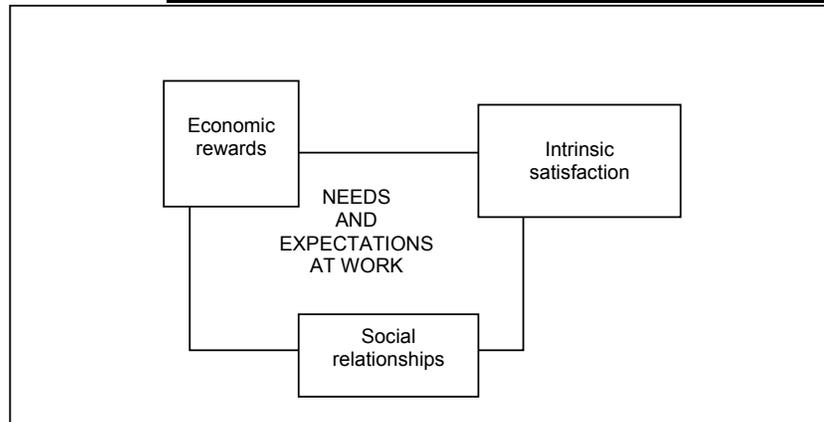
(Source: Gerber <u>et al</u>., 1998:258)

Gerber <u>et al</u>.(1998:259) argue that a person's motivation, job satisfaction, and work performance are determined by the comparative strength of these three sets of needs and expectations, and the extent to which they are fulfilled. The motivation to work is also influenced by the concept of the "psychological contract " in addition to the categories above. The psychological contract involves a series of expectations between the individual member and the organization that are not necessarily defined formally but they still affect the relationship between individual and the organization (Gerber <u>et al</u>., 1998:259).

4.4   **THE EARLY THEORIES OF MOTIVATION**

The theories of Maslow, Herzberg and McGregor are content theories; theories that are concerned with the question of what causes behaviour, and emphasize the needs that motivate people (Daft 1991:404; Megginson <u>et al</u>., 1992:425). These theories represent a foundation from which contemporary theories have grown and will be discussed next.

4.4.1   **MASLOW'S NEEDS HIERARCHY**

Maslow's (1954) theory has a twofold basis, viz. people continuously want things and their needs are arranged in order of importance. People continuously have needs, and as soon as one need is satisfied, another takes its place. People's behaviour is determined by a need or a combination of needs, and therefore a satisfied need cannot act as a motivator of behaviour. Maslow divides human needs into five main categories according to their importance. The lowest level contains the most basic human needs, which must be satisfied before higher-order needs emerge and become motivators of behaviour (Gerber et al., 1998:260-261). The levels of needs in Maslow's hierarchy are physiological needs, safety needs, social needs, esteem needs, and self-actualization needs. Physiological needs as the first level of needs are essential for a human being's biological functioning and survival (for example the need for food, water, and shelter). Physiological needs are the most basic and prominent needs; if they are not satisfied, human behaviour will be mainly directed at satisfying them. Safety needs are the needs that emerge on the next level as soon as physiological needs are reasonably satisfied and their importance fades. People now use energy to satisfy the need for a safe and secure environment that is free from threats of physical or psychological harm. Social needs include the need for love, acceptance, interaction, socialization, and friendship. According to Gerber et al.(1998:262) esteem needs can be divided into two groups, viz. self-respect and self-esteem, and respect and approval from others. Esteem needs include the need to be successful, have prestige, self-confidence, independence, freedom, recognition, and appreciation (Greenberg and Baron, 2000:135). Self-actualization needs will be prominent when all the other needs of the hierarchy are satisfied. Maslow (1954:92) describes these needs as "the desire to become more and more what one is - to become everything one is capable of becoming". Greenberg and Baron (2000:135) describe self-actualization as "the need to discover who we are and to develop ourselves to our fullest potential".

Projected into the work situation, Maslow's theory can be reflected in a triangle and highlighted with examples of so-called job factors, which can be used to satisfy particular needs - see Figure 4.3.

FIGURE 4.3: <u>MASLOW'S NEED HIERARCHY</u>.

Self-
actualization:
Achievement in
work; Advancement;
Development opportunities
and opportunities to use skills;
Meaningful and challenging
job; creativity;
Identification with
organisation's mission

Esteem: Social recognition; meaningful job; job title,
compliments, advancement; status symbols,
merit awards/increases; access to information

Social: Cohesive/compatible work group; employee-centred supervision;
goals; recreation and social activities, personal and professional friends

Safety: Job security; increases; openness; safe work conditions; fairness; company benefits

Physiological: Salary; rest breaks; pleasant work conditions, cafeteria facilities

(Source: Adapted from Kastner, 1988:23; Ivancevich and Matteson, 1999:151)

4.4.1.1 IMPLICATIONS OF MASLOW'S THEORY

Ivancevich and Matteson (1999:150-151) mention a few crucial points in Maslow's thinking, viz. how humans attempt to satisfy the more basic needs before directing behaviour toward satisfying higher-level needs, satisfied needs cease to motivate people, unsatisfied needs can cause frustration, conflict and stress, and because people have a need to grow and develop personally and professionally, they will strive constantly to move up the hierarchy in terms of need satisfaction.

Gerber et al.(1998:262) propose that this theory has many implications for individual performance. The most common strategy used by management to motivate people (among other things, by means of money, service benefits like life and health insurance, job security), is aimed at the continued satisfaction of needs on the physiological and safety level, which most employees in developed countries are easily able to meet themselves (living wage in SA). Gibson et al.(2000:131) argue that once a person decides that he/she earns enough for their contribution, money will lose its power to motivate that individual. As Maslow clearly points out, once satisfied, a need no longer acts as a motivator, so this strategy is not an incentive to perform. According to Gerber et al.(1998:262) the first two levels of needs have been satisfied for most employees. Organizations should give sufficient salaries to their

employees for them to afford adequate living conditions, provide job security and restrict layoffs or retrenchments, promote healthy lifestyles and incentives for a healthy workforce, promote physical fitness and exercise programmes, provide counselling services, and should encourage participation in social events. Developing a strategy that will translate social needs into an incentive for improved individual performance might be difficult. To redesign jobs and the work environment in a way that increases interaction between employees might have a negative effect on employees' work output (Gerber et al.,1998:262). Gibson et al.(2000:131) argue that the needs that probably provide the best opportunities for employee motivation are the fourth and fifth-level needs of Maslow's hierarchy, i.e. the esteem and self-actualization needs, which are often ignored in reward structures. Gerber et al.(1998:262-263) propose that organizations should have interesting, challenging and meaningful jobs and have informal and formal recognition in the form of praise, symbols, awards, and bonuses for motivation purposes. Motivation should be driven on an organizational level through policies, procedures, and systems but should include the individual focus of motivation because differences in values, cultures, work ethics, and work styles will lead to different needs. Individual differences in needs will require a unique approach to motivating employees.

4.4.2   **HERZBERG'S TWO-FACTOR MOTIVATION THEORY**

Herzberg (1954) found a set of factors or working conditions that tend to motivate people to improve their performance, resulting in job satisfaction through the fulfilment of the higher order needs of Maslow (Daft, 1991:407). These factors are closely related to the nature and job content of the work performed (intrinsic factors). Herzberg calls them growth factors or motivators. Ivancevich and Matteson (1998:153) and Gibson et al. (2000:135) report the following motivators of Herzberg, viz. feelings of achievement, recognition for achievements, increased responsibility, opportunities for advancement and development, and interesting, meaningful and challenging work. According to Herzberg, a job will tend to generate high intrinsic motivation if it includes these growth factors. If these factors are absent, however, the result is not necessarily dissatisfaction. Herzberg argues that dissatisfaction is caused by the absence of what he calls the hygiene or maintenance factors (extrinsic factors). These factors satisfy a person's lower-order needs and include organizational policy, procedure and administration, supervision, interpersonal relationship with colleagues, superiors and subordinates, remuneration and benefits, status, working conditions, and job security (Gerber et al., 1998:264). O' Malley (1999:16) identified the workplace demotivators that erode management's ability to effectively bring out the best in individual and team performances, viz. office politics, unclear expectations,

unnecessary rules and red tape, hypocrisy, unproductive meetings, lack of follow-up or frequent constructive feedback, lack of information, constant change, unhealthy internal competition, dishonesty, ineffective designed work processes, under-utilization, tolerating poor performance, being taken for granted, unfairness, using archaic processes or equipment, and being forced to do inferior or poor quality work. Herron (2000:16) identified unintentional demotivators that detract from primary management efforts, viz. a win/lose, power-driven problem-solving and communication style, a "Do it my way or else" leadership style, constant anti-employee, pro-organization interpretation of politics, procedures and employee benefits, and an organization's reluctance to discuss the obvious behavioural and personality issues that impede effective communication (game-playing, hidden agendas, avoidance of sensitive issues to "save face" or not to "rock the boat").

Herzberg's two-factor theory is depicted schematically in Figure 4.4.

FIGURE 4.4: <u>REPRESENTATION OF HERZBERG'S TWO-FACTOR THEORY</u>.
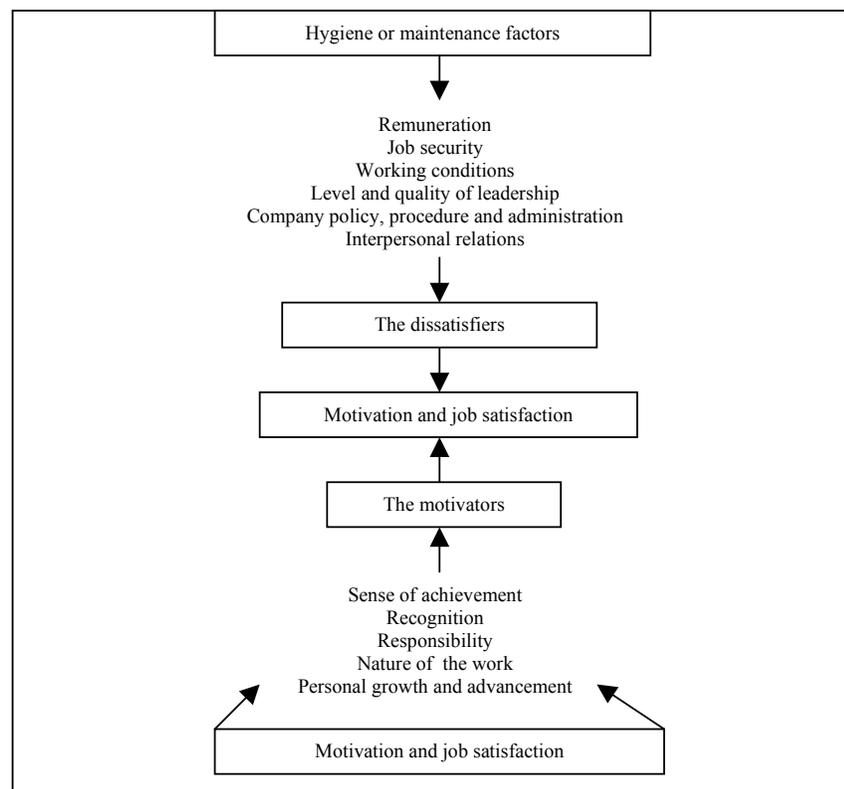
(Source: Adapted from Mullins, 1996:495)

4.4.2.1 **IMPLICATIONS OF HERZBERG'S THEORY**

From Figure 4.4 it is evident that Herzberg's model assumes that job satisfaction is not an unidimensional concept, but that two continua are needed to correctly interpret job satisfaction. If organizations only concentrate on hygiene factors, no motivation will occur. Motivators must be built into jobs (Ivancevich and Matteson, 1999:154). Management should remove the dissatisfiers – provide sufficient hygiene factors to fulfil basic needs – and use the motivators to meet individual higher order needs to propel employees to greater achievement and satisfaction (Daft, 1991:408). Megginson et al.(1992:436) explains that management should utilize practical things to create a motivating environment, viz. continuous skills development and management development, coaching and mentoring, delegation and empowerment, participative management practices, and recognition of achievements. The core of the motivators is the nature of the job or task. Gerber et al.(1998:264) argue that the motivators such as achievement, recognition, responsibility and growth will not be readily present unless the job itself is interesting, challenging and meaningful. Greenberg and Baron (2000:160) argue that today's work ethic motivates people to seek interesting and challenging jobs instead of just money. Herzberg sees the solution to the motivation problem in the design of the job itself, especially in job enrichment, to make the work more challenging, interesting and meaningful. His theory offers an explanation for the limited influence that more money, fringe benefits and better working conditions have on motivation (Gerber et al., 1998:264-267).

4.4.3 **MCGREGOR'S THEORY X AND THEORY Y**

Robbins (1998:170) explains that Douglas McGregor proposed two different views of humans: one essentially negative, labelled Theory X, and the other essentially positive, labelled Theory Y. After having observed the way in which managers dealt with employees, McGregor concluded that a manager's view of the nature of human beings is based on a certain grouping of assumptions and that he or she tends to mould his or her behaviour toward their subordinates according to these assumptions (Robbins, 1998:170). Theory X depicts the four assumptions held by managers, viz. employees inherently dislike work and, whenever possible, attempt to avoid it; because employees dislike work, they must be coerced, controlled, or threatened with punishment to achieve goals; employees avoid responsibilities and seek formal direction whenever possible, and most employees place security above all other factors associated with work and display little ambition.

McGregor's Theory Y listed the four positive assumptions, viz. employees can view work as being natural, as they regard rest or play; employees can manage themselves if they are committed to the goals and objectives; the average employee can take responsibility, and has the ability to make innovative decisions.

4.4.3.1 IMPLICATIONS OF MCGREGOR'S THEORY

Robbins (1998:171) argues that the motivational implication of McGregor's analysis is best expressed in the framework presented by Maslow. Theory X assumes that lower-order needs dominate individuals. Theory Y assumes that higher-order needs dominate individuals. McGregor himself held to the belief that Theory Y assumptions were more valid than Theory X. Therefore, he proposed such ideas as participative decision-making, responsible and challenging jobs, and good interpersonal and group relations as approaches that would maximize an employee's job motivation (Robbins, 1998:171).

Motivation is a complex process and depends on various factors including the diversity of people needs, expectations and aspirations. Assumptions about people, and uniform means to motivate individuals will lead to ineffective strategies to motivate them. Organizational policy, systems, procedures, and jobs should contribute to the realisation of a motivating environment. Management should have a holistic view of motivation, know their people as unique individuals, and take responsibility to establish and maintain a culture where people are motivated to work to their full potential.

4.5   CONTEMPORARY THEORIES OF MOTIVATION

The contemporary theories of motivation have one thing in common – each has a reasonable degree of valid supporting documentation (Robbins, 1998:174). The theories of McClelland, Vroom, Alderfer, the goal-setting theory, the reinforcement theory, and the equity theory are discussed next.

4.5.1   MCCLELLAND'S THEORY OF ACHIEVEMENT MOTIVATION

McClelland (1961) proposed a learned needs theory, believing that many needs are acquired from one's culture and from coping with one's environment (Ivancevich and Matteson, 1999:155). Learned needs theory proposes that an individual with a prominent need will be motivated to exhibit the appropriate behaviour to satisfy that need (Gibson et al., 2000:136). The presence and strength of these learned needs were tested by means of a projection test, known as the Thematic Apperception Test (TAT), which consists of a series of ambiguous

pictures. The person being assessed is asked to write a story on each of the pictures. From this, McClelland identified three primary needs that are important to different individuals, viz. the need for achievement, the need for power, and the need for affiliation. The need for achievement is the drive to accomplish something difficult, to excel, to achieve in relation to a set of standards and goals, to strive to succeed, and to surpass others (Daft, 1991:408). The need for power is associated with the need to make others behave in a way that they would not have behaved otherwise, to have responsibility/authority over others, and to control or influence them (Daft, 1991:408). The need for affiliation is the desire for friendly and close interpersonal relationships, and to avoid conflict (Robbins, 1998:175). For people with affiliation needs, quality social relationships take precedence over task accomplishment (Ivancevich and Matteson, 1999:155).

4.5.1.1 **IMPLICATIONS OF MCCLELLAND'S THEORY**

Ivancevich and Matteson (1999:155-156) explain that since needs are learned, behaviour that is rewarded tends to recur more frequently. People rewarded for achievement behaviour also learn to take moderate risks in order to achieve goals. Because needs are learned people with a high need for power or affiliation can be traced to a history of receiving rewards for sociable, dominant, or inspirational behaviour (Ivancevich and Matteson, 1999:156). As a result of this learning process, individuals develop unique configurations of needs that effect their behaviour and performance (Ivancevich and Matteson, 1999:155-156). According to Gibson et al.(2000:136) people with a high need for achievement want and accept a high degree of personal responsibility to solve problems; they set moderate and realistic achievement goals that are neither easy nor difficult; they take calculated risks, and they show a need for concrete, reliable and immediate feedback on their actions or performance. McClelland found that some people have a significantly higher need for achievement than others, and that they make a greater effort to overcome difficulties in order to achieve their goals (Gerber et al., 1998:268). According to Gibson et al.(2000:136) management should design jobs with clear outputs and standards, arrange job tasks so that employees could get regular feedback on their performance, identify and publicly recognise achievers and make role models of them, help employees to improve their self-image, and guide staff to be realistic about their goals, development opportunities, rewards, and promotion. McClelland believes that power can be negative when behaviour focuses on dominance and submission, or positive when it reflects persuasive and inspirational behaviour. Organizations should recognize and reward managers that exhibit persuasive and inspirational leadership. Organizations should establish a culture that values high achievement, while rewarding

inspirational leadership. Inspirational leaders (with good people skills) should motivate staff, and promote values like high achievement, respect, quality service or products, life-long learning and development, and teamwork.

4.5.2 VROOM'S EXPECTANCY THEORY OF MOTIVATION

Vroom (1964) defines motivation as a process of directed choices among alternative forms of voluntary activity or behaviour. In his view most behaviours are under the voluntary control of an individual and are consequently motivated (Ivancevich and Matteson, 1999:157). Armstrong (1999:213-214) explains that according to Vroom's expectancy theory, "motivation only happens when employees feel able to change their behavior, employees feel confident that a change in their behavior will produce a reward, and they value the reward sufficiently to justify the change in their behavior". According to Gerber et al.(1998:269) the expectancy theory of motivation is based on a few assumptions, viz. that individuals have expectations about outcomes as a result of what they do, that individuals have different preferences for different outcomes and thus are able to choose one course of action over another, individuals will be motivated to work well if they have the perception that their efforts will result in successful performance, and expect or believe that successful performance will result in desirable outcomes. Gerber et al.(1998:269) explain that these desirable outcomes may be divided into two groups, viz. "intrinsic outcomes or rewards, which are directly related to the task itself, i.e. how interesting and challenging it is, and extrinsic outcomes or rewards, which are related to the job context environment, i.e. salary and working conditions". According to Porter and Lawler (1968:34) intrinsic rewards correspond to Maslow's higher order needs and Herzberg's motivators. Extrinsic rewards correspond to Maslow's lower order needs and Herzberg's hygiene factors.

According to expectancy theory, motivation is produced by three types of believes: expectancy, instrumentality and valence. The theory also recognizes that motivation is only one of several factors responsible for job performance (Greenberg and Baron, 2000:150). The relationship between the basic variables in Vroom's motivation process is depicted in Figure 4.5 and discussed thereafter.

FIGURE 4.5: <u>VROOM'S MOTIVATION PROCESS</u>.
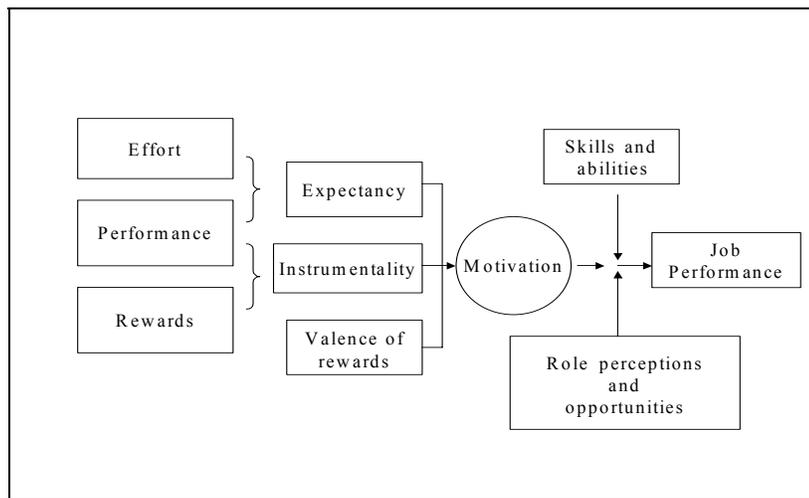
(Source: Greenberg and Baron, 2000:150)

Vroom's expectancy (probability) variable is the belief or conviction that one's effort or behaviour will influence the outcome. "If the expectancy is that performance will be impossible or improbable, little or no effort will be made. If the probability of achieving a specific performance goal is regarded as high, every effort will be made to achieve the goal" (Greenberg and Baron, 2000:150). Employees hold an effort-performance expectancy and a performance-outcome expectancy that is based on the individual's perception of the situation and not on objective reality (Ivancevich and Matteson, 1999:158). The choices regarding effort or behaviour will be determined by the greatest motivational force associated with it (Gibson <u>et al</u>., 2000:161). Instrumentality is an individual's belief that his or her own level of performance (first level outcome) will result in obtaining the reward (second-level outcome) (Gerber <u>et al</u>., 1998:269). If employees work hard and performance levels are high, their motivation may falter if that performance is not recognized or rewarded – if the performance is not perceived as instrumental to bring about rewards (Greenberg and Baron, 2000:149). Valence (applies to first and second level outcomes) refers to the value people place on the rewards they expect to receive or their preference for that particular outcome (Ivancevich and Matteson, 1999:158). When employees are convinced that their efforts will lead to good performance and rewards, their motivation might suffer if those rewards have a low valence to them (Greenberg and Baron, 2000:149).

Porter and Lawler (1968) argue that motivation does not equal satisfaction or performance. Porter and Lawler proposed an extension to Vroom's expectancy theory, viz. that continued

performance depends on the satisfaction on an individual level, satisfaction is determined by the extent of the individual's perception of the reward and the actual reward received. If the reward is equal to or exceeds the original perception of that reward, the individual will be motivated to repeat that performance, and if the reward is less than the original perception of the reward deserved, then the individual will not be motivated to repeat the performance (Smit and Cronje, 1992:321). Therefore Porter and Lawler see rewards and individual perception of fairness of these rewards as the link between performance and satisfaction (Smit and Cronje, 1992:321). Figure 4.6 depicts the Porter - Lawler motivation model.

FIGURE 4.6: <u>THE PORTER-LAWLER MOTIVATION MODEL</u>.
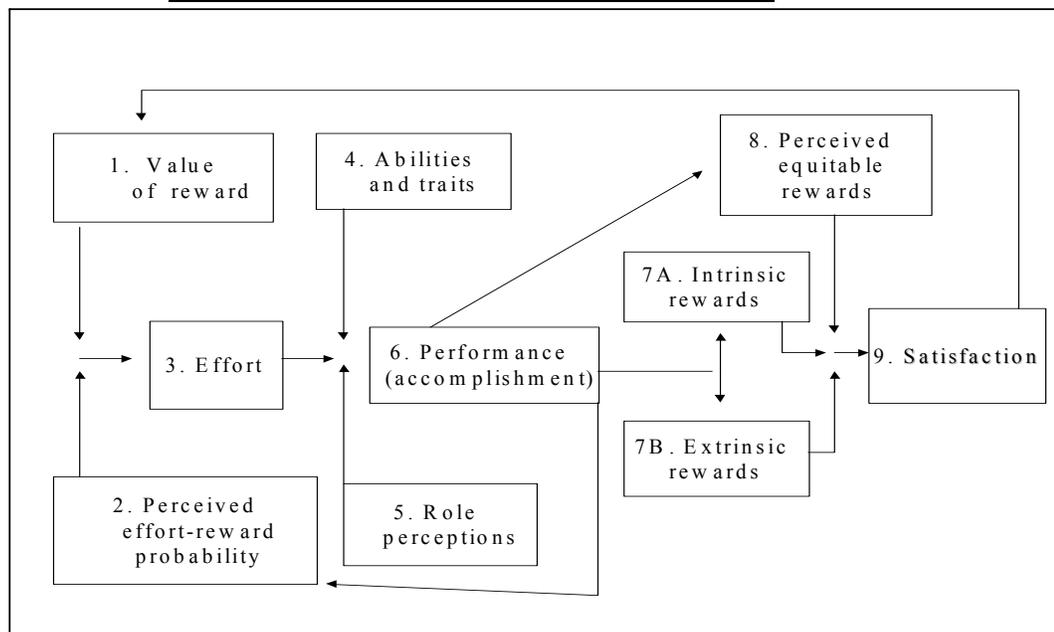
(Source: Luthans, 1998:179)

From Figure 4.6 it is evident that boxes 1-3 are basically the same as Vroom's model. Porter and Lawler point out that effort does not lead directly to performance, but it is also influenced by abilities and traits, and role perceptions. Performance or accomplishment is followed by rewards, and the way rewards are perceived will influence satisfaction (Luthans, 1998:178).

4.5.2.1 **IMPLICATIONS OF VROOM'S THEORY AND THE PORTER-LAWLER MODEL**

Greenberg and Baron (2000:149) argue that higher levels of motivation result when expectancy, instrumentality, and valence are all high, compared to a situation when they are all low, and if any one of the components is zero, then the overall level of motivation will also

be zero. Expectations play a vital role in work motivation because rewards will be more effective when employees know what they can get if they work hard and well enough. According to Gerber et al.(1998:270-271) an individual's expectancy of reaching a first-level outcome is influenced by a number of variables, including the job itself, previous experience, the individual's self-esteem and self-image, and knowledge of the performance standards. Management should clarify employee expectancy in this regard. Daft (1991:414) argues that management should place the best-suited individual, with the potential, skills and abilities to meet the job demands, motivate that individual by clarifying individual needs, explain the outcomes available from the organization, and ensure that every individual has the ability and support to attain the outcomes (skills training, development, time, and equipment). Ivancevich and Matteson (1999:173) argue that expectancy theory implies, that the need for more exacting and thorough diagnosis by management to determine the relevant forces or influences on the individual of which combine to motivate different kinds of behaviour. Following the diagnosis, the model implies a need to act – to develop a system of recognition and rewards, promotion, job assignments, group structures, supervision – to bring about effective motivation by providing different outcomes for different individuals (Ivancevich and Matteson, 1999:173). According to Armstrong (1990:210) management can influence instrumentality in a way that the relationship between effort/performance (first-level outcome) and reward/recognition (second-level outcome) is clearly defined in policies and reward systems. Performance standards and the consequences of non performance should be known to everyone, realistic and achievable goals should be set, and the path to gain promotion or take on greater responsibility should be clear (Armstrong, 1990:210; Megginson et al., 1992:438). Management can influence expectancy and instrumentality variables. The last variable in Vroom's theory, valence, cannot be manipulated as easily, as it depends on individual differences and preferences. In other words, the value attached to second level (such as compensation) differs from one individual to the next. Management must therefore ensure role clarity for all staff by clarifying work behaviour in the performance outputs, standards or behaviour, analyze the relationship between performance and satisfaction, analyze individual preferences or values of rewards, promotion, recognition or other motivational programs, link the performance requirements to the rewards and make an effort to satisfy individual preferences with flexible alternatives (Gerber et al., 1998:270-271; Luthans, 1998:180).

Tabel 4.1 gives a summary of a few expectancy theory applications for enhancing work motivation.

TABLE 4.1: <u>MANAGERIAL APPLICATIONS OF EXPECTANCY THEORY</u>.

Expectancy Concept	Employee Question	Managerial Action
Expectancy	"Can I attain the desired level of performance?	Select high-quality employees. Provide adequate training. Provide necessary resource support. Identify desired performance.
Instrumentality	"What outcomes will I attain as a result of my performance?"	Clarify the reward system. Clarify performance-reward possibilities. Ensure rewards are contingent upon performance.
Valence	"What value do I place on available performance outcomes?"	Identify individual needs and preferences for outcomes. Match available rewards with these. Construct additional rewards as possible and feasible.

(Source: Ivancevich and Matteson, 1999:160)

According to Robbins (1998:188-189) the expectancy theory recognizes that there is no universal principle for explaining everyone's motivations. If organizations actually rewarded individuals for performance rather than according to such criteria as seniority or grade, effort, competencies, and job difficulty, then the theory's validity might be considerably greater. "This criticism can be used in support of the theory, for it explains why a significant segment of the workforce exerts low levels of effort in carrying out job responsibilities" (Robbins, 1998:188-189).

4.5.3   **ALDERFER'S MODIFIED NEED HIERARCHY MODEL**

Alderfer (1972) condenses Maslow's five levels of needs into three levels, based on the core needs of existence, relatedness and growth (ERG theory). The ERG theory is a continuum of needs, unlike Maslow's hierarchy of needs or Herzberg's two factors (Luthans, 1998:175). "Existence needs are concerned with sustaining human existence and survival, and cover physiological and safety needs of a material nature. Relatedness needs are concerned with relationships to the social environment, and cover love or belonging, affiliation and meaningful interpersonal relationships of a safety or esteem nature. Growth needs are concerned with the development of potential, and cover self-esteem and self-actualization" (Gerber <u>et al</u>., 1998:268). In contrast with Maslow's theory, the ERG theory demonstrates that satisfied lower-order needs lead to the desire to satisfy higher-order needs, and more than one need may be operative at the same time (Gibson <u>et al</u>., 2000:132). Alderfer's ERG theory

proposes a frustration-regression principle, which implies where a higher-level need is frustrated, the desire to satisfy a lower-level need increases. The ERG model is less rigid than Maslow's need hierarchy, suggesting that individuals can move up or down the hierarchy, depending on their ability to satisfy needs (Daft, 1991:406).

4.5.3.1 **IMPLICATIONS OF ALDERFER'S THEORY**

Robbins (1998:175) argues that ERG theory is more consistent with our knowledge of individual differences among people. Variables such as culture, background, values, educational status, and occupational status can alter the importance or driving force that a group of needs holds for a particular individual. ERG theory represents a more valid version of Maslow's need hierarchy. Management can influence individual motivation by knowing their individual staff needs and frustrations, and should redirect effort toward relatedness or existence needs when frustration occurs at the growth needs (Gibson et al., 2000:133).

4.5.4 **THE GOAL-SETTING THEORY**

A goal is a specific target that an individual tries to meet; the target (object) of an action (Gibson et al., 2000:167). The goal-setting theory is based mainly on the work of Locke (1968). Locke agrees with the perceived value of outcomes as indicated by Vroom's expectancy theory. This perceived value of outcomes lead to emotions and desires, and people set goals that direct their behaviour in order to satisfy these emotions and desires (Gerber et al., 1998:274-275). According to Greenberg and Baron (2000:139) people's goals serve as a motivator because it causes people to compare their present capacity to perform with what is required to succeed at achieving their goal.

Figure 4.7 gives an illustration of goal-setting as applied in organizations.

FIGURE 4.7: <u>GOAL-SETTING AS APPLIED IN ORGANIZATIONS</u>.

Diagnosis for Goal-setting readiness	Preparation for goal-setting	Implementation
People History of change Job and technology Mission, strategies and plans of the organization	Participation via increased interaction Communication Formal training and development Establishment of action plans Establishment of criteria for assessing effectiveness	Goal-setting attributes: ✓ Specificity ✓ Difficulty ✓ Intensity ✓ Commitment Intermediate review: ✓ Frequency ✓ Exchange of ideas ✓ Modifications Final review: ✓ Discussion ✓ Analysis ✓ Development ✓ Recycling Anticipated goal-setting results: ✓ Improved motivation to perform, plan, organize, and control

(Source: Gibson <u>et al</u>., 2000:169)

Figure 4.7 depicts that a goal-setting programme in an organization should follow the following steps: (1) Diagnosing if the organization, the people, and technology used are ready for goal-setting, (2) preparing staff to set goals through communication, increased participation, and coaching, (3) emphasizing the attributes of goals to everyone, (4) conducting intermediate reviews to amend established goals, (5) conducting a final review to check set goals, amendments, and accomplished goals, and (6)feedback of the results from goal-setting in terms of improved motivation and skills (Gibson <u>et al</u>., 2000:169). According to Armstrong (1999:213) goal theory will increase motivation if specific goal-setting techniques are used, viz. specific performance goals should systematically be identified and set in order to direct behaviour and maintain motivation; goals should be set mutually, challenging but realistic and fair, reachable and reasonable, and constructive and timely feedback should be given.

4.5.4.1 **PRACTICAL IMPLICATIONS OF GOAL-SETTING FOR MANAGEMENT**

Locke (1968) subsequently pointed out that "goal-setting is more appropriately viewed as a motivational technique rather than as a formal theory of motivation". Gerber et al.(1998:275) argue that the combination of goal difficulty and the extent of the person's commitment to achieving the goal regulate the level of effort expended. People with specific quantitative goals, such as specific performance outputs, tasks, standards, and deadlines for completion of tasks, will perform better than people with no set goal or only a vague goal such as "do the best you can". People who have difficult goals will perform better than people with easier goals (Gerber et al., 1998:275).

According to Ivancevich and Matteson (1999:164) goal-setting provides a powerful technique for motivating employees, by catering for individual differences, and should have positive performance consequences when correctly used, and actively supported by management. Much of the theory of goal-setting can be related to the system of Management By Objectives (MBO). MBO is often viewed as an application of goal-setting, although MBO was devised before the development of goal-setting theory (Gerber et al., 1998:275).

4.5.5 **THE REINFORCEMENT THEORY**

Robbins (1998:182) mentions that a counterpoint to goal-setting theory is reinforcement theory. Goal-setting theory is a cognitive approach, proposing that an individual's purposes direct his or her action, while reinforcement theory is a behaviouristic approach that proposes that reinforcement conditions behaviour. Reinforcement theory disregards the issues of needs and thinking processes of the content and process theories, and focuses on the relationship between behaviour and its consequences (Daft, 1991:415). Reinforcement theory proposes that behaviour that has pleasant consequences will probably be repeated, whereas behaviour with unpleasant consequences will probably not be repeated (Smit and Cronje, 1992:323). Reinforcement theory can be used to modify on-the-job behaviour of employees through effective use of immediate rewards or punishments (Daft, 1991:415). According to Daft (1991:415) "reinforcement is anything that causes a given behavior to be repeated or inhibited". Luthans (1998:228) explains that positive and negative reinforcement (avoidance learning) increases the likelihood that the behaviour would be repeated, but "positive reinforcement strengthens and increases behavior through the presentation of a desirable consequence, and negative reinforcement strengthens and increases behavior by the termination or withdrawal of an undesirable consequence". Punishment is anything that weakens/discourage behaviour and consists of the imposition of an undesirable consequence

(Luthans, 1998:228). Various strategies can be applied for the different types of reinforcement, but also the scheduling of the "when and how frequently" reinforcement should take place (Smit and Cronje, 1992:324). Reinforcement can be done through scheduling fixed intervals, variable intervals, fixed ratios and variable ratios. Fixed interval scheduling rewards employees at specific time intervals and includes salary and annual bonuses. Variable interval scheduling occurs at random times where employees can be praised and rewarded for displaying the preferred behaviour. Fixed ratio scheduling occurs after a fixed number of performances, for example for every ten compliments a staff member receives from clients, they receive five shares in the company. Variable ratio scheduling influences the maintenance of desired behaviour the most by varying the number of performances required for each reinforcement, for example a team has an equal amount of rewards to give to their colleagues whenever they display good team player behaviour.

4.5.5.1 **PRACTICAL IMPLICATIONS OF THE REINFORCEMENT THEORY**

Reinforcement is undoubtedly an important influence on behaviour, but it ignores individual needs, feelings, attitudes, expectations, goals, inequity and other cognitive variables that are known to impact on behaviour (Robbins, 1998:182). Reinforcement can be used in conjunction with other motivation techniques but the rule should be to reinforce appropriate behaviour (instead of punishment) to change behaviour (Luthans, 1998:228). The principles of reinforcement and punishment are already part of many HR systems and procedures, including remuneration, performance management, and disciplinary procedures. Reinforcement theory can be very useful in establishing a culture-driven organization, where the applicable value-behaviour should be reinforced.

4.5.6 **THE EQUITY THEORY OF ADAMS**

According to Luthans (1998:180) the equity theory of Adams (1975) argues that a major factor influencing job performance and satisfaction is the degree of equity or inequity that employees perceive in the working environment. Daft (1991:410) describes equity theory as the focus on individual's perceptions on how fairly they are treated relative to others. Gerber et al.(1998:272) explain this employee perception as a comparison of what one employee receives on the basis of his or her effort with what other employees receive on the basis of their efforts-comparison of ratios of outcomes to inputs. For example, if an employee feels that he or she is being paid less than one or more colleagues for the same quality and quantity of work, such an employee will be dissatisfied and will attempt to reduce the inequity (Gerber et al., 1998:272). Outcomes are the rewards that employees receive from their jobs, including

remuneration, status, promotion, and intrinsic interest in the job. Inputs are the contributions to the job, such as experience, qualifications, the amount of time worked, age, sex, social status, and organizational position (Luthans, 1998:180). Figure 4.8 depicts the equity theory of motivation.

FIGURE 4.8: <u>THE EQUITY THEORY OF MOTIVATION</u>.
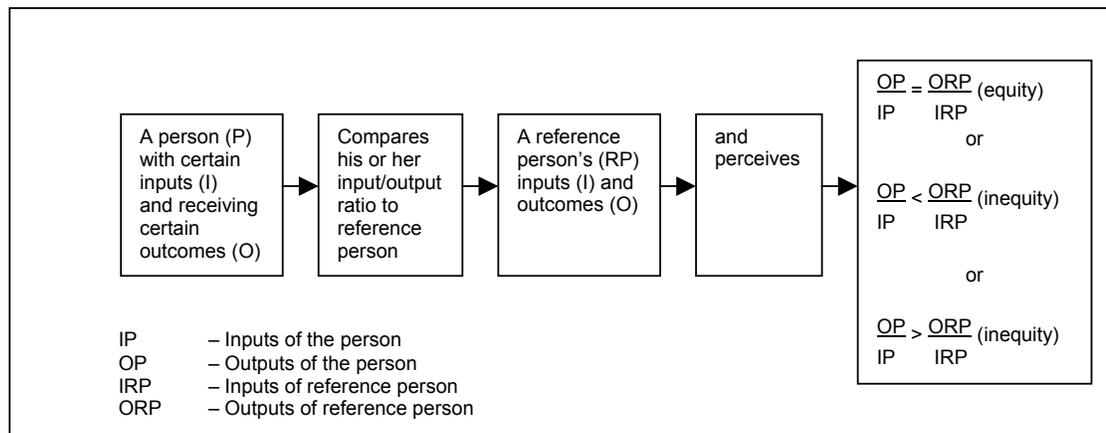
(Source: Ivancevich and Matteson, 1999:161)

Robbins (1998:183) argues that the referent that an employee selects adds to the complexity of equity theory. There are four referent comparisons that an employee can use, viz. self-inside, self-outside, other-inside, and other-outside (Robbins, 1998:183). Self-inside comparison is based on an employee's experiences in a different position inside the current organization, self-outside comparison is based on an employee's experiences in a situation or position outside the current organization, other-inside comparison is based on another individual or group of individuals inside the employee's organization, and other-outside comparison is based on another individual or group of individuals outside the employee's organization (Robbins, 1998:183).

According to Ivancevich and Matteson (1999:160-161) equity theory suggests a number of alternative ways that can be used to restore a feeling or sense of equity, viz. changing inputs, changing outputs, changing attitudes, changing the reference person, changing the inputs or outputs of the reference person, and leaving the field. Changing inputs might result in an increase or decrease of effort or time spent on the job. Changing outputs might result in remuneration changes, better working conditions, or a bigger office. Changing attitudes implies changing the perception of inequity or to distort their own perceptions regarding the inequity. Changing the reference person implies making comparisons with the input/output

ratios of another person that can restore equity. Changing the inputs or outputs of the reference person implies attempting to alter the inputs or outputs as a way to restore equity. Leaving the field implies to simply quit the job (Ivancevich and Matteson, 1999:160-161; Daft, 1991:410).

4.5.6.1 **PRACTICAL IMPLICATIONS OF THE EQUITY THEORY**

Employees do indeed evaluate the perceived equity of any organizational rewards received, to rewards received by others. Promotions or rewards will have no motivational value if it is perceived as being inequitable relative to other employees (Daft, 1991:410). Robbins (1998:186) argues that people have a great deal more tolerance of overpayment inequities than of underpayment inequities, or are better able to rationalise them. Not all people are equity sensitive and actually prefer that their outcome-input ratio be less than that of the referent comparison. Predictions from equity theory are not likely to be very accurate with these people (Robbins, 1998:186). Robbins (1998:186-187) explains that both distributive justice (perceived fairness of the amount and allocation of rewards among individuals), and procedural justice (the perceived fairness of the process used to determine the distribution of rewards) influence employee perceptions of fairness. Distributive justice has a greater influence on employee satisfaction than procedural justice, but procedural justice tends to affect an employee's organizational commitment, trust in his or her superiors, and intention to quit. Greenberg and Baron (2000:146) explain that procedural justice has a structural side (procedural justice based on how decisions are structured) and a social side (procedural justice based on how people are treated in the course of making decisions). Transparency is important regarding allocation decisions, and the consistency of the unbiased procedures. By increasing the perception of procedural fairness, employees are likely to view their managers and the organization as positive even if they're dissatisfied with pay, promotions, and other personal outcomes (Robbins, 1998:186-187). Greenberg and Baron (2000:147) suggest the motivational tips regarding organizational justice, viz. avoid under- and overpayment, delegate decisions that affect employees, promote unbiased decision-making, provide opportunities for poor decisions to be corrected, give feedback about outcomes in a thorough, socially sensitive manner, and apply rules and policies consistently.

4.6   **INTEGRATING THE THEORIES OF MOTIVATION**

Robbins (1998:189-190) and Ivancevich and Matteson (1999:146) agree that employee performance is a function of the interaction of ability (capacity to perform), opportunity to perform, and motivation. An individual's intellectual capital and skills (subsumed under the

label ability), motivation, and opportunity to perform must be considered to accurately explain and predict employee performance – performance = f (A x M x O). The opportunity to perform is influenced by supportiveness of the working environment, the work culture, the resources, favourable working conditions, supportive co-workers and management, supportive work rules and procedures, sufficient information and adequate time to perform the job (Robbins, 1998:189-190). The motivation theories presented in this chapter are complementary, but the challenge is to link these theories in order to understand their interrelationships in terms of the work environment.

4.7   **MOTIVATION THEORY IMPLICATIONS ON ORGANIZATIONAL BEHAVIOUR**

Robbins (1998:193-194) argues that the predictive power of motivation theories on organizational behaviour vary and they do not address the four dependent variables, namely productivity, absenteeism, turnover, and satisfaction, on an equal basis. The need theories try to explain and predict job satisfaction, and McClelland's need for achievement could be linked to the productivity variable (Robbins, 1998:194). Expectancy theory focuses on performance variables with a relatively powerful explanation of employee productivity, absenteeism, and turnover but with greater success for more complex jobs being performed (where decision discretion is greater) (Robbins, 1998:194). Goal-setting theory can be linked to productivity. Reinforcement theory can predict factors like quality and quantity of work, persistence of effort, absenteeism, tardiness, and accident rates, but it does not offer much insight into employee satisfaction or the decision to quit from a job. Equity theory impacts on all four dependent variables, but it is strongest when predicting absence and turnover behaviours.

4.8   **BEYOND MOTIVATIONAL THEORY IN THE ORGANIZATIONAL CONTEXT**

Tschol (1996:158) says that organizations should consider the financial value of motivated employees. Management still fails to understand the importance of work motivation and the creation of a motivating work environment (Robbins, 1998:167). An educated, trained and motivated workforce is essential for organizational success (Monks, 1998:122-123). Ramsay (1995:52) agrees that a motivated workforce is crucial to an organization's performance and success. Employees who enjoy their work are likely to be more productive, better performers and will enjoy good health. They are also less likely to complain about small things, or to attribute problems to other people. Demotivated workers are more likely to be negative; they lack interest, and generate very few ideas (Ramsay, 1995:52). Because motivation impacts on performance, it is crucial to understand what

motivates employees, and thus it is a key diagnostic skill for a manager to possess. The
actions a manager takes to motivate subordinates depend on that manager's assumptions
about what motivates people. Basson (1988:2) is also of the opinion that motivation is a
determining factor in optimal performance. Management must therefore be informed on the
variables that influence motivation and skills training should emphasize the importance of job
motivation for optimal performance.

According to Carrell, Elbert, Hatfield, Grobler, Marx and Van der Schyf (1998:178) the key
to a person's motivation lies within his or her values. If employees share the same values as
the employer, they are much more likely to be committed to achieving the same goals.
Therefore, if management wants to improve the performance of an organization, attention
must be given to the level of motivation of its members. Management must encourage staff to
direct their efforts (their driving force) towards the successful attainment of the goals and
objectives of the organization. This can only be done by means of continuous communication
with staff, in order to assess those employee needs and expectations. For organizational
performance and success, organizations need to build, implement and manage shared values
within the organizational culture and strategy, and should recruit, select, develop, motivate,
recognise, and reward individuals who share and live the same values. Armstrong (1999:215)
argues that to create a climate where high motivation will flourish is a matter of managing the
culture; where values concerning performance and competence are reinforced; where people
are motivated to develop their potential, and people are managed, motivated and rewarded for
their performance and value-behaviour.

According to Robbins (1982:291), theories on motivation, each with its strengths and
weaknesses, form the basis for the design and structure of the working environment and serve
as guidelines for management practices. No single theory can be applied in an organization
under all circumstances. However, this does not diminish the importance of the theories as
they serve as a basis for general practices to influence behaviour in the organization. General
practices include the reinforcement of values like performance, competence, and quality
results, alignment of individual needs, expectations and goals with organizational needs,
expectations and goals, and job design. After the theoretic principles and general practices
have been implemented to influence employee behaviour, a specific strategy is developed
which has the best application value and possibilities of use within the unique organization or
work environment. This specific strategy serves as the main instrument to influence employee
behaviour or to keep the human resources component motivated. Specific strategies include

values like learning, innovation, and team efforts, specific systems for recognition, rewards and remuneration, and the applicable leadership style.

According to Lawler (1973:201) motivation is influenced by the individual, as a living being, as well as by the organization's policy and procedures. Steers and Porter (1991:20) compiled a list of variables that influence motivation, viz. work environment features, job characteristics and individual characteristics as discussed in paragraph 4.8.1.

4.8.1   VARIABLES THAT INFLUENCE MOTIVATION

Variables that can influence motivation can be classified according to the main groups of Steers and Porter (1991:20), viz. work environment features, job characteristics and individual characteristics that are discussed next.

4.8.1.1 WORK ENVIRONMENT FEATURES

Work environment features entail two variables, viz. the immediate work environment with colleagues and superiors, and the organizational climate that includes the management philosophy, working groups, leadership style, and interpersonal relations.

4.8.1.2 JOB CHARACTERISTICS

Job characteristics refer to the task variety (job enrichment), role clarity, objectives, performance standards, criteria, and performance feedback, autonomy (decision-making, responsibility as well as creativity) and intrinsic compensation.

4.8.1.3 INDIVIDUAL CHARACTERISTICS

Individual characters include three factors, viz. attitudes towards the self, the work and the work situation, factors such as capabilities, knowledge, and skills, and specific individual needs such as self-fulfilment, recognition, social needs, security, power and achievement.

4.8.2   THE WORK ENVIRONMENT

The work environment can be divided into three sections, viz. the psychological work environment, social work environment, and physical work environment, all of which have an influence on employee motivation (Fourie, 1989:79).

4.8.2.1 **THE PSYCHOLOGICAL WORK ENVIRONMENT**

The psychological work environment refers to the worker's personal job satisfaction (Sutermeister, 1976:30). The employee-job fit influences job satisfaction and therefore the selection and placement procedures must be applied correctly. This way the employee's values, knowledge, ability, skills, interests, dominant needs, goals, and expectations should be considered before placement takes place in order to get the ideal match between the job and the incumbent. Employees should all know how their specific input contributes to achievement of the organization's goals, the performance outputs and standards should be clear, and appropriate goals and development plans should be set in collaboration with them.

4.8.2.2 **THE SOCIAL WORK ENVIRONMENT**

The worker's interpersonal interaction with colleagues, superiors, subordinates and groups within the work environment forms the social environment. Organizational values play a vital part in the social work environment, and should cater for diversity within the work environment. Besides the fact that employees have a need for social interaction, effective communication channels as well as conflict resolution tactics are needed. Effective HR policy, organizational procedures, and leadership competencies and styles (open-door policy) would positively impact on the social work environment.

4.8.2.3 **THE PHYSICAL WORK ENVIRONMENT**

Sutermeister (1976:55) identified the following elements of the physical work environment, viz. noise levels, lighting, music, rest periods, ventilation, temperature and humidity. The hygiene factors of Herzberg are applicable here. Work done under very difficult or uncomfortable conditions could result in job dissatisfaction and demotivated staff.

4.8.3 **GUIDELINES FOR CREATING MOTIVATED EMPLOYEE BEHAVIOUR**

Milton (1981:80-81) and Tschol (1996:159-191) give a number of guidelines whereby management can create motivated employee behaviour, viz. management commitment and role modelling, know the basic human needs and motivation processes, place the motivation process in the context of the organization, consider that individuals differ from each other, know employees as unique individuals, be aware of things that threaten need satisfaction and promote changes conducive to the satisfaction of employee needs. Management should lead by example – be positive, motivated and energetic (Flanigan and Finger, 2000:192-193). Their commitment and role modelling is important because they are seen as "visionaries, strategists, informers, teachers and inspirers" (Tschol, 1996:160). Every employee should see

the link between their own performance and organizational objectives, goals, strategies, critical success factors and values and be inspired continuously to work to achieve this (Tschol, 1996:160). Because human needs arouse human behaviour, it is essential for managers to gain insight into general and work-related needs, and the basic motivation theories (Milton, 1981:80). Armstrong (1990:209-211) argues that the needs and "wants" for individuals should be established because it will impact on the specific approach to motivate that individual. Placing the motivation process in the context of the organization implies that motivation is more than human needs and individual characteristics. Job characteristics, the psychological, social, and physical work environment, as well as the organizational culture all affect it. Motivation is the result of numerous direct and indirect variables (Milton, 1981:80-81). Individuals differ from each other on a diversity of components, but especially regarding their needs structures. What motivates one employee would not necessarily motivate the next employee. Managers should know their employees as unique individuals, with individualised values, needs, goals, expectations, aspirations and frustrations (Milton, 1981:80-81). Flanigan and Finger (2000:192) argue that management should improve their own interpersonal skills, by showing interest in their staff, listening and making time for them, establishing the variables that impact on their motivation, recognising their contributions, and promoting a trusting relationship. Management should be aware of things that threaten needs satisfaction. Changes in policies, procedures, job structures, decision-making, job content, and workflow may threaten people whose needs could be satisfied for the present, but this does not mean that management should not promote changes conducive to the satisfaction of employee needs (Milton, 1981:80-81) on an individual, group or organizational level. These strategies include job enrichment, appropriate training and continuous development of staff, and effective use of praise, recognition and rewards (Tschol, 1996:159-191). Rewards should be linked with individual value systems, and should unite rather than divide team efforts (Flanigan and Finger, 2000:193). Group dynamics and team spirit can affect motivation, for good or ill, and therefore steps should be taken to empower groups in key decisions, which affect their work (Armstrong, 1990:210; Tschol, 1996:164).

4.8.4   **ACTIVATION TECHNIQUES FOR MANAGEMENT**

According to McLoud (1989:49) "it is important to bear in mind that one person cannot motivate another but can only activate him/her". One can, in fact, try to get another person into a condition of "motivatedness" since motivation comes from within the individual and it is not something one can do to another (Flanagan and Finger, 2000:193). Activation can therefore be defined as certain activities, which are carried out to enhance and reinforce the

motivating forces within employees (McLoud, 1989:49). According to Nelson (1998:28) many organizations are bureaucratic and policy-bound, creating an environment that erodes the confidence, self-esteem and energy of their employees. The organization should strive to be flexible, innovative, empowering, and strive to provide employees with the appropriate resources, tools and options that create a supportive and motivating work environment.

Timmermans (1988:22-27) distinguishes between four activation techniques, viz. increased participation and responsibility, goal management, and job enrichment (job design) that will be discussed next.

4.8.4.1 **INCREASED PARTICIPATION**

Buhler (2000:17) argues that participative management can be implemented creatively to meet the changing needs of today's work force. According to McLoud (1989:49-56) employees are more motivated to achieve organizational goals if they are offered the opportunity to participate in decisions that affect them. In the process their interest in their work will increase and productivity will improve (McLoud, 1989:49-56). Ndala (1996:27) argues that people get excited about work and change when they see a part for themselves in it. Good leaders offer opportunities for participation. Timmermans (1988:23) distinguishes different degrees of participation. The worker's opinions, suggestions and ideas can be used to adopt decisions or the manager can offer the worker different possibilities and give him an opportunity to comment. The degree of participation will depend on the nature of the organization, the team/work group, the nature of the decision, individual employee differences (ability, needs, preferences, expectations), the relevant situation as well as the time available. Timmermans (1988:23) believes that the greater the autonomy, the greater the feeling of actual participation. McLoud (1989:55) explains that the manager's task is fourfold, viz. to offer employees the opportunity to participate in decisions affecting them; to remain responsible and reserve the right to make a final decision; to keep employees' ideas and expectations in mind and not to quell them unnecessarily and to give an explanation or reasons if their ideas cannot be implemented. Various techniques can be used to improve participation in a specific organizational setting. Luthans (1998:503-504) shares some of the techniques used to improve participation across organizational settings and cultures, viz. quality circles, self-managed work teams, broader job specifications, project teams, job rotation, job enrichment, and empowerment initiatives.

An important technique for applying the participation principle is through delegation. Armstrong (1990:116) argues that delegation develops the capacity of employees to make decisions, empowers them to get things done, and to take responsibility. McLoud (1989:56) explains that delegation must be based on self-actualization, motivation and results. McLoud (1989:56) and Armstrong (1990:117-119) share a few delegation guidelines for a satisfying and motivating experience, viz. know what to delegate, ensure that the relevant task is delegated to the right person and clearly explained, the person who is delegated to must be given sufficient guidance, authority and constructive feedback, without overburdening the employee, and appropriate recognition/rewards for work well done which serves as a motivating factor.

4.8.4.2 **RESPONSIBILITY**

Armstrong (1999:218) argues that responsibility is what empowerment is about and it is in line with the concept of intrinsic motivation based on the content of the job. McLoud (1989:56) argues that "responsibility" does not mean that workers should be given more work. Increased participation and responsibility go hand in hand, and imply that more responsibility is assigned to an employee. Accepting responsibility also has a bearing on self-actualization as responsibility enables the worker to display his/her ability optimally (McLoud, 1989:56).

4.8.4.3 **GOAL MANAGEMENT**

Timmermans (1988:26) is of the opinion that goal management entails the integration of the worker's goals with those of the organization based on a psychological contract. Management should determine employees' goals, help individual employees to adapt and integrate realistic and attainable goals to the goals of the work group/organization, and more specifically, focus on performance-based goals, with specific outputs, standards and measures. Performance management and goal management go hand in hand, and should be accompanied by a development plan, which is tracked and reviewed on a regular basis.

4.8.4.4 **JOB DESIGN**

Luthans (1998:198) explains that various approaches to job design are available, viz. job engineering, job enrichment, focusing on job characteristics, a focus on the social work environment, and quality of work life initiatives. Job engineering relates to scientific management and the industrial engineering approach of optimising the worker/job interface, focusing on product, process, tools, work layout, procedures, standards, and measures

(Luthans, 1998:197). Werther (1975:438-439) believes that job enrichment (based on Herzberg's theory) points to vertical expansion of work in that a greater variety of tasks with a greater degree of complexity, discretion and responsibility are assigned to the employee. It serves as an important activation technique because it improves possibilities of promotion and remuneration increases, and fulfils growth and autonomy needs (Gibson et al., 2000:362). Armstrong (1990:211) suggests a number of job enrichment techniques, viz. increasing the responsibility and accountability of employees; increasing employee scope to vary the methods, sequence, and pace of their work; giving a person or group a complete natural unit of work, thus reducing specialisation, constructive feedback and information to monitor their own performance; encouraging innovation and participation of employees in planning and assigning projects to individuals or groups which increases responsibility and expertise. Job enrichment may have limitations if employee diversity is not considered (Gibson et al., 2000:367). The job characteristics approach to job design were developed by Hackman and Oldman (1980:159-170) to meet some of the limitations of Herzberg's approach to job enrichment. Luthans (1998:198) explains that this approach recognized that certain job characteristics (skill variety, task identity, task significance, work autonomy, and feedback), contribute to critical individual psychological states (experiencing meaningfulness of the work, experiencing responsibility for outcomes, and information of the results of the work done), which is moderated by the employee growth-need strength. Gibson et al.(2000:367) argue that if management can increase positive perceptions of the job characteristics of those employees with a relatively high growth-need strength, the potential for high quality work performance, job satisfaction, and internal work motivation will improve, and lower levels of turnover and absenteeism will be experienced. The basic premise of the social information processing approach of Salancik and Pfeffer (1978:226) is that "individuals, as adaptive organisms, adapt attitudes, behaviors, and beliefs to their social context and to the reality of their own past and present behavior and situation". According to the authors the information that the social context provide is more dominant than the cognitive evaluation of the real task environment, or the jobholder's past actions (Salancik and Pfeffer, 1978:226-227). An integrated approach to job design should include objective job characteristics as well as social context information to be more effective (Luthans, 1998:205). Quality of work life is a broad-based approach focusing on changing work climate, so that the human-technological-organizational interface leads to a better quality of work life (Luthans, 1998:205). In practice this leads to a redesign of the technological work processes and the formation of autonomous, self-regulating work groups/teams to improve the harmony among personal, social, and technological functioning (Luthans, 1998:205).

4.8.5   **MOTIVATION AND MODELLING**

Modelling is a process of "do what I do". A manager's management skills, leadership qualities, enthusiasm, attitude, motivation, work ethics, ability to work to full capacity, and ability to handle change, impacts on the motivation and behaviour of subordinates (McLoud, 1989:56-57). The modelling function of management is closely related to the motivation of a worker and it is therefore extremely important that the manager's inherent equipment (behaviour and attitude) is such that the worker can identify with it (McLoud, 1989:57). Motivation forms an integral part of the management function. The task of the manager is to determine the needs of the employee, determine individual abilities and traits, to guide and align individual needs and expectations with the organization's needs and goals, to provide opportunities for need fulfilment, and to apply the applicable motivational tools to enable the worker to experience job satisfaction, to grow professionally, and achieve performance outputs. McLoud (1989:57) suggests some important guidelines to activate an employee, viz. make them feel important, recognition for work well done, not to undermine their abilities, to make the employee feel part of the team, to be sincere with praise and rewards, to take their needs into account at all times, to set goals jointly and provide support, and to offer work security.

4.8.6   **THE RESPONSIBILITY OF EMPLOYEE MOTIVATION**

Samuelson and Slabbert (1992:29-38) are of the opinion that motivation has an enriching effect on productivity and job satisfaction. In the new South Africa these factors will become increasingly important and organizations must therefore take responsibility to create and maintain a motivated worker corps. Figure 4.9 shows the hierarchical responsibility for employee motivation in an organization. These responsibilities are discussed hereafter.

FIGURE 4.9: <u>THE HIERARCHICAL RESPONSIBILITY FOR EMPLOYEE</u>
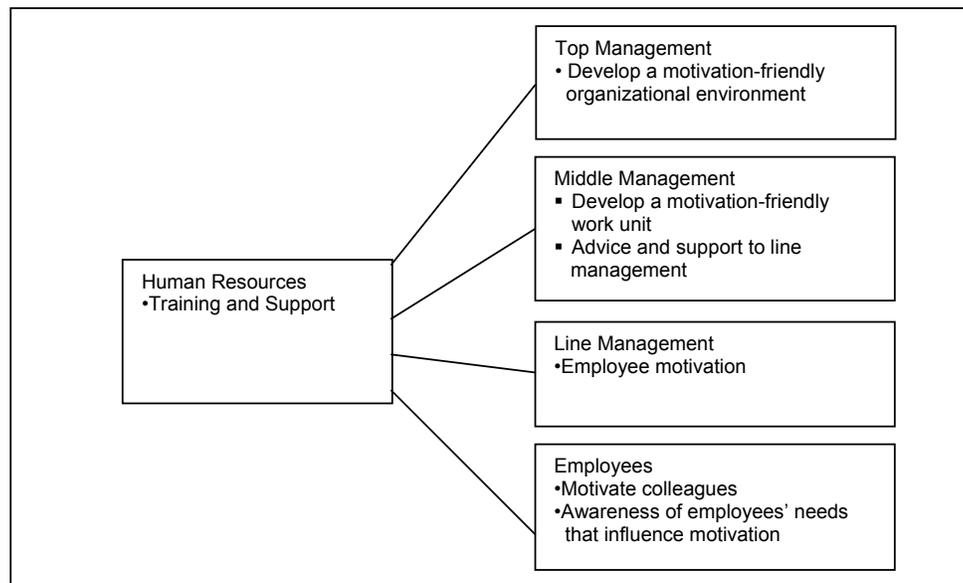
<u>MOTIVATION</u>.

(Source: Samuelson and Slabbert, 1992:31)

4.8.6.1 **RESPONSIBILITY OF TOP MANAGEMENT**

Buhler (2000:17) argues that the overall philosophy of management is critical in creating star staff that is motivated and committed to the organization. Management must be credible role models, they should also believe and communicate that people are a key asset of the organization. Ivancevich and Matteson (1999:167) argue that management should be actively involved in the motivation process, and if motivation is to be energised, sustained, and directed, management must understand the impact of motivation on work behaviour, and should be skilled to manage it effectively. Top management must consider the influence of strategy, policies and procedures decisions on employee motivation and actively work with the HR department to establish a motivated worker component (Samuelson and Slabbert, 1992:30-31). Samuelson and Slabbert (1992:30) argue that a management philosophy must be developed which emphasizes employee motivation, where managers on all levels of the organizations have the power and responsibility to use their own discretion in motivating employees. Motivation should be focused on the mission, strategy, critical success factors, values, and performance criteria, and the motivational tools should be individualised. The mission and objectives must be clear to all employees so that each employee can make a meaningful contribution towards achieving the organization's goals. According to Samuelson and Slabbert (1992:33) top management is responsible for ensuring that all discriminating

practices cease as they have a negative effect on employees and potential employees. Top management should also see to it that the employer-employee relationships, in the organization are managed positively so that a climate where management can motivate subordinates is in place, where each employee's full potential can be developed (Samuelson and Slabbert, 1992:33).

4.8.6.2 **RESPONSIBILITY OF THE HUMAN RESOURCES FUNCTION**

Samuelson and Slabbert (1992:34) argue that the most important contribution of HR in terms of employee motivation is management development. Even when top management has created a favourable climate for employee motivation, the motivation levels could decline if all managers cannot manage people effectively. Management development from the first level of supervision is required focusing on management of diversity, performance management, motivation skills, communication skills, conflict handling skills, and employee relations skills. HR as a business partner should be able to coach and mentor people management principles with the aim of transferring skills to line management. When supervisors and management are aware of and understand the differences in a diverse worker corps, the needs and values of each subordinate can be identified and used as a basis for motivation strategy (Samuelson and Slabbert, 1992:34). It is also HR's responsibility to maintain the minimum hygiene factors of Herzberg, viz. organizational policy and procedures, competitive remuneration, working conditions, the work environment, and job security. HR has a responsibility to ensure that HR processes are applied consistently within the organization as they can have an influence on employee motivation. These include performance management, grievance procedures, career development, recognition and reward systems as well as job design.

4.8.6.3 **MIDDLE MANAGEMENT'S RESPONSIBILITY**

Samuelson and Slabbert (1992:35) highlight the responsibility of middle management to achieve the objectives of top management, so that employee motivation remains an important management function in striving for the organization's objectives. Top management can create a climate conducive to employee motivation but middle management must ensure that such a climate also exists in each unit or section. Specific strategies and goals must be set for the unit or section in conjunction with the workers and be communicated to all (Samuelson and Slabbert, 1992:35). Teamwork between HR, middle, and line management is important to focus on employee motivation, coaching on motivational practices, and to keep the motivation initiatives active.

4.8.6.4 **RESPONSIBILITY OF LINE MANAGEMENT**

Samuelson and Slabbert (1992:35) are of the opinion that line management's responsibility in terms of motivation is to identify motivation needs, to report the specific identified needs to the human resources section and to play an active role in satisfying such needs. Line management must realize the importance of the employee motivation for good performance and job satisfaction, understand employee diversity and individual differences specific to motivation, as well as the need for appropriate motivation (Samuelson and Slabbert, 1992:35). Elangovan and Xie (1999:359) argue that the moderating effects of subordinate individual differences, such as locus of control and self-esteem, are critical factors in assessing the behaviour of employees, particularly in the context of perceived management power. Employees with low self-esteem tend to be more motivated and manifest lower stress when dealt with by influential managers. On the other hand, individuals with low self-esteem are likely to display over-dependence on external information and support. Motivation of employees should form an integral part of performance management, where line management, middle management and HR must work together to address employee needs before employee motivation and performance are adversely affected. Samuelson and Slabbert (1992:36) argue that job satisfaction, recognition and self-fulfilment, which influence employee motivation, are the direct responsibility of line management and supervisors. Line management should know their employees as unique individuals. HR can provide guidelines and support in this regard but line management must play an active role in job design, job satisfaction, recognition and rewards. This will ensure that workers are motivated directly, while other factors with a positive influence on motivation, e.g. teamwork, communication, and mutual trust, are also applied (Samuelson and Slabbert, 1992:36).

4.8.6.5 **EMPLOYEE RESPONSIBILITY**

Motivation is not solely the responsibility of management. If motivation is part of the organizational/team culture it should be communicated to all employees. Employees share the responsibility to maintain a culture where individual differences are valued, and individual needs, goals, and aspirations are communicated and aligned with the organizational/team needs, goals and expectations. The social or affiliation needs of Maslow are motivating factors for which employees are responsible. The need to belong can be satisfied by employees through interpersonal relationships, teamwork, support, recognition and respect for one another. These focus areas should be built into the values of the team/organization. A demotivated worker influences other workers in the work environment; therefore supervisors and managers must immediately motivate demotivated workers. Samuelson and Slabbert

(1992:37) argue that workers can also make a contribution towards their own motivation by discussing employee needs and other demotivating factors with their superiors. Employee representatives have a responsibility to discuss reasonable employee needs with top management during negotiations. Although unemployment (and job security) is a major problem in South Africa, it is essential that employee representatives (trade unions) follow a responsible strategy which will give rise to a motivated and productive worker component, which will contribute towards economic stability and economic growth (Samuelson and Slabbert, 1992:37). Parachin (1999:3-5) explains, "it is self-motivation, which transforms impossible dreams into realities. It is self-motivation, which empowers people to act, to overcome obstacles, and to face challenges creatively". Parachin (1999:3-5) shares his secrets for generating and maintaining self-motivation, viz. "every obstacle contains an opportunity, people should believe in themselves and follow their dreams, they should visualise themselves as successful, people should be patient and able to persevere, and be able to forgive themselves".

4.9   **AN INTEGRATED MODEL FOR WORK MOTIVATION**

From the discussion in this chapter it is evident that motivation has many facets, and motivation theorists have attempted to pinpoint the important factors that need to be managed in order to achieve high motivation. The challenge still is to incorporate all the relevant information into a workable motivation model for management to use in their quest to motivate their staff. The model of Robbins (1998:191) was used as a starting point. Figure 4.10 depicts the integrated model for work motivation.

Figure 4.10 indicates that work motivation strategy formulation starts at the organizational level, focusing on the influences of the corporate mission, objectives and strategy of the organization, in order to design the most effective motivation strategy.

Flanagan and Finger (2000:304) define organizational culture as the symbolic elements (tangible and intangible) in organizational life - the customs, stories, symbols, practices, traditions, assumptions and values that are shared by members of the organization. "The culture specifies how members of the cultural environment think, work, behave, communicate, interact, and make decisions" (Flanagan and Finger, 2000:304). The impact and effectiveness of the motivation strategy within business units/teams will be influenced by the organizational culture and subcultures.

Management should be role models and create a motivation-friendly work environment, and promote the idea that everyone takes responsibility to maintain this culture of work motivation. The specific motivation strategy for the business unit/team should be aligned with the organization's strategy, objectives and critical success factors, the values of the organization, as well as the subculture of the team/business unit.

An integrated model for work motivation is presented in Figure 4.10.

FIGURE 4.10: <u>INTEGRATED MODEL – WORK MOTIVATION</u>.

Organizational Mission, Objectives, Strategy

Corporate Culture

Motivation Strategy for Business Unit / Team and Motivation Responsibility

Work Environment Variables: Psychological, and Social Environment & Hygiene factors

Individual Motivation / Activation Strategy

High nAch

Individual   Charac-
teristics : attitudes,
abilities, traits, and
preferences

Opportunity/
support/skills
development

Performance
management
system

Perceived
equitable
rewards

Herzberg's
motivators

Perceived
intrinsic
satisfaction

Individual
effort

Individual
Performance

Organizational
rewards

Satisfaction
or
dissatisfaction

Clear performance
outputs / standards
/ role perceptions

Reinforcement
of applicable
values

Dominant
needs

Activation
techniques

Perceived
effort-reward
probability

Alignment
of individual
and
organizational
goals

Goals direct
behaviour

Personal
goals

The specific strategy should focus on the applicable values (e.g. quality work and service, respect for others, interpersonal relations, participation and teamwork, creativity and innovation, personal development and integrity), performance outputs and standards, performance criteria, performance management system, and the applicable rewards for living the values and performing as required. The structure and composition of the teams should be considered as well, focusing on the management style, decision-making, dealing with conflict, and skills development to be effective in a diversified work environment. Effective recruitment and selection strategies should be used to employ management and staff that have the applicable values, responsibilities and abilities to be role models for a motivated workforce. The importance of motivation as part of the culture should also be addressed during induction. Management should be trained on the principles of motivation, and be skilled in using the appropriate techniques (activators/motivators) on the team and individual levels, to establish and maintain a motivated workforce.

The work environment variables will influence how the specific motivation strategy for that business unit/team are implemented and maintained. The guidelines of the strategy should be managed on a continuous basis through effective practices in the physical, social, and psychological work environments. The hygiene factors of Herzberg should at least be maintained as this could cause dissatisfaction. The working conditions, management-subordinate interactions, interpersonal relations, policy and procedures, and remuneration should be managed so that dissatisfaction or poor performance are avoided. Maintaining a motivating work environment is the shared responsibility of the individuals, teams, and management. Management should ensure that the selection, placement, and induction procedures of the strategy are adhered to as this will influence employee-job-fit, expectations, goal alignment, clarity around values and performance issues, and job satisfaction. Team values should also emphasize that everyone take responsibility to address issues that could negatively influence work motivation (e.g. communication, leadership styles, and conflict resolution).

Management/supervisors should be skilled in individualizing the motivation strategy for every employee. People come to work with their own dominant needs and goals that should be aligned with that of the organization/business unit/team. Following the correct selection, placement and induction procedures, the individual with the applicable values and capacity to

perform will be employed. During induction individuals will be informed of all the variables and values that contribute to reaching the goal of a motivating work environment and work force. To further clarify their expectations, the performance outputs, standards, role definition, the fair performance management system, development opportunities, and rewards should be explained. Clarifying these expectations, and the relationship between effort-performance-rewards, would positively influence the perceived effort-reward probability and intrinsic motivation. Adequate opportunities to perform, individual support, and development are needed to positively influence individual effort. Management should communicate with their employees on a continuous basis to clarify personal needs, and issues that could influence motivation/performance negatively. Individuals in today's diverse workforce have diverse traits, abilities, preferences, needs and expectations, and managers should know their staff as unique individuals, in order to motivate them. Herzberg's motivators and other activation techniques should be used in order to motivate individuals. According to Robbins (1998:191-192) the reinforcement theory enters the model by recognising that the organization's rewards should reinforce individual's performance and reinforcement of the applicable values. Rewards play a vital role in equity theory, and individuals will compare the rewards (outcomes) they receive from the inputs they make with the outcome-input ratio of relevant others, and these inequities may influence the effort expended (Robbins, 1998:191). Robbins (1998:191) argues that people with a high need for achievement are not necessarily motivated by the organization's assessment of his or her performance or organizational rewards, hence, the jump from individual effort to personal goals for those with a high nAch. "High achievers are internally driven as long as the jobs they are doing provide them with personal responsibility, feedback, and moderate risks. They are not concerned with the effort-performance, performance-rewards, or rewards-goal linkages"(Robbins, 1998:191). The link in the satisfaction-goals relationship is the dominant needs of every individual and includes the guidelines of all the content theories.

4.10 **CONCLUSION**

In this chapter motivation was defined and the process of motivation explained. A broad classification for motivation in the work environment was offered. The early theories of motivation and the contemporary theories of motivation were discussed.

Theories on motivation can be used to design and structure the work environment and also serve as guidelines for management. A specific motivation strategy within the unique organization is required to influence employee behaviour or to keep the worker corps

motivated. Individuals are unique with different need structures and the fact that motivation theories are culture-bound should not be forgotten. The individual as well as the organization influence motivation. The specific variables which influence motivation are work environment features, job characteristics and individual qualities. The activating techniques, viz. increased participation and responsibility, goal management and job design, can be used by supervisors and management to facilitate motivated worker behaviour.

The modelling function of management has a bearing on the motivation of a worker and it is therefore extremely important that the manager's behaviour, attitude and own motivation is such that the worker can identify with it. Top management, middle management, line management, HR, and workers share the responsibility for employee motivation.

An integrated model for work motivation was explained.

CHAPTER V
LOCUS OF CONTROL

5.1   **INTRODUCTION**

In this chapter locus of control as an important personality trait is defined and its effect in the work environment is discussed. Through the discussion it becomes clear that locus of control could have a significant effect on organizational behaviour.

5.2   **INDIVIDUAL DIFFERENCES IMPACT ON ORGANIZATIONAL BEHAVIOUR**

Individual differences evident in our work environment include race, age, gender, culture, social status, personality, abilities, learning capacities, skills, experience, qualifications, perceptions, attitudes, and attributions. Gibson et al.(2000:100) define attribution as the cognitive processes, particularly perception of the causes of behaviour and outcomes. According to Luthans (1998:182-183) the attributions people make impact on work motivation, and these attributions are based on the perceptions of the actual internal and external forces on behaviour. Ivancevich and Matteson (1999:131) and Gibson et al. (2000:92) agree that these individual differences (including locus of control attributions) impact on the work environment, work behaviour, work satisfaction, work motivation, relationships, personal development, and performance outcomes.

5.3   **A DEFINITION OF LOCUS OF CONTROL**

According to Rotter (1966) locus of control refers to a stable personality trait that describes the extent to which people attribute the cause or control of events to themselves (internal orientation) or to external environmental factors such as fate or luck (external orientation). Locus of control describes the degree to which people believe they are masters of their own fate (Robbins, 1998:56); the extent to which a person feels able to affect his or her own life. Locus of control describes the degree to which individuals accept personal responsibility for what happens to them (Kren, 1992:992). Internal locus of control describes people who believe that what happens to them is determined by their abilities, efforts and their own actions (Spector, 1982:486). External locus of control describes people who believe that fate, luck or outside factors (out of their control) are responsible for what happens to them (Spector, 1982:486).

5.4   **LOCUS OF CONTROL AND ETHNICITY**

Riordan (1981:159) explains that the process of socialization involves both the acquisition of behaviour and the development of expectancies and values attached to the rewards and outcomes of individual performance. Theron (1992:91) argues that the most instances of pervasive social differentiation are along ethnic and/or racial lines. Riordan's research (1981) elicits proof of significant differences between ethnic groups in South Africa on locus of control. The Asians, the Coloureds, the Africans and the English-speaking Whites measured high on the external dimension of the locus of control, expected to be controlled by luck, fate and powerful others. The Afrikaans-speaking Whites measured high on internality. Theron (1992:91) explains that these differences may perhaps be ascribed to the political environment of the past, where the Afrikaans group upheld the political status quo. Riordan (1981:165) argues that socio-economic status also has a powerful influence of the locus of control, where the lower status groups have expectancies of external control.

5.5   **THE EFFECT OF LOCUS OF CONTROL IN THE WORK ENVIRONMENT**

From the discussion earlier it is evident that individual differences and specific personality attributes including locus of control have been found to be powerful predictors of behaviour in organizations. The conviction that one exerts personal control over one's life and events in the environment also has a direct and powerful bearing on organizations. According to Robbins (1998:56-57) internals are more satisfied with their jobs, have lower absenteeism rates, are less alienated from the work setting, and are more involved on their jobs than are externals. Internals believe that health is substantially under their own control through proper and responsible habits, and this is reflected by lower absenteeism (Robbins 1998:58). Spector (1982:485) explains that internals attempt to exert more control than externals in the work setting in specific areas, viz. work flow, task accomplishments, operating procedures, work assignments, relationships with superiors and subordinates, working conditions, goal-setting, work scheduling, and organizational policy. Theron (1992:93-94) argues that control should be perceived by internals to lead to desired outcomes and rewards. "If the appropriate performance-reward contingency(ies) is absent, the internal's inclination to control shouldn't differ from the external's". Theron (1992:93-94) point out that externals are more likely to be followers than leaders because they are more conforming and compliant than internals, and hence easier to supervise. Ivancevich and Matteson (1999:128-129) agree with Theron saying that internals usually do not require as much supervision as do externals, because they are more likely to believe their own work behaviour will influence outcomes such as performance, promotions, and pay. According to Ivancevich and Matteson

(1999:128-129) some research suggest locus of control is related to moral and ethical behaviour, with internals demonstrating more ethical behaviour than externals.

Locus of control has been widely researched in order to determine the effect within the working environment. The relationship between locus of control and different performance dimensions; locus of control and motivation; the effect of locus of control on performance incentives and participation; and the effect of locus of control and task difficulty on employees' attitudes are discussed next.

5.5.1   **THE RELATIONSHIP OF LOCUS OF CONTROL TO DIFFERENT PERFORMANCE DIMENSIONS**

According to Spector (1982), internals find direction themselves, while externals depend on outside factors such as their supervisor or organizational rules. Concerning the implications of locus of control for individual job performance, Spector (1982:486) predicts that when tasks or organizational demands require initiative and independence of action, the internal would be more suitable; when the requirement is for compliance, however, the external would be more appropriate. Robbins (1998:58) argues that internals generally perform better on their jobs, depending on the nature of the job. According to Robbins (1998:58) internals search more actively for relevant information before making a decision, are more motivated to achieve, and make a greater attempt to control their environment, where externals are more compliant and willing to follow directions. Therefore, internals should do well on complex tasks associated with managerial and professional jobs – that require initiative, complex information processing, learning, and independence of action. "In contrast, externals should do well on jobs that are well structured and routine and in which success depends heavily on complying with the direction of others" (Robbins, 1998:58).

5.5.2   **MOTIVATION AND LOCUS OF CONTROL**

Theron (1992:94-95) argues that "internals are more motivated to work than externals. Internals perceive themselves as exerting greater control over their work environment and organizational setting, exhibiting more task-orientated and goal-orientated behaviour, therefore displaying greater job motivation towards acquiring rewards". Rewards have to follow performance otherwise internals may adopt a more external stance (Theron, 1992:95). Spector (1982:487) and O'Brien (1983:15) agree that internals are not only more motivated to work than externals, but also tend to attain higher occupational status than externals. Internals seek jobs that have a greater autonomy and status, which require more effort, and offer better

rewards (O'Brien, 1983:16). Motivation is related to the expectancy theory. This theory holds that effort will lead to good performance on the job and good job performance will lead to valued outcomes (O'Brien, 1983:29-30). Theron (1992:95) and Spector (1982:488) agree that internals with their strong sense of personal effectiveness and competence, believe that their own efforts will lead to good performance, and that performance will lead to valued outcomes or reinforcements. Externals view performance and its outcomes as contingent on factors beyond their control (Theron, 1992:95). Spector (1982:488-489) argues that internal's efforts-to-performance expectancy leads to greater job effort for monetary rewards and other incentive systems, while externals are insensitive to pay incentives. Spector (1982:490) gives reasons for the direct effect of locus of control on job satisfaction, viz. because internals are generally better performers than externals, their actions result in the expected rewards and reinforcements, therefore internals advance and get promoted more quickly, and are more successful in their careers than externals. Because internals perceive greater controllability of events in the work environment, and tend to take action more frequently than externals, they are more likely to quit a dissatisfying job/situation.

5.5.3   **THE EFFECT OF LOCUS OF CONTROL ON PERFORMANCE INCENTIVES AND PARTICIPATION**

According to Kren (1992:991-992) evidence suggests that objective job attributes and the organization's social environment determine employees' responses to job duties, shape their perceptions of work-related tasks, and affect individual effort and performance. A performance management system is needed to motivate employees to pursue organizational goals, and should be focused on the organizational strategy, specific goals, objectives, performance outputs and standards, as well as the organizational culture and subcultures. Employees should clearly see and understand their role in the organization, they should be valued for their diversity and potential, and as team members. Specific individual needs should be catered for in the work environment to make it a fulfilling experience to come to work and to pursue the organizational goals – the performance incentives should be flexible and applicable to diverse people and groups in the organization. A number of decisions must be made about the performance management system attributes. According to Kren (1992:991-992) two of the more important attributes include the use of economic incentives contingent on performance goals, and participation in setting those performance goals. The performance effects of performance-contingent incentives and participation would depend significantly on individual/group differences in the organization. Kren (1992:991-992) argues that matching individual needs and capabilities with task expectations and requirements lead to improved

performance. Kren (1992:991-992) explains that locus of control interact significantly with both participation and incentives. In addition, the interaction was found for different dimensions of performance. Incentives interacted with locus of control to affect effort but not performance, while participation and locus of control interacted in their effects on performance but not effort (Kren, 1992:1005). The substitute interaction relationship of locus of control with incentives indicated that the relationship of effort to incentives was significantly stronger for the internal group than the external group. Not only did the presence of incentives motivate greater effort from internals, but also when incentives were absent, the internal group's effort was less significant than the external group's effort (Kren, 1992:1006).

From the discussion it is evident that the motivation to exert effort in completing the task, was dependent on internal resources (locus of control orientation) and external resources (incentives compensation). The implication is that the benefits of expending organizational resources on performance incentives may not always be realized if personal orientation is external. Kren (1992:1007) suggests that for effective performance management, supervisory behaviour should be shaped by individual subordinate differences, and some organizational resources must be devoted to changing employees' personal orientation. Kren (1992:1006) notes that the interaction of locus of control with incentive significantly impacted only on effort but not on performance. This may be related to the process by which incentives impact on behaviour. According to the expectancy model of Vroom (1964), maximum effort will be directed toward the performance level that will result in the largest reward (path-goal). Therefore, if incentives primarily affect performance via the effort dimension, then, as shown by Kren, locus of control will moderate that relationship. Participation is effective regardless of locus of control orientation, although it is more effective with internally oriented subordinates (Kren, 1992:1007).

5.5.4   **THE EFFECT OF LOCUS OF CONTROL AND TASK DIFFICULTY ON EMPLOYEES' ATTITUDES**

Gul, Tshui and Mia (1994:971-972) argue that internals may have a more positive attitude because they believe in their own actions rather than in luck or fate, particularly when facing a difficult or stressful situation. External scorers, on the other hand, show less initiative and are inclined to adopt an indifferent or a less positive attitude facing a difficult situation, since they believe that whatever happens is beyond their control (Gul et al., 1994:971-972). The authors agree that different task difficulty affected employees' attitudes more for externals than for internals. "When task difficulty was low, there was little difference between the two

groups, whereas when task difficulty was high, significant differences were found between internal and external-scoring employees with the externals showing a decline in attitudes when task difficulty was high" (Gul et al., 1994:976).

Management should attempt to identify perceptions of task difficulty and find ways of changing these perceptions by giving adequate skills training and coaching, or introduce new work methods/procedures to simplify tasks. If attempts to change perceptions of task difficulty are unsuccessful, then management should designate internals for these jobs (Gul et al., 1994:976).

5.5.5   **LOCUS OF CONTROL AND INCENTIVES IN SELF-MANAGING TEAMS**

In the research of Garson and Stanwyck (1997:247-257) employees working in self-managed teams were used to test the effect of locus of control and performance contingent incentives on productivity and job satisfaction. Expectancy theory predicts that internals would report more job satisfaction than externals (independent of incentive), and that having an incentive would lead to greater satisfaction for both internals and externals. The question is whether persons in self-managed groups respond similarly to those in individual jobs. Garson and Stanwyck (1997:255-257) argue that because internals prefer to work independently (being in control of the consequences of their own actions) they may not be very satisfied in group situations. Garson and Stanwyck (1997:256) found no significant differences in job satisfaction between teams of internals, whether or not they were given incentives. "A possible explanation is that internals' satisfaction comes from within and is caused by challenging work rather than by an external incentive" (Garson and Stanwyck, 1997:256). It seems that externals are more satisfied and might perform better than internals in enriched job designs like self-managing teams. Knowledge of the LOC orientation, proper placement procedures, and suitable job assignments to cater for internals and externals may reduce costs usually attributed to absenteeism and turnover. It may also increase revenue as a result of higher productivity (Garson and Stanwyck, 1997:255-257).

5.6   **CONCLUSION**

This chapter discussed the relationship between locus of control and ethnicity and the effect of locus of control in the work environment. Externals are followers who tend to be more dissatisfied and less involved with their jobs. Internals are leaders and require less supervision. Concerning the implications of locus of control for individual job performance, it is predicted that when tasks or organizational demands require initiative, independence of

action and sophisticated tasks associated with managerial and professional jobs, internals would be more suitable. When the requirement is for compliance and routine work, however, externals would be more appropriate.

The relationship between locus of control and motivation was discussed. Internals tend to be more motivated to work, exhibit more task- orientated behaviour, goal-orientated behaviour and job effort with the appropriate rewards. Matching individual differences (needs and capabilities) with task expectations and requirements leads to improved performance. A performance management system is needed to motivate employees to pursue organizational goals, and should be focused on the organizational strategy, specific goals, objectives, performance outputs and standards, as well as the organizational culture and subcultures. Employees should clearly see and understand their role in the organization, they should be valued for their diversity and potential, and be valued as team members. Participation was found to be effective regardless of locus of control orientation, although it is more effective with internally oriented subordinates. Therefore, management style should differ depending on the subordinate's locus of control orientation. Because internals take action they tend to quit a dissatisfying job or situation much more readily than externals. For effective organizational control, some resources should be devoted to changing employees' personal orientation, depending on the specific organizational settings as discussed.

Managers should attempt to identify perceptions of task difficulty and find ways of changing these perceptions. If perceptions of task difficulty cannot be changed, it would be appropriate for management to designate internals for the job.

The effect of locus of control on individual job performance and job satisfaction might differ from job performance and job satisfaction in work groups like self-managing teams. It may also be useful to assess employee locus of control before placement in job designs like self-managing teams.

Locus of control, as an important individual personality trait, is one of many variables that have an effect on work-related needs and organizational behaviour. Management should understand that many variables including locus of control have an impact on employees' attitudes, participation, effort, motivation and performance.

CHAPTER VI

CHANGE, ORGANIZATION DEVELOPMENT, AND TRANSFORMATION

6.1   **INTRODUCTION**

Change, organization development, and transformation will be defined in this chapter. The dimensions, and types of change will be discussed, as well as resistance to change. The importance of leadership during change, and the various roles and responsibilities during change will be emphasized. A model for organizational change will be given and the importance of various aspects of an organization development approach to change will be highlighted. For effective organizational change there should be an integration of change strategies and a strategy-culture fit. These are discussed in detail.

6.2   **A DEFINITION OF CHANGE, ORGANIZATION DEVELOPMENT AND-TRANSFORMATION**

Church and McMahan (1996:17) argue that the futures of organizations depend on their ability to manage change as a pervasive, persistent, and permanent phenomenon. Case (1996:42) explains that the turbulent world, changing organizational environments, changing customer needs and expectations, changing technology, the need for efficient systems and procedures, changes in workforce diversity, and the need for competent employees are some of the factors that impact on the organization's ability to stay competitive. According to Smit and Cronje (1992:236) and Hellriegel et al.(2001:382) organizational change refers to any alterations or amendments to the design or functioning of the organization. George and Jones (1996:600) see organizational change as the movement from a present state toward some desired future state in order to increase organizational effectiveness. Organizational change is thus any modification in the ideas and behaviours of an organization and its units. Change management is a process of mobilizing resources through the planning, coordination and implementation of initiatives and activities to bring about the desired change (Meyer and Botha, 2000:224).

Harvey and Brown (1996:44) suggest that both organization transformation (OT) and organization development are approaches to managing change in organizations. George and Jones (1996:620) define organization development (OD) as a series of techniques and methods that managers can use in their action research programme to increase the adaptability of the organization. Other authors like French and Bell (1990:17), Smither, Houstan and McIntire (1996:4) and Robbins (1998:642) concur that organization

development is a top-management-supported effort, focusing on a system wide application of behavioural science knowledge. This occurs by means of a collection of planned, database-driven change interventions built on humanistic-democratic values, particularly through a more effective and collaborative diagnosis and management of organization culture. The organizational culture seeks to develop and reinforce organizational strategies, structures, and processes for improvement of an organization's effectiveness. Cacioppe (2000:143) adds to the definition of organization development indicating other characteristics, viz. it is a more gradual and long-range approach to strategic change, focusing on an ongoing, interactive, and developmental change process, which consists of interventions in the client system and responses to the intervention activities, as well as the belief that most meaningful changes come from individuals/teams. Meyer and Botha (2000:7) summarize the definition of organization development as a normative discipline that prescribes a specific model to bring about planned change at all levels of the organization with the main focus on changing behaviour and improving organizational effectiveness. Burke (1997:7) and Robbins (1998:642) identify values that guide OD initiatives, viz. respect for people and their views, fair treatment, trust and support, confrontation of problems, openness and participation, de-emphasizing of hierarchical authority and control, and focus on human development.

French, Bell and Zawacki (2000:vii) argue that organization transformation is the recent extension of organization development that seeks to create massive, drastic, and abrupt change in an organization's structures, processes, corporate cultures, and orientation to its environment. It is the application of behavioural science and practice to effect large scale, paradigm-shifting organizational change. Tichy (1996:49) defines transformation as a corporate revolution with protagonists, antagonists, and dramatic themes categorized by three phases namely the awakening (need for massive change), envisioning, and re-architecting (design and implement a new organization). Organization transformation usually starts with a change in top management and the transformation process should include strategic planning and alignment (Luthans, 1998:626; Chaundron, 1996:13-14; Gibson, 1995:12-13), assessment of the external environment, change of the organizational structure, systems, procedures, and culture, and the development of the work climate to enhance participation, teamwork and trust (Trahant and Burke, 1996:38-39). "OT is an integrative disciplinary approach that facilitates continuous learning and change at all levels of the organization. It is guided by the vision and the challenges of the macro environment, with the main objectives of achieving employee well-being, equity, and total organization effectiveness" (Meyer and Botha, 2000:12).

The main differences between OT and traditional OD are illustrated in Table 6.1.

TABLE 6.1: <u>FUNDAMENTAL DIFFERENCES BETWEEN TRADITIONAL OD AND OT</u>.

Dimension of process	Traditional OD	OT
Planned change	Reactive	Proactive
Objectives	Employee well-being and organizational effectiveness	Employee well-being and total organizational effectiveness
Action research model	Problem-solving	Paradigm shifting and large-scale systems change to take on challenges of the environment
Level of interventions	Individual, group, or organizational: uni-dimensional	Individual, group, or organizational: multi-dimensional
Strategy	Planned change, unfreezing, change and refreezing	Planned change with alignment of vision and mission. OD becomes a strategy in itself.
Discipline	Behavioural science only	System thinking, integrative, multi-disciplined
Frequency	Ad hoc to deal with problems	Continuous learning, principles of the learning organization institutionalized
Technology	Basic OD interventions	"e" –learning prominent

(Source: Adapted from Meyer and Botha, 2000:13)

From Table 6.1 it is evident that OT is now a larger concept than traditional OD, and has become an organizational strategy to achieve equilibrium with the macro environment (Meyer and Botha, 2000:12-13). Church, Waclawski, and Seigel (1999:54) argue that OD practitioners have utilized singular OD interventions at only one level of the organization even though OD was intended to be an organization-wide process. The modern challenges have forced the OD discipline to develop into the new phase of transformation that is aligned with the organizational strategy, vision, and mission, has a proactive approach to planned change that is multi-disciplined and multi-dimensional, with the objectives of employee well-

being, continuous learning and total organizational effectiveness (Meyer and Botha, 2000:12-13).

6.3   **DIMENSIONS AND TYPES OF CHANGE**

The dimensions of organizational change, viz. reactive or planned change, the scope and intensity of the change, the degree of employee involvement and learning, and the way the organization is structured, can provide useful guidelines together with the diagnosis, to structure a change strategy (Gatewood, Taylor and Ferrell, 1995:557).

Reactive change is a situation where organizational members react spontaneously to the change forces but do little to modify these forces or their behaviour. Planned change refers to a deliberate structuring of operations and behaviours in anticipation of change forces (Gatewood et al., 1995:557). Planned change can be incremental or large scaled.

Gibson et al.(2000:454) explain that the depth of the intended change refers to the scope and intensity of the organization development efforts. As indicated by Figure 6.1, the organization can be divided into two components, namely the formal organization with its observable components and the informal organization with the hidden components of psychological processes and behaviour implications.

FIGURE 6.1: <u>ORGANIZATIONAL ICEBERG</u>.

Formal
organization

Formal components

Job definitions and descriptions
Departmentalisation bases
Span of control and hierarchical levels
Mission, goals and objectives
Operating policies and practices

Personnel policies and practices
Production and efficiency
Effectiveness measurements

These components
are publicly
observable, rational,
and orientated towards/with a
view to structural considerations

Informal components

Emergent power and influence patterns
Personal views of organization and
   individual competencies
Patterns of interpersonal and group
   relationships
Group sentiments and norms
Perceptions of trust, openness and
   risk-taking behaviours
Individual role perceptions
   and value orientations
Emotional feelings, needs and desires
Affective relationships between managers
   and employees
Satisfaction and development
Effectiveness measurements

Informal
organization

These components are
hidden, affective, and
orientated towards
social / psychological
process and behaviour
considerations

(Source: Gibson <u>et al</u>., 2000:454)

Gibson <u>et al</u>.(2000:455) argue that generally the greater the scope and intensity of the problem, the more likely the problem will be found in the informal components. In the formal organization the considerations are structural, rational and observable, and problems here can be solved by changing goals and objectives, policy and procedures, reporting structures, performance agreements, and delegated authority. In the informal organization the components are hidden and oriented towards psychological processes, and problems can be linked to the behaviour of groups and individuals related to personal views, values, feelings, sentiments, activities and roles within and among groups, which are deep seated in the culture or subcultures and is difficult to manage or change. According to Gibson <u>et al</u>. (2000:455) the greater the depth of the intervention into the informal organization, the greater the risk of failure and the higher the cost of change.

Another dimension of change is the degree of involvement and learning of organizational members regarding planning and implementation of change, and problem-solving (Gatewood <u>et al</u>., 1995:558). People in a learning organization should be able to acquire a learning capacity in order to detect changing circumstances, and to change past behaviour that was ineffective (Fincham and Rhodes, 1999:406). Essentially it is about intelligent behaviour, using creativity and building skills to anticipate and adapt to organizational change.

Another dimension of change is the way the organization is structured, including the rules, norms and other cultural factors that will impact on the change strategy (Gatewood <u>et al</u>., 1995:558).

The types of organizational change are not mutually exclusive but can focus on the following areas, viz. change in the strategy, design or structures, technology, processes and culture (Gatewood <u>et al</u>., 1995:561). According to Miller (1982:13) the types of change fall into two broad categories, viz. evolutionary and revolutionary. "Evolutionary change is gradual, incremental, and narrowly focused, and revolutionary change is rapid, dramatic, and broadly focused " (George and Jones, 1996:608). The major instruments for evolutionary change are socio-technical systems theory, and total quality management. Major instruments for revolutionary change are re-engineering, restructuring, and innovation (George and Jones, 1996:608-627). Socio-technical systems theory proposes the importance of changing roles and tasks or technical relationships to increase organizational effectiveness (Taylor, 1975:18). Total quality management is an ongoing effort by all functions of the organization to find new ways to improve the quality of goods and services (Deming, 1989:14). Re-engineering involves the rethinking and redesigning of business processes to achieve improvements in performance criteria such as cost, quality, service, turnaround time, and reduced risk (Hammer and Champy, 1993:47). Restructuring is used to decrease the level of differentiation and integration by eliminating business units, divisions, or levels of the hierarchy, and downsizing on employees (George and Jones, 1996:613). Innovation is the effective use of skills and resources to create new technologies, goods, or services in order for an organization to change and better respond to the needs of their customers (Burgelman and Maidique, 1988:63).

Bolk, van Elswijk, Melis and van Praag (1997:209) argue that organizational structures, systems and procedures need people to implement creative strategies for change. Ghoshal and

Bartlett (1999:269) agree that all change in organizations requires personal change, and all change initiatives should also focus on how to change individual motivations and interpersonal relationships. According to Case (1996:42) employees find change "unsettling, even unnerving" and they worry about their jobs and the future. Effective organizations, however, should see change and innovation as critical to their success and should establish organizational cultures that value creativity, innovation, learning and change, as Case (1996:42) puts it, with the result that "strong cultures act as anchors for letting people loose to create a lot of change, and not to impede it".

6.4   RESISTANCE TO CHANGE

The ability to adapt to change doesn't come easily for most people or organizations because it is painful. Change causes anxiety, confusion, and stress, and often results in resistance and lost productivity for organizations (Koonce, 1991:22-26). Robbins (1998:632) points out that resistance to change can be positive when it provides a degree of stability and predictability to behaviour, but it should not hinder adaptation and progress.

According to Maurer (1996:14) resistance to change can take various forms, viz. immediate criticism and complaints, malicious compliance, silence, insincere agreement, deflection and sabotage. Robbins (1998:632) explains that resistance to change can be overt, implicit, immediate or deferred. It should be easier for management to deal with resistance when it is overt and immediate, but deferred actions and implicit resistance efforts are more subtle and difficult to recognise – loss of commitment or loyalty to the organization and its objectives, loss of work motivation, increased errors and mistakes, and absenteeism. Fears, perceptions, misunderstandings, vested interests and inter-organizational agreements are some of the reasons why people and organizations resist change (Skoldberg, 1994:219-238). Research suggests that one of the main reasons for some organizations' ability to change is organizational inertia, which is a tendency to maintain the status quo (George and Jones, 1996:604). Resistance to change lowers an organization's effectiveness and reduces its chance to survive (Hannan and Freeman, 1989:154). Individual and organizational sources of resistance to change are discussed next.

6.4.1   INDIVIDUAL RESISTANCE TO CHANGE

According to Robbins (1998:633-634) individual resources of resistance to change reside in human characteristics such as perceptions, feelings, personalities, needs, and expectations. Tichy and Devanna (1990:31-32) identified some reasons why individuals resist change, viz.

people are creatures of habit who naturally resist change, people with high security needs will resist change because it threatens their feelings of safety, economic factors will impact on people that are challenged to master new situations, specifically if the changes impact on rewards and compensation, fear of the unknown, and people's selective perception of reality. Organizational changes often fail because "people factors" are often left out of transition plans. Lack of communication from management could lead to poor employee morale, confusion, decreased productivity, and lack of employee commitment to the new organization (Koonce, 1991:24). Martinez (1997:55) links up with Koonce (1991), arguing that uncertainty and lack of participation causes workplace negativity. According to Ghoshal and Bartlett (1999:269) change initiatives should be focusing on how to change individual motivations and interpersonal relationships, because no change will occur until people change.

6.4.2   **ORGANIZATIONAL RESISTANCE TO CHANGE**

Tichy and Devanna (1990:79-84) say that organizational resistance to change can be linked to three key reasons embedded in the culture, viz. "cultural filters resulting in selective perception, regression to the good old days, and a lack of climate for change". Because organizational culture reinforces certain values, it makes it difficult for employees to perceive other ways of doing things. The lack of climate for change will be determined by the organization's perception and conduciveness to change, communication, the degree of participation, and how change is implemented and managed. Inter-organizational agreements with competitors, suppliers, contractors, labour unions, and public officials can be sources of organizational resistance to change (Hellriegel et al., 2001:390). Robbins (1998:634-636) summarized the major sources of organizational resistance to change, viz. structural inertia, group inertia, limited focus of change, threats to expertise of specialized groups or established power relationships, conflict and threats to established resource allocations. Inertia refers to the fact that organizations have built-in mechanisms to produce stability, including policy and procedures, work behaviour determined by values, management principles and team rules. Organizations embarking on change initiatives should be aware of these major sources of organizational resistance to change, and should not limit their focus of change. Because organizations are open systems, a holistic strategy should be established that focuses on all subsystems and functional differences of the organization.

6.4.3   **OVERCOMING RESISTANCE TO CHANGE**

According to Lewin's (1951) force-field theory of change, organizations are balanced between forces pushing for change and forces resistant to change. To get an organization to change, management must increase the forces for change, and reduce the resistance to change, or manage the change so that both occur simultaneously (George and Jones, 1996:627).

According to Church and McMahan (1996:17) most organizations faced with "hyper change" need their employees to be clear about the mission, vision, strategy, and values; leaders should be skilled at managing change well, and should be seen as highly supportive and motivated to succeed. These organizations should have adaptable cultures that reinforce the shared values of customers, employees and shareholders (Church and McMahan, 1996:17).

Another important factor of organizations planning changes is employee commitment and support. Early and regular information sharing through memos, reports, face-to-face feedback, and group discussions ensures understanding of why change is needed, accounts for the needs and interests of affected members, and makes employees feel included in the change process. Thus, communicating organizational change must have personal meaning for it to be supported, internalized and acted upon by all concerned employees (Taylor, 1998:69).

Where powerful individuals or groups resist change that can impact on the success of the change effort, organizations can offer incentives or rewards to the resistors to gain their cooperation and commitment (Hellriegel et al., 2001:391). Besides managing the resistance to change, organizations need a strategy for retaining and revitalising key employees and groups that could act as change agents (Robinson and Galpin, 1996:90).

Simply acknowledging people issues involved in organizational change and restructuring is not enough, management should be equipped to deal with these issues as they arise through effective transition planning and transition management training (Koonce, 1991:22-26). HR professionals must be prepared to deal with the issues, and the impact change can have on people, be able to give guidance to line management, give counselling or refer employees to the organization's employee well-being programme or to qualified professionals for counselling (Frazee, 1996:126-128).

A comprehensive and change aligned HR strategy should enhance the organization's and people's capacity to change. The aligned HR strategy should be built on job specific and generic competencies that guide the process of relevant selection, development, performance management and equitable rewards (Charlton, 2000:25-26). The author further emphasizes the establishment of self-managed teams, managing and appreciating the value of work force diversity, and effective change leadership at all levels (Charlton, 2000:26). Change will become easier when and if organizations are created to liberate, to empower, and to maximize opportunities and possibilities for all staff to participate, contribute and learn new skills (Firth, 1999:39).

6.5   **TRANSFORMATIONAL LEADERS**

Brill and Worth (1997:114) define leadership as the combination of traits, competencies and the leadership process (behaviour) of influencing others to facilitate the attainment of organizationally relevant goals. Organizations' futures are dependent on their ability to identify, recruit, develop, and retain charismatic transformational leaders with a practical understanding of human nature. These leaders should inspire followers with a vision, generate total support for organization transformation, focus on good interpersonal relationships that are built on trust and respect, and are able to intellectually challenge their employees (Bass, 1990:21). Gatewood et al.(1995:513) label these leaders as transformational; leaders with a style that goes further than mere interaction by influencing and inspiring employees to look beyond their own interests, and by generating awareness and alignment with the organization's purposes and mission. Hellriegel et al.(2001:299) agree that transformational leadership is leading by motivating.

Blanchard's situational leadership theory (Blanchard, Zigarmi and Zigarmi, 1985:68), the contingency leadership theory of Fiedler (1965:115-122) and the path-goal theory (Yukl, 1989:98-104) all agree that the appropriate leadership style is contingent upon certain characteristics of the situation, the leader-follower relationship, or the nature of the task environment. Situational leadership theory focuses on the competence and commitment of the followers as key variables. Fiedler's theory focuses on the quality of the leader-follower relationship, the level of task structure, and the positional power of the leader. The path-goal theory suggests that employee locus of control, task structuring, leader authority, and the nature of the work team will determine leader behaviour (Gatewood et al., 1995:517). Table 6.2 summarizes the measurable transformational leadership competence model developed

from a variety of these leadership approaches in order to ensure stable and successful leadership.

The transformational leadership competence model in Table 6.2 focuses on an inspiring vision that provides hope and direction. Communication of that vision should be in a creative, understandable way that motivates people, and creates synergistic coordination of effort. It emphasizes leaders' ability to act as role models, and leaders' ability to establish mutual trust relationships based on integrity and stewardship. The model highlights leaders' ability to "create an empowered environment where people are willing (intrinsically motivated), able (trained and confident) and allowed (given responsibility and authority) to learn and perform to their potential" (Charlton, 2000:60).

Transformational leadership theorists such as Burns (1978) argue that the transformational process is an exchange between leader and follower, and transformational leadership takes place "when one or more persons raise one another to higher levels of motivation and morality" (Burns, 1978:20). According to Erez and Early (1993:184) the active role of the follower in the development and maintenance of the leader-follower relationship is less emphasized in the transformational leadership theories, and these theories are guilty of the "passive follower" assumption. Followers should be proactive and contribute to the development and maintenance of the leader-follower relationship. Followers should actively live by the organizational values of openness, honesty, confrontation of problems, participation, feedback, commitment, learning, and innovation. Leaders and followers should mutually agree to these organizational values. The values should be assessed formally through morale surveys, and 360 degree surveys as part of the performance management system, but also informally on an ongoing basis through open communication and feedback.

**TABLE 6.2: <u>THE TRANSFORMATIONAL LEADERSHIP COMPETENCE
MODEL</u>.**

	GENERIC COMPETENCIES AND CAPACITY TO CREATE AND SUSTAIN PERFORMANCE AND CHANGE	PERFORMANCE COMPETENCE
CENTRAL FOCUS	• Differentiating critical success factors on macro, organizational and individual levels • Performance	• Critical success factors
ATTENTION THROUGH VISION	• Focus on attractive future • Clear focus	• Determines direction • Entrepreneurial drive • Market orientation
COMMUNICATING VISION AND INTRINSIC MOTIVATION	• Powerful use of symbols • Hope • Creates a context that is meaningful	• Practical creativity • Influencing others • Clarity of purpose
TRUST	• Congruent in word and deed • Emotional courage • Good interpersonal skills • View people as competent	• Team commitment • Self-confident • Integrity
SELF-MANAGEMENT (ROLE MODEL)	• Aware of strengths and weaknesses • Live the new organizational values • Energetic change agent • Reframe obstacles as opportunities • Intellectual courage to challenge	• Learning from experience
EMPOWERMENT CAPACITY/ CONFIDENCE TO ACT	• Believe in people • Removes obstacles • Constant training • Creating a learning culture	• Developing and leading others

(Source: Adapted from Charlton, 2000:62)

Different approaches to assess leadership abilities exist, viz. a trait approach that focuses on identifying the intellectual, emotional, physical or other personal traits of effective leadership, behavioural approaches, and situational approaches (Ivancevich and Matteson, 1999:428). According to Barling, Slater and Kelloway (2000:143) emotional intelligence provides an

initial indication of leadership potential, and could be included as a selection tool because individuals who possess higher emotional intelligence display more instances of leadership behaviour. Emotional intelligence is associated with three aspects of transformational leadership, namely idealised influence, inspirational motivation and individualised consideration (Barling, Slater and Kelloway, 2000:143). Organizations should embark on identifying and assessing the transformational competencies of their leaders that are derived from their vision and strategy. The organization should recruit and develop their leaders accordingly and link the transformational competencies to the performance management system as well as rewards and recognition systems.

6.6   **ROLES AND RESPONSIBILITIES DURING CHANGE**

Transformational leadership is of utmost importance to implement and sustain organizational change. Various individuals and groups in the organization have vital roles and responsibilities that impact on the success of change initiatives. Although change should be aligned with the organizational strategy and culture(s), the implementation needs to be driven by people. The roles and responsibilities of the leader, the change team, employees, and the change sponsors are discussed next.

6.6.1   **THE LEADER**

A designated person should be leading or guiding the process of change in the organization. This person can be either an internal or external consultant working with a change (consulting) team (Harvey and Brown, 1996:91). The change leader should own and maintain the strategic direction and vision, and establish the focus areas for change. It is the responsibility of the change leader to ensure involvement, ownership, responsibility, and accountability of all stakeholders, and to maintain those relationships (Bennis and Mische, 1995:94). As part of the change team, the change leader is responsible to design and implement the change infrastructure, including the standards for reporting progress and results, set objectives and success criteria with the change team, and manage the efforts of the change team (Church, Waclawski and Burke, 1996:25). The change leader is responsible to oversee, coordinate, communicate, coach, and manage the different change initiatives, identify and resolve daily change issues, as well as review and report change status to the executive change sponsors (Firth, 1999:164).

6.6.2   **THE CHANGE TEAM**

Charismatic leaders may not be the universal remedy for organizations in need of change and turnaround, but rather teams of multi-skilled and diversified individuals (Landrum, Howell and Paris, 2000:143). According to Church, Waclawski and Burke (1996:22-45) change agents, and change teams should transfer their knowledge and expertise regarding group processes and change management to everybody in their own organizations.

The change team(s) should understand and take responsibility for the change initiatives, and be empowered to manage the change efforts. In order to function as a change team all members should understand the organization's strategic vision, the parameters of the change, who will be affected, specific goals, and the change plan (Head, 1997:78-82). Besides establishing the purpose, objectives and norms of the team, the change team is responsible for implementing the change plan, amending the plans where needed, and organizing change communications. The change team(s) is (are) responsible to identify, align and manage strategic, operational and cultural concerns (Firth, 1999:165-166). The change team members should be role models, able to challenge the status quo, live the new organizational values, be coaches and mentors, and diagnose and solve problems as they arise (Smith, 1997:51-58).

6.6.3   **EMPLOYEES**

The successes of change efforts are determined by the individual's willingness and capacity to change, support and accept ownership of the change initiatives and the involvement and participation of all employees (O'Toole, 1995:37). In a learning organization the strategic and cultural elements focus on innovation and change, empowerment, stewardship, and continuous learning (Hellriegel et al., 2001:383). Organization change efforts should be focused on creating a learning organization. All employees in the organization should understand the strategy, values and the means to achieve goals and objectives. Employees need to understand that they can and must make a contribution, and be encouraged and empowered to do that. It will be useful to include the values mentioned into the performance management, recognition, and reward systems. Then the success of change efforts can be tracked (individual willingness and capacity to change, positive attitudes, participation, skills development), recognized and rewarded.

6.6.4   **CHANGE SPONSORS**

Change sponsors are people in a position of power who can use their authority, stature, and commitment to endorse the change efforts. They provide direction by being role models, set the tone for change, can instil motivation in those involved, assist with organizational barriers, and assist when tough issues need to be overcome (Bennis and Mische, 1995:93).

6.7   **A MODEL FOR ORGANIZATION CHANGE**

Firth (1999:60-216) is of the opinion that whichever approach is taken in the change process; two principles apply, viz. awareness and alignment. Awareness is about sharing the vision of the organization as it could be, but also to raise awareness of the organization at present. Alignment follows awareness, focusing on communication and sustaining the change efforts. According to Firth (1999:43) making change happen in organizations requires two major components that include the principles of awareness and alignment, viz. an approach that maps out all the stages of the change process that create a picture of the tasks and activities, and a set of tools and interventions to implement the approach. Change, depicted as a series of stages, is shown in Figure 6.2.

FIGURE 6.2: <u>STAGES OF CHANGE</u>.
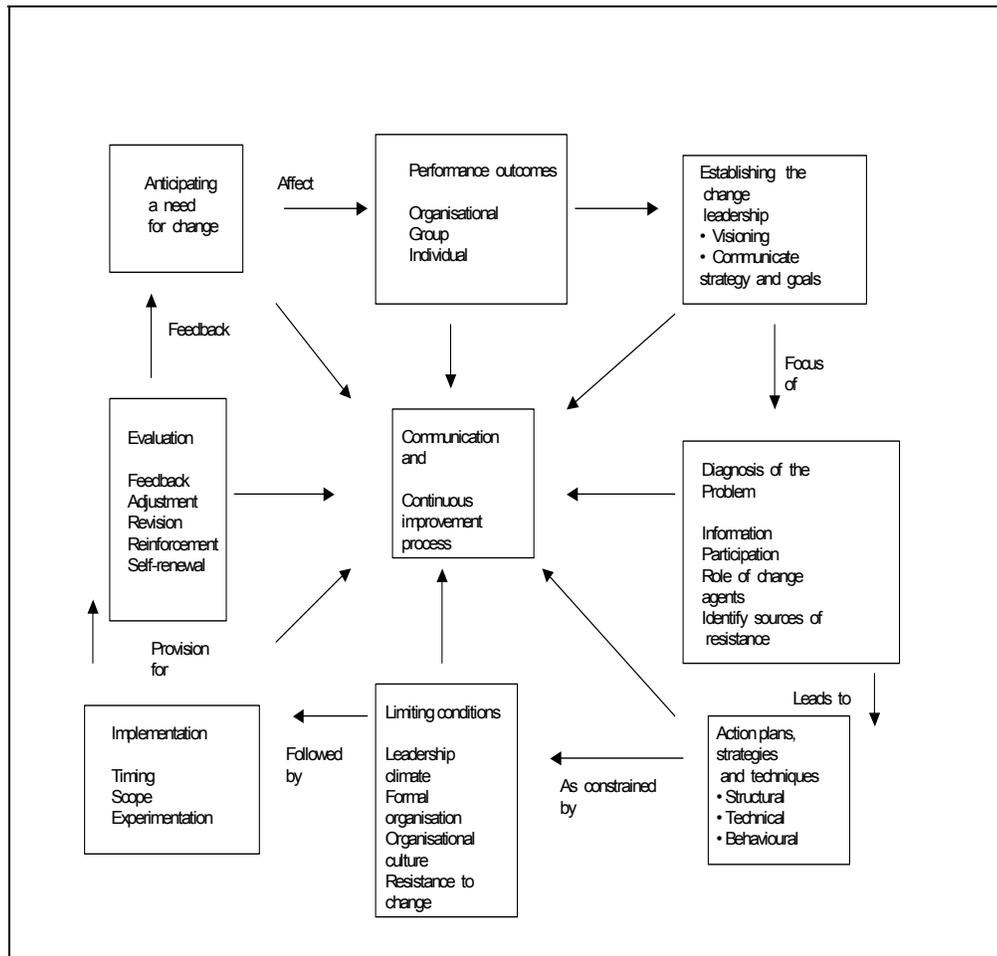
(Source: Adapted from Harvey and Brown, 1996:46; Gibson <u>et al</u>., 2000:450)

From Figure 6.2 it is evident that a systems approach is followed in the change process of the functional, structural, technical, and personal relationships of the organization. Harvey and Brown (1996:46) explain that an integrated approach to change is based upon a systematic analysis of the total organizational system of interacting and interrelated elements, to increase organization effectiveness by the application of appropriate change values and techniques. An action research approach is used in this change model. Action research is "an approach to change that involves an ongoing process of problem discovery, diagnosis, action planning, action implementation, and evaluation" (Gatewood <u>et al</u>., 1995:574).

The action research approach in the change model (Figure 6.2) involves collecting information about the organization, feeding this information back to the client system, and developing and implementing action programmes to improve system effectiveness (Harvey

and Brown, 1996:46). The stages of the change model are discussed below. Each stage is dependent on the prior one and successful change is more probable when each of these stages is considered in a logical sequence.

6.7.1   **ANTICIPATING CHANGE**

Before a programme of change can be implemented, the organization (management) must anticipate the need for change, support the change team(s), and be the driving force for all change initiatives (Head, 1997:24-25). "Anticipating change is envisioning the future where a picture of the ideal state is created which gives birth to a change strategy" (Firth, 1999:44).

Any changes in organizational systems or subsystems may indicate a need to consider interventions to change the structure, processes and behaviour of the organization (Gibson et al., 2000:462). Ivancevich and Matteson (1999:614-615) identified factors that might instigate change in organizations, viz. new ideas, new technology, government legislation, competitors' actions, changing needs of customers, dissatisfaction with customer service levels, work/organizational process problems, conflict management, and behavioural problems. Work/organizational process problems include communication, productivity, and decision-making. Behavioural problems include low levels of morale, not endorsing the organizational values, and high levels of absenteeism and turnover.

6.7.2   **ESTABLISHING THE CHANGE LEADERSHIP**

Establishing the change leadership and the leadership team are an important determinant of the success of a change programme. The consultant (change leader) should attempt to establish a pattern of open communication, trust, an atmosphere of shared responsibility with the change sponsors, and clarify the role and expectations of the change team.

Many organizations utilize an external consultant with extensive and successful change experience. Bennis and Mische (1995:98-99) note that these external consultants bring many useful skills, qualities, and resources to the change effort, viz. an established reputation, energy, commitment, objectivity, a sense of perspective, knowledge and experience of the appropriate change interventions and tools, how to structure the effort, and the ability to make contentious recommendations. The combination of an external-internal change team links "the outsider's objectivity and professional knowledge with the insider's knowledge of the organization and its human resources". This builds trust and

confidence among members of the change team and all stakeholders in the organization
(Ivancevich and Matteson, 1999:612). The roles and responsibilities of the change
sponsors, the change team and employees should be agreed upon at this stage. Visioning of
the desired state and the specific change strategy should be communicated before the
diagnostic phase starts. Everyone in the organization must understand the need for change,
their roles and responsibilities, as well as the change process that will be followed.

6.7.3   **THE DIAGNOSTIC PHASE**

The diagnosis of the present and potential problematic issues involves collection of
information that reflects the level of organizational effectiveness (Gibson et al., 2000:462).
The role of the change team, change sponsors and the participation of all stakeholders are
vital to the success of the diagnostic phase. A weak, inaccurate or faulty diagnosis can lead to
a costly and ineffective change programme. The diagnostic phase has to determine the exact
problem that needs a solution, to identify resistance to change factors, and to provide a basis
for selecting effective change strategies and techniques (Harvey and Brown, 1996:48,480).

Ivancevich and Matteson (1999:616-617) suggest different approaches that can be used for
diagnostic purposes, viz. questionnaires, direct observations of actual workplace behaviour
for diagnostic purposes, interviews with selected individuals in key positions, focus groups to
explore different perceptions of problems, and analysis of records and financial statements.
Certain factors need to be explored in order to drive the diagnostic phase, viz. the way the
organization tends to think/feel/talk/behave, the capacity of the organization to change,
exploring what happened during previous change initiatives, exploring the barriers to change,
exploring the degree of change needed, exploring the power dynamics and the decision-
making process, exploring the communication process, exploring the likely impact of change
or shock to the status quo on the organization, exploring the strengths and weaknesses of the
organization and exploring how conflict is managed (Firth, 1999:48-51).The information
gathered in the diagnostic phase should be presented in terms of criteria that reflect
organizational effectiveness (Gibson et al., 2000:462). Measurable outcomes such as sales,
efficiency, client satisfaction and flexibility must be linked to the need for changes in
competencies, attitudes, behaviour, work processes and structures. Linking the "as is" in the
diagnostic phase with the "want to be" will clearly set the direction for strategies, action plans
and techniques to deliver the desired state.

6.7.4   **STRATEGIES, ACTION PLANS, AND TECHNIQUES**

The diagnostic phase leads to a series of interventions, activities, or programmes aimed at resolving problems and increasing organization effectiveness. The change strategy directs the selection, timing, and sequencing of intervention activities and responses to these interventions, and ties the individual events together to ensure an ongoing interactive change process (French and Bell, 1990:79).

Today's business environment and specifically major organizational change makes holding on to key staff a difficult task for organizations (Robinson and Galpin, 1996:90). In order to utilize and retain key people during change processes, organizations need to identify individuals or groups that are key to the organization's future success, to identify the impact on the organization that each person and group would have if they should leave, and develop a strategy to motivate them to stay and add value to the change initiatives and the organization.

Managers have a variety of change and development methods to select from, depending on the objectives they hope to accomplish, the scope, timing and intensity of the change efforts, and specific limiting conditions as discussed earlier. Organizations need to consider both the formal and informal aspects of the organization. The formal organizational components are observable, rational, and oriented toward structural factors, and the informal components are not observable to all people, and are oriented to process and behavioural factors. Moving from the formal aspects of the organization to informal aspects, the scope, intensity, and the depth of the change increase (Ivancevich and Matteson, 1999:617).

The relationship between the source of the problem and degree of intended change is illustrated in Figure 6.3.

FIGURE 6.3: <u>TARGETS OF CHANGE AND SOME INTERVENTIONS</u>.

Structural targets			←————————————→		Behavioural targets		
Level 1	Level 2	Level 3	Level 4	Level 5	Level 6	Level 7	Level 8
Job Tasks	Department Bases	Operating Policies	Personnel Policies	Intergroup Behaviour	Intragroup Behaviour	Individual Behaviuor	Individual/ Group Behaviour
Job design	System-4	Sociotechnical Systems theory	Management by objectives	Managerial Grid theory	Team building	Sensitivity training	Process consultation
Low	←———————		Depth of change	———————→	High		

(Source: Gibson <u>et al</u>., 2000:455)

From Figure 6.3 it is evident that Levels 1 to 4 involve formal components, including structure, policies, and practices of the organization. Levels 5 and 6 involve both formal and informal components, including skills and attitudes of management and staff. Levels 7 to 8 involve informal components, including the behaviour of groups and individuals (Ivancevich and Matteson, 1999:617). As the change target moves from left to right and, consequently, deeper into the organization, the OD programme becomes more person and group centred. From Level 5 to 8 the intervention will be based on sociopsychological knowledge and less on technicaleconomic knowledge (Ivancevich and Matteson, 1999:617). These interventions or development methods can be grouped into three distinct categories (even though they are interrelated as well), viz. structural, task/process/technology and human behaviour.

Factors that can impact on the success of a change strategy are the leadership climate that involves support and commitment to all change initiatives, the formal organization with its philosophy, policies, procedures, structures and systems, organizational culture and specifically, resistance to change (Hellriegel <u>et al</u>., 2001:384-386). Change leadership is

vital for implementing change initiatives. If leaders are not committed to change efforts, are not competent to manage it effectively, and don't play their role as change agents, change will not be successful. Organizational change should be based on an integrated approach, where the organization is viewed as an open system with various interrelated subsystems and cultures. (Organizations as open systems were discussed in Chapter 2 and the strategy-culture fit will be discussed later in this chapter). The appropriate change strategy, action plans and techniques are then selected as an integrated approach to improve organizational effectiveness. According to Macchiarulo (1995:4) weak integration of change strategies results in poor alignment of the organization's overall change strategy as non-integrated strategies can move the organization in different (and often opposing) directions. "Everyone sees their position on the playing field, but nobody sees the game" (Macchiarulo, 1995:4). A holistic systems approach is needed, integrated as structural, technical (process) and behavioural strategies for organizational improvement, insuring alignment with the organizational culture, or subcultures. Macchiarulo (1995:4) argues that organizational improvement strategies should not only be based on resolving problems, but on a shared vision, and common goals, in order to achieve a motivated and collectively aligned effort.

Figure 6.4 depicts an integrated approach to change.

FIGURE 6.4: <u>AN INTEGRATED APPROACH TO CHANGE</u>.
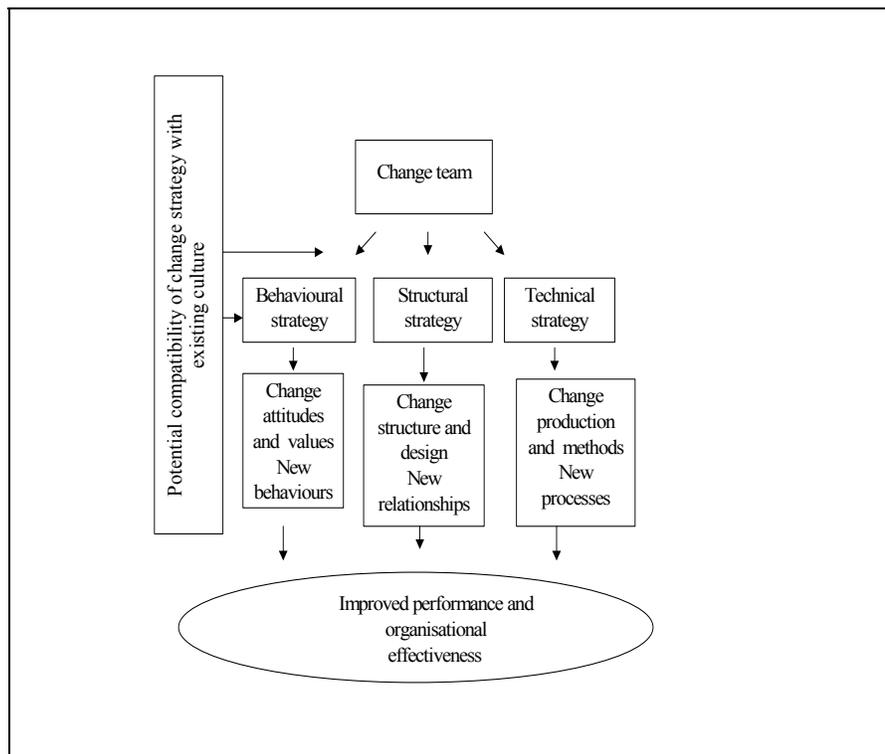
(Source: Adapted from Harvey and Brown, 1996:209)

From Figure 6.4 it is evident that the change leadership team plays a vital role in ensuring that integrated change strategies are used, based on a common vision to improve organizational effectiveness. The integrated change strategies should be aligned with the organizational culture (or subcultures). Specific information is needed to design effective action plans and to select appropriate techniques to use in the change process, viz., the "as is" information from the diagnostic stage, including the elements in the various subsystems that need to be changed, clarity on the future state, and criteria for the appropriate interventions required. The criteria for appropriate interventions would be determined by the organizational culture, the change "target", the change objectives, problem-solving potential, application possibilities, cost, impact, and reliability. Measurable rewards, controls and performance outcomes need to be established, so that the right behaviour can be encouraged and the change progress can be tracked (Firth, 1999:51-52).

6.7.5   **EVALUATION**

Once an action programme has been implemented, the next steps are to monitor the
results/impact, stabilise and maintain the desired changes, and evaluate the feedback in
relation to the change objectives to improve the change process (Harvey and Brown, 1996:48-
49). Ivancevich and Matteson (1999:631) propose an experimental design as evaluation
procedure, viz. the end results should be operationally defined and measurements should be
taken before and after, both in the business unit undergoing change and in a second business
unit (the control group). The feedback can be used to make amendments to the strategy, plans
and techniques. The authors propose that an evaluation model should be followed, viz. focus
on the objectives of the change programme, identify the activities to achieve the objectives,
evaluating the effects of the programme according to the criteria specified, use a control
group if possible, set baseline points against which changes can be compared and identify
unanticipated consequences (Ivancevich and Matteson, 1999:629). Firth (1999:52-53)
proposes the monitoring and evaluation of specific information namely change plan
deadlines, commitment of change agents and sponsors, staff levels of commitment and
motivation to change, capacity building of required competencies, levels of empowerment,
changes in attitudes and behaviours, the change communication process, changes in the
systems and procedures of the organization, continuing budgets and resource needs, and
opportunities arising for other change initiatives in the organization.

From Figure 6.2 it is clear that the evaluation stage focuses on the monitoring and feedback
of the change initiatives, and the revision of the change strategy. As discussed, a plan needs
to be formalized for the evaluation stage. This plan can include the evaluation procedure,
the specific information to be tracked, the procedure to change the interventions, the
procedure to adapt the strategy and actions to reinforce the learning or new behaviours.

As a change programme stabilises, the need for the consultant (change leader) should
decrease. In order to achieve this, the leader should focus on building self-renewal capacity
and independence within the organization (Harvey and Brown, 1996:49).

6.8   **MANAGING CHANGE THROUGH AN ORGANIZATION DEVELOPMENT (OD) APPROACH**

OD is an approach to planned change that focuses primarily on people processes as the target of the change. OD encompasses areas such as organizational theory, strategy development, social and technical change. The role of OD is to promote change, to deal with resistance to change, and to improve organizational effectiveness at all levels.

The change process discussed this far is based on an organization development approach. Dyer (1989:7-8) summarizes the guidelines of managing change through OD, viz. management involvement and commitment, information sharing, a holistic and integrated approach to change based on a good diagnosis, directed by line management, supported by a change agent(s) if needed, based on proper feedback and evaluation stages, and a clear link between the change effort and the vision.

According to Hellriegel et al.(2001:397) three core sets of values define the OD approach to organizational change that are consistent with learning organizations. These are people values, group values, and organizational values. Burke (1997:7) identified the people values as personal development and utilization of potential, respect, and openness, and the group values of acceptance, collaboration, honesty about perceptions and feelings, confrontation of problems, participation, commitment, and empowerment. Important organizational values indicate the way groups are linked, group leadership and management living the OD values (Hellriegel et al., 2001:397).

Organizations embarking on change or transformation should utilize the values, features, or building blocks that are found in an organization development approach. The challenge is to support the strategic process of the organization with an OT paradigm of change and OD interventions on the technical, structural, and behavioural levels to improve organizational effectiveness on a large scale (Meyer and Botha, 2000:13).

6.9   **THE STRATEGY-CULTURE FIT**

Culture change should only be pursued when it will enhance organizational effectiveness under a new strategy (Bennett, Fadil and Greenwood, 1994:474). Because cultural variables play a significant role in motivating the work force, a corporate strategy should be developed, that embraces cultural variables, cultural values, individual needs as well as work force motivation (Herbig and Genestre, 1997:562-568). Organizational culture and

organizational change strategies impact on one another, as depicted in Figure 6.4. Specific strategy-culture considerations are discussed next.

6.9.1   THE STRATEGY-CULTURE MATRIX

Harvey and Brown (1996:414-416) suggest the following factors to be considered when planning strategic change in the organization, viz. the extent of the need for change, the depth of the intended change, and the degree to which the change is compatible with the culture as to minimize the risk involved. The authors identified four basic alternatives in determining strategy changes, namely manage the change (manageable risk); reinforce the culture (negligible risk); manage around the culture (manageable risk) and change the strategy to fit the culture (unacceptable risk) (Harvey and Brown, 1996:414-416). Figure 6.5 depicts the strategy-culture matrix, to be utilized to determine a suitable method to manage strategic change.

FIGURE 6.5: <u>THE STRATEGY-CULTURE MATRIX</u>.
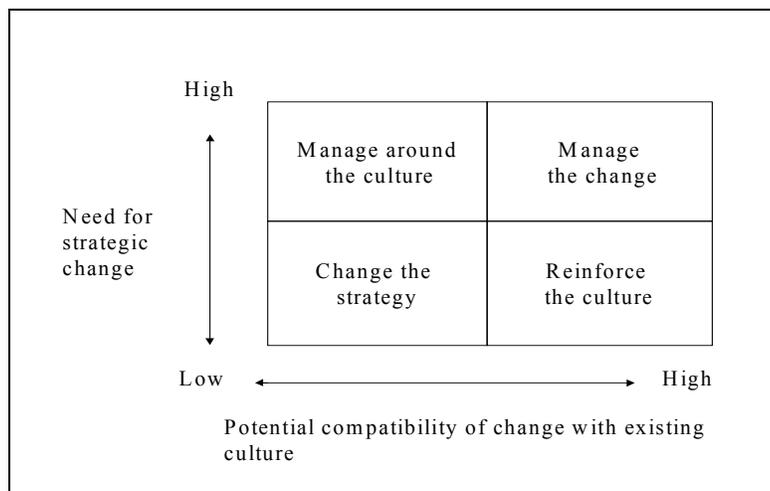
(Source: Harvey and Brown, 1996:415)

6.9.1.1 MANAGE THE CHANGE (MANAGEABLE RISK)

Harvey and Brown (1996:415) highlight that an organization in the "manage the change" quadrant has a high need for strategic change, the changes are compatible with existing corporate culture, and therefore should manage the major changes by using the power of cultural acceptance and reinforcement. Harvey and Brown (1996:415) identify three basic elements in the change strategies that should be emphasized, viz. share the vision, mission and goals, reshuffle key people (role models for values and norms that lead to cultural

compatibility) to positions important in implementing the new strategy and reinforce the new value system in the performance management and reward systems.

6.9.1.2 REINFORCE THE CULTURE (NEGLIGIBLE RISK)

According to Bennett et al.(1994:474) and Harvey and Brown (1996:415) an organization in the "reinforce the culture" quadrant needs relatively little strategic change, the changes are highly compatible with the existing culture, but the new strategy should emphasize the existing cultural elements (shared values) and reinforce the existing cultural elements.

6.9.1.3 MANAGE AROUND THE CULTURE (MANAGEABLE RISK)

According to Harvey and Brown (1996:415) an organization in the "manage around the culture" quadrant has a great need for strategic change, the changes are incompatible with existing corporate culture, and therefore the change should be managed around the culture, without confronting direct cultural resistance. Here the critical question is whether these changes can be implemented with a reasonable probability of success. Harvey and Brown (1996:415) suggest that the value system should be reinforced, power be reshuffled to raise key people, and any available levers of change be used such as the budgeting process and reorganization.

6.9.1.4 CHANGE THE STRATEGY (UNACCEPTABLE RISK)

According to Harvey and Brown (1996:416) an organization in the "change the strategy" quadrant needs some strategic change, and the changes are incompatible with the entrenched corporate culture, needs to reconsider the viability of the strategic change initiatives. If the chances for strategic change success are limited, the strategy should be amended to align with the existing culture.

6.10   CONCLUSION

In this chapter change, organization development, and transformation were defined. The dimensions, and types of change were discussed, as well as resistance to change. The importance of leadership during change, and the various roles and responsibilities during change were emphasized. A model for organizational change was given and the importance of various aspects of an organization development approach to change was highlighted. For effective organizational change there should be an integration of change strategies and a strategy-culture fit. The challenge is to support the strategic process of the organization with

an OT paradigm of change and OD interventions in order to improve organizational effectiveness.

CHAPTER VII

VARIABLES OF IMPORTANCE IN ATTITUDE RELATED RESEARCH

7.1   **INTRODUCTION**

In this chapter the important variables in research related to attitude are extensively discussed. On the basis of a literature survey, eight (8) independent variables have been selected to explore the relationships among the dependent variables (work motivation needs, internality, externality, autonomy, and the transformation factors). The main independent variables that may be responsible for differences in the dependent variables are gender, religion, language, educational qualifications, income, age, occupational level, and geographical area employed in. These variables may all have an important bearing on the perceptions, work-related attitudes and work-related needs of the different individuals and groups within this changing organization. The concept "nuisance variable" and the control thereof are focused on.

7.2   **EXPLORATION OF POSSIBLE NUISANCE VARIABLES**

Mason and Bramble (1989:433) define variables as characteristics of persons, objects, groups, and events to which qualitative and quantitative values can be assigned. However, De la Rey (1978:11) offers a more elaborate description of a variable. He sees it as "any psychological attribute, quality, characteristic or feature, or norm of judgement on which people tend to differ". Variables have to differentiate between people. De la Rey (op.cit.) views research as generally successful only when the observed changes in behaviour can be attributed to the Independent Variable (IV). However, it would not be possible for a psychologist to control all factors and variables that may have an influence on the results of the research. Variables that may have an unwanted effect on the findings of the research are called nuisance variables (also called intervening variables or extraneous variables) (De la Rey, 1978:12; Mason et al., 1989:63). Psychologists try to control these variables that may contaminate and obscure the results of research. If it is impossible to control these nuisance variables while planning the research, psychologists may control the intervening variables statistically by means of analysis of covariance. A nuisance variable is also known as a covariate (De la Rey, 1978:12). These covariates may intervene between an independent variable, and dependent variable, affecting the direct relationship between input and output variables (Baker, 1988:289). Nuisance variables may contaminate the relationship between the independent variable and the dependent variable (De la Rey, 1978:12) and

psychologists try to control these nuisance variables to minimize the effects on the results of experiment or survey (Mason et al., 1989:69). Baker (1988:464) views such a control variable as a third variable in a trivariate analysis. The relationship between the dependent variable and the independent variable is examined under each condition of the control variable. The relationship between the independent and dependent variables and the nuisance (control) variable intervening between them is diagrammatically presented in Figure 7.1.

FIGURE 7.1: <u>AN INTERVENING RELATIONSHIP OF VARIABLES</u>.

X = Independent variable
Y = Intervening (nuisance) variable
Z = Dependent variable
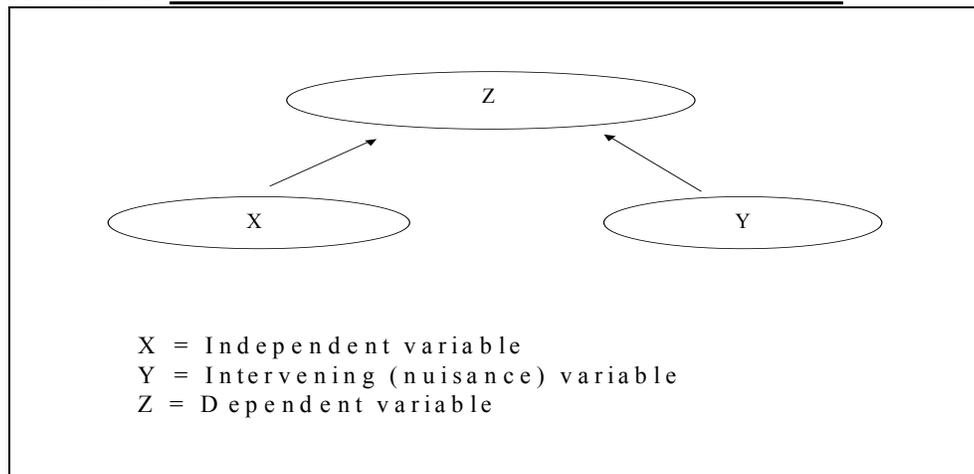
(Source: Healy, 1990:342)

Figure 7.1 shows a trivariate relationship with the intervening variable occurring between the independent and dependent variables. As previously stated the psychologist controls the nuisance variable statistically by means of analysis of covariance. Tabachnick and Fidell (1983:14) consider analysis of covariance as an analysis of variance which includes one or more extraneous or control variables in addition to the independent variables and a single dependent variable. The analysis of covariance is based on the possibility of a linear correlation between covariates and the dependent variable. This relationship is or can be evaluated by statistically testing the effect of covariates as a source of variance in the dependent variable (Tabachnick et al., 1983:178). The researcher contemplates to control for possible nuisance variables in order to ascertain the true relationship between the dependent and independent variables.

7.3   **MAIN INDEPENDENT VARIABLES**

Individual differences, group differences, and organizational systems variables all impact on work-related attitudes and organizational behaviour. The main variables that may be responsible for group differences in survey data are gender, religion, language, educational qualifications, income, occupational level and geographic area. These variables would be discussed next.

7.3.1   **GENDER**

Gender and gender role differences might impact on socialization, work values, perceptions, work-related attitudes and needs, as well as organizational behaviour. Gender and gender role differences will be discussed next.

Men and women are equal in terms of learning ability, memory, reasoning ability, creativity, and intelligence (Ragins, Townsend and Mattis, 1998:28-42). Because men and women are treated differently from birth, their worldviews might differ. The impact of religion and culture on gender role stereotypes (men are the breadwinners, women are the caretakers), the way people were socialized in South Africa and some practices like job reservation (or the glass-ceiling effect), might lead to assumptions, stereotyping, and prejudice of gender groups. But there is no evidence that men or women are better job performers (Gibson et al., 2000:96). In a society where equal opportunity and fair treatment are becoming more important, the genders' work behaviour would become more alike, but we still need to respect and value all the diversity components in the organization. This implies that individuals should be respected and valued for their differences, and be treated equally, as long as the treatment is fair as well. Many managers perceive and treat all people alike, even though men and women might differ on issues like work-related needs, locus of control orientation, and work-related attitudes. With this background the other main variables are discussed next.

7.3.2   **RELIGION**

Adam and Moodley (1986:44) see religion as related to the origin of the uncertainty avoidance syndrome; and high uncertainty avoidance cultures have pragmatic or introvert, meditative religions. The authors further note that Catholicism is seen as a more masculine form of religion than Protestantism of which certain currents allow women as clergy. Religion has played a decisive role in South Africa in the mobilization for ethnicity. Afrikaner nationalism achieved its goal of securing control of the South African state

through a skilful manipulation of the group's symbolic resources, e.g. language and religion. Ethnic entrepreneurs used religion to create a relatively strong sense of unity and forged a sense of identity among Afrikaners (Adam and Moodley, 1986:44).

The Dutch Reformed Church with its earlier strong Calvinist orientation has given Apartheid its religious basis. It seems that from 1935 onwards, the Dutch Reformed Church (DRC) made little attempt to base its views and policies on the Scriptures when formulating its stand upon social issues. Instead, it took traditional Afrikaner norms as motivation for its decisions. "It believed that God created nations and shaped their destinies: the course along which a nation was guided, in other words the 'traditional', was an expression of God's will and was thus in accordance with the Scriptures. As Afrikaner nationalists, the church leaders believed in Apartheid and used scattered texts and the history of Israel to provide some moral justification for their actions" (Giliomee and Schlemmer, 1989:46). Religion is also far more important to the Afrikaans group and has a strong influence on their behaviour. Although the church has occupied a central place in the social values of the Afrikaans people, there are signs that the Calvinist tradition is losing its grip. English speakers do not attach the same importance to religion as the Afrikaans group in the sense that they do not entertain a Calvinist view of themselves as "a chosen people" (Hanf, Weiland and Vierdag, 1981:166-169).

Black theology with its emphasis on material, political and spiritual suffering has been seen as an unifying religious bond. But religious Black theology does not have an united pervasive church as Latin American liberation theology has in the Roman Catholic Church. It does not encourage a separate religious ethnicity. On the contrary, Black theology laments the behaviour of fellow brothers and sisters who are failing in their Christian duty. It advocates initiatives fundamentally at odds with the world view of the adversary just as Afrikaner Calvinism perceived Anglican, Catholic and Jewish faiths (Adam and Moodley, 1986:49-50).

7.3.3   **LANGUAGE**

Afrikaner nationalism also used the Afrikaans language as a symbolic resource to forge Afrikaner identity. Language has been a primary contributor to ethnic prosperity once the Afrikaner was able to use the state to further Afrikaner occupational opportunities (job reservation) in the public service as well as in spreading state capitalism. The Afrikaans language was the mobilizing and unifying force in channeling the displaced and impoverished Afrikaans people away from socialism into the ethnic fold by providing

protective employment and status in a racial caste system (Adam et al., 1986:44). Black people, however, do not have a single unifying language.

The African tradition of communalism fosters close kinship ties and reinforces ethnic solidarity in African society. The mutual social obligations within the particular tribe or clan establish cohesive bonds and are backed by a much higher degree of state organization and group awareness than among Whites. But heritage of language is not a unifying force among the different clans or tribes forging a particular identity on the Blacks. To insist on Zulu or Xhosa or Sotho to communicate in an interdependent industrial setting would bar Africans from jobs, education and occupational opportunities that depend on a mastery of official languages.

"The indigenous language (be it Xhosa, Zulu or Sotho) was used as a medium of resistance, a secret underground code during the struggle for equality (many non-black people still have this perception), but it is not the language of material success. These oppositional modes of African expression are however not perceived as in need of rescue from the danger of Anglicisation, let alone absorption into Afrikanerdom" observe Adam et al. (1986:47-50). A language struggle was not necessary to save the indigenous languages from extinction, unlike the Afrikaans-speaking people who had to fight for the preservation of their language and language rights against the British.

Black students, regardless of ideological outlook, prefer to be educated in English, but without giving up their linguistic heritage. Contrary to Afrikaans and English, the indigenous languages only retain regional importance but are insignificant in the arena of national or international politics. As Black consciousness includes awareness of the three designated racial groups of Africans, Coloureds and Indians, and is based on the common political factor of discrimination and not common cultural affinities, the emergence of a single African language as a unifying cultural symbol would alienate Africans using other African vernaculars as well as the Coloureds and the Indians who have little historical relationships with African culture (Adam et al., 1986:48-49).

The legacy of "apartheid" might still cause resistance and antagonism of people on the basis that they speak Afrikaans. The perception of previously disadvantaged and oppressed people in South Africa (Africans, Coloureds and Indians) might still be that Afrikaans is the language of the "oppressor", which can lead to unnecessary stereotyping or labelling of

Afrikaans people. It is of vital importance to understand that the perceptions, attitudes, and needs of people are different, and that people can be prejudged just because they are different. This could be true for Afrikaans speaking South Africans as well as-people who can and will make a valuable contribution to transformation, but through prejudice are not allowed to do so. The other side of the coin should be taken into consideration as well-the legacy of Apartheid can still show its ugly face of "better than". The feelings of superiority displayed by some Afrikaans people are still evident in many organizations, specifically during transformation and affirmative action initiatives. The "better than" syndrome was very evident in the racist society of the old South Africa, but could still influence some people who have internalized that they are "better than" or "less than".

7.3.4   EDUCATIONAL QUALIFICATIONS

There is a close relationship between educational qualifications and the abilities, skills, and competencies needed for job performance. Illiteracy and the lack of basic knowledge and skills can impact on the quest of organizations to move forward (Luthans, 1998:62).

From 1948-1992, when the National Party ruled, an education policy of Christian National education has been in place in South Africa. The Christian principle of this policy means that education should be based on the Bible while the Nationalist principle demands that for all ethnic groups the educational system should inculcate love of "their own", love for their country, language, history and culture[1]. Religion was thus linked to education to foster certain desired value systems.

However, in the case of African education a close link was advocated between schooling and the so-called "homelands" (Gilomee et al., 1989:52). The whole system of Bantu education (as it was known) has led to immense dissatisfaction among the African people. The system rejected preparing black students for incorporation into industrial society. This education [2]system was based on the principle that the black child had to be "trained and conditioned in the Bantu culture … The schools must also regard the fact that out of school hours the young Bantu child develops and lives in a Bantu community and when he reaches maturity he will be concerned with sharing and developing the life and culture of that community". Blacks viewed this education system as "second class", designed to give them

---

[1] Federasie van Afrikaanse Kultuurvereniginge. 1948. Christelike Nasionale Onderwysbeleid. Johannesburg: FAK. [2] Report of the Commission on Native Education. Eiselen Report, UG 53/1951, paragraphs 773-774.

an inferior training" (Hanf et al., 1981:274). The Black youth also regarded this educational system as evil and a symbol of the whole hated system of Apartheid. Black schools were, and in most cases still are overcrowded which subsequently lowered the quality of teaching and increased pupils' fears for the future (Hanf et al., 1981:274).

A growth in Gross Domestic Product, an increase in personal wealth and dispensable income, the attainment of a higher standard of living and national economic growth, and the competitive position of Blacks in the labour market demanded an education, grounding the South African population in the basic components of literacy and technical training. The economy has specific and compelling needs of its own. Economic growth can only be attained and sustained if the necessary schooled manpower is delivered through an advanced education system combining human resources planning and educational reform, making education and training more relevant and realistic (Bethlehem, 1988:224-225).

Again the legacy of Apartheid could impact on the work-related needs, perceptions and attitudes of different people, specifically during transformation.

7.3.5   **INCOME**

Income is strongly correlated with inequality in society in the areas of social status and wealth distribution. In South Africa there is a concentration of wealth in the White population and widespread poverty among Blacks that implies a close relationship between income level and ethnicity. This relationship underlies the charge that the essence of Apartheid has been exploitation and labour control. Ethnicity and class overlap to a high degree in South Africa. According to Giliomee et al.(1989:103) the Apartheid order spawned a whole set of policies which favoured White over Black groups and the Afrikaners over the rest of the Whites. As a result of these policies, the income distribution and the distribution of status and prestige of Whites and Black groups remained badly imbalanced. Apartheid was the common platform on which all the classes within Afrikanerdom joined forces with the common purpose to advance Afrikanerdom's interests.

Succesive Nationalist governments expanded public and semi-state corporations to promote Afrikaner economic progress. The agricultural sector of which 80% were Afrikaners, were economically enabled by marketing boards, agricultural cooperatives and other forms of

governmental intervention. The small Black bourgeoisie consists mostly of professional people but only a few of its members possess substantial independent wealth. Adam et al. (1986:16-17) formulate the income problem lucidly: "An emerging Black bureaucratic middle class is achieving salary parity but is still frustrated by indignities of status. For a long time the few Black businessmen operated under so many severe restrictions that to all intents and purposes a free-enterprise system did not exist for them. Likewise, the Black labour market is constrained by influx control and bureaucratic tyranny… Historically shortages in the local labour market have been filled by immigration from Europe rather than by training the indigenous subordinate population. With such a history of inequality, discrimination and neglect, it is not surprising that few cross-cutting ties and interests between the same strata in the different groups have developed to blunt the collective perceptions of another". Many of these facts highlighted by Adams et al.(1986) are in the process of change (labour legislation, skills development and NQF), but despite those changes the perceptions still exist among Black people that inequality, discrimination and neglect are still in existence. The fact is Apartheid might cause South Africans to suffer for many years to come.

The legacy of Apartheid still impacts on educational levels and income levels, which in turn could explain differences in the work-related needs, perceptions and attitudes of different people, specifically during transformation.

7.3.6   **OCCUPATIONAL LEVEL**

According to Theron (1992:309) interesting differences in regard to occupation and type of work existed in South African society until 1992. Afrikaans speaking people were over-represented in the primary sector, transport and the civil service. English speaking people formed the bulk of employees in industry, commerce and banking and were heavily represented in the upper strata of the private sector. Black people formed the bulk of semi-skilled and unskilled labour. Very few black people were found in managerial and executive positions. This is still very much the situation, as there is an unsatisfied demand for competent people from the previously disadvantaged groups. Hofstede (1980a:105) finds that lower education and lower status occupations tend to produce high Power Distance Index (PDI) values. The opposite is true for the higher education and higher status occupations. Occupational level is also associated with Uncertainty Avoidance in the sense that stress differences can be identified due to occupation. For example, Friedman and Rosenman (in Hofstede, 1980a:163) have created a distinction between persons showing

Type A and Type B behaviour. The Type A person tries to do more things in less time and is seven times more likely to develop coronary heart disease. Hofstede (1980a:242-246) also finds two factors by means of principal axis factoring with varimax rotation, comprising work goals across occupations. He calls the first factor intrinsic/extrinsic and the second social-ego. The intrinsic variables are on the positive side and refer to job content while the negative pole (extrinsic) refers to job context. The social pole of the social-ego factor refers to nurturance while the ego pole refers to assertiveness. High scoring occupations on the first factor are departmental managers, divisional managers and headquarter managers. Low scoring occupations are semi-skilled and unskilled workers.

Occupational level could have an impact on the work-related needs, perceptions and attitudes of different people, specifically with affirmative action initiatives and organization transformation.

7.3.7   **AGE AND YEARS OF SERVICE**

Age and years of service are other important independent variables, which may have a significant influence on results. Employment stability is a function on the average age of its incumbents – the older they are, the more stable they would be. Young white people are supposed to become more liberal and young black people more militant (Theron, 1992:310). Differences in values among respondents of different ages may be due to maturation, seniority, generation and/or zeitgeist. Maturation implies that the respondents' values change as they grow older. Seniority effects occur when people become more senior in their organization and have acquired greater commitment, greater frustration, or perhaps a lower market value elsewhere. Generational effects mean that values are fixed in youth and stay with their age cohorts over its lifetime. Drastically different conditions during youth may lead to different generations having different fixed values. Zeitgeist refers to drastic system-wide changes in conditions that cause a shift in everyone's values (regardless of age) (Hofstede, 1980a:344-345).

South African organizations discriminate against people on grounds of their age. During transformation and retrenchments it is easy to utilize a uniform principle to "get rid of" staff because of their age. The first-in-first-out (FIFO) principle discriminates against older people with more experience. The last-in-first-out (LIFO) principle discriminates against younger people with less experience. These practices are not carefully thought through. The loss of human capital is not an asset to any organization, and these principles, uniformly

applied, and is in conflict with valuing of workforce diversity. Any practices of discrimination based on age are not only illegal but does not make business sense. With this background it is clear that differences in age, and years of service could impact on perceptions, work-related attitudes, and work-related needs, specifically during change and down-sizing.

7.3.8   **GEOGRAPHICAL AREA**

Geographical area is another independent variable, which may have a significant influence on results. Despite the Head Office of the organization, located in Pretoria, staff at all twenty-four Branch Offices were included in the research. They are:

- Beaufort West;
- Bethlehem;
- Bloemfontein;
- Calvinia;
- Cradock;
- Ermelo;
- George;
- Heidelberg;
- Cape Town;
- Kroonstad;
- Lichtenburg;
- Middelburg;
- Nelspruit;
- Mokopane;
- Pietermaritzburg;
- Polokwane;
- Port Elizabeth;
- Potchefstroom;
- Pretoria;
- Rustenburg;
- Tzaneen;
- Upington;
- Vryburg, and
- Vryheid.

From the list it is evident that a diversity of areas and possible subcultures have been covered in this study. Every branch office has its own leadership climate, power and politics, communication, decision-making, competencies, values, attitudes, and perceptions. These geographical areas, which can be very unique, might indicate significant differences in the work-related needs, perceptions and attitudes of people.

7.4   **CONCLUSIONS**

In this chapter, the independent variables applicable to this research were discussed. Gender and gender role differences might impact on socialization, work values, perceptions, work-related attitudes and needs, and organizational behaviour. Differences among subjects of different ages and years of service may be due to maturation, seniority, generation or zeitgeist. Values shift as the subjects grow older. Different generations may also have different fixed values that also influence work-related attitudes and needs. But events may also occur which lead to drastic value shifts regardless of age. The language split in South Africa is still a hot political issue. It is emotionally charged and is a result of historical events. Religion is another variable of importance in this time of change, which may have a profound influence on subjects' value systems, work-related attitudes, and work-related needs. Educational qualifications, abilities, competencies, income, occupational levels, and geographic area researched all have a bearing on work-related needs and attitudes.

CHAPTER VIII

SOME PSYCHOMETRIC CONSIDERATIONS OF THE STUDY

8.1   **INTRODUCTION**

In this chapter the psychometric approach used in the study is extensively discussed. The construction of the Motivation Questionnaire, the Locus of Control Inventory, and the Transformation Questionnaire, as well as the concepts of validity and reliability are discussed. Reliability estimates were determined for each of the scales and are reported in this chapter.

8.2   **THE MOTIVATION QUESTIONNAIRE**

A motivation survey is used to determine the specific factors or needs that influence work motivation during the transformation of the organization. The researcher decided on a questionnaire that has been successfully utilized on a similar staff population at another bank in South Africa. The Motivation Questionnaire of Fourie (1989) was used in this study. The target group for the research project was similar to the one used by Fourie, and included a diversity of bank officials. All the employees of the Head Office and all the Branch Offices participated in this survey, including staff on various job levels, management, and cleaning staff. Fourie (1989:85) developed the questionnaire by involving employees and using the following specific principles:

-     "Generate ideas and views from participants through brainstorming and group discussions;
-     Listing of ideas;
-     Feedback of participants on ideas and clarifying of each;
-     Evaluation of each idea; and
-     Prioritising of ideas".

The questionnaire consists of a biographical data section and a section where the respondent must give his/her opinions/feelings on various aspects relating to the work environment. The content and process theories discussed earlier as well as the information gathered from the employees involved in the development process were combined to structure the statements of the questionnaire.

It consists of 39 statements on which respondents react according to a five-point Likert attitude scale, viz.:

- Strongly in agreement (SA);

- In agreement (A);

- Uncertain (U);

- Disagree (D), and

- Disagree strongly (DS).

The questionnaire measures the attitudes of employees on motivational factors in the work environment, viz.:

- Herzberg's "hygiene or maintenance" factors, including remuneration, job security, level and quality of supervision and interpersonal relationships;

- Herzberg's "motivators", including nature of the work, personal growth, advancement and recognition;

- Assessing the level of role clarity, expectations and communication;

- Assessing conflict management and its impact on social needs;

- Assessing perceptions on equity in the remuneration policies, and

- Assessing the use of human potential and self-actualization.

The questionnaire was standardized on similarly employed staff and all interpretation- and other problems were solved. A statistical consultant verified the validity of the questionnaire.

8.3   **THE LOCUS OF CONTROL INVENTORY**

Rotter and his associates (1966) developed the concept of Internal-External Locus of Control. They employed it to study the effect of reward on behaviour. An internally orientated person believes that his/her own behaviour affects the rewards that follow the behaviour. Externally orientated people believe that outside forces shape and reward their life (Gurin, Gurin, Lao and Beattie, 1969:29). According to Schepers (1995:3-7) there were many other instruments developed after the Rotter scale of 1966, viz. the Internal, External Locus of Control-scale. These instruments varied from a general focus to a very specific focus. Some of these instruments are applicable to children and others to adults. The Locus of Control Inventory of Schepers (1995) was developed to correct defects of other instruments and to establish a reliable and valid instrument for use on adults. The Locus of Control Inventory of Schepers (1995) is used in this research to determine the effect and possible connection of locus of control on work motivation and need satisfaction.

Conceptually this instrument of Schepers is based on attribution theory and social learning theory. An item analysis of the items was done and yielded three factors. These factors were interpreted as Autonomy, Internal Control and External Control. The three scales were accordingly subjected to an item analysis, and the reliabilities of the scales were determined with Cronbach's coefficient alpha. All three the scales yielded reliability coefficients of the order of 0,8 (Schepers, 1995:1). Next, the sample was subjected to a cluster analysis using the three scores of the Locus of Control Inventory as input - variables. Two distinct clusters emerged: Cluster 1 is low on Autonomy and Internal Control and high on External Control, Cluster 2 is high on Autonomy and Internal Control, but low on External Control (Schepers, 1995:1). According to Schepers (1995:1-2) these clusters were subsequently compared in respect of the following variables, viz.:

- The General Scholastic Aptitude Test (Verbal and Non-verbal IQ), the Senior Aptitude Tests, and Matric Score;
- The Sixteen Personality Factor Questionnaire;
- The Jung Personality Questionnaire;
- The Personal, Home, Social and Formal Relations Questionnaire;
- The Survey of Study Habits and Attitudes;
- The Career Development Questionnaire; and
- The 19 Field Interest Inventory.

Statistically significant differences in means between the two clusters were obtained in respect of most of the variables, and indeed as was expected on theoretical grounds.

The Locus of Control Inventory consists of 80 statements on which respondents react according to a seven-point Likert scale.

8.4   THE TRANSFORMATION QUESTIONNAIRE

A Transformation Questionnaire is used to determine employees' attitudes regarding specific factors (or needs) within the organization during transformation. An external consultant- Transformatum Counselling Services- developed the questionnaire for the target organization.

The development of the questionnaire involved employees and the principles were:
- Generating ideas through views from employees during individual interviews or focus group discussions;
- Listing of all ideas and clarifying them with the participating employees;

- Evaluation of each idea;
- Prioritising of ideas;
- Generation of ideas into statements to which respondents indicate their reaction on a five-point Likert attitude scale; and
- Grouping statements under headings of the questionnaire.

The questionnaire consists of a biographical data section and sections where respondents give opinions/feelings on various aspects relating to the transformation environment and process, including:

- The objectives of the organization;
- The objectives of the participant's own work;
- Job satisfaction;
- The transformation process;
- The situation in each respondent's department/section/work group;
- Competence in each respondent's department/section/work group;
- Feelings towards supervisors and management in general;
- Feelings regarding decisions within the organization;
- Conflict handling;
- Change in the organization;
- The past two years in the respondent's job;
- Communication;
- The climate in the organization;
- Attitudes towards work and life;
- Team building in the work environment;
- General feelings in the organization;
- Respondent's future and stress;
- Needs;
- Feelings regarding diversity in the organization;
- A framework for sharing personal issues about work and life; and
- Proposals to assist individuals with the transformation process.

The questionnaire was standardized on similarly employed staff to solve interpretation and other problems. A statistical consultant verified the validity of the questionnaire.

8.5   **THE BIOGRAPHICAL QUESTIONNAIRE**

A Biographical Questionnaire forms part of the Motivation Questionnaire, the Locus of
Control Inventory, and the Transformation Questionnaire. The information of the
biographical questionnaires is structured according to the independent variables. These
eight independent variables have been selected to explore the relationships among the
dependent variables (work motivation needs, internality, externality, autonomy, and the
transformation factors). The independent variables (discussed in chapter VII) may all have
an important bearing on the perceptions, work-related attitudes, and work-related needs of
the different individuals and groups within this changing organization. The Biographical
Questionnaire is different from the Transformation Questionnaire that was administrated
after the Motivation and Locus of Control Questionnaires. The questions in the
biographical section of the Motivation and Locus of Control Questionnaire relate to:

-     Age;
-     Gender;
-     Home language;
-     Marital status;
-     Religious denomination;
-     Educational qualifications;
-     Salary per month;
-     Years of service;
-     Branch Office/section at Head Office; and
-     Job grade.

The questions in the biographical section of the Transformation Questionnaire relate to:

-     Academic qualifications;
-     Home language;
-     Department/section/work group at Head office;
-     Job grade;
-     Occupational group;
-     Years of service;
-     Employers in the last ten years;
-     Monthly income;
-     The primary source of income; and
-     Dependants to support financially.

8.6   **VALIDITY**

Babbie (1989:98) views validity as a descriptive term used of a measure that accurately reflects the concept it is intended to measure. De la Rey's view (1978:30), that a test is valid only if it measures the concept or characteristic it pretends to measure, ties in with this definition. Validity is usually determined by means of correlation statistics and expressed as a validity coefficient. There is also a non-statistical approach to the determination of psychological test validity, namely content validity that is a matter of judgement and not of empirical correlation (Guion, 1965:125).

The validity estimate is usually determined by calculating the correlation between performance in a test and an independent, objective criterion of the behaviour being measured (Smit, 1983:47). But this is only one kind of validity, i.e. predictive validity that could either be concurrent or predictive, as is illustrated later on in this chapter. De la Rey (1978:31) distinguishes between construct validity, content validity, criterion-related validity, concurrent validity, face validity and synthetic validity. Construct validity is the extent to which a test measures the construct it was designed to measure (Mason and Bramble, 1989:260). Construct validity is determined by comparing a new test with existing valid tests measuring the same concept. A high significant correlation points to construct validity (Smit, 1983:63-67). Construct validity evaluates the construct as well as the adequacy of the test in measuring the construct (Mason et al., 1989:261; Smit, 1983:64). Dane (1990:259) and Smit (1983:66) distinguish three approaches to the study of construct validity, viz. convergent validity, discriminant validity and factorial analysis. Convergent validity points to the extent to which a measure correlates highly with existing psychological tests measuring the same concept. Discriminant validity, on the contrary, is the extent to which a measure does not correlate too obviously or not at all with tests measuring different concepts. The construct discriminates between similar and entirely different constructs (Smit, 1983:66). By means of factor analysis, the numbers of common factors, explaining the variance, are identified. These factors can predict performance in a test. By identifying the factors common to a construct it is possible to construct a test that is a refined and clear measure of a specific theory or concept (Smit, 1983:66).

Content validity is of a qualitative nature and ascertains the degree to which the contents of a questionnaire are representative of the construct being measured (De la Rey, 1978:31). Criterion-related validity may be separated into predictive validity and concurrent validity (Howard, 1985:100). Predictive validity concerns the degree to which a test predicts future behaviour or performance correctly (Smit, 1983:51). A predictive validity estimate is

determined by means of Bravais-Pearson product moment correlation or multiple
regression analysis (De la Rey, 1978:310). The validity coefficient is usually interpreted by
means of its numerical size (magnitude), coefficient of alienation, coefficient of
determination and the standard error of measurement (Smit, 1983:52-53).

Concurrent validity implies the degree to which test variance correlates with variance in a
test (criterion) available at essentially the same time (Smit, 1983:61). Smit views
concurrent validity as a relationship expressed in terms of a correlation coefficient between
a test score and another yielded by a measure already accepted as valid of the same
behavioural construct (Smit, 1983:62). In other words, concurrent validity involves
comparing a new measure to an existing valid measure with an emphasis on the present
status of the measure or the respondent (Smit, 1983:62).

Face validity or expert validity is the degree of consensus between experts that a measure
represents a particular concept (Dane, 1990:257). Synthetic validity refers to presumed
validity (De la Rey, 1978:31). Howard (1985:56) also distinguishes between external and
internal validity. External validity deals with the extent to which a researcher can generalize
across samples, situations, settings and times based on evidence from a particular study.
Internal validity is defined as the extent to which procedures enable one to draw reasonable
conclusions (Howard, 1985:110).

8.6.1   **VALIDITY OF THE MOTIVATION QUESTIONNAIRE**
The construct validity of the Motivation Questionnaire was determined by means of a
factor analysis. The Kaiser-Meyer-Olkin measure (KMO) of sampling adequacy is an index
for comparing the magnitudes of the observed correlation coefficients to the magnitudes of
the partial correlation coefficients. If the sum of the squared correlation coefficients
between all partial variables is small when compared to the sum of squared correlation
coefficients the KMO is close to 1. Small values of the KMO measure are an indication that
a factor analysis of the variables may not be a good idea since correlations between pairs of
variables cannot be explained by other variables. The KMO value of 0,78 indicates that a
factor analysis is applicable on the data. Also, as the significant level of the Bartlett's test
of sphericity is small ($p = 0,000$), the hypothesis that the correlation matrix is an identity
matrix, has to be rejected. Bartlett's test of sphericity is based on a chi-square
transformation of the determinant of the correlation matrix. The negative of the partial
correlation coefficient is an estimate of the correlation between the anti-image correlation.

This partial correlation should be close to 0 if all the assumptions of a factor analysis have been met. The proportion of low coefficients-the anti-image correlation matrix is very high. Therefore a factor analysis is a good idea, which explains why a factor model is used as a result (Norusis, 1984).

The categorizing of the items of the five factors found for the Motivation Questionnaire is as follows:

- Factor 1, namely personal job satisfaction, and satisfaction with the work environment in terms of equitable practices, growth opportunities, and relationships: items

    10, 27, 21, 23, 35, 15, 26, 6, 8, 39, 38, 29, 31, 22, 7, 33, 14, 37, 20, 13, 34, 24;

- Factor 2, namely factors related to social and esteem needs through constructive conflict management, development opportunities, and recognition: items

    2, 4, 6, 8, 34;

- Factor 3, namely coaching for development: items

    4, 5, 7, 9, 16, 19;

- Factor 4, namely individual-centred leadership: items

    1, 24, 28, 32; and

- Factor 5, namely team spirit: items

    25 and 30.

The criteria for determining the number of factors were to include only those that account for variances greater than 1 as the eigenvalue is greater than 1. The eigenvalues of the five factors are presented in Table 8.1.

TABLE 8.1: <u>EIGENVALUES: EXTRACTED FACTORS: MOTIVATION QUESTIONNAIRE.</u>

Factor	Eigenvalue	Percentage of variance	Cumulative percentage
1	10,43	26,7	26,7
2	5,36	13,7	40,5
3	3,90	10,0	50,5
4	3,17	8,1	58,6
5	2,81	7,2	65,8

The final statistics in Table 8.1 show the factor statistics after the desired number of factors has been extracted. A particular criterion suggested to determine the number of factors is to only include the factors that account for variances greater than 1 as the eigenvalues are greater than 1.The eigenvalues are an indication of the total variance explained by each factor. The next column refers to the percentage of total variance attributable to each factor. It is clear that 65,8% of the total variance is attributable to the first 5 factors. The remaining 34 factors together account for 34,2% of the variance. Therefore a model of 5 factors should be adequate to represent the data.

The rotated factor matrix with the 5 factors is presented in Table 8.2.

TABLE 8.2: <u>ROTATED FACTOR MATRIX: MOTIVATION QUESTIONNAIRE.</u>

Variable	Description	Score: Factor 1	Score: Factor 2	Score: Factor 3	Score: Factor 4	Score: Factor 5
Q 10	Dissatisfaction with income	-0,78				
Q 27	Growth opportunities	0,73				
Q 21	Equity in remuneration	0,69				
Q 23	Utilization of potential	0,68				
Q 35	Work environment satisfaction	0,66				
Q 15	Promotion opportunities	0,65				
Q 26	Satisfaction: Psychological contract	0,64				
Q 6	Herzberg's Motivators	-0,64	0,59			
Q 8	Conflict handling / social relations	-0,62	0,59			

TABLE 8.2: (CONTINUED)

Q 39	Inequity in remuneration	0,61				
Q 38	Interpersonal relationships	0,61				
Q 29	Esteem, self-actualization in career	0,60				
Q 31	Psychological contract – Job objectives	-0,59				
Q 22	Career planning	0,58				
Q 7	Psychological contract - Organization objectives	-0,54		-0,52		
Q 33	Working conditions	0,54				
Q 14	Adequate development	0,54				
Q 37	Job security	0,53				
Q 20	Utilization of potential	0,52				
Q 13	Growth opportunities	0,51				
Q 2	Adequate recognition		0,60			
Q 34	Dissatisfaction with this organization	-0,52	-0,57			
Q4	Adequate training		-0,55	0,53		
Q 9	Job pressure			0,66		
Q 5	Satisfaction with management			-0,62		
Q 19	Satisfaction with work position			0,59		
Q 16	Relationship with management			0,58		
Q 24	Career planning	-0,55			-0,63	
Q 1	Level of supervision				0,61	
Q 28	Quality of supervision				0,60	
Q 32	Communication by superior				0,54	
Q 25	Work pressure					0,61
Q 30	Team spirit					-0,54

The information in Table 8.2 shows that in general, the content of the questions classified under Factor 1 relate to personal job satisfaction, and satisfaction with the work environment in terms of equitable practices, growth opportunities, and relationships. The questions classified under Factor 2 relate to social and esteem needs through constructive conflict management, development opportunities, and recognition. The questions classified under Factor 3 relate to coaching for development. The questions classified under Factor 4

relate to individual-centred leadership, and the questions classified under Factor 5 relate to team spirit. The information in Table 8.2 confirms the construct validity of the Motivation Questionnaire.

8.6.2   **VALIDITY OF THE LOCUS OF CONTROL INVENTORY**

The construct validity of the Locus of Control Inventory was also determined by means of a factor analysis. A KMO value of 0,92 was obtained, and the significant level of the Bartlett's test of sphericity was small (p = 0,000). The categorizing of the items of the Locus of Control Inventory is as follows:

-        Factor 1, namely internal control: Items 2, 3, 4, 6, 7, 10, 11, 12, 17, 20, 21, 23, 24, 25, 28, 29, 30, 31, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 45, 49, 51, 53, 54, 55, 57, 59, 60, 62, 63, 64, 65, 67, 70, 71, 72, 73, 74, 77, 78, 79, and 80;

-        Factor 2, namely external control: Items 13, 14, 16, 18,19, 22, 25, 26, 27, 28, 44, 46, 48, 54, 60, 61, 66, 68, 69, and 75;

-        Factor 3, namely autonomy: Items 1,12, 15, 43, 47, 50, 52, 53, 56, 57, and 76.

The eigenvalues of the three factors are presented in Table 8.3.

TABLE 8.3: <u>EIGENVALUES: EXTRACTED FACTORS - LOCUS OF CONTROL INVENTORY</u>.

Factor	Eigenvalue	Percentage of variance	Cumulative percentage
1	43,14	53,9	53,9
2	7,27	9,1	63,0
3	5,40	6,7	69,7

From Table 8.3 it is clear that 69,8% of the total variance is attributable to the first three factors. The remaining eight factors together account for 30,2% of the variance. Therefore a model of three factors should be adequate to represent the data. The rotated factor matrix with the three factors is presented in Table 8.4.

TABLE 8.4: <u>ROTATED FACTOR MATRIX: LOCUS OF CONTROL</u>
<u>INVENTORY</u>.

Variable	Description	Score: Factor 1	Score: Factor 2	Score: Factor 3
Q64		0,94		
Q42		0,92		
Q78		0,92		
Q72		-0,91		
Q45		-0,91		
Q74		0,89		
Q4		-0,88		
Q34		-0,88		
Q2		0,86		
Q41		-0,85		
Q23		-0,84		
Q17		0,83		
Q59		-0,82		
Q35		-0,82		
Q29		0,81		
Q62		0,79		
Q24		0,79		
Q65		-0,79		
Q21		-0,78		
Q38		-0,78		
Q51		-0,75		
Q49		0,73		
Q30		0,72		
Q70		0,72		
Q6		0,71		
Q36		-0,71		
Q7		0,71		
Q31		0,71		
Q63		0,71		

TABLE 8.4: (CONTINUED)

Variable	Description	Score: Factor 1	Score: Factor 2	Score: Factor 3
Q10		0,70		
Q11		-0,69		
Q73		-0,69		
Q67		0,68		
Q20		-0,67		
Q40		0,66		
Q12		-0,66		0,57
Q71		-0,64		
Q3		0,62		-0,63
Q33		0,62		
Q1		-0,61		0,56
Q80		-0,61		
Q37		0,61		
Q54		0,61	0,53	
Q55		0,59		
Q52		-0,59		0,57
Q60		0,54	0,51	
Q39		-0,53		
Q77		-0,51		
Q61			0,81	
Q75			0,81	
Q66			0,75	
Q26			0,73	
Q16			0,72	
Q27			0.70	
Q48			0,69	
Q22			0,68	
Q14			0,67	
Q25		0,51	0,64	
Q46			0,64	

TABLE 8.4: (CONTINUED)

Variable	Description	Score: Factor 1	Score: Factor 2	Score: Factor 3
Q69			0,63	
Q68			0,62	
Q28		0,59	0,60	
Q18			0,59	
Q13			0,59	
Q19			0,52	
Q44			0,51	
Q50				0,86
Q56				0,83
Q15				-0,81
Q47				0,78
Q53				0,77
Q43				0,67
Q57				0,65
Q76				-0,61

The information in Table 8.4 shows that in general, the content of the questions classified under Factor 1 relate to internal control. The questions classified under Factor 2 relate to external control. The questions classified under Factor 3 relate to autonomy. The information in Table 8.4 confirmed the construct validity of the Locus of Control Inventory.

8.6.3   **VALIDITY OF THE TRANSFORMATION QUESTIONNAIRE**

The construct validity of the Transformation Questionnaire was also pursued by means of a factor analysis. The KMO value of 0,80 indicates that a factor analysis is applicable on the data. Bartlett's test of sphericity did not produce meaningful statistics, therefore the hypothesis that the correlation matrix is an identity matrix, could not be determined. The negative of the partial correlation coefficient that should be close to 0 if all the assumptions of a factor analysis are met, could not be determined. The final statistics identified 24 factors with eigenvalues greater than 1, but no meaningful statistics could be drawn from the rotated factor matrix as the variables and the scores were not allocated to the factors identified. The reason for this outcome could be that the Transformation Questionnaire consists of various smaller questionnaires (with rating scales that differ), viz. the objectives

of the organization, the objectives of the participant's own work, job satisfaction, the transformation process, feelings about management and decisions made, perceptions on competence, conflict handling, communication, etc.

8.7   RELIABILITY

Reliability goes hand in hand with validity and involves the consistency or stability of a test score when the test is repeated or replicated. If a particular test, applied repeatedly to the same object, yields the same results each time, it is reliable (Smit, 1983:28-29).

Mason et al.(1989:420) view reliability as "the consistency or dependability of a test" and proceed to define reliability statistically as "the ratio of variance in the scores to variance in observed scores" (1989:266). They offer the formula:

$$r_{xx} = \frac{T^2_t}{T^2_o} = \frac{T^2_t}{T^2_t + T^2_e} \qquad \text{where}$$

r_{xx} = reliability
T^2_t = variance in true scores
T^2_o = variance in observed scores
T^2_e = variance of error.

8.7.1   COMPUTING RELIABILITY

Smit (1983) discerns three approaches to estimate reliability, i.e. test-retest reliability, alternate forms reliability and internal consistency. The reliablility estimate is determined by means of a correlation coefficient. The higher the numerical value of the obtained coefficient, the less the possibility of the effect of change upon a test. The lower the obtained coefficient, the more the measure reflects chance factors (Mason et al., 1989:267).

8.7.1.1 TEST-RETEST RELIABILITY

Test-retest reliability boils down to two repeated administrations of the same test to the same group after a lapse of time. The two test scores obtained in this way are compared by means of correlation statistics. This procedure yields a reliability coefficient of stability. The length of time between the two evaluations may turn out to be a major problem. If the lapse of the time is too short, carry-over effects like exercise and memory may affect the

reliability. If the period is too long, maturation (biological, psychological and emotional processes that change subjects over time) may influence reliability (Smit, 1983:29; Dane, 1990:254).

8.7.1.2 **ALTERNATE FORMS RELIABILITY**

Alternate forms reliability involves comparing performances by the same group on two different but equivalent forms of the same test. Two equivalent forms of the test are administered to the same sample. A lapse of time between the two evaluations is not necessary because two equivalent forms of the test are used (Smit, 1983:30). According to Smit (1983:30) the two equivalent forms must comply with certain requirements:

- Both forms must be of equal length;
- The same procedures for marking must apply to both forms;
- Item homogeneity must be the same for both forms, and
- Items must be uniform in regard to content, representativeness and degree of difficulty.

If the time period between the two evaluations is short, the reliability estimate is known as the coefficient of equivalence. If there is a long lapse of time, the reliability estimate is known as the coefficient of stability and equivalence (Smit, 1983:31).

8.7.1.3 **INTERNAL CONSISTENCY**

There are many methods for computing internal consistency, viz. split-half reliability and the Kuder Richardson method, amongst other approaches. The split-half reliability technique can be used to assess the reliability of a questionnaire, by dividing the test into equivalent halves and computing the correlation between the halves. A measure is usually divided by separating the odd and even numbered items (Smit, 1983:33). The division of the test in two halves shortens the measure, which in turn affects reliability. A correction to the reliability estimate has to be done to compensate for the shortened halves. Spearman-Brown advances a formula (Mason et al., 1989:268) to effect this correction:

$$r_{tt} = \frac{2r_{oe}}{1 + r_{oe}} \quad \text{where}$$

r_{tt} = corrected reliability

r_{oe} = the reliability estimate of the split-half.

Guttman also offers a formula to effect the correction (Smit, 1983:24-35). This formula is independent of the requirements to calculate the correction between the two halves.

$$r_{tt} = 2 \left(1 - \frac{O_A^2 + O_B^2}{O_t^2} \right) \text{ where}$$

O_A^2 = variance of form A

O_B^2 = variance of form B

O_t^2 = variance of total group.

The Kuder-Richardson method, which usually yields higher reliability estimates because the measure is not split into two halves, is also employed to calculate internal consistency. The Kuder-Richardson Formula 20 provides an estimate of the average split-half reliability:

$$r_{xx} = \frac{k}{k-1} \left(1 - \frac{\Sigma pq}{S_O^2} \right) \text{ where}$$

r_{xx} = reliability estimate

k   = number of items in the test

p   = the portion of people who respond correctly to each item

q   = 1 - p

S_O^2 = Observed score variance (Mason et al., 1989:269).

The Kuder-Richardson Formula 20 is usually applied to obtain reliability coefficients when tests consists of dichotomously scored items. However, the Kuder-Richardson Formula 20 may also be applied to tests comprising items that elicit more than two categories of response such as attitude scales. In this case of an item with more than two response categories, the individual item variances are calculated and their sum substituted in the Kuder-Richardson Formula 20 for:

$$\sum_{i=1}^{n} p_i q_i$$

The Kuder-Richardson Formula 20 used in the case of items that elicit more than two categories of response such as the case in hand, the formula is (Ferguson, 1981:439):

$$\sum_{i=1}^{n} p_i \; q_I \; = \; \sum_{i=1}^{n} S_I^2$$

8.7.1.4 ITEM TOTAL RELIABILITY

Item total reliability is "an estimate of the consistency of one item in respect to other items on the measure" (Mason et al., 1989:256). Calculating an item total reliability involves correlating the score on one item with the total score on the rest of the items. The Kuder-Richardson Formula 20 may be employed. A high correlation coefficient may be an indication of the entire instrument being reliable (Mason et al., 1989:256).

8.7.2   RELIABILITY OF THE MOTIVATION QUESTIONNAIRE

Split-half and alpha reliability estimates were calculated by means of computer packages available on the main frame of the University of Pretoria. A split-half reliability estimate for unequal length of 0,27 was obtained. Because the partitioning of the questionnaire into two halves shortens the measure that in turn affects reliability, the Spearman-Brown correction to the reliability estimate was done to compensate for the shortened halves (Mason et al., 1989:268; Smit, 1991:40). The Spearman-Brown correction yielded a reliability coefficient for unequal length of 0,29. An alpha coefficient of 0,57 was obtained for the Motivation Questionnaire.

8.7.3   RELIABILITY OF THE LOCUS OF CONTROL INVENTORY

Split-half and alpha reliability estimates were also calculated for the Locus of Control Inventory. A split-half reliability estimate for unequal length of 0,70 was obtained. The Spearman-Brown correction yielded a reliability coefficient for unequal length of 0,71. An alpha coefficient of 0,50 was obtained for the Locus of Control Inventory.

8.7.4   RELIABILITY OF THE TRANSFORMATION QUESTIONNAIRE

Split-half and alpha reliability estimates were also calculated for the Transformation Questionnaire. A split-half reliability estimate for unequal length of 0,31 was obtained. The Spearman-Brown correction also yielded a reliability coefficient for unequal length of 0,36. An alpha coefficient of 0,76 was obtained for the Transformation Questionnaire.

The Transformation Questionnaire is a lengthy survey with 182 questions on various transformation factors. Split-half and alpha reliability estimates were also calculated for the different factors studied ("mini questionnaires") in the Transformation Questionnaire. Table 8.5 summarizes these reliability estimates.

TABLE 8.5: <u>RELIABILITY ESTIMATES FOR THE DIFFERENT FACTORS - TRANSFORMATION QUESTIONNAIRE.</u>

Factor	Split-half reliability estimate for unequal length	Spearman-Brown correction reliability coefficient for unequal length	Alpha coefficient
Objectives of the organization (3 items)	-0,06	0,13	0,71
Job satisfaction (28 items)	0,57	0,65	0,87
Transformation process (10 items)	0,64	0,65	0,57
Work environment (11 items)	-0,56	0,37	0,60
Competence (2 items)	0,16	0,18	-
Feelings about management (5 items)	-0,50	0,60	0,83
Feelings about decisions (4 items)	-0,68	0,41	0,13
Conflict handling (6 items)	0,05	0,05	-0,26
Change (6 items)	-0,30	0,23	-0,22
Past 2 years in the job (3 items)	0,41	0,43	-

TABLE 8.5: (CONTINUED)

Factor	Split-half reliability estimate for unequal length	Spearman-Brown correction reliability coefficient for unequal length	Alpha coefficient
Communication (4 items)	-0,02	0,02	0,46
Climate in the organization (20 items)	0,74	0,71	0,70
Attitudes towards work and life (20 items)	0,87	0,88	0,86
Team building (3 items)	0,38	0,47	0,67
Personal feelings (15 items)	0,56	0,56	0,77
Future and stress (10 items)	0,94	0,95	0,89
Personal needs (12 items)	0,76	0,80	0,70
Diversity (8 items)	0,92	0,93	0,92
Sharing of work and life issues (6 items)	-0,63	0,41	0,65
Proposals for the transformation process (8 items)	0,92	0,93	0,92

From Table 8.5 it is clear that some areas (factors studied) of the Transformation Questionnaire yielded better reliability estimates than others, especially where the factor studied had more than 6 items. These aspects need to be addressed in terms of future research.

8.8   **CONCLUSION**

In this chapter the questionnaires used in the study were discussed. Attention was given to the construction and development of the Motivation Questionnaire, Locus of Control Inventory, and the Transformation Questionnaire. The different approaches to determine validity and reliability estimates were discussed in some detail. Split-half and alpha reliability estimates were calculated for all the questionnaires.

CHAPTER IX
RESEARCH DESIGN

9.1   **INTRODUCTION**

What social researchers find most interesting about studying social organizations is not how well they operate, but which characteristics do not seem to further their goals - in other words, which activities are dysfunctional (Baker, 1988:9).

In this chapter the research design, the population and sample determination, the collection and interpretation of data, and the relevant statistical methods are discussed.

9.2   **THE RESEARCH DESIGN**

According to Leedy (1993:139) the nature of the data and the problem for research dictate the research methodology. "All data, all factual information, all human knowledge must ultimately reach the researcher either as words or numbers. If the data is verbal, the methodology is qualitative; if it is numerical, the methodology is quantitative". Leedy (1993:243) describes quantitative methods as valuable to express and describe information that is more difficult by using words only. According to Dooley (1990:276) qualitative research refers to social research based on non-quantitative observations made in the field and analyzed in non-statistical ways. Dooley (1990:277) explains that non-quantitative observation is less structured than quantitative research, being flexible, spontaneous, and open-ended. A qualitative observer who looks, listens, and flows with the social currents of the setting can be expected to acquire perceptions from different points of view. Comparing and contrasting different interviews and perceptions of the same subject or behaviour are likely to produce a more detailed and less distorted understanding of the real issues at hand.

Thus, even though the quantitative criteria of reliability and validity cannot be applied to qualitative data, such data have an intuitive appeal as accurate and unbiased (Dooley, 1990:277). The most obvious difference between quantitative and qualitative research can be seen in the notational system used to report the findings. Numbers, figures, and inferential statistics appear in the result sections of quantitative studies. In contrast, qualitative research typically reads like a story written in everyday language (Dooley, 1990:279). In this study a qualitative and quantitative research strategy were utilized to investigate the factors that influenced the effectiveness or ineffectiveness of the transformation process. Quantitative techniques were used to assess attitudes of the factors that influenced transformation, to

investigate work-related needs, work motivation, and locus of control variables. A qualitative strategy was used to gather information about the need for change in this organization, the diagnosis of the current organization, planning of change strategies, implementation of change interventions, and management of the transformation process within the organization. The researcher's role was established as an objective observer of each and every aspect of the transformation process that entailed data collection, evaluation and feedback to the external consultants. The data for the quantitative research is highlighted in terms of age, home language, religion, qualifications, income, job grades, geographical area employed, and occupational levels as independent variables. The survey method (questionnaires) was selected as the most appropriate method to gather data from the employees.

9.2.1   **SURVEY RESEARCH**

Dane (1990:338) defines survey research as a method of "obtaining information directly from a group of individuals". Chadwick, Bahr and Albrecht (1984:442) view it as "a research technique that puts questions to a sample of respondents by means of a questionnaire or an interview". Self-administered questionnaires, interview surveys, and telephone surveys are three main methods of survey research (Baker, 1988:168; Babbie, 1989:238).

Theron (1992:337) notes that the survey research process starts with the selection of valid measurement(s)/questionnaire(s) that contain the questions that measure the intended concept(s). Therefore the questions need to be worded carefully and unambiguously, must be acceptable to the respondents, not give offence, and be easily understood by everyone (Theron, 1992:337). Once the questionnaire has been selected or developed, the respondents need to be selected. The relevant criterion in selecting respondents is that the questions should apply to the population from which the respondents have been selected (Theron, 1992:337). The next step was to administer the questionnaires. The questionnaires were distributed by the researcher to all employees in the organization with instructions on how they had to be completed, and when they had to be returned.

9.2.2   **THE SURVEY RESEARCH PROCESS**

Baker (1988:174-175) discusses four types of questions that may form part of a questionnaire, viz. closed-ended questions, open-ended questions, contingency questions, and matrix questions. Examples of a matrix questionnaire are the response categories of a Likert scale. The respondents select a response from a set of five or seven response categories, as used in the Motivation, Locus of Control, and Transformation Questionnaire. Open-ended questions

were also used near the end of the Transformation Questionnaire for more detailed and personalized answers to sensitive questions. Open-ended questions should be worded in such a way that they are understandable. The set of questions should also be designed in such a way that they effectively assess the attitudes towards, and measure the topic concerned (Baker, 1988:168).

9.2.3   ADMINISTERING THE QUESTIONNAIRES

Chadwick et al.(1984:147) suggest two strategies for collecting data by self-administered questionnaires, namely hand-delivered to individual respondents and collected after a few days, or administered to groups. According to Chadwick et al.(1984:147) the second strategy is more efficient. It enables the instructor to explain the purpose of the questionnaire, as well as the instructions for completion and to handle individual enquiries. The strategy also ensures a common understanding and motivation of the group, which saves time and still allow respondents time to complete the questionnaire privately.

The Motivation and Locus of Control Questionnaire was administered after the first five months of transformation, to groups of voluntary employees in Head Office and all the Branches of the organization. The researcher administered the questionnaires to all the groups, explaining the purpose and aim of the study, as well as the instructions for completion. On completion the questionnaires were handed to the instructor.

The Transformation Questionnaire was administered after the first eleven months of transformation, to groups of voluntary employees in Head Office only. The researcher administered the questionnaires to all the groups, explaining the purpose and aim of the study, as well as the instructions for completion. On completion the questionnaires were handed to the instructor.

9.3   POPULATION AND SAMPLE DETERMINATION

Baker (1988:144) argues that the quality of a sample, however careful the selection, can be no better than the sampling frame from which it is drawn. If the sampling frame is not truly representative of the population, it supposedly enumerates, then the sample cannot be representative of the population. Steyn, Smit and Du Toit (1987:12) define the population as the total group of people or the comprehensive collection of items that are relevant to the study. Supporting that definition, De la Rey (1978:16) argues that a population should be seen as a whole, while the sample can be viewed as a part of the whole. Baker (1988:144) defines

a sample as a selected set of elements or units drawn from a larger whole of all the elements, the population. The population, in this case, is the total work force of a large agricultural financier, which amounts to 1 022 employees. Table 9.1 presents the population of the organization.

From Table 9.1 it is evident that the majority of the population is 40 years and younger. The majority is male and married. From the population 17,8% have tertiary qualifications. The largest group of the population have more than 21 years of service and the second largest group have 16-20 years of service.

TABLE 9.1: <u>BIOGRAPHICAL DATA OF THE POPULATION</u>.

	Frequency	Percentage	Cumulative percentage
Age			
18 - 20 years	14	1,4	1,4
21 - 25 years	184	18,0	19,4
26 - 30 years	213	20,8	40,2
31 - 40 years	337	33,0	73,2
41 - 50 years	196	19,2	92,4
Over 51 years	78	7,6	100,0
Total	1 022	100,0	-
Gender			
Male	581	56,8	56,8
Female	441	43,2	100,0
Total	1 022	100,0	-
Marital status			
Married	630	61,6	61,6
Unmarried	336	32,9	94,5
Divorced	56	5,5	100,0
Total	1 022	100,0	-
Educational qualifications			
Matric	840	82,2	82,2
Diploma	93	9,1	91,3
Degree	70	6,8	98,1
Post-graduate degree	19	1,9	100,0
Total	1 022	100,0	-
Years of service			
Less than a year	51	5,0	5,0
1 - 2 years	131	12,8	17,8
3 - 5 years	112	10,9	28,7
6 - 10 years	152	14,9	43,6
11 - 15 years	148	14,5	58,1
16 - 20 years	183	17,9	76,0
More than 21 years	245	24,0	100,0
Total	1 022	100,0	-

9.4   **STATISTICAL METHODS**

Data will be extensively analyzed according to criteria developed and expressed by Ferguson (1981), Tabachnick and Fidell (1983 and 1989), Ott and Mendenhall (1990), Shavelson (1981) and Harris (1975). The major tools of analysis may be descriptive statistics, correlational statistics, analysis of variance, Student's t test, Kruskal-Wallis non-parametric one-way analysis of variance, Hotelling's T^2 test, discriminant analysis and the Mann-Whitney test. The researcher hopes to ascertain the influence of independent or moderator variables such as age, gender, language, marital status, religion, educational qualifications, income, years of service, geographical area employed, and job grade on transformation factors.

The applicable statistical methods available on the computer programmes Statistical Packages for the Social Sciences ($SPSS^R$), and Statistical Analysis Systems (SAS) - will be utilized to analyze the work-related needs or motivation factors, the locus of control factors, and the attitudes related to transformation factors.

9.4.1   **ANALYSIS OF VARIANCE**

Bohrnstedt and Knoke (1988:219) define analysis of variance (Anova) as "a statistical test of the difference of means of two or more groups". Ferguson (1981:234) defines Anova as "a method for dividing the variation observed in experimental data into different parts, each part assignable to a known source, cause or factor". Anova is thus a method to statistically ascertain whether or not differences between two or more groups exist (Theron, 1992:343). The variance is partitioned into variance between groups:

$$\sigma^2 = \frac{n\,\Sigma d^2}{r-1} \qquad \ldots..A$$

and variance within groups:

$$\sigma^2 = \frac{\Sigma\Sigma x_i^2}{r(n-1)} \qquad \ldots..B$$

and is expressed as the ratio $\frac{A}{B}$, called the F ratio (Du Toit, 1963:108). Theron (1992:343) notes that besides the fact that groups can be compared to establish reliable differences between them, the extent to which the dependent variables differ as a function of group

membership can be determined, as well as the strength between independent and dependent variables. According to Theron (1992:343) the logic behind an analysis of variance may be explained as follows: "The Anova model tests the null hypothesis (H_o) that all sample means are drawn from the same population and therefore are equal. The H_o may be presented as H_o: $\mu_1 = \mu_2 \ \ldots = \mu_j$. This implies that the group means will be equal to the grand mean. The Anova model revolves around the question of how much of the total variation in the dependent variable (DV) can be explained by the independent variable (IV) (treatment variable) and how much is left unexplained" (Theron, 1992:344). The general Anova model with one IV may be presented as:

$$Y_{ij} = \mu + a_j + e_{ij} \quad \text{where}$$

e_{ij} = error term. (Error term is the difference between the observed score and the score predicted by the model).

This formula, according to Bohrnstedt $\underline{\text{et al.}}$(1988:222), indicates that the score of observation I, which is also a member of group j (hence Y_{ij}), is a function of a group effect, a_j, plus the population mean and random error, e_{ij}. The numerator of the sample variance is then partitioned into two independent additive components to enable the researcher to estimate the proportion of variance in Y_{ij}. The formula:

$$\sum_{i=1}^{n} (Y_i - \overline{Y})^2 \text{ is applied to divide the numerator into two}$$

components.

$$\sum_{i=1}^{N} (Y_i - \overline{Y})^2 = \sum_{j=1}^{J} \sum_{i=1}^{nj} (Y_{ij} - \overline{Y})^2 \text{ as the sum of the}$$

observations across the J subgroups or treatments equal the total sample size N. The term:

$$\sum_{j=1}^{J} \sum_{i=1}^{nj} (Y_{ij} - \overline{Y})^2 \text{ is called the sum total}$$

of the squares (SS $_{total}$) and is partitioned into a between sum of squares (SS $_{between}$) and a within sum of squares (SS $_{within}$). Variance is thus expressed as the F ratio:

$$\frac{MS_{between}}{MS_{within}} \quad \text{(Theron, 1992:345).}$$

The total sum of squares refers to a number obtained by subtracting the scores of a distribution from their mean, squaring and summing these values. Between sum of squares is a value obtained by subtracting the grand mean from each group mean, squaring these differences for all individuals and summing them. Within sum of squares refers to the value obtained by subtracting each subgroup mean from each observed score, squaring and summing them (Bohrnstedt et al., 1988:219-224; Ott et al., 1990:527-540). Dividing the $SS_{between}$ and SS_{within} by their respective degrees of freedom, provide the $SS_{between}$ and the SS_{within} with which the F ratios may be calculated.

The different techniques of analysis of variance are one-way analysis of variance, factorial Anova, one-way Manova and factorial Manova. A one-way classification of variance enables the researcher to measure the effect of an independent variable on (a) dependent variable (s) (Ferguson, 1981:235). In factorial Anova two independent variables or experimental variables are simultaneously investigated. It involves two bases of classification. These classification variables in analysis of variance are called factors. Because there are two factors, the design is termed a "two-way design" (There might be three or more factors but the larger the design the more difficult the interpretation of results). The two-way design contains an effect term for each factor and a term for the interaction effect produced by both factors operating simultaneously. Each score is considered to be influenced by its row, column and cell. Effects due to either column or row are called main effects while the effects due to column and row in combination are called interaction effects (Mason et al., 1989:231). Main effects are thus due to a single factor while interaction effects refer to influences of two or more factors in combination.

In a two-way factorial Anova the total sum of squares is partitioned into three parts, viz. a between-rows sum of squares, a between-columns sum of squares and an interaction sum of squares. The total sum of squares of all observations about the grand mean is:

$$\sum_{r=1}^{R} \sum_{c=1}^{c} \sum_{i=1}^{n} (X_{rci} - X....)^2 \quad \text{(Ferguson, 1981:253).}$$

However, with more than one measurement for the treatment combinations (experimental conditions), the total sum of squares may be divided into four additive components, viz. a between-rows sum of squares, a between-columns sum of squares, an interaction sum of squares and a within-cells sum of squares. The variance is expressed as the ratio of the interaction effects (S_{rc}^2) to the within cells effect (S_w^2):

$$F_{rc} = \frac{S_{rc}^2}{S_w^2}$$

(Ferguson, 1981:252-266; Theron, 1992:347).

Multivariate analysis of variance (one-way Manova) is "a generalization of analysis of variance to a situation in which there are several dependent variables" (Tabachnick et al., 1989:371). For example, a researcher would like to measure the effect of different types of treatment on three types of anxiety (test anxiety, anxiety related to life stresses, and so-called free-floating anxiety). The independent variable is the different types of treatment offered (desensitization, relaxation treatment, and a control group with no treatment). Subjects are then randomly subjected to the treatment, and are measured on the three types of anxiety. The dependent variables are the scores on all three measures for each subject. Manova is used to assess whether a combination of the three anxiety measures varies as a function of the treatment (Tabachnick et al., 1989:371). Factorial Manova implies the extension of Manova to research comprising more than one independent variable (Tabachnick et al., 1983:58). Manova has the advantage that the measuring of several dependent variables may improve the chance of discovering changes produced by different treatments and interactions. Manova may also reveal differences not shown in separate Anovas. However, the analysis is quite complex. In factorial Manova, a " best linear combination' of dependent variables is formed for each main effect and interaction. The combination of dependent variables that best separates the groups of the first main effect may be different from the combination that best separates the groups of the second main effect or the cells from an interaction" (Tabachnick et al., 1989:371).

Manova is also subjected to the limitations of unequal sample sizes, multivariate normality, outliers, linearity, multi-collinearity and singularity and homogeneity of variance-covariance (Tabachnick et al., 1983:226-227). These limitations are discussed in detail under the heading "Discriminant analysis" in paragraph 9.4.3.

Manova revolves around research questions such as: Is change in behaviour associated with different levels of an independent variable due to something other than random fluctuations or individual differences occurring by chance (main effects of independent variables) and do independent variables interact in their effect on behaviour (interactions among independent variables)(Tabachnick et al., 1983:226-227)? According to Tabachnick et al. (1983:235-238) an appropriate data set for Manova should contain one or more independent variable(s) (classification variables) and two or more dependent variables (measures) on each subject or sampling unit within each combination of independent variables. Each independent variable may have two or more levels. The Manova equation for equal n can be developed through extension from Anova. Anova involves the partitioning of the total variance into two independent additive components, viz. sum of squares. For factorial designs the variance between groups can be further partitioned into variance associated with the first independent variable, variance and variance associated with the interaction between the two independent variables. Each n is the number of scores composing the relevant marginal or cell mean or $SS_{bg} = SS_D + SS_T = SS_{DT}$ (Tabachnick et al., 1983:238; Theron, 1992:348).

Analysis of variance may also be used to conduct a profile analysis as Anova is analogous to the parallelism test, levels test and flatness test (discussed under Hotelling's T^2 test). Treatments correspond to rows, the dependent variables to columns and the interaction between columns and rows is also assessed (Harris, 1975:81).

Multiple comparison techniques (mean separation tests) allow the researcher to investigate post hoc hypotheses involving the means of individual groups or sets of groups. Examples of multiple comparison techniques are the Duncan test, the T test, Tukey's test, the Bonferroni test, and the Scheffé test. According to the SAS /STAT Users' Guide (1990) there is a serious lack of standardized terminology in the literature on multiple comparisons. Failure to reject a hypothesis that two or more means are equal should not lead to the conclusion that the population means are equal. "Failure to reject the null hypothesis implies only that the difference in population means, if any, is not large enough to be detected with the given sample size" (SAS /STAT Users' Guide, 1990:941). The Scheffé test is the most popular and is a relatively conservative multiple comparison technique (Shavelson, 1981:470; Howell, 1989:240). This test is done on all pairs of means - the T option in the means statement. However, it is difficult to calculate the exact probability, but a pessimistic approximation can be derived by "assuming the comparisons

are independent, giving an upper bound to the probability of making at least one type of error" (SAS /STAT Users' Guide, 1990:941). Two other methods, the Bonferroni (Bon) additive inequality, and the Sidak multiplicative inequality, can be utilized for control of the maximum experiment wise error rate (MEER) under a set of contrasts, or other hypothesis tests. According to the SAS /STAT Users' Guide (1990:943) the Bonferroni inequality can provide simultaneous inferences if more than one hypothesis has to be tested. Any statistical application can be utilized in these comparisons. Tukey, as quoted by the SAS Users' Guide, proposed a test specifically for pair wise comparisons based on the studentized range. This test is also called the " honest significant difference test " that controls the MEER when sample sizes are equal (SAS /STAT Users' Guide, op.cit.).

Tukey (1953) and Kramer (1956) independently proposed a modification for unequal cell sizes, and the Tukey-Kramer method was developed. This method is less powerful than the Bon, Sidak, and Scheffé methods, and also more conservative (SAS /STAT Users Guide, 1990:944). However, the Scheffé test is compatible with the overall ANOVA F, in that this method never declares a contrast significant before the overall F is significant. The Scheffé method is less powerful than the Bon and Sidak methods if the number of comparisons is largely relative to the number of means. Multiple comparisons by means of the Scheffé test may be conducted regardless of whether the overall F is significant. Howell (1989:235) presented the formula:

$$t = \frac{\overline{X}_1 - \overline{X}_2}{\sqrt{MS_{error}\left(\dfrac{1}{n_1} + \dfrac{1}{n_2}\right)}}$$

with degrees of freedom (df) equal to the number of groups -1 and $N_1 + N_2 - 2$ in order to perform the Scheffé test. The specific approach used for the calculation of the post hoc Scheffé test, describing the data, is that of Horvath (1985:226). It is similar to the method described by Howell (1989:236-240) but differs in terms of the formula by which the critical values in the F tables are determined. Horvath (op. cit.) uses the normal critical F values while Howell's approach is similar, except that the obtained F ratio is multiplied by a factor of $(k - 1)$ where k is equal to the number of groups or subgroups (i.e. the row-effect).

9.4.2   **HOTELLING'S T ^{2} TEST**

Hotelling's T ^{2} test enables the researcher to compare two groups on several variables simultaneously (De la Rey, 1978:71). Student's t test and Hotelling's T ^{2} test can both be employed to test a single group or two independent groups (Harris, 1975:67). According to Tabachnick et al.(1983:56) Hotelling's T ^{2} test is a special case of multivariate analysis of variance (as the t test is a special case of univariate analysis of variance) in which two groups compromise the independent variable. Hotelling's T ^{2} test is applied to determine whether the groups differ on a set of dependent variables (Theron, 1992:347). Hotelling's T ^{2} test determines whether the centroids (combined averages on the dependent variables) differ for the two groups. Harris (1975:78) offers the following formula to compute Hotelling's T ^{2} test:

$$T^2 = [N_1 N_2 / (N_1 + N_2)] (\overline{X}_1 - \overline{X}_2)^1 S_C^{-1} (X_1 - X_2)$$

There is no evidence relating to the robustness of T ^{2} except that large sample sizes are needed. The test, therefore, is N sensitive. So a large and representative sample of determined size is needed for reliable and valid results. When the dependent measures originated from a normal distribution, the computed T ^{2} values conform to the F distribution (Harris, 1975:87).

Certain assumptions, however, have to be met before a T ^{2} analysis of data may be conducted (Harris, 1975:85-88). The averaging together of the covariance matrices for two groups (the independent variable) before conducting a T ^{2} analysis of the differences between two groups, involves the implicit assumption that the differences between S_1 and S_2 simply represent random fluctuations about a common population covariance matrix Σ. The null hypothesis (H_o) includes both the hypotheses that $\mu_1 = \mu_2$ and that $\Sigma_1 = \Sigma_2$. However, the second hypothesis is only an assumption on which the correctness of the validity of the first one depends. Rejection of the H_o thus could be due to the fact that $\Sigma_1 \neq \Sigma_2$ rather than to non-null differences between μ_1 and μ_2. Hotelling's T ^{2} test is more sensitive to difference in means than to differences in variances and covariances, and the true significance level of T ^{2} is unaffected by discrepancies between Σ_1 and Σ_2 , as long as the sample sizes are fairly large and $N_1 = N_2$ (Harris, 1975:85). The symbol Σ refers to the common population covariance matrix.

In some situations the entries in the population variance-covariance matrix are a priori specified (preplanned). The observed variances could be uniformly larger than the hypothesized values suggest. The individual differences in choice probability are inflating the response variabilities. The researcher should therefore be careful to apply formulas for the mean and variance of a multinominal distribution to situations where the assumption that all S_S have the same generating probability (ties) is unlikely to be met. According to Harris (1975:86) the formula for T^2 is easily corrected to known covariance formulas simply by substituting Σ for S or S_c. The significance of the resulting T^2 is then obtained from the chi-square table with p degrees of freedom. Another assumption on which Hotelling's T^2 test is based is that the vectors of outcomes of variables are sampled from a multivariate normal distribution. As already stated, little is known about the robustness of T^2. For fairly large samples however, computed T^2 values conform to the F distribution, no matter what shape the parent population takes (Theron, 1992:352).

Besides Hotelling's T^2 test, other methods to determine profile similarities are the method of Du Mas, the method of Du Toit, the method of Osgood and Suci, and Cattell's method (Smit, 1991:97-104). However, because these methods are not going to be used in the case in hand, they will not be discussed in detail. Hotelling's T^2 test is a suitable test to apply in profile analysis as the overall T^2 test for two samples "lumps together two sources of differences between the two groups' response vectors (profiles): a difference in the level of the two curves and differences in the shapes of the two curves" (Harris, 1975:80). Methods that analyze these two sources of difference, viz. level and shape, separately and in addition, provide a simple test of the flatness of the combined or pooled profile for the two groups are known as profile analysis. Three methods are available in profile analysis to test the response vectors, viz. a parallelism test, the levels test, and the flatness test (Harris, 1975:80-81). The parallelism approach tests the hypothesis that the profiles of the two groups have the same shape, that is:

$$\mu_{slope\ 1} = \mu_{slope\ 2} = 0.$$

In this instance the slope of each line segment making up that profile will be the same for each group. The levels approach tests the hypothesis that the profiles for the two groups are at the same mean level, that is $\mu_{w1} - \mu_{w2} = 0$. This implies that the aggregali mean of the means of the separate variables is identical for the two groups, which means that the difference between two group means on any variable is zero. The flatness test tests the

hypothesis that the pooled profile for the two groups combined is perfectly flat. The combined means are all equal to the same value. The flatness test takes advantage of the fact that a flat profile implies that all line-segment slopes are truly zero (Harris, 1975:81; Theron, 1992:352).

These three tests are analogous to a two-way univariate analysis of variance in which treatments correspond to rows and response measures (dependent variables) correspond to columns. Harris (1975:81) puts it quite aptly: "The levels test corresponds to a test of the row main effect; the flatness test to a test of the column main effect; and the parallelism test to a test of the interaction between rows and columns. Thus in profile analysis, as in two-way analysis of variance, the interaction test takes precedence with significant departure from parallelism implying that (a) the two groups must be compared separately on each outcome measure and non-significant departures from the equal levels test hypothesis and or the flatness test hypothesis are essentially non-interpretable since the significant interaction between groups and measures implies that both are significant sources of variation". Greater attention is paid to the concept "Profile analysis" in the next section.

9.4.3   **DISCRIMINANT ANALYSIS**

Measures of profile analysis such as measures of profile similarity which entail clustering of variables with factor analysis, measuring the relationship with Bravais-Pearson product-moment correlation, and Osgood and Suci's (1952) distance measure D will not be discussed in detail here as the researcher plans to utilize either Hotelling's T^2 test or Discriminant analysis for profile analysis. Discriminant analysis can be employed as a measure for profile analysis. Nunnally (1967:372) views profile analysis as "a generic term for all methods concerning groupings of persons". Nunnally proceeds by advancing two major classes of problems in profile analysis, viz. that in which the group composition or group membership is known in advance of the analysis and those problems where group membership is not known in advance. The purpose of the analysis in the first instance is to distinguish groups from one another on the basis of scores in a data matrix or scores obtained on a battery of tests. In the second instance the basis of the analysis is to assign individuals to group in terms of their profile scores (Nunnally, 1967:372).

In the case in hand group membership is known in advance and the purpose of the analysis (discriminant) is to distinguish the groups on the basis of scores in the data matrix. The major purpose of discriminant analysis is to predict group membership from a set of

predictors (Tabachnick et al., 1989:505). The predictors are a set of psychological test scores such as individual-centred leadership, coaching for development, job satisfaction, team spirit, social and esteem needs, combined motivation needs, and locus of control orientation. Discriminant analysis is Manova turned around. Manova can be used to determine whether group membership produces reliable differences on a combination of dependent variables. If this is the case then the combination of variables can be used to predict group membership - the Discrim procedure. In the Discrim procedure the independent variables are the predictors and the dependent variables are the groups (Tabachnick et al., 1989:506). Classification is a major extension of Discrim over Manova. Each group must be a sample from a multivariate normal population and the population covariance matrices must all be equal. Linear combinations of the independent variables (or predictors) are formed to serve as the basis for classifying cases into one of the groups (Norusis, 1990:137).

According to Nunnally (op.cit., 1967:373-374) profiles have three characteristics, viz. level, dispersion and shape. The level of the profile is defined by the mean score of the person over the variables in the profile. The dispersion refers to the extent or degree of divergence from the average. The standard deviation of scores for each person may be seen as a measure of the dispersion. The shape refers to the curve and its high and low points. The method used for clustering profiles in the case in hand is discriminant function analysis. Discriminant function analysis is employed when groups are defined a priori and the purpose of the analysis is to distinguish the groups from one another on the basis of scores obtained in a battery of tests or scores in a data matrix (Nunnally, 1967:388).

According to Theron (1992:355) discriminant function analysis is extremely sensitive to multivariable outliers. Outliers are cases with extreme values on a variable or combination of variables that unduly influences the average and variability of scores and invalidates the generalizability of the solution to the population. Therefore outliers have to be eliminated or transformed before discriminant analysis can be performed. The discriminant model also assumes a linear relationship among all predictor variables within each group. Violation of this assumption, however, simply leads to reduced power rather than to an increase in Type I error (a statistical decision error that occurs when a true null hypothesis is rejected; its probability is 1 - α). The discriminant model is also based on the assumption of homogeneity of variance-covariance. If classification is the goal of the analysis this assumption has to be met. If the sample sizes are quite large, discriminant function analysis

displays robustness in respect of violation of the assumption of equal variance-covariance matrices. With unequal and/or small sample sizes, homogeneity of variance-covariance should be assessed (Theron, 1992:355).

Scatterplots of the scores on the first two canonical discriminant functions can also be assessed for each group separately. Scatterplots roughly equal in size give evidence of homogeneity of variance-covariance matrices. The discriminant model also assumes that two variables in a matrix should not be perfectly or almost perfectly correlated (multicollinearity). Neither should one score be a linear or nearly linear combination of others (singularity). Multicollinearity and singularity make the inversion of matrices unreliable (Tabachnick et al., 1983:300-301). The discriminant function minimally or maximally separates two groups and the second discriminant function, which operates orthogonally to the first, then separates the remaining groups on the basis of information not accounted for by the first discriminant function (Tabachnick et al., 1983:295). According to Tabachnick et al.(1983:295) the total number of possible discriminant functions is either one fewer than the number of groups or equal to the number of predictor variables. However, the authors are adamant that only the first two discriminant functions discriminate significantly and reliably among groups.

The significance of a set of discriminant functions is established by partitioning the variance in the set of predictors into two sources, viz. variance that is attributable to differences between groups and variance attributable to differences within groups (Tabachnick et al., 1983:302). Tabachnick et al. advance as a fundamental formula for testing the significance, the equation:

$$\underset{ij}{\Sigma\Sigma}\ (Y_{1j} - GM\ )^2 = n\underset{j}{\Sigma}\ (\overline{Y}_j - GM)^2 + \underset{ij}{\Sigma\Sigma}\ (Y_{1j} - \overline{Y}_j\ )^2$$

and use this procedure to form cross-products matrices in the following way:

$$S_{total} = S_{bg} + S_{wg} \quad \text{(Tabachnick \underline{et al}., 1983:237,302).}$$

The total of cross-products matrices is partitioned into cross-products matrices with differences between the two groups (S_{bg}) and differences associated with subjects within groups (S_{wg}). A classification equation is developed for each group to classify cases into

groups. According to Tabachnick et al.(1983:306) each case has a classification score for each group. A case is assigned to the group for which it has the highest classification score. Tabachnick et al.(1983:306) advance a classification equation:

$$C_j \; = \; c_{jo} \; + \; c_{j1}Y_1 \; + c_{j\,2}Y_2 \; + \ldots + c_{jp}Y_p.$$

A score on classification function for group $j(C_j)$ is determined by multiplying the raw score on each predictor variable (Y) by its associated classification function coefficient cj. Then these products are summed over all predictor variables and are added to a constant c_{jo} (Tabachnick et al., 1983:306).

There are three types of discriminant function analysis, viz. direct discriminant function analysis, hierarchical discriminant function analysis and stepwise discriminant function analysis. The direct discriminant function solves equations simultaneously on the basis of all predictor variables. All the predictor variables enter the equations at once and the dependent variables are considered simultaneously. The hierarchical mode evaluates contributions to group discrimination by predictor variables as they enter the equations in some priority order that is determined by the researcher. This enables the researcher to assess the predictive power of each variable. The researcher may thus determine if the classification of cases to groups improves by adding a specific variable (or a set of variables). When prior variables are viewed as co-variates and the added variable as a dependent variable, this can be seen as an analysis of the covariance. Stepwise discriminant function analysis refers to the determination of the order of entry of variables into the discriminating equation by means of available statistical criteria. The researcher has no a priori reason for ordering entry of variables (Tabachnick et al., 1983:309-313). Stepwise analysis is used for the case in hand. As the researcher does not have a priori reasons for ordering the entry of variables into the discriminant equations, statistical criteria, which are available with the Stepwise function, have to be applied to determine the order of entry.

The maximum number of discriminant functions extracted within a single discriminant analysis is the lesser of either the number of groups minus one, or equal to the number of predictor variables. However, not all the functions may carry important information. It happens quite frequently that the first few discriminant functions account for the major share of discriminating power with no additional information forthcoming from the remaining functions (Tabachnick et al., 1983:318).

Discriminant function plots may be used to interpret the discriminant functions. The discriminant functions are presented by way of pairwise plots of group centroids on all significant discriminant functions. These centroids are the means of obtaining the discriminant scores for each group on each dimension. A discriminant function plot is simply a plot of the canonical discriminant functions evaluated at group means (Tabachnick et al., 1983:313,319).

Discriminant functions may also be interpreted by examining the loadings of predictor variables on them. Loading matrices are basically factor-loading matrices. These factor-loading matrices comprise correlations between predictor variables and each of the discriminant functions (also called canonical variables) that enable the researcher to name and interpret the functions. Mathematically, the loading matrix "is the pooled within group correlation matrix multiplied by the matrix of standardized discriminant function coefficients" (Tabachnick et al., 1983:320).

9.4.4 STUDENT'S T TEST

Like Hotelling's T^2 test, Student's t test is also an inferential statistic to test for significant differences between two groups. The two groups may be dependent or independent. Student's t test enables the researcher to decide whether observed differences between two sample means are caused by chance or represent a true difference between populations (Shavelson, 1981:419). De la Rey (1978:71) states the following assumptions that have to be met before the t test can be used:

- The scores in the respective populations must be normally distributed;
- As the t test is based on sample means, the two samples must be big and of equal or almost equal size;
- The measurements must be on interval or ratio level; and
- The scores in the groups must be randomly sampled from their respective populations.

The use of the t test also imposes a number of requirements on the collection of data:

- There is one independent variable with two levels (i.e. groups);
- A subject appears in one and only one of the groups; and
- The level of the independent variable may differ from one another either qualitatively or quantitatively (Shavelson, 1981:421).

Applied to test hypotheses, the purpose of the t test is to decide whether or not to reject the null hypothesis which is a probabilistic decision as it cannot be made with complete certainty. To determine the probability of observing the difference between the sample means of the two groups under the assumption that the null hypothesis (Ho) (Ho = no difference between the means of two groups) is true, a significance test to decide whether the observed sample difference in means has a low probability of occurring in the populations, has to be performed. Bohrnstedt et al.(1988:204-205) advance the formula for doing this:

$$S^2 = \frac{(N_1 - 1)S_1^2 + (N_2 - 1)\ S_2^2}{N_1 + N_2 - 2} \qquad \text{where}$$

$N_1 + N_2 - 2$ are the degrees of freedom which are associated with S^2. The value of t is calculated by applying the formula:

$$t(N_1 + N_2 - 2) = \frac{(\overline{Y}_2 - \overline{Y}_1) - (\mu_2 - \mu_1)}{S\ (\overline{Y}_2 - \overline{Y}_1)}$$

$$= \frac{\overline{Y}_2 - \overline{Y}_1}{\sqrt{\dfrac{S^2}{N_1} + \dfrac{S^2}{N_2}}}$$

Student's t test assumes that the distribution of variables in the populations, from which the samples are drawn, is normal. But it also assumes that the variances in the populations from which the samples are drawn are equal ($\sigma_1^2 = \sigma_2^2$). This is known as homogeneity of variance (Ferguson, 1981:179, 245). According to Ferguson (1981:245), moderate departures from homogeneity should not have a serious effect on the inferences drawn from the data. Gross departures from homogeneity, however, may lead to serious errors in the results. Ferguson (1981:245) recommends that under circumstances of gross departures from homogeneity, a transformation of the variable that may lead to greater uniformity of variance be used or a nonparametric procedure be applied. Ferguson (1981:182) also advances a formula when testing the difference between means for independent samples, assuming homogeneity of variance. A single estimate S^2 is used in calculating the t value:

$$t = \frac{(\overline{X}_1 - \overline{X}_2)}{\sqrt{\dfrac{S^2}{N_1} + \dfrac{S^2}{N_2}}}$$

However, should the two population variances be different ($\sigma_1^2 \neq \sigma_2^2$), two variance estimates are obtained, viz. S_1^2 and S_2^2 which are estimates of σ_1^2 and σ_2^2. The difference is divided by the standard error of the difference and t is computed simply by using the separate variance estimate. The resulting ratio is:

$$t' = \frac{(\overline{X}_1 - \overline{X}_2)}{\sqrt{\dfrac{S_1^2}{N_1} + \dfrac{S_2^2}{N_2}}}$$

This ratio (t') is neither normal nor does it approach a t-distribution.

9.4.5 NON-PARAMETRIC STATISTICS

Two non-parametric statistics are considered, viz. the Kruskal-Wallis one-way analysis of variance and the Mann-Whitney U test. Applying non-parametric statistics one or more of certain assumptions have to be met (De la Rey, 1978:113):

- The distribution of scores has to be skewed;

- Measurement must be on nominal or ordinal level;

- The sample size must be small ($N \leq 30$);

- Situations where it is impossible to make certain assumptions in regard to the sample; and

- Situations where it is impossible to realize certain research aims because appropriate parametric statistics are not available.

9.4.5.1 KRUSKAL-WALLIS ONE-WAY ANALYSIS OF VARIANCE

The Kruskal-Wallis one-way analysis of variance is applied to help to decide if k independent samples from different populations differ significantly. There should be more than two independent samples. The decision is also probabilistic as the problem according

to Siegel (1956:84) is to determine whether differences among samples represent merely chance variations or signify genuine population differences. Siegel (1956:184) observes that the Kruskal-Wallis statistic tests the H_0 that the k samples come from the same population or from identical populations with respect to averages.

In the computation of the Kruskal-Wallis test the observations or scores are all ranked in a single series. Siegel (1956:185) supplies the following formula to calculate the Kruskal-Wallis statistic (H) and observes that if the null-hypothesis (H_o) is true, then H is distributed as chi-square with degrees of freedom = k – 1, provided that the sizes of the various k-samples are not too small:

$$H = \frac{12}{N(N+1)} \sum_{j=1}^{k} \frac{R_j 2}{n_j} - 3(N+1)$$

where k = number of samples

n_j = number of cases in j th sample

N = Σnj, the number of cases in all samples combined

R_j = sum of ranks in the j th sample

k = directs one sum over the k samples.
$\sum_{j=1}^{k}$

9.4.5.2 MANN-WHITNEY U TEST

The Mann-Whitney U test is a well-known distribution-free test for two independent samples. Although it is a non-parametric test for comparing the central tendency of two independent samples, it may also be applied to normally distributed populations. Instead of computing means as the sample statistic, however, the Mann-Whitney U test is based on the ranking of sample scores. Ranking is a sophisticated mathematical operation and can be performed at ordinal level data. The Mann-Whitney U test tests the H_o that the two samples were randomly drawn from identical populations. This test is especially sensitive to population differences in central tendency (Theron, 1992:365).

This H_o is broader than the H_o tested by the corresponding t test that deals with means of the two samples. The H_o tested by the Mann-Whitney U test is based on the assumption that the two populations have the same shape and dispersion (Theron, 1992:365).

According to Theron (1992:365) the logic of the Mann-Whitney U test is quite easy to understand. To compute U, the scores from both samples are pooled and ranked from highest to lowest. Tied observations are then assigned to the mean of the rank position they would have occupied had there been no ties. The ranks of observations from group 1 are then summed. Thereupon the ranks for the two samples are totalled and compared. The statistic used in this test, viz. the U value is then given by the number of times a score in one group (with n_2 cases) precedes a score in the other group (with n_1 cases) in the ranking. If the two samples represent populations not significantly different from each other, then the total ranks should be similar in value. Tied scores are assigned to the average of the ranks they would have had if they had not been tied. The formula to compute U is:

$$U = N_1 N_2 + \frac{N_1 (N_1 + 1)}{2} - \Sigma R_1$$

where ΣR_1 = the sum of ranks for sample 1 (Siegel, 1956:120).

On determining the value of U, the test of significance has to be conducted. A z-score is obtained with the aid of the formula:

$$Z \text{ (obtained)} = \frac{U - \mu_u}{\sigma_u}$$

where U = the sample statistic

   μ_u = the mean of the sampling distribution of sample U's

   σ_u = the standard deviation of the sampling distribution of sample U's (Siegel, 1956:121), to find the critical region as marked by Z (critical). Based on Z (critical) the researcher makes a decision to reject or to accept the H_o of no difference (Healy, 1990:193-197; Howell, 1989:300-305).

9.4.6   **CORRELATIONAL STATISTICS**

Ott et al.(1990:417) define correlation as a "measure of the strength of the relationship between two variables x and y". The value so obtained is called the coefficient of linear correlation, or simply the correlation coefficient. The stronger the correlation, the better x predicts y. The population correlation coefficient r (rho) is computed as:

$$r = \frac{S_{xy}}{\sqrt{S_{xx} \cdot S_{yy}}}$$

This is called the Bravais-Pearson product-moment correlation coefficient. Bohrnstedt et al. (1988:271) present the formula as:

$$r_{xy} = \sqrt{R_{y \cdot x}^2}$$

The Bravais-Pearson product-moment correlation may have a positive or negative sign attached to it to indicate the direction of the correlation. The value of r can range between – 1,00 for a perfect inverse association to +1,00 for a perfect positive correlation with zero (r = o) indicating no relationship at all. Bohrnstedt et al.(1988:271) see the usefulness of the correlation coefficient in its communication of directionality and magnitude of the association. Ott et al.(1990:420-422) note several interpretations of the coefficient of correlation:

- A correlation coefficient equal to 0,5 does not mean that the strength of the relationship between two variables (x and y) is halfway between no correlation and perfect correlation. The more closely x and y are linearly related, the more the variability in the y-values can be explained by variability in the x-values and the closer r^2 will be to 1. If r = 0,50 the independent variable x is accounting for 25% (r^2 = 0,25) of the total variation in the y-values. r^2 is called the coefficient of determination. The coefficient of determination is a proportional reduction in error statistic (a characteristic of some measures of association which allows the calculation of reduction in errors predicting the dependent variable) for linear regression that expresses the amount of variation in the dependent variable explained or accounted for by the independent variable (Bohrnstedt et al., 1988:269).

- X and y could be perfectly related in some way or other than in a linear manner when r = 0 or a very small value.

- Correlations are difficult to add up. The sum of coefficients of correlation does not account for the variability of the y-values about their sample mean.

According to Theron (1992:368-369) Spearman's correlation coefficient for ranked data (r_s) may also be calculated. This coefficient of correlation is based on ranked data. Ranking

details separate ranking of a number of items on two dimensions. Based on this ranking, the correlation between the two sets of ranks is determined. (Ranked data are data for which the observations have been replaced by their numerical ranks from lowest to highest, and Spearman's correlation (r_s) is a correlation coefficient based on ranked data). Howell (1989:110) presents the formula for the calculation of Spearman's rho (r_s) as:

$$r_s = 1 - \frac{6\Sigma D^2}{N(N^2 - 1)}$$

9.4.7   DESCRIPTIVE STATISTICS

Mason et al.(1989:428) define descriptive statistics as statistics used to summarize data. Bohrnstedt et al.(1988:66-81) divide descriptive statistics into measures of central tendency and measures of variation (or dispersion).

9.4.7.1 MEASURES OF CENTRAL TENDENCY

The mode, the median and the mean are measures of central tendency. The mode is the value or category in a frequency distribution that has the largest number, or percentage of cases. The median refers to the value or score that exactly divides an ordered frequency distribution into equal halves, viz. the outcome is associated with the 50 th percentile. The most frequently used measure of central tendency is the mean that is commonly called the average. The mean is the sum of all scores in a distribution divided by the number of scores, viz. the mean is the arithmetic average. In this research the mean is the measure of central tendency that may be applied to interpret the result of t-scores, discriminant analysis and one-way and other approaches to analysis of variance.

9.4.7.2 MEASURES OF VARIATION, SKEWNESS, AND KURTOSIS

Besides the skewness, and kurtosis, the measures of distribution variation that would be calculated and presented, are the variance, standard error of the mean, and the standard deviation.

Skewness indicates the dispersion of a distribution "based on the observation that when a distribution is symmetrical the sum of cubes of deviations above the mean, will balance the sum of cubes of deviations below the mean"(Ferguson, 1981:69). A value of 0 for skewness indicates a normal distribution (Norusis, 1984:40). If the distribution is skewed to

the right (longer tail to the right), the sum of cubes of the deviations above the mean will be greater than the corresponding sum of cubes of the deviations below the mean (Ferguson, 1981:69). If the distribution is skewed to the left (longer tail to the left), the sum of cubes of the deviations below the mean will be greater than the corresponding sum of cubes of the deviations above the mean (Ferguson, 1981:69).

Kurtosis gives an indication of the peak of a distribution. A kurtosis value of 0,263 indicates a normal distribution. When the distribution is flatter than a normal distribution, the kurtosis value is less than 0,263 (the distribution is platikurtic). When the distribution is more peaked than a normal distribution, the kurtosis value is more than 0,263 (the distribution is leptokurtic) (Steyn et al., 1987:79).

The variance is a measure of dispersion for continuous variables of scores about the mean and the standard deviation is the square root of the variance and is also used to describe a dispersion of a distribution. The usual way of assigning meaning to the standard deviation is in terms of how many scores fall no more than a standard deviation above or below the mean. For a normal distribution exactly two-thirds of observations lie within one standard deviation of the mean. The standard deviation is basically a measure of the average of the deviation of each score from the mean (Shavelson, 1981:305).
.

The standard error of the mean refers to the standard deviation of sample means in a sampling distribution. It provides information about the amount of error likely to be made by inferring the value of the population mean from the sample means. The greater the variability among sample means, the greater the chance that inferences about the population mean from a single sample mean will be in error (Shavelson, 1981:305).

9.4.7.3 **FREQUENCY TABLES**

Frequency tables comprise of information about the frequencies across values for the biographical variables, work-related motivational needs, locus of control factors, and work-related attitudes during transformation. The percentage and cumulative percentage will be used to describe and summarize the data.

9.4.7.4 **CROSS-TABULATION**

A frequency distribution is a useful display of the quantitative attributes of continuous variables or the qualitative attributes of discrete variables. But a cross-tabulation (joint

contingency table) is "a tabular display of the joint frequency distribution of two discrete variables which has r rows and c columns" (Bohrnstedt et al., 1988:101). Thus a cross-tabulation indicates the joint outcomes of two variables. The cells that comprise the body of any table show these joint outcomes of two variables. Bohrnstedt et al.(1988:103) view a cell as "an intersection of a row and a column in a cross-tabulation of two or more variables". Marginal distributions consisting of row marginals and column marginals are frequency distributions of each of two cross-tabulated variables. Row marginals are the row totals and column marginals are the column totals. Cross-tabulations will be used to display the demographic variables in relation to the work-related motivational needs, or locus of control factors, or the work-related attitudes during transformation.

9.5   CONCLUSIONS

In this chapter the research design was discussed. The research strategy consisting of both a qualitative approach and quantitative research included, were explained. The process of survey research was discussed in detail and was related to the aim of this study. The population was demarcated, the method and procedures for administering the questionnaires, and the data-collection were discussed. The relevant statistical methods including descriptive and inferential methods were explained. The various statistical methods were discussed, namely descriptive statistics, different approaches to the analysis of variance, profile analysis (discriminant analysis), the Student's t test, Hotelling's T^2 test, non-parametric inferential statistics, and correlation statistics.

In the next three chapters the information gathered for the qualitative strategy regarding the need for change in this organization, the diagnoses of the current organization, planning of change strategies, implementation of change interventions, and management of the transformation process within the organization are discussed.

CHAPTER X

THE NEED FOR CHANGE IN THE ORGANIZATION

10.1   **INTRODUCTION**

This chapter provides more background to the organization where the research was conducted and explains the unfolding of another one of the change stages as discussed in Chapter VI. The initial need for change by means of restructuring within the organization is discussed. The recommendations of the Rural Financial Services Commission are discussed, as well as a perspective on the organization before transformation, which highlights the need for change.

10.2   **RESTRUCTURING THE ORGANIZATION**

Senior management initiated a major investigation that started in 1996 and was aimed at the transformation of the organizational structure and work processes.

An external consultant was employed to do a comprehensive and incisive analysis of the present organizational configuration and the compelling need for the radical adaptation of the organization. Specifically, the analysis focused on the consequences of continuing with the present system, based as it is on personal rank, (with only a tangential and incidental relationship to work), the absence of adequate and effective management structures, the cloistered existence fostered by more than eight decades of inbreeding and insulation, and the overemphasis of efficiency criteria, at the expense of effectiveness and results (Unpublished restructuring report dated 1996-10-13). The aim of the change initiative was to:

-      Effect a radical transformation of the organization's present rank structure (based on status and patronage) to an organizational and management structure based on results and work performance; and

-      Create a market-related supportive remuneration structure.

As a first step in the restructuring process, orientation sessions were conducted at each Branch Office and at Head Office. At these sessions, which were conducted by the external consultant and one of the senior managers of the organization, all personnel were informed about the decision of senior management. In addition, the goals of the programme, the proposed practical implementation and implications of the programme were explained in detail. An undertaking was also given that the proposed changes would not lead to the elimination of jobs and that present salary levels would not be reduced as a result of the exercise. Ample opportunity was given to everybody to pose questions and these were dealt

with in detail. These sessions were generally well received. The orientation sessions were followed by a comprehensive Key Performance Area analysis (KPA) exercise in the whole organization. This involved the identification of each separate job within the organization and the determination of the specific, measurable and unique results that the incumbent would be required to achieve. On the basis of this analysis, a specification was drawn up for each job, detailing:

-    The Key Performance Areas;
-    The criteria to be used for their measurement;
-    The reporting structure in terms of which these results are to be evaluated; and
-    The frequency of reports.

This analysis provided the basis for the formulation of a new organizational and management structure for each branch and for each departmental unit at Head Office. The results for the organization as a whole were cross-correlated and integrated horizontally in order to establish comparable job levels and corresponding job grades. To accomplish this, a combination of job ranking and factor analystic methodologies was employed and the results correlated with those of a job evaluation exercise conducted by FSA-Contact Consulting during 1994.

Comprehensive remuneration surveys were conducted within a relevant remuneration market, which included ABSA Bank, Government Service, Telkom and the Reserve Bank. This information was cross-correlated with data obtained from a professional survey undertaken by Old Mutual Remuneration Services. Specific information was also obtained about specialist positions. Based on this information an appropriate remuneration structure for the organization was constructed and proposed.

10.2.1 THE PROPOSED NEW STRUCTURE

The following comments are related to the proposed structure:

-    The structure is empirically grounded and is based on a direct, first-hand analysis of the actual work done in each position. It was generated inductively from grassroots up and was not imposed upon the situation as a preconfigured, theoretical package;
-    The structure is based on the actual work performed, i.e. on the results or outputs achieved in each position. In this regard, it represents a radical departure from the existing rank system where organizational distinctions are made in terms of status, seniority, and title. In the proposed (new) structure, seniority inheres in the nature and complexity of the job one holds, not in the organizational title arbitrarily

bestowed upon the incumbent. The results inevitably mean that the present status hierarchy is radically reordered;

- The new structure represents a comprehensive management structure; and

- The proposed structure represents an explicit ranking of jobs in terms of increasing job complexity. In this sense, the spectrum of jobs represents an evaluated system that has been correlated horizontally for the organization as a whole, for the express purpose of achieving internal equitableness. It needs to be emphasized that this evaluation was primarily based on the detailed and exhaustive KPA analysis which formed the basis of the study, although the results of the previous job evaluation exercise which was undertaken some three years ago by FSA-Contact, was also taken into account (Unpublished restructuring report dated 1996-10-13).

10.2.2 **THE REMUNERATION STRUCTURE**

The organization rewarded employees on the basis of irrelevant criteria and, more particularly, on the basis of rank, status and prestige, with little or no regard for the work they performed, (or more appropriately phrased, the results they achieved). Indeed, many instances were identified during the course of the project where employees had been "promoted" (in some instances repeatedly) to a rank of some pre-eminence, while the work they were doing had not changed in any appreciable way! This is the result of the inescapable consequence of the rank (different for men and women) and merit system that was in operation. This system operated as a massive disincentive to employees to aspire to the assumption of greater responsibility and actively and positively inhibited employees from doing so: they were actually being rewarded (in terms of regular merit and notch increases, coupled with periodic promotions) to remain where they were, i.e. to continue doing the same work. Again, in many instances employees were identified who had remained in the same, relatively junior position for long periods, in some cases up to as many as ten and more years! These practices have engendered and caused inbreeding within the organization. The following major considerations influenced the creation of a rational remuneration structure:

- The only realistic and rational basis in terms of which remuneration can be measured is on the basis of the total remuneration package that the job incumbent receives, i.e. pensionable salary together with fringe benefits and other cash and non-cash rewards. Anything less than this provides a warped and distorted picture of the individual's true earnings and does not reflect the real "cost of employment" from the organization's point of view. In addition, it is the only valid basis in terms of which

remuneration comparisons (internally and externally) can be made and in terms of which remuneration can be managed rationally;

- The relationship between major job levels should represent a constant and systematic progression (i.e. the relationship between contiguous job levels throughout the structure remains the same). Graphically, this could be portrayed as a straight line on a logarithmic scale. In specific terms, this is generally referred to as the principle of internal equity, as it ensures remuneration equitableness and fairness throughout the structure;

- Men and women were on different remuneration structures;

- Remuneration should be based on credible job evaluation practices; and

- The existing remuneration structure has many anomalies, i.e. overpaid and underpaid employees (Unpublished restructuring report dated 1996-10-13).

10.2.3   **POSSIBLE REASONS WHY THE RESTRUCTURING INTERVENTION FAILED**

The roles and responsibilities of the change leader, the change team, the change sponsors and employees were not clear nor communicated to everyone. The focus of this intervention was restructuring, changing the rank-based structure to a management structure based on job content and results and changing the remuneration policies and structures. In the analysis the focus was on individual jobs only, and not on work processes, which have a major influence on the relationships between jobs and the work performed. The analysis did not focus on the impact of technology and systems used that influences work processes, relationships, and organizational effectiveness. The change initiative did not have a strategic intent of focusing on the holistic factors that might influence organizational effectiveness (recommendations of the Rural Financial Services Commission). Although the recommendations made about the organizational structure and remuneration practices were explicit and applicable, the organization needed an integrated approach of structural, technical, and behavioural strategies, and specific change stages to improve long-term effectiveness of the total organizational system. From an organization development perspective the following conditions for optimal success (French and Bell, 1990:197-207) were absent:

- Continuous top-level involvement, commitment, support, and a long-term perspective to improve organizational effectiveness;

- Perceptions of organizational problems by key people (Executives, line management and HR);

- Participation and empowerment (HR and line management);

- Operationalizing of the action research model and early successes; and

-        Effective and collaborative diagnosis and management of the organizational culture.

The proposals of the restructuring intervention were not approved as the Rural Financial Services Commission made recommendations to Government, several of these directly or indirectly relevant to the organization. These recommendations lead to a new mandate for restructuring of the Land Bank, a new Board of Land Bank Directors and a new Managing Director.

10.3   **THE RECOMMENDATIONS OF THE RURAL FINANCIAL SERVICES COMMISSION**

The Rural Financial Services Commission published its final report in September 1996 after twenty-one months of deliberation. During this period the commissioners and appointed consultants heard submissions, researched international best practice, gathered and analyzed data on South African institutions. It made sixty-five recommendations to Government, several of these directly or indirectly pertaining to the organization. A summary of these recommendations is given below.

10.3.1 **GENERAL RECOMMENDATIONS RELEVANT TO THE ORGANIZATION**

"The following general recommendations were made that are relevant to the organization:

-        A statutory co-ordinating council to guide the activities of urban and rural Development Finance Institutions (DFIs);
-        The harmonization of legislation governing the rural economy especially regarding banking, land subdivision, post offices, usury, cooperatives and the status of women;
-        Legislation to establish the legal equality of women;
-        'Sunrise' subsidies to support land-reform beneficiaries requiring finance;
-        A risk-sharing agreement to encourage a greater number of financial retailers to venture into this new market;
-        Subsidies to offset higher transaction costs for financial delivery in low volume rural areas;
-        Gender-awareness training for the staff of financial institutions;
-        Employment and training of staff able to respond to the language and cultural needs of previously "unbanked" rural clients; and
-        Communications and products geared to the needs of women and lower-income rural clients" (Land Bank Prospectus, 1998:14).

10.3.2 **RECOMMENDATIONS SPECIFIC TO THE ORGANIZATION**

"The following specific recommendations were made by the Rural Financial Services Commission:

- Maintaining existing clients while providing support to new clients including land reform beneficiaries;
- Political support for the new mandate;
- Transformation including human resource development, structural reorganization and enabling legislation within two years;
- Reconsider the branch network and relationships with selected provincial development corporations;
- Development of lending criteria not based on unencumbered freehold tenure;
- Focus of wholesale financial activities on retailers serving individual and small-group needs of people in deep rural areas;
- The development of capacity in new retail intermediaries with the assistance of state grants;
- State grants for development activities. These grants must be administered separately from commercial finance activities;
- Adoption of good practice ethics to encourage clients to comply with legal health, safety and employment standards;
- Consideration of a name change;
- Closing the Agricultural Credit Board and transferring its loan portfolio to the organization;
- Transferring agricultural credit provision from the Development Bank of South Africa to the organization;
- Department of Agriculture to stop current wholesale finance activities; and
- Department of Agriculture to nominate the organization as its agent for state funds earmarked to enhance rural financial service delivery" (Land Bank Prospectus, 1998:14).

10.4 **A PERSPECTIVE ON THE ORGANIZATION BEFORE TRANSFORMATION**

"The organization was established 86 years ago to assist in implementing government agricultural policy to support emerging white farmers. Over the years it has gained a reputation as a sound, conservatively managed, financial institution with solid professional and technical standards in the specialized field of agricultural finance. While its policies were not explicitly racist, the organization avoided lending money to black farmers. It did not

support black farming either in freehold areas or in the Bantustans defining this as the role of the state Department of Agriculture" (Land Bank Prospectus, 1998:5).

"Later the Development Bank of South Africa was created to cater to the needs of middle class farmers in the Bantustans" (Land Bank Prospectus, 1998:5).

10.4.1 SUPPORTING COMMERCIAL AGRICULTURE

The organization has played an important role in developing commercial agriculture. In the 1960s, the South African farming economy joined the international move towards greater mechanisation and increased farm size. "This organization played a part in policies that supported this move. These policies resulted in the displacement of labour tenants and farm workers. At the same time the organization supported the growth of agricultural co-operatives and marketing boards that contributed to achieving the apartheid government's policy objectives of basic food self -sufficiency at the cost of higher consumer prices" (Land Bank Prospectus, 1998:5).

This prospectus continuous, stating that during "the final days of apartheid the organization acted as agent for the state's R3,2 billion drought relief programme. The programme saved many farmers, who were direct or indirect (through co-operatives) clients of the organization, from bankruptcy. This reduced the potential bad debt portfolio and helped to maintain land prices. In this way it affected the conditions by which the democratic post-apartheid government launched its market based land reform programme" (Land Bank Prospectus, 1998:5).

10.4.2 THE ORGANIZATION ITSELF

The prospectus further states that "internally the organization had a hierarchical structure with people at each level supervised by those at the level above. Until very recently, management was exclusively in the hands of white males, with white women in administrative positions and black men in most service positions. Very few black women were employed" (Land Bank Prospectus, 1998:5).

.

"The organization had a conservative and bureaucratic work ethic. An external evaluation found that although it was financially sound it was not efficient, being geared to repetitive paper processing rather than modern financial practices. An inward focus allowed the organization to avoid comparison with other institutions in the sector. Although it is a

specialized agricultural financier, the organization does not hold the major share of its market and its client base is shrinking relative to the overall size of the agricultural market" (Land Bank Prospectus, 1998:5).

In the past the organization waited for clients to approach it. There was no attempt to market products and no assessment of the nature of the product it provided and its relevance to changing client needs. As a result the organization is poorly equipped to respond to the challenges of a rapidly changing agricultural environment and the differing needs of a broader client base.

10.4.3 MODERN FINANCING

On the economic front the organization faces more intense competition in its specialized field of operations in an increasingly deregulated financial sector. Globalization means that competition is likely to come from local and international institutions. "Specialist institutions have not done well in the modern financial environment. Those that have survived have done so by rapidly broadening their product base" (Land Bank Prospectus, 1998:6).

.

"Without transformation the organization would have had to face these economic challenges with outdated systems, a declining client base, static reserves in real terms and limited capacity to develop new products and markets" (Land Bank Prospectus, 1998:6).

10.4.4 GROWTH, RECONSTRUCTION AND DEVELOPMENT

Political change has brought South Africa's people a democratically elected government committed to redressing the injustices of apartheid through sustainable development that benefits all. The prospectus states that "in the agricultural sector land dispossession was one of the most deeply felt injustices. The development of white commercial agriculture underpinned the power of the apartheid government. To redress the balance, the democratic government has to address land holding and agricultural production and promote the development of black commercial agriculture and agri-business"(Land Bank Prospectus, 1998:5). In the interests of reconciliation and giving South Africa a place in the international economy, government should approach this issue through the market, rather than through another round of dispossession.

10.5   **CONCLUSION**

In this chapter the organization's initial need for change and the recommendations of the Rural Financial Services Commission were discussed. Specific emphasis was placed on the possible reasons why the restructuring intervention failed. A perspective on the organization before transformation highlighted the need for change.

The organization needs an integrated approach to change that includes effective and collaborative diagnosis and management of the corporate culture in relation to the organizational strategy.

CHAPTER XI

THE DIAGNOSTIC PROCESS IN THE ORGANIZATION

11.1   **INTRODUCTION**

This chapter provides more background to the organization where the research was conducted and explains the unfolding of another one of the change stages as discussed in Chapter VI. In this chapter the external-internal consulting team, the external consultant's evaluation, the readiness of the organization for transformation, the consultative diagnostic process, the new vision, mission and values and a critical review of the diagnostic approach are discussed.

11.2   **THE EXTERNAL-INTERNAL CONSULTING TEAM**

The implementation of a largescale change programme is almost impossible without the involvement of all levels and elements of the organization. The approach adopted by the organization to create a climate of change, utilized team(s) formed of different external consultants working directly with different internal consulting teams to initiate and facilitate change programmes.

Harvey and Brown (1996:93-94) emphasize the advantages of a collaborative relationship between internal and external consultants, viz. it provides an integration of abilities, skills, and resources, and it serves as a role model for the rest of the organization, where the relationship displays such qualities as trust, respect, honesty, confrontation, and collaboration. A collaborative relationship also improves the objectivity, focus, and appropriateness of the change initiatives, it ensures greater continuity over the entire change process and it provides the stimulation and motivation needed to keep the change programme moving during periods of resistance.

With the use of different change teams for different change initiatives, the roles and responsibilities were not very clear to everyone in the organization. The successes of the consulting teams were hampered by the lack of trust between members of the team(s), and the competencies of the internal consulting team members. The majority of the members of the internal consulting team(s) were fairly new to the organization with limited knowledge of the structure, work processes and culture of the organization. The integration of change efforts of the different teams was not very successful. Many of the strategic, operational,

and cultural concerns were not identified or managed through an integrated and aligned change effort.

11.3   **AN EVALUATION FROM AN EXTERNAL CONSULTANT**

The external evaluation took account of the organization's business figures, markets, productivity, capability, human resources capacity, capacity for teamwork and management's commitment to the transformation process. The main points favouring the organization are its financial and business strength, its high proportion of young staff and its high potential for working at a provincial level. Problems included the lack of market awareness and marketing activity, outdated systems, the inward looking culture and the lack of urgency about change. The external consultant concluded that most staff saw change at the organization as politically motivated and failed to understand the business imperative for change. Consequently, a need was identified to transmit to employees a sense of urgency, informing them about the financial reasons demanding transformation for the organization to survive in its environment. This could be related to increasing deregulation in the banking environment, the influence of globalization, which together opened the way to local and international competition. These trends favour general banks at the expense of specialist banks. Internationally, the specialist banks that are surviving are those that moves quickly to broaden their product lines and markets (Land Bank Prospectus, 1998:7).

Although the initial evaluation of the external consultant was spot on, few of the important issues were addressed with effective strategies and action plans. The external consultant had an analytic style, which placed great emphasis on efficiency with little emphasis on relationships and morale. It seems that the consultant had felt comfortable with a rational assessment of problems and assumed that the facts would lead to a solution when he left after the diagnosis.

11.4   **THE READINESS OF THE ORGANIZATION FOR TRANSFORMATION**

The initial contact with the organization by the external consultant was a message to the members of the organization that the organization was under scrutiny and that new and more effective ways of doing things are being sought. The need for change was communicated to everyone in the organization by means of business communications. "The Board of Directors decided on ten transformation principles, namely:
-       Vision-led transformation, including the development of a shared vision;

- Thorough Consultation, including key internal and external stakeholder interest groups;
- Sustainable transformation, including capacity building of competencies required for the new organization;
- Transparency. An 'open' transformation process and culture with transparency and accountability;
- Personal Choice. Democratic principles and personal choice to underpin transformation;
- Fairness and Justice;
- Gender Affirmation. Women to be enabled to be involved in and inform the transformation process and participate in the design of the new Land Bank;
- Affirmative Action. Special focus on targeted and historically disadvantaged groups including young managers;
- Involvement and participation. A process of high-involvement which encourages maximum levels of involvement of internal and external stakeholders; and
- Empowerment" (Land Bank Prospectus, 1998:8).

The consultant faced many difficult situations when intervening in the organization, viz. the support from the change sponsors and the change team, leadership competencies and objectivity, and resistance to change. There are issues that the consultant team seemed to underestimate, viz. the involvement of key people (senior managers of the old Land Bank) in the organization from the start, the preparation and orientation of all employees towards the new vision, transformation principles and initiatives, transparency, and the culture-strategy alignment. The assessment of the above-mentioned issues hampered the optimal creation of a climate for change within the organization.

11.5   **THE CONSULTATIVE DIAGNOSTIC PROCESS**

Organization diagnosis is aimed at providing a rigorous and systematic analysis of data on the structure, administration, procedures, relationships and behaviours, products, services and other essential elements of the client system that impact on organizational performance and effectiveness. The diagnosis, then, provides a basis for an integrated approach of structural, behavioural, or technical interventions to improve organization effectiveness (Harvey and Brown, 1996:47). The design workshop to establish the transformation principles was the first stage in a consultative process aimed at achieving maximum participation by staff and stakeholders in transformation (Land Bank Prospectus, 1998:10).

It brought together a wide group of staff members to reach agreement on a common framework for transformation. The process they mapped out had a number of elements, including:

-        Five technical task teams investigated the critical transformation issues that were discussed in paragraph 11.5.1;

-        Communications consultants worked with a team of staff to hold transformation workshops with Head Office and all the Branches;

-        Branches nominated four colleagues to become their new mandate team to organize and facilitate consultative workshops with both branch staff and external stakeholders;

-        Leadership alignment and development (LAD) workshops in each province were held to bring on board a wider and deeper layer of senior managers, women and black employees. The aim of the workshops was to achieve a critical review of the bureaucratic management style and to consider alternative approaches;

-        Inputs from the mandate workshops and the LADs were presented at provincial future search workshops. Here each province came up with a three year "high-level" plan, a draft vision, a draft mission statement, and a statement on desired organizational culture; and

-        The nine provincial inputs in addition to the output of the Head Office search were pooled to from the basis of deliberation at a three-day national consolidation conference (Land Bank Prospectus, 1998:10).

The diagnostic process is summarized in Figure 11.1.

FIGURE 11.1: <u>THE DIAGNOSTIC PROCESS: FIRST PHASE</u>.

```
┌────────────────────────────────────────────────────────────────────────┐
│                      "New mandate" Communications                         │
│                                                                            │
│            ┌──────────────────────────────────────────────┐               │
│            │       Branch "new mandate" teams (x 26)        │               │
│       ┌────┴──────────────────────────────────────────────┴────┐          │
│       │   Provincial and Head office "new mandate" teams (x 10)  │          │
│       └──────────────────────────────────────────────────────────┘        │
│                                                                            │
│   ┌──────────────┐  ┌──────────────┐  ┌──────────────┐  ┌──────────────┐  │
│   │ National      │  │ Leadership    │  │ Staff         │  │ External      │ │
│   │ task teams    │  │ development   │  │ visioning     │  │ stakeholder   │ │
│   │               │  │ & alignment   │  │ consultations │  │ consultations │ │
│   │ •Communication│  │               │  │               │  │               │ │
│   │ •Finance      │  │ •Management   │  │ •All staff    │  │ •Provincially │ │
│   │ •New departures│ │  representation│  │ •Run at       │  │  planned      │ │
│   │ •Modernisation&│ │  per province │  │  branch level │  │ •Provincial   │ │
│   │  support      │  │ •Conducted    │  │               │  │  consultation │ │
│   │ •Strategic    │  │  provincially │  │               │  │  workshops    │ │
│   │  Functions    │  │               │  │               │  │               │ │
│   └──────┬───────┘  └──────┬───────┘  └──────┬───────┘  └──────┬───────┘  │
│          ▼                 ▼                 ▼                 ▼            │
│   ┌──────────────────────────────────────────────────────────────┐        │
│   │    Provincial stakeholder "future search" workshops (x 10)     │        │
│   └──────────────────────────┬───────────────────────────────────┘        │
│                              ▼                                             │
│            ┌──────────────────────────────────────────┐                    │
│            │     New mandate Consolidation Conference    │                    │
│            └──────────────────────────────────────────┘                    │
└────────────────────────────────────────────────────────────────────────┘
```

(Source: Unpublished staff communication dated 1998-08-14)

A new practice for the organization and a very strong feature of the transformation process was participation by external stakeholders. At branch level the new mandate teams held a series of workshops with stakeholders, and stakeholder representatives took part in the provincial workshops and the national conference (Land Bank Prospectus, 1998:10). Apart from their contribution to the overall outcome of the transformation process, external stakeholders made a specific contribution in the form of an external stakeholder scorecard with ratings on: Client service, range of products, quality of information, marketing, and flexibility (Land Bank Prospectus, 1998:11). This scorecard will enable the organization to continually assess its performance and service based on client views (Land Bank Prospectus, 1998:11). Stakeholder inputs were so valuable that the conference discussed ways to establish an ongoing formal relationship. This led to the decision to set up provincial advisory forums. The Board has allocated a member to each forum to develop a close connection and feedback channel (Land Bank Prospectus, 1998:11).

The technical task teams investigated critical transformation issues that are discussed next.

11.5.1 THE TASK TEAMS

Key employees were identified to participate in the task teams, and there was an open invitation for everyone to make a contribution. There were several management members involved in each group, who responded to the stressful challenges, producing high quality outputs. The areas covered by the teams are mentioned below.

11.5.1.1 NEW DEPARTURES

The new departures team is tasked to propose new banking products and services for new entry and high-risk clients; to segment clientele and design different products appropriately; to design a new pricing policy, new partnerships, and possible new projects, and to set criteria for selection of new financial intermediaries (Land Bank Prospectus, 1998:11).

11.5.1.2 REVIEW OF HEAD OFFICE SUPPORT SERVICES

The review of Head Office support services team is tasked to do an audit of information technology; to review the support services business process; and to review facilities and functions including property management, printing, catering, and legal services (Land Bank Prospectus, 1998:11).

11.5.1.3 REVIEW OF STRATEGIC FUNCTIONS AND MANAGEMENT REPORTING

The review of strategic functions and management reporting team is tasked to do an assessment of strategic functions; to identify the strategic management positions and its operational terms of reference; to identify the senior management reporting lines at Head Office and in the provinces; to analyze the current business situation, and to introduce a business planning cycle (Land Bank Prospectus, 1998:12).

11.5.1.4 HUMAN RESOURCES

The human resources task team is tasked to do a review of the HR systems, policies, procedures; to analyze and propose a new job-grading system; to research and propose a new reward strategy, and to review workplace processes (Land Bank Prospectus, 1998:12).

11.5.1.5 COMMUNICATION

The communication task team is tasked to act as a watchdog for a participatory transformation process; to design and propose a communication strategy specifically for the

transformation process; to manage the communication process within Head Office and the Branch network; to compile, document and distribute information to employees through newsletters, in - house video productions; managing the newly established "rumour hotline"; to review the current corporate image and propose amendments thereof, and development of a new logo and advocacy strategy (Land Bank Prospectus, 1998:12).

The National Consolidation Conference completed the first phase of the diagnostic process and guided the strategic plan for transformation. Provincial and Head Office staff, some directors and many stakeholders made up a group of 145 delegates. Four working groups were formed and mandated to consolidate an integrated working document for the consideration of the Board of Directors. Participant consensus was achieved on the following:
-        Vision, mission, and desired organizational culture;
-        New products and partnerships;
-        Strategic issues for human resources development; and
-        Commitment to the organizational redesign of the work process.

Based on the inputs for the national consolidation conference the Board of the organization developed a new vision, mission and values statement.

11.6   THE NEW VISION, MISSION AND VALUES OF THE ORGANIZATION
The new vision, mission, and values of the organization are covered next.

11.6.1 THE VISION
"A provider of world class, quality finance for sustainable agriculture and agri-business through creative flair and compassion for agricultural entrepreneurial development by wealth-creation for social upliftment in Southern Africa" (Land Bank Prospectus, 1998:14).

11.6.2 THE MISSION
"The organization is a statutory development financial institution that provides retail and wholesale finance in accordance with sound business principles in order to:
-        Finance all agricultural producers and agri-business;
-        Be flexible, innovative and deliver cost-effective products in response to clients' needs;

- Deliver competitive service backed by a highly visible marketing strategy and financial customer service;
- Render efficient and transparent processes using modern and streamlined technologies;
- Have a client focused professional workforce which reflects the customer base; and
- Accept social responsibility by contributing to financial, employment and environmental stability and encouraging good labour practices" (Land Bank Prospectus, 1998:14).

To achieve the above the organization will monitor and evaluate the social, political and economic environment that governs the business. It will also continuously adapt its services and products to achieve social upliftment and wealth creation in Southern Africa (Land Bank Prospectus, 1998:14).

11.6.3 **CULTURE**

The culture will focus on:
- Effective two way communication;
- Understanding and empathy for cultural diversity;
- Multiskilling through training, knowledge and empowerment;
- A team-based approach to focus on and motivate staff and maximize potential; and
- Professionalism based on pride and integrity (Land Bank Prospectus, 1998:14).

11.6.4 **LEADERSHIP PRINCIPLES**

Leadership in the organization will be:
- People-centred, emphasizing reliability, empowerment, teamwork, accessibility and transparency;
- By example, demonstrating integrity, confidentiality, participation and determination;
- Visionary, pioneering, dynamic, innovative and open minded;
- Customer focused, characterized by two-way feedback, accessibility, flexibility, adaptability and market responsiveness; and
- Professional, driven by results, continuous improvement, a business orientation and accountability (Land Bank Prospectus, 1998:14).

Figure 11.2 summarizes the major influences on the new organization. The effectiveness of the new organization will depend on an integrated transformation process that includes all variables of influence.

FIGURE 11.2: <u>MAJOR INFLUENCES ON THE NEW ORGANIZATION</u>.
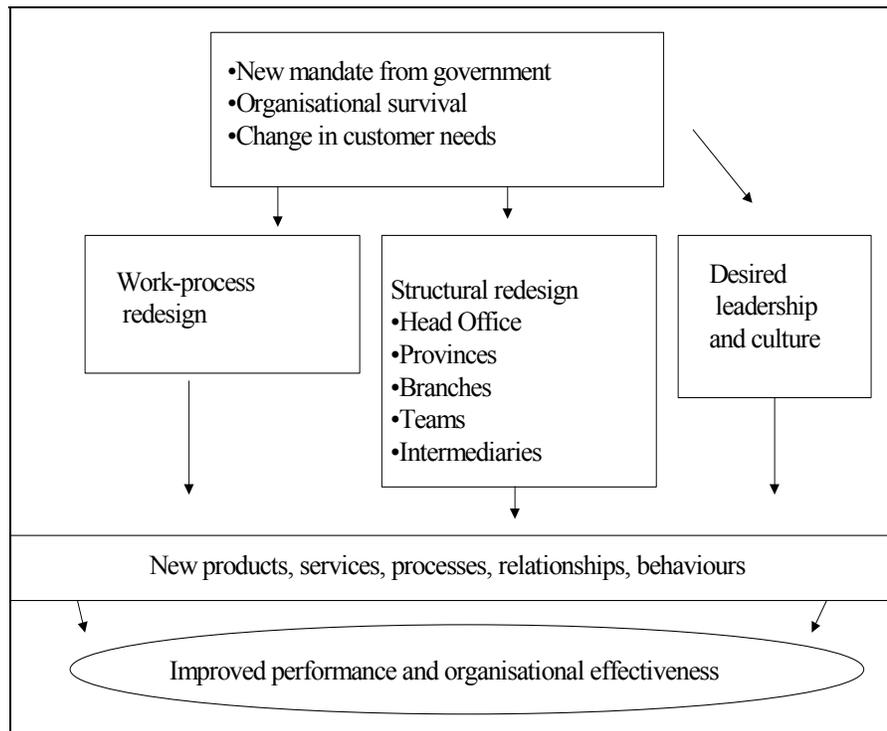
(Source: Aligned with Harvey and Brown's change model, 1996:209)

From Figure 11.2 it is evident that the organization intended to follow an integrated change strategy to address all the influences on the organization and to implement new products, services, and work processes, to establish new relationships, and to establish a new culture for the new organization.

11.7   **CRITICAL REVIEW OF THE DIAGNOSTIC PROCESS**

Certain factors that need to be explored in order to drive the diagnostic phase were disregarded because of preconceived ideas, viz. the way the organization members think/feel/talk/behave, the capacity of the organization to change, the barriers to change, the power dynamics and the decision-making process, the communication process, the strengths and development areas of the employees, and how conflict is managed.

The employees were not adequately prepared and oriented to transformation or to participate meaningfully in the diagnostic phase. The need for change and the totality of the transformation process and principles were not communicated effectively to all employees - this is especially true of the Branch network. A transparent, educational philosophy about transformation was not always followed.

Different change teams for different change initiatives were used, but their roles and responsibilities were not very clear to all in the organization. The success of these teams was hampered by the lack of trust between members of the team(s), the competencies of the internal consulting team members, and the integration of change efforts of the different teams. Many of the strategic, operational, and cultural concerns were not identified, or not dealt with appropriately.

The information gathered in the diagnostic phase was not always presented in terms of criteria that reflect organizational effectiveness. Measurable outcomes such as client service, product satisfaction, work efficiency, decision-making, cost to income ratio and other financial variables must be linked to changes in competencies, attitudes, behaviour, processes and structures needed.

The acknowledgement of organizational problems by key people including some Branch Directors and senior personnel in Head Office created more resistance to change. Some influential managers of the old organization saw the transformation process as a political initiative with various hidden agendas. Many rumours were spread regarding affirmative action and retrenchments that had a negative influence on morale and staff turnover.

The diagnostic process focused on dysfunctional aspects in the organization but limited acknowledgement for previous good practice was recognized. This lead to frustration and resentment of many managers of the "old" organization who then influenced their subordinates negatively. Good participation was achieved from staff at various levels in the organization, but the diagnosis and recommendations made from that were not used with a sense of urgency in the change process. This left participants feeling that their inputs were not valid or that they were involved only for the sake of involving everyone - to make it look like a participative approach.

A new Human Resources department was created with four external affirmative action appointments that replaced the previous HR management structure. This created great resistance to change from within the HR team which then struggled to function as a team. The active involvement of the Human Resources department throughout transformation and their contribution to the success of diagnostic phase were hampered by alleged incompetence, negative relations with the unions, limited trust and information sharing with line management, limited knowledge about the existing personnel policies and practices, limited knowledge about the business, and limited people power within the Human Resources department. No early successes for the Human Resources department were accomplished and the Human Resources Director was dismissed due to alleged misconduct. The state of affairs within the Human Resources department had a negative influence on the early successes of transformation and effective management of morale and stress.

11.8   **CONCLUSION**

This chapter provided more background to the organization where the research was conducted and explained the unfolding of the diagnostic process (one of the change stages as discussed in Chapter VI). The diagnostic stage was discussed with specific emphasis on the effectiveness or ineffectiveness of the process. From the discussion it is evident that certain critical elements or conditions have to be present for optimal success of the transformation process.

The following critical conditions hampered the effectiveness of the diagnostic process:
-       The lack of trust, experience and competencies of the internal consulting team members;
-       Limited knowledge of the activities and culture of the organization by newly appointed strategic managers and Board members;
-       The external consultant's analyzing style which placed great emphasis on efficiency with little emphasis on relationships and morale;
-       An ineffective creation of a climate for change within the organization;
-       The ineffective communication strategy regarding the transformation principles and process;
-       Specific information about critical factors that drive the diagnostic phase were not scrutinized, viz. the barriers to change, and the power dynamics;
-       Unclear roles and responsibilities of the different change teams and team leadership;

- The information gathered in the diagnostic phase was not always presented in terms of criteria that reflect organizational effectiveness;
- The non-perception of the change initiative by key people which negatively influenced others;
- The limited acknowledgement to previous good practice;
- Many of the strategic, operational, and cultural concerns were not identified; and
- Ineffective management of Human Resources related issues, including communication, stress and conflict management, morale, affirmative action issues, and employee relations.

CHAPTER XII

STRATEGIES, ACTION PLANS AND TECHNIQUES UTILIZED IN THE ORGANIZATION TRANSFORMATION PROCESS

12.1   **INTRODUCTION**

This chapter provides more background to the organization where the research was conducted and explains the unfolding of another one of the change stages as discussed in Chapter VI. The information gathered during the diagnostic phase is discussed with reference to the new products, information technology, human resources, the management team, modernization of support systems, internal communication, marketing and public relations, desired leadership and culture as discussed in the Land Bank Prospectus of 1998.This lead to specific action plans, strategies and techniques which are discussed and critically reviewed in this chapter.

12.2   **THE DIAGNOSTIC PHASE**

The National Consolidation Conference completed the initial diagnostic phase that was built on the new mandate from government. This resulted in a transformation action plan and strategy.

In the previous chapter the participative diagnostic process was discussed. The information and data gathered are discussed in this chapter.

12.2.1   **NEW PRODUCTS**

To meet its new mandate the organization must design a new set of financial products that new mandated clients can use successfully. "In the past collateral was the cornerstone of the organization's conservative lending criteria. And it is precisely a shortage of collateral that characterises the new mandated clients. The New Products task team has designed the Gold, Silver and Bronze Ranges of new products. Others, such as bridging finance and joint equity schemes for land reform beneficiaries, are still on the drawing-board and should be introduced later" (Land Bank Prospectus, 1998:24).

12.2.1.1 **THE GOLD PRODUCT RANGE**

The organization decided to continue to finance the range of products traditionally available to clients while seasonal production credit in response to stakeholder requests have been added. The product range consists of:

- Low risk wholesale funds for on lending to low risk retail lenders such as the commercial farmers' cooperatives;
- Low risk long and medium-term loans to experienced farmers with sufficient security to cover the full loan amount. This provides for long-term mortgage bonds for buying land and medium-term assets such as livestock and equipment; and
- Low risk short-term seasonal production credit is now available in response to requests (Land Bank Prospectus, 1998:24).

12.2.1.2 **THE SILVER PRODUCT RANGE**

These loans will apply to farmers with experience and proven abilities but without enough saleable assets to cover the full loan amount. Farmers with larger areas of available communal land or permission to occupy (PTO) will fall into this category. The product range consists of long, medium and short-term loans (Land Bank Prospectus, 1998:24).

12.2.1.3 **THE BRONZE PRODUCT RANGE**

The bronze range carries a higher-risk fund levy. This allows the organization to lend to new entrants to the formal market who have no proven track record. Land-reform beneficiary groups will fall into this category. The product range covers long, medium, and short-term needs (Land Bank Prospectus, 1998:14). The organization is also launching two additional products specially designed to meet the needs of the rural poor:

- Step up. The "step up" scheme targets the rural poor, especially women trying to improve their seasonal production output. The scheme will provide small sums of money without the need for proof of collateral or the checking procedure of a loan officer's field visit. Payback record will be the only criterion. A person who meets this criterion will qualify for a bigger loan next time. Failure to repay means disqualification from the scheme; and
- Agri-save. Savers make better borrowers - that is the accepted wisdom of international banking experience. The organization wants to boost the number of rural savers who may become future loan clients. Agri-save will be an investment in risk management strategy by the organization. Negotiations with the Post Office to act as an agent for this product are near completion. A high interest rate will give people a real incentive to save through formal channels like the Post Office (Land Bank Prospectus, 1998:24).

12.2.2   **COMPLEMENTARY PRODUCTS**

The complementary products that supports the new products, viz. the risk fund, the "on-time bonus" scheme, and insurance are discussed next.

12.2.2.1 **THE RISK FUND**

"This fund will cover the inadequate collateral levels of silver and bronze range clients. The risk fund charges a fee above the base interest rate. This money is pooled and topped up by the organization to cover default by medium, and high-risk clients" (Land Bank Prospectus, 1998:25).

12.2.2.2 **THE "ON TIME BONUS" SCHEME**

Many new mandate stakeholders have asked for subsidized interest rates. The organization's response has emphasized its need for long-term viability. Bonus schemes for clients who pay back their instalments on time have been designed. The bonus scheme only applies to silver and bronze range clients who are paying the risk fee (Land Bank Prospectus, 1998:25).

12.2.2.3 **INSURANCE**

The following two products are available to all clients in the gold, silver and bronze ranges:
-      Farm-guard; and
-      Mortgage insurance.

12.2.3   **INFORMATION TECHNOLOGY**

The information technology (IT) and information processing used in the past and at present, as well as the future possibilities are discussed next.

12.2.3.1 **THE PAST**

The organization had a computerization department with a manager and staff of 17 people. However, all transactions were manually recorded on paper and then entered on computer in batches. As a result computerized account balances were up to 15 days in arrears. The processes were very tedious, causing staff and customer dissatisfaction (Land Bank Prospectus, 1998:20).

12.2.3.2 **THE PRESENT**

The transformation introduced new aims and approaches to work. The computerization department had to transform itself into an information technology department supporting modern operations. The organization needed to compete in the market and serve the needs of existing and new mandate clients. "The investigation showed that the existing system was using only 15% of computer capacity and providing very little support to business processes - a costly waste of resources" (Land Bank Prospectus, 1998:20). New suitable software packages should be introduced that will run on smaller, less expensive, computers. The packages should provide immediate access to up-to-date client information and tools to make the organization more efficient and competitive.

12.2.3.3 **THE FUTURE**

The computerization department will be transformed into an information technology department that will help staff to deliver excellent customer service. Eventually all data will be captured at source. A management information system will provide statistics and management reports. Present staff will be retrained to support these systems. The new IT department will focus on service and systems to support business needs. It will help the organization achieve quick product delivery and rapid response to changes in the market place.

12.2.4 **HUMAN RESOURCES**

Before transformation the organization's personnel section focused on staff administration and did not have a comprehensive human resources development strategy (Land Bank Prospectus, 1998:22). No specific HR strategy/plans were in place. Policies and procedures were not updated regularly and were not always accessible to all staff. The performance management system was not based on specific job outputs, standards, and measures, and was not linked to competencies required for the job or area of operation. There was no formal training or development courses run, either for staff or management, and only on-the-job (technical training) was done. No external resources were used for management/leadership development. People were promoted to management level based on experience and performance without formalized in-house management skills development. No informal/formal recognition system existed. The organizational structure was hierarchical with staff at one level supervised by staff at the next, higher level. "People in the lower levels had little decision-making power and opportunities for advancement to a higher level was limited. Employees generally joined the organization after completing

matric and many have retired after spending their entire working lives in the organization"
(Land Bank Prospectus, 1998:22). The newly established HR department's statement of
intent reads:

- "To provide fair and just human resources function that is optimally aligned with the
  organization's new strategic direction, in the creation of competent, motivated and
  professional employees to deliver a world-class service" (Land Bank Prospectus,
  1998:22).

The debates throughout the consultative workshops resulted in the identification of the
following priorities: new job approach, review of work process, affirmative action principles,
and capacity building.

12.2.4.1 **THE NEW JOB APPROACH**

There was a rejection of the existing ladder and notch pay-of-status approach.
Investigations led the HR team to propose a broad banding pay concept and an evaluation
system that would accommodate a skills and impact assessment. The proposed
remuneration approach takes cognizance of market comparisons, benefits packages, and
performance incentives (Land Bank Prospectus, 1998:22).

12.2.4.2 **WORK PROCESS**

One of the most significant decisions taken during the transformation process was to move
towards a flatter organizational structure and a team-based work approach (Land Bank
Prospectus, 1998:22). Branch level redesign workshops based on the self-managing team
approach took place. The workshops applied six criteria for the individual self-assessment
of satisfactory work:

- Empowering decision-making;
- Opportunity to learn on-the-job and continue learning;
- Variety of tasks within the team;
- Mutual support and respect;
- Meaningfulness of role fulfilled within the team; and
- A desirable future of growth and development (Land Bank Prospectus, 1998:20).

Design principles for branch redesign were settled on at the National Consolidation
Conference and included:

- Flattening the management, supervisory hierarchy;

- Streamlining of work processes;

- Formation of self-managing teams;

- Delegation of responsibility for decision-making to those doing the work;

- Multiskilled teams allowing for substitution and a holistic process perspective; and

- Team setting of performance goals (Land Bank Prospectus, 1998:22).

12.2.4.3 THE BRANCH REDESIGNS

The branch redesign process tried to achieve three principles and measurable objectives:

- Delivery on the new mandate;

- Cost-effective productivity increases; and

- Improved work satisfaction (Land Bank Prospectus, 1998:22).

12.2.4.4 HEAD OFFICE REDESIGN

Head Office with one third of staff is complex and involves many, varied service units. Skills and costs audits were done for a comprehensive review followed by the restructuring exercise (Land Bank Prospectus, 1998:23).

12.2.4.5 CAPACITY BUILDING

The intention is to become a lifelong learning organization with first-world standards. A comprehensive training development strategy and action plan, aimed at developing multiskilled staff with enhanced language, leadership and technical capabilities, will provide additional career paths, and enhanced capacity. Assessment centres, internal and external courses, bursaries, study assistance, ABET, and on-the-job training are all potential capacity building activities planned (Land Bank Prospectus, 1998:23).

12.2.4.6 AFFIRMATIVE ACTION

Unequal opportunities for blacks and women are a clear legacy in the organization (Land Bank Prospectus, 1998:23). Fast-track training opportunities targeted at affirmative action will be part of the staff development programme. Until 1997 there were no blacks or women in the senior decision-making positions. This has already changed radically. External recruitment and placement at senior level have been done.

12.2.5   **THE NEW HEAD OFFICE MANAGEMENT TEAM**

The new strategic management team consists of:

- Managing Director;
- General Manager Operations;
- General Manager Finance;
- Human Resources;
- Corporate Affairs and Marketing;
- Research and Product Development;
- Risk Management; and
- Information Technology.

The Head Office senior management team consists of:

- Managing Director;
- General Manager Operations;
- Corporate Finance;
- Retail Operations;
- General Manager Finance;
- Chief Accountant;
- Treasury Manager;
- Support Services Manager;
- Corporate Affairs and Marketing Director;
- Human Resources Director;
- Research and Development Director;
- Risk Manager;
- Information Technology Manager;
- Executive Assistant; and
- Financial Advisor.

The organization is changing the way its staff interacts and communicates with one another. Electronic mail and conference calls will become part of the working culture, improving information sharing and problem-solving. At provincial level, directors will meet regularly to develop a provincial strategic plan. Head Office senior managers and branch directors will meet quarterly if possible, but at least twice a year. The strategic management team at Head Office meets weekly, and will hold an extended senior managers

meeting once a month. The senior management team has been reduced considerably to ensure more effective operations (Land Bank Prospectus, 1998:29).

12.2.6 MODERNIZATION OF SUPPORT SYSTEMS

A task team reviewed the existing business process including facilities, functions and information technology of all sections within Head Office and Branch Offices. The following principles guided the investigation:

- Strategic principles and a SWOT analysis;
- Key findings regarding commercialization alternatives;
- Administrative costs (current or if downsized/outsourced);
- Impact on human resources;
- Impacts on costs;
- Impact on profitability; and
- Recommendations.

12.2.7 INTERNAL COMMUNICATION, MARKETING AND PUBLIC RELATIONS

The communications task team reviewed internal communication channels that had been inadequate and slow in the past and introduced more effective internal communication through e-mail and newsletters. A new marketing, advertising and public relations strategy was developed.

12.2.8 DESIRED LEADERSHIP AND CULTURE

Future search workshops were held in each province featuring delegates of every branch office and some external stakeholders. The purpose of the workshops was to develop a desired shared vision for the organization within the specific province as well as inputs for a provincial 3-year business plan. The content of the workshops focused on:

- Introduction, including the purpose, expectations and ground rules;
- Environmental scan - understanding the turbulent and changing environment;
- History of the organization, including lessons from the past and the "keep, drop, create" exercises;
- Creating a shared vision for the province; and
- Inputs for the business plans, including marketing issues, new products, cost reduction and commercialization, organizational design, leadership and culture, training, and affirmative action.

The following "big hairy" or "burning" issues were raised at the workshops:

- "Resistance to change from employees and management including job loss, loss of culture, and management's fear of losing power;

- Uncertainty amongst employees regarding various issues;

- Poor communication;

- Poor staff empowerment and development;

- Lack of understanding the transformation initiative;

- Negative attitudes, morale, and motivation;

- Inconsistent pronouncements by the Managing Director;

- Many rumours; and

- Gender and race discrimination" (Unpublished staff communication, 1998-08-14).

The following stepping stones or practical steps were proposed at the workshops to address the issues:

- "Effective management of the change process;

- Rumour hotline to address rumours and put fears to rest;

- Implement more effective communication strategy;

- Intensive alignment and training of managers for transformational leadership;

- Branch office and Head Office redesign, new job descriptions and job-grading; and

- Implement training and development strategy" (Unpublished staff communication, 1998-08-14).

The workshops provided input for senior management to identify the desired leadership characteristics. These can be summarized as follows:

- Lead by example including leadership experience, integrity, honesty, open communication, transparency, continuous improvement, trust and respect, and to create loyalty;

- Participative management including encouraging independent action, creating opportunities, people centred focus, and giving recognition;

- Alignment of employees including motivation, coaching, capacity building, shared responsibilities, equal opportunities; and

- Balanced focus on all professional management principles including staff, customers, the business, and the future with a comprehensive management development program (Unpublished staff communication, 1998-08-14).

After the workshops senior management identified the desired culture characteristics. The desired culture characteristics can be summarized as follows:

- Workplace where everybody's proud to work, feels free to participate, and has the ability to develop themselves;

- Organization that stays on the cutting edge of new developments, technology, and adoption to change;

- Customer focused;

- Motivated, multiskilled, diverse, empowered staff component;

- Ubuntu principles including trust, discipline, tolerance and a positive attitude;

- Racial awareness and equality;

- Self-managed team culture including empowerment, participative decision-making, incentive-driven performance, knowledge and responsibility sharing, and a shared vision; and

- Effective internal and external communication (Unpublished staff communication, 1998-08-14).

12.3   THE ACTION PLANS, STRATEGIES AND TECHNIQUES

The diagnostic phase led to the interventions, activities, and programmes aimed at resolving problems and increasing organization effectiveness. After having diagnosed the problem areas, the opportunities for improvement were identified and a strategy to apply techniques and technologies for change was selected. The selected change strategy aimed to address organizational, technological, work-team and individual problems. Figure 12.1 summarizes the transformation strategy of the organization.

FIGURE 12.1: THE TRANSFORMATION STRATEGY.

Re-envisioning: Crafting shared direction and commitment

New mandate and vision
Alignment of hearts and minds
• Internal and external customers

Work processes

New products and services

Hearts and minds

Participative

Information
Communication

New mandate and
shared vision

New
performance
outputs

Learning and
development

Redesign

Competencies   Processes

New
organisation
design

Capacity building:
Learning and flexibility for transformation
and continuous improvement

Rebuilding:
Alignment of processes
and structures
to the new vision

(Source: Unpublished staff communication, 1998-08-14)

12.3.1   **THE TRANSFORMATION STRATEGY**

From Figure 12.1 it is clear that the transformation strategy incorporated the following
guiding principles:

-    Re-envisioning (crafting shared direction and commitment);

-    Rebuilding (aligning organization processes and infrastructure to the new vision); and

-    Capacity building (learning and flexibility for sustainable transformation and
     continuous improvement).

Re-envisioning focuses on the alignment of the customer needs and expectations to the
"hearts and minds" and behaviour of staff, and leadership attitudes to ensure alignment with
the new mandate, vision and goals. Capacity building focuses on the importance of
information sharing and communication, and learning and development through core
competency building, in order to sustain transformation and change. Re-building focuses on
the organizational processes, establishing new products and services, new work processes,
new performance outputs, measures and standards, and new organizational structures
(Unpublished staff communication, 1998-08-14). The three guiding principles (re-
envisioning, rebuilding and capacity building) emphasized the external consultant's intention
to bring about change in the organization. The strategy proposed an integrated approach to
the change efforts, viz. a behavioural strategy focusing on the "hearts and minds",

performance outputs, and competencies, to bring about new attitudes, values, and behaviours, a technical strategy focusing on new work processes, and new products and services, as well as a structural strategy to bring about new relationships.

Although the strategy seemed to be on course in identifying all objectives and action plans for the transformation process the following factors reduced the effectiveness of the strategy:

- Priorities, time limits or due dates were not clear or were set vaguely which hampered the effectiveness of the interventions;
- Communication of the strategy was inadequate;
- No strategy was developed to utilize and retain the key people within the organization. Many competent, experienced, and influential people left the organization because there was no strategy to motivate them to stay;
- Although an integrated change strategy was proposed it was not implemented to address the issues identified in the diagnostic phase, viz. work processes and technology and its impact on work relationships and organizational structures, and new work behaviours needed to ensure alignment with the changes implemented. Many factors influenced the effectiveness of the strategy, viz. various consultant groups were employed to implement parts of the strategy, which hampered the alignment of effort, re-envisioning was never fully achieved because of the negative attitudes of key managers in the old culture, and unwillingness of many line experts to participate in the change efforts;
- Critical information gathered on the actual and desired cultures was not incorporated into the strategy. Re-envisioning focused primarily on external stakeholders, while internal stakeholders (leaders and all employees) were "dealt with" on an one-of basis through the workshops discussed earlier; and
- Compatibility between the strategy and culture (of the organization as a whole as well as every branch office or business unit) was not always considered and was hence managed ineffectively.

12.3.2   THE INTERVENTIONS

An organization development strategy involves the planning and direction of change programmes, whereas intervention techniques deal with the operational aspects of the change, the specific means by which the change goals are attained (Harvey and Brown, 1996:211-212).

The specific interventions used during the transformation are discussed next.

12.3.2.1 **INTERPERSONAL INTERVENTIONS**

Employee involvement, participation, empowerment, and buy-in management techniques were used throughout the transformation process that unleashed human potential and moved the organization's traditional culture to one of shared vision and goals. Laboratory learning programmes were used to increase interpersonal skills regarding:

- Leadership alignment (new vision and mandate) and leadership development;
- Communication;
- Self-insight and awareness; and
- Increased sensitivity to one's effect on others.

Sadly, in view of organization problems such as downsizing, outsourcing, retrenchments, restructuring, and affirmative action no management of diversity, career life planning, or specific management development interventions were used. In the first year of transformation no stress management or job burnout interventions were used. After serious organizational pressures including low morale, high staff turnover (22%), absenteeism, and resignations of transformational leaders these issues have still not been addressed effectively.

12.3.2.2 **TOTAL ORGANIZATION CHANGE INTERVENTIONS - THE BRANCHES**

According to the new mandate and vision the organization had to change or adapt to the following new initiatives:

- Diverse customer focus and improved service levels;
- New products and services;
- Business processes improvements;
- Changes in decision-making and responsibilities;
- Improved information systems; and
- The new corporate culture as it relates to individual and team empowerment.

The goals for the re-engineering, redesign, and restructuring of branches were the following:

- Customer service excellence;
- Individuals get more of a say in how they perform their work, and what they want to do;

- Groups of people will be responsible, instead of individuals;
- Multiskilling of staff;
- Job enrichment;
- Job satisfaction;
- Career paths will no longer be determined solely by moving up the hierarchical ladder, instead they will be determined by the acquisition of skills and job rotations through multiple business areas; and
- Continual learning and improvement (Unpublished staff communication, 1998-08-14).

The format of the redesign workshops included four major segments:
- Introduction, context setting and expectations;
- Assessments of job satisfaction, skills held and analysis of the existing structures and work process;
- Branch redesign exercise; and
- Implementation in which new teams develop team-specific goals and targets, training requirements, resources requirements, career path implications, and arrangements for internal control and coordination of work.

All branches completed a process of analyzing work processes, participative organizational and branch office redesign, skills audits and organization of self-managing teams. Employees who do the work had been given the opportunity to pool their diverse knowledge and subsequently developed their own designs. Experts did not impose the new designs but employees had the opportunity, responsibility, motivation and commitment to develop the "best" design for every business unit.

Although the re-engineering, redesign and restructuring interventions were effective in many Branch Offices the following issues caused problems in others:
- Some business units have not yet made the paradigm shift from bureaucratic to democratic;
- Management were not always participating in the design process itself through positive communication, encouragement, and commitment;
- The new role of supervisors as team players had caused conflict that was not always resolved constructively;
- Effective feedback channels were not established, nor was a "help-line" when operating problems of the new teams occurred;

- Many employees saw the main focus of the interventions as on the external customer rather than on an integrated approach to satisfy the needs of the individual, group, organization, and customers;
- The redesigned interventions were not backed up by team building interventions to increase communication, co-operation and cohesiveness, or intergroup development interventions to address issues of competition, conflict, role clarification, and interdependence;
- Support to the new teams regarding training and development, rewards, and HR related issues like work standards, performance agreements, former section leaders who became team players; and
- Limited early successes were achieved in relation to the stated goals set previously for the interventions (Unpublished staff communication, 1998-08-14).

12.3.2.3 TOTAL ORGANIZATION CHANGE INTERVENTIONS - HEAD OFFICE

According to the new mandate and vision for the organization certain goals were set for re-engineering, redesign and restructuring of the total organization. After the redesign and restructuring of the Branch Offices, a similar intervention was used at Head Office by another consulting firm. The project had to address the following:

- The allocation of responsibility and accountability to the point where work was done with a corresponding reduction in supervisory levels in the organization;
- The delegation of authority and tasks to the branches;
- The impact of efficient information technology enabled processes; and
- Financial implications regarding the reduction of Head Office expenditure to a survival level (Unpublished staff communication, 1998-08-14).

Figure 12.2 summarizes the Head Office project approach.

FIGURE 12.2: <u>THE HEAD OFFICE PROJECT APPROACH</u>.
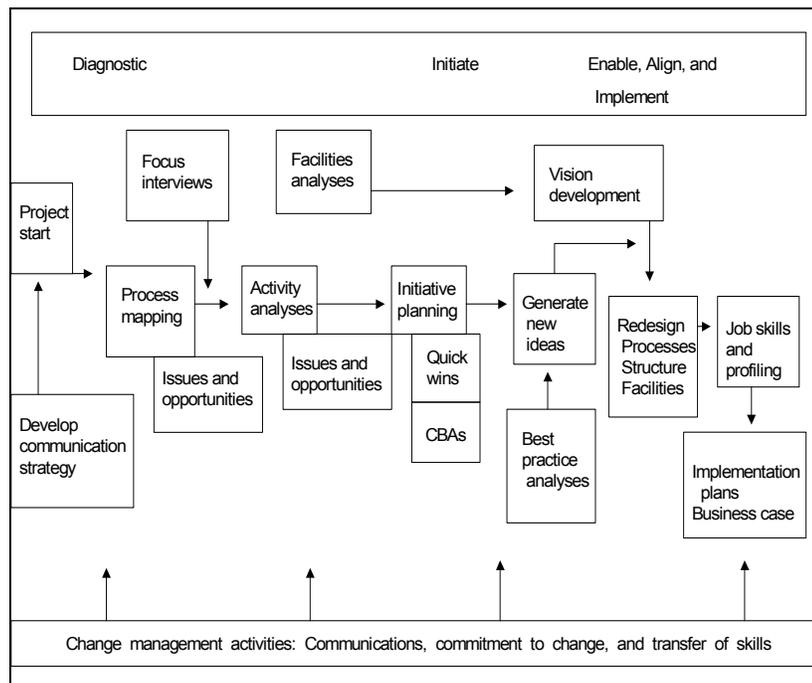
(Source: Head Office restructuring proposal, 1998-10-05)

The Head Office project approach as depicted in Figure 12.2 is discussed next. The Head Office project approach commenced by understanding what organizational structures and work methods (processes) were used, and had to be used to get the work done. This would lead to the appropriate best practice work methods (processes) needed to deliver the work. The redesign process consisted of five phases, namely: diagnose, initiate, enable, align, and implement. Change management activities were utilized throughout the redesign exercise to manage stakeholders, manage communications, manage sensitivities/reactions, to create buy-in, to build teams and to transfer skills.

The diagnostic phase included the following:
-    Project start-up including project goals and objectives, team set-up and development of communication strategy;
-    Focused interviews with key stakeholders within the organization, including management to explain project goals and objectives;
-    Process mapping of all work methods used in Head Office;
-    Gathering of all issues and opportunities related to work methods or the working environment in general;

- Activity analysis to determine who does what in Head Office;
- Facilities analysis; and
- Initiative planning to determine quick wins and the outcome of the cost-benefit analysis performed for functions like cleaning, security, printing, catering, and car fleet.

The initiate phase included the following:
- Idea generation from staff and vision development through workshops;
- Global best practice analysis; and
- Process, structure, and facilities redesign.

During the enabling phase job profiles for the new processes within the new structure were compiled. The viability of the proposed short and long-term structures (and facilities) was reviewed through further consultation with management and other stakeholders.

The aligning phase completed the project by finalising the business case and implementation plans for approval.

12.4   **A CRITICAL REVIEW OF THE STRATEGIES, ACTION PLANS, AND TECHNIQUES**

The proposed strategy that was communicated to all stakeholders can be termed as a charismatic transformation strategy to accomplish radical change in a short time frame, with support from the organizational culture. The actual strategy implemented was characterized by a dictatorial transformative change approach and crisis management that ran counter to the entrenched interests of the internal culture.

The critical information gathered at the future search workshops regarding actual and desired cultures and "burning" issues were not fully incorporated into the change strategy or any significant action plans. Many managers who were part of the organization before transformation, and managers who joined during the transformation process complained that the compatibility or alignment between the strategy and culture was not always considered or managed effectively. This lead to many valued managers leaving the organization. Employees complained that the (new) strategic management team discarded all previous good practice entrenched in the history of the organization, including the recognition of employees' needs and aspirations.

One of the key factors in culture change is to live the new or proposed culture. Top management values, behaviours and actions speak louder than words. Too many factors imposed on an effective change initiative including the alleged "tough" approach of the Managing Director towards employees, and alleged misconduct that was revealed to the media and led to her resignation. Alleged favouritism and incidents of poor performance of other senior (new) management, hampered the change initiatives, which were labelled affirmative action with a political agenda.

An important factor that was not considered prior to the implementation of the transformation process is the motivation of the employees toward change. Strong resistance to change was evident where proposed changes had been perceived as threats to personal security (job loss and loss of status). Overcoming resistance to change was never fully achieved. No strategy was developed to utilize and retain the key role players within the organization that could add value to the change processes.

The priorities and time frames of the strategy were not communicated effectively. Limited early successes were achieved and many "burning" issues, which were not resolved, resulted in large-scale crises management.

The proposed integrated change strategy was not followed to address the issues identified in the diagnostic phase, viz. work processes and technology and its impact on work relationships and the organizational structures, and new work behaviour needed to ensure alignment with the changes implemented. The main focus of the interventions was the customer rather than an integrated approach to satisfy the needs of the individual, the group, the organization and customers. No diversity management, specific management skills development, team building, intergroup development or career-life planning interventions were used. In the first year of transformation no stress management or job burnout interventions were used. In conclusion it can be said that limited effective interventions were used.

The assessment and evaluation of the change strategies and interventions implemented (action research) were never a priority that often resulted in crisis management. Some of the changes that were implemented and monitored actively led to the desired changes, especially in respect of product development and marketing strategies. HR systems and procedures were not amended with the new performance outputs and standards, or to recognise and reward the changes needed in work behaviour.

Political infighting was a dysfunctional factor in bringing about change. The restructuring exercise and the business-case proposals were vetoed by the Managing Director after Strategic Management had approved the proposals. Team problem-solving through involvement of all relevant stakeholders was never achieved which was in contrast to the transformation values such as trust, openness and consensus.

Human Resources business plans were never fully implemented, and issues like the retrenchment procedures and conditions were not handled well and resulted in negative attitudes from staff. The majority of staff members opted for the retrenchment package and were not ashamed to say that they did not want to work for the new organization. Unfortunately the best qualified and skilled employees left first as there was no strategy to retain, utilize, and develop them. The selection procedures for the "new" structure at Head Office were vetoed by the Managing Director, as they were perceived as unfair, and plagued by alleged favouritism.

Regarding the continuous improvement process including self-renewal, monitoring and stabilising of the action programmes, the Bank made good progress with the following:
- Reviewing and expanding its range of financial products and its loan procedures to meet the needs of new mandate clients;
- Consolidating its existing client base;
- Upgrading and modernising its banking systems to provide efficient service;
- Taking measures to ensure accessibility for its clients including
    - The use of agents to expand its outlets,
    - The development of retail intermediaries and
    - The relocation/expansion of its branch network; as well as
- Developing Provincial Advisory Forums that will provide an ongoing formal link between the organization and external stakeholders (Unpublished staff communication, 1998-08-14).

12.5   **CONCLUSION**

This chapter provided more background to the organization where the research was conducted and explained the unfolding of the strategies, action plans and techniques utilized in the organization transformation process (one of the change stages as discussed in Chapter VI). Detailed information of the diagnostic phase in the organization was revealed. The action plans, strategies, techniques and the evaluation thereof were discussed and critically

reviewed. Examples were given of factors that influenced the effectiveness of the strategies and techniques.

CHAPTER XIII

DESCRIPTION OF SAMPLE CHARACTERISTICS

13.1   **INTRODUCTION**

A description of the sample is presented in this chapter. The dispersion of the subjects across demographic variables such as age, gender, home language, marital status, religious denomination, educational qualifications, income and years of service are described and summarized by way of frequency tables. The general characteristics of the sample will be evident from these frequency tables.

13.2   **DESCRIPTION OF THE SAMPLE BY MEANS OF FREQUENCY TABLES**

Frequency tables are part and parcel of descriptive statistics. Healy (1990:24) views frequency distributions as tables summarising the distribution of a variable by reporting, "the number of cases contained in each category". It is a form of classification and description of numbers that assists the researcher in interpreting the information obtained and to understand the important features of the data (Ferguson, 1981:17). Ott et al.(1990:697) define a frequency table as "a table used to summarize how many measurements in a set fall into each of the sub-intervals (or classes)". The frequency tables presented for the biographical variables will also contain cumulative percentages that are obtained by successively adding the individual percentages. The primary purpose of the cumulative-percentage column is to ascertain the percentage of values falling below (or above) a given score or class interval in the distribution of what percentage of values is "greater than" or "less than" a specified value (Theron, 1992:374).

Frequency Tables 13.1 through 13.8 present the descriptions of the sample across the demographic variables. The values are tabled against the frequency of occurrence. Table 13.1 presents the distribution of subjects across age groups.

TABLE 13.1: <u>AGE DISTRIBUTION OF THE TOTAL GROUP</u>.

Age category (years)	Frequency	Percentage	Cumulative percentage
18 - 20	63	11,8	11,8
21 - 25	167	31,4	43,2
26 - 30	124	23,3	66,5
31 - 40	94	17,7	84,2
41 - 50	44	8,3	92,5
51 and over	40	7,5	100,0
Total	532	100,0	- - - -

According to Table 13.1 the subjects were fairly evenly spread between the young and the old. The average age of the subjects is 26 years, which is quite young. However, the mode (the value of the response category in a frequency distribution that has the largest number of cases) is 23 years, and that indicates that the sample consists mainly of young adults.

In order to do an analysis of variance a recoding of the categories was done. This recoding resulted in five groups, where the first four groups indicated in Table 13.1 remained the same and a new, fifth group, comprised of subjects in the age bracket 41 years and over (i.e.15,8 %).

Table 13.2 presents the distribution of subjects across gender groups.

TABLE 13.2: <u>GENDER DISTRIBUTION OF THE TOTAL GROUP</u>.

Gender	Frequency	Percentage	Cumulative percentage
Male	246	46,2	46,2
Female	286	53,8	100,0
Total	532	100,0	- - - -

Table 13.2 indicates the gender distribution of the sample that is favourably female in its composition. Because there is not a huge inequality in the distribution between the genders, this variable can be used as an independent variable in the data analysis.

Table 13.3 presents the distribution of subjects according to home language.

TABLE 13.3: <u>FREQUENCY DISTRIBUTION OF HOME LANGUAGE</u>.

Home language	Frequency	Percentage	Cumulative percentage
Afrikaans	457	85,9	85,9
English	71	13,3	99,2
Other	0	0	99,2
Missing cases	4	0,8	100,0
Total	532	100,0	- - - -

Table 13.2 indicates that the distribution of the sample across language is predominantly White in origin, with 99,2 % of the subjects belonging to this ethnic group. Although the English-speaking subjects are in the vast minority in this sample, a comparison with the Afrikaans group would be interesting. Black people are not represented in the sample, which makes comparisons with other groups impossible.

Table 13.4 presents the distribution of subjects according to marital status.

TABLE 13.4: <u>MARITAL STATUS DISTRIBUTION OF THE TOTAL GROUP</u>.

Marital status	Frequency	Percentage	Cumulative percentage
Married	242	45,5	45,5
Unmarried	266	50,0	95,5
Divorced	24	4,5	100,0
Total	532	100,0	- - - -

According to Table 13.4 the subjects were fairly evenly spread between the married and unmarried groups. The majority of the subjects are unmarried, possibly because the total sample group is quite young with an average age of 23 years.

In order to do an analysis of variance a further recoding of the categories was done. This recoding resulted in two groups, where the first group indicated in Table 13.4 remained the same, and a new second group comprised of subjects that were either unmarried or divorced (i.e. 54,5 %).

Table 13.5 presents the distribution of subjects according to religious denomination.

TABLE 13.5: <u>FREQUENCY DISTRIBUTION ACCORDING TO RELIGIOUS DENOMINATION</u>.

Religion	Frequency	Percentage	Cumulative percentage
Reformed Church (Gereformeerd)	38	7,1	7,1
Reformed Church (Hervormd)	59	11,1	18,2
Dutch Reformed Church	331	62,3	80,5
Apostolic Faith Church	8	1,5	81,9
Afrikaans Protestant Church	12	2,3	84,2
Baptist Church	0	0	84,2
Roman Catholic Church	4	0,8	85,0
Methodist Church	20	3,8	88,8
Anglican Church	8	1,5	90,3
Rhema Church	12	2,3	92,6
Jehovah Witnesses	8	1,5	94,1
Other	32	5,9	100,0
Total	532	100,0	- - - -

According to Table 13.5 the subjects belonging to the three Afrikaans churches are by far in the majority, comprising 80,5 % of the sample. A recoding of the categories was done to improve comparability between the denominations. This recoding resulted in two groups, where the Reformed (Gereformeerd) Churches, the Reformed (Hervormd) Churches, and the Dutch Reformed Church formed the first group comprising 80,5 % of the sample. The other religions namely AFM, APC, Baptist, Roman Catholic, Methodist, Anglican, Rhema, Jehovah, and the other churches were grouped together (i.e. 19,5 %).

Educational qualifications may have quite an effect on the work-related needs and attitudes of the subjects in this organization undergoing transformation. The distribution of the Educational qualifications is presented in Table 13.6.

TABLE 13.6: <u>**FREQUENCY DISTRIBUTION ACCORDING TO EDUCATIONAL QUALIFICATIONS.**</u>

Qualification	Frequency	Percentage	Cumulative percentage
Matric	460	86,5	86,5
Diploma	44	8,3	94,7
Degree	20	3,8	98,5
Post-graduate degree	8	1,5	100,0
Total	532	100,0	- - - -

Analysis of Table 13.6 reveals that subjects with a matric qualification were by far in the majority. It has been the policy of this organization for many years to employ only people with at least a matric qualification. A recoding of categories was done to enable the researcher to do an analysis of variance for two groups, specifically on the locus of control orientation, work-related needs and attitudes of subjects in this organization. The recoding resulted in two groups, those with matric (i.e. 86,5 %) and those with post-matric qualifications were grouped together, and this composite group comprises of 13,5 % of the total sample.

The distribution of the subjects across income is presented in Table 13.7.

TABLE 13.7: <u>FREQUENCY DISTRIBUTION ACCORDING TO INCOME PER MONTH</u>**.**

Income	Frequency	Percentage	Cumulative percentage
2 300 – 3 500	47	8,8	8,8
3 501 – 4 500	187	35,2	44,0
4 501 – 5 500	88	16,5	60,5
5 501 – 6 500	68	12,8	73,3
6 501 – 7 000	60	11,3	84,6
More than 7 000	82	15,4	100,0
Total	532	100,0	- - - -

Table 13.7 reveals that 44 % of subjects earn less than R 4 501,00 per month (less than R 54 012,00 per annum). This might be linked to the fact that a large percentage of the subjects have only matric (i.e.86,5 %), and are relatively inexperienced - 43,2 % of the subjects are 25 years or younger. Although it is the policy of this organization to employ only people with at least a matric qualification, no job-grading system is in place that can link income to job levels. It is important to note that although people with post-matric qualifications are employed, they are not necessarily remunerated according to their qualifications, but rather through loyalty to the organization in terms of years of service. The average income per month is R 5 000,00 (R 60 000,00 per annum). An analysis of variance for the different groups would be interesting, specifically on the work-related needs, attitudes and the locus of control orientation of subjects in this organization.

The distribution of the subjects according to years of service is presented in Table 13.8.

TABLE 13.8: <u>FREQUENCY DISTRIBUTION ACCORDING TO YEARS OF SERVICE</u>.

Income	Frequency	Percentage	Cumulative percentage
Less than 1 year	15	2,8	2,8
1 – 2 years	115	21,6	24,4
3 – 5 years	139	26,1	50,6
6 – 10 years	108	20,3	70,9
11 – 15 years	44	8,3	79,1
16 – 20 years	62	11,7	90,8
Longer than 21 years	43	8,1	98,9
Missing cases	6	1,1	100,0
Total	532	100,0	- - - -

Table 13.8 reveals that 24,4 % of subjects have less than three years of experience in this organization, and 50,6 % have less than six years of service. This might be linked to the age distribution, since 43,2 % of the subjects are 25 years or younger, and the huge turnover of staff since the transformation started 18 months ago. A recoding of the categories was done to obtain a better comparability between the groups. This recoding resulted in four groups, with people in the first group having up to two years of service (i.e. 24,4 %), those with three to five years of service (i.e. 26,1 %), those with six to ten years of service (i.e. 20,3 %), and those with eleven or more years of service (i.e. 28,0 %).

13.3 **CONCLUSION**

It is evident from the preceding discussion that the sample is predominantly young, white, Afrikaans-speaking with a Calvinistic orientation to work. Most subjects are female (53,8 %), the majority of the subjects are younger than 31 years (66,5%) while the average age is 26 years. Subjects predominantly have a high-school education, and 13,5% of the subjects have tertiary education. The low average age of the subjects impacts on the years of service within this organization. The majority has less than 6 years service and 24,4% of the subjects have less than 3 years service. Consequently the income of the subjects is also relatively low. Most subjects belong to either the Dutch Reformed Church or its two Afrikaans sister churches. English-speaking subjects are by far in the minority (13,3%) and belong predominantly to the Methodist church. The characteristics of the Afrikaans-

speaking subjects may have an impact on the attitudes towards transformation, as this process is driven by English-speaking people that are fairly new to the organization.

CHAPTER XIV
STATISTICAL PRESENTATION OF RESULTS

14.1   **INTRODUCTION**

In this chapter the results of the statistical analysis of the data are presented. The presentation of the data obtained from the Motivation Questionnaire, the Locus of Control Inventory, and the Transformation Questionnaire is the major contribution of this study of an organization in transformation. The scientific data will be presented according to the specific responses of participants on the Transformation Questionnaire and Motivation Questionnaire, and under headings referring to the various dimensions measured under the Motivation Questionnaire, and the Locus of Control Inventory. Descriptive statistics are used to record the numerical properties of the various distributions. Correlation statistics are employed to ascertain the relationship, if any, between the dimensions of the Motivation Questionnaire and the Locus of Control Inventory. The main independent variables of the biographical questionnaire (age, gender, home language, marital status, religious denomination, educational qualifications, salary per month, years of service, branch office/section at Head Office, and job grade) and where applicable their two-way interactions, are investigated and compared by means of discriminant analysis and multiple analysis of variance in combination with the Scheffe test. The Scheffe test was chosen because it is compatible with the overall Anova F-test in that Scheffe's method never declares a constant significant if the overall F-test is insignificant. Scheffe's method is considered to be the more powerful method if the number of comparisons is large relative to the number of means (Sas/Stat, 1990:944).

14.2   **FREQUENCY TABLES OF THE TRANSFORMATION QUESTIONNAIRE**

Table 14.1 to 14.22 indicate the frequency responses of participants in percentage on the Transformation Questionnaire. The responses are sorted in categories/factors studied in the Transformation Questionnaire, and the questions are listed and numbered accordingly. Table 14.1 indicates the frequency responses regarding the objectives of the organization.

TABLE 14.1: <u>THE OBJECTIVES OF THE ORGANIZATION</u>.

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
11. I understand the objectives of the organization as described in the Mission Statement.				
5,6	27,9	22,3	31,3	12,9
12. I identify with the objectives of the organization.				
3,4	19,7	27	36,5	13,3
13. I need a document explaining the objectives of the organization.				
20,2	34,3	13,3	28,3	3,9

Responses to questions 11-13 (Table 14.1) indicate the frequency in percentage of those who agreed with the statements (1/2 on the rating scale):

- Understand the objectives of the organization - 33,5%;

- Identify with the objectives of the organization - 23,1%; and

- Need a document to explain the objectives of the organization - 54,5%.

There is a definite need to further clarify the objectives of the organization, linking it to the new vision, in order to create commitment from all staff.

Table 14.2 indicates the frequency responses regarding the objectives of the work.

TABLE 14.2: <u>THE OBJECTIVES OF WORK</u>.

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
14. I need a clearer job description of my work.				
18,9	24,0	13,7	36,1	7,3

Responses to the question 14 (Table 14.2) indicate that 42,9% of respondents need a clearer job description. This links to questions 11-13 (the objectives of the organization) indicating that staff need to understand how their job objectives link with that of the broader organization objectives.

Table 14.3 indicates the frequency responses regarding job satisfaction.

TABLE 14.3: <u>JOB SATISFACTION</u>.

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
15. In general I am satisfied with my job.				
8,2	48,9	11,6	21,5	9,9
16. If I had the opportunity I would consider another job (not meaning promotion) in this organization.				
18,5	34,3	10,7	22,7	13,7
17. If I had the opportunity I would consider a job outside this organization.				
18,5	36,9	20,6	16,3	7,7
18. I do not care what work I do, as long as I receive my salary to survive.				
15,5	34,3	21	14,6	14,6
19. I am achieving something in my job.				
10,7	32,6	25,8	20,2	10,7
20. I regret that I accepted this job.				
37,3	23,2	9,9	20,2	9,4
21. Sometimes at work I feel as if the day will never end.				
15,9	34,8	22,3	21,5	5,6
22. I do not mind working late.				
11,6	32,6	21,9	20,2	13,7
23. I decide on my own how my work should be done.				
27	44,6	10,7	14,2	3,4
24. I feel proud of the work I do.				
30	39,9	10,3	12,4	7,3
25. I feel that sometimes in my work I do not make much sense.				
19,3	28,3	13,7	26,6	12
26. Most things in life seem more important than my work.				
4,3	15,5	13,7	42,5	24
27. My work is usually challenging.				
27,9	29,6	17,6	17,2	7,7

TABLE 14.3: (CONTINUED)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
28. The amount of work I was usually asked to do was fair.				
30,5	46,8	13,3	8,6	0,9
29. I never seem to have enough time to finish my work.				
19,7	18	11,6	28,8	21,9
30. If my work usually requires that I do the same thing over and over again, I would like it.				
29,2	26,6	14,6	21	8,6
31. If my work requires that I do the same thing over and over again, I would not like it.				
27	49,8	11,6	7,7	3,9
32. My work is so simple that virtually anybody could do it.				
26,2	36,9	11,2	14,2	11,6
33. Despite my qualifications and experience it took me a long time to master my work.				
20,2	29,2	16,3	23,6	10,7
34. I had assistance to enable me to do my job well.				
21,5	42,1	12	17,6	6,9
35. How satisfied are you with the way in which you are treated by the organization?				
33	39,9	12,4	12,4	2,1
36. How satisfied are you with the way in which you are treated by the managers of your department/section/work group?				
46,4	17,2	19,3	12	5,1
37. How satisfied are you with the way in which you are treated by your colleagues in the organization?				
21,5	12,4	44,2	18	3,9
38. How satisfied are you with the opportunities you receive to learn new things in your work?				
36,5	22,3	30	8,6	2,6

TABLE 14.3: (CONTINUED)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
39. How satisfied are you with the salary you receive?				
33,5	16,7	35,2	12,4	2,1
40. How satisfied are you with the fringe benefits you receive?				
37,3	21,5	28,3	10,3	2,6
41. How satisfied are you with the content of your job?				
38,6	21,9	23,6	14,6	1,3
42. How satisfied are you with the advancement you have made in your job?				
54,5	20,6	10,7	11,6	2,6

Responses to questions 15-42 (Table 14.3) indicate the frequency in percentage of those who agreed with the statements (1/2 on the rating scale):

- Are satisfied with their jobs - 57,1%;
- Would consider another job in the organization - 52,1%;
- Would consider a job outside the organization - 55,4%;
- Do not care what work they do, as long as they receive their salary to survive - 49,8%;
- Are achieving something in their job - 43,3%;
- Regret that they accepted this job - 60,5%;
- Sometimes feel that as the day will never end - 50,7%
- Do not mind working late - 44,2%;
- Decide on their own how their work should be done - 71,2%;
- Feel proud of the work they do - 69,9%;
- Sometimes their work doesn't make much sense - 47,6%;
- Most things in life seem more important than their work - 19,8%;
- Work is usually challenging - 57,5%;
- The amount of work they should do is fair - 77,3%;
- Never seem to have enough time to finish their work - 37,7%;
- Like repetitive work - 55,8%;
- Work is so simple that virtually anybody could do it - 63,1%;
- Despite their qualifications and experience it took them a long time to master their work - 49,4%;
- Had assistance to enable them to do their job well - 63,6%;

- Are not satisfied with the way they are treated in the organization - 72,9%;
- Are not satisfied with the way their managers treat them - 63,6%;
- Are not satisfied with the way their colleagues treat them - 33,9%;
- Are not satisfied with the opportunities they receive to learn new things in their work - 58,8%;
- Are not satisfied with their salaries - 50,2%;
- Are not satisfied with their fringe benefits - 58,8%;
- Are not satisfied with the content of their jobs - 60,5%; and
- Are not satisfied with the advancement they made in their jobs - 75,1%.

From the results it is clear that the majority of the staff don't experience job satisfaction and regret that they accepted their positions. An assumption can be made that the productivity and job satisfaction are generally low, but morale can be boosted by a work motivation strategy (see Figure 4.10).

Table 14.4 indicates the frequency responses regarding the transformation process.

TABLE 14.4: <u>THE TRANSFORMATION PROCESS</u>.

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
43. I understand the objectives regarding the Transformation Process in this organization.				
35,6	27,9	25,3	6,9	4,3
44. I identify with the objectives in the Transformation Process.				
43,3	26,2	21	6	3,4
45. I need more information about the Transformation Process.				
52,4	30	9	7,7	0,9
46. I support the promotion of qualified females to senior positions.				
69,5	26,2	3,9	0,4	0
47. I support the promotion of qualified people regardless of race to senior positions.				
68,7	27,5	3,9	0	0

TABLE 14.4: (CONTINUED)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
48. I agree with and support the new systems and computer programs to modernize the work of the organization.				
65,7	30	3	1,3	0
49. I wish to be part of this modernization process and desire to be trained in it.				
68,7	20,2	6,4	2,6	2,1
50. In general I feel that a transformation process is necessary.				
61,4	26,2	9,9	0,9	1,7
51. I prefer a decision-making process that is more democratic in the transformation period.				
69,5	21,9	6,4	1,7	0,4
52. In general I think I can make a positive contribution to the new South Africa.				
10,7	20,6	6,4	1,7	60,5

Responses to questions 43-52 (Table 14.4) indicate the frequency in percentage of those who agreed with the statements (1/2 on the rating scale):

- Understand the objectives regarding the transformation process in the organization - 63,5%;

- Identify with the objectives of the transformation process - 69,5%;

- Need more information about the transformation process - 82,4%;

- Support the promotion of qualified females into senior positions - 95,7%;

- Support the promotion of qualified people regardless of race into senior positions - 96,2%;

- Support the new systems and computer programs to modernize the work - 95,7%;

- Wish to be part of this modernization process and desire to be trained in it - 88,9%;

- A transformation process is necessary - 87,6%;

- Prefer a decision-making process which is more democratic - 91,4%; and

- Can make a positive contribution to the new SA - 31,3%.

Although the majority of the responses are positive and staff understands the principles involved, there is still a need to communicate specific details of the transformation

process. Effective communication and transformational leadership would ensure commitment to the process.

Table 14.5 indicates the frequency responses regarding work done in the department/section/work group.

TABLE 14.5: <u>THE WORK IN THE DEPARTMENT/SECTION/WORK GROUP</u>.

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
53. Our work is discussed in our department/section/work group.				
3,9	18	5,2	10,3	62,7
54. Every member only strives to meet her/his own objectives.				
4,3	15,5	7,7	11,2	61,4
55. The people in my department/section/work group are task-orientated.				
2,1	19,7	8,6	7,7	61,8
56. The people in my department/section/work group are loyal to one another.				
3	14,6	12	6,9	63,5
57. The people in my department/section/work group gossip about one another.				
7,3	12,4	9,4	9	61,8
58. People in the work environment understand each other's work/life problems.				
2,1	19,7	8,6	7,7	61,8
59. Some workers in their work environment are isolated from the rest.				
2,1	19,7	8,6	7,7	61,8
60. We in our department/section/work group view other departments/sections/work groups as opposition or even "enemies".				
60,9	8,2	6	18,5	6,4

TABLE 14.5: (CONTINUED)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
61. We in our department/section/work group are not part of those departments/sections/work groups with a lot of influence on those who control events.				
24,5	56,2	12	6,4	0,8
62. Our department/section/work group ignores other departments/sections/work groups.				
9,9	12,9	10,7	27,5	39,2
63. The communication between our department/section/work group and the others is poor.				
16,3	16,3	11,2	23,2	33

Responses to questions 53-63 (Table 14.5) indicate the frequency in percentage of those who agreed with the statements (1/2 on the rating scale):

- Work is discussed in their department/section/work group - 21,9%;
- Every member only strives to meet his/her own objectives - 19,8%;
- People in their work environment are task-orientated - 21,8%;
- People in their work environment are loyal to one another - 17,6%;
- People in their work environment gossip about one another - 19,7%;
- People in their work environment understand each other's work/life problems - 21,8%;
- Some workers in their work environment are isolated from the rest -21,8%;
- Other work groups are viewed as opposition or even enemies - 69,1%;
- Some departments/sections/work groups are not part of others with a lot of influence to control events - 80,7%;
- Some work departments/sections/work groups ignore other work departments/sections/work groups - 22,8%; and
- Communication between departments/sections/work groups is poor - 32,6%.

Communication about work in the area, as well as communication across different work areas/groups can be improved. Interventions should be considered to improve intragroup and intergroup behaviour.

Table 14.6 indicates the frequency responses regarding competence in the department/section/work group.

TABLE 14.6: <u>COMPETENCE IN THE DEPARTMENT/WORK GROUP</u>.

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
64. The workers in my department/section/work group are not trained well enough to perform well in their jobs.				
29,2	18,9	7,7	20,6	23,6
65. Some workers in my department/section/work group do not understand their job requirements.				
63,9	12,9	5,6	15	2,6

Responses to questions 64-65 (Table 14.6) indicate the frequency in percentage of those who agreed with the statements (1/2 on the rating scale):

- Workers in my department/section/work group are not trained well enough to perform well in their jobs - 48,1%; and
- Some workers in my work environment don't understand their job requirements - 76,8%.

The above responses link to the responses of Table 14.2. Staff needs to understand their performance output requirements and standards, how they would be measured, and how they link with the organizational objectives. Competency profiling and assessments would help staff to identify the competencies needed for their jobs, and would give input to applicable development interventions.

Table 14.7 indicates the frequency responses regarding feelings about management.

TABLE 14.7: <u>FEELINGS ABOUT MANAGEMENT</u>.

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
66. I think this organization is being effectively managed.				
1,7	6	11,6	12,4	68,2
67. Some managers lack leadership skills.				
12,4	18,9	4,7	2,6	61,4
68. Management ensures that newcomers soon feel "at home".				
2,6	8,2	12,9	11,2	65,1
69. The relationship between managers and workers is not good.				
18,4	22,7	34,3	10,7	13,6
70. My manager, or person I report to, is concerned about me as a person and has confidence in me.				
67,8	18,5	8,2	3	2,5

Responses to questions 66-70 (Table 14.7) indicate the frequency in percentage of those who agreed with the statements (1/2 on the rating scale):

- The organization is being effectively managed - 7,7%;
- Some managers lack leadership skills - 31,3%;
- Management ensures that newcomers soon feel "at home" - 10,8%;
- Relationships between managers and workers are not good - 41,1%; and
- The manager, or person they report to, is concerned about them and has confidence in them - 86,3%.

The perception is that some managers/leaders are not capable or don't display effective transformational leadership behaviour. The transformational leadership competence model (Table 6.2) can be used as a guide to focus on competency building, as well as linking the competencies to perceived leadership behaviour. This can then be tracked via other surveys including 360 degree reviews and the performance management system.

Table 14.8 indicates the frequency responses regarding feelings about decisions.

TABLE 14.8: <u>FEELINGS ABOUT DECISIONS IN THE ORGANIZATION</u>.

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
71. In general only managers take decisions.				
14,6	33	3	5,2	44,2
72. All relevant information is gathered before decisions are taken.				
61,4	9	11,6	11,6	6,4
73. Some meetings are held unnecessarily.				
10,3	22,3	16,7	9,9	59,2
74. Most planning is only done by managers.				
51,9	24	19,3	3,4	1,3

Responses to questions 71-74 (Table 14.8) indicate the frequency in percentage of those who agreed with the statements (1/2 on the rating scale):

- Only management take decisions - 47,6%;

- All relevant information is gathered before decisions are taken - 70,4%;

- Some meetings are held unnecessarily - 32,6%; and

- Most planning is only done by management - 75,9%.

The transformation principles of consultation, participation, and empowerment (see Land Bank Prospectus, 1998:8) need to be followed in order to ensure a high involvement transformation process.

Table 14.9 indicates the frequency responses regarding conflict handling.

TABLE 14.9: <u>DEALING WITH CONFLICT</u>.

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
75. Conflicts are generally ignored or suppressed in this organization.				
13,3	24	21,9	8,2	32,6
76. The causes of conflict are usually investigated.				
61,4	6	9,9	16,3	6,4

TABLE 14.9: (CONTINUED)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
77. Workers and managers in general lack skills to deal with conflict.				
16,8	39,9	12,9	3	27,5
78. I would like to be trained in conflict handling.				
10,7	22,3	8,2	9	39,5
79. I prefer that conflict be brought out in the open and handled properly.				
57,9	32,6	5,6	1,7	2,2
80. To try and solve tension and conflict will only make matters worse.				
8,6	14,6	18,9	28,3	29,6

Responses to questions 75-80 (Table 14.9) indicate the frequency in percentage of those who agreed with the statements (1/2 on the rating scale):

- Conflict is generally ignored or suppressed in this organization - 37,3%;
- Causes of conflict are usually investigated - 67,4%;
- Workers and management lack skills to deal with conflict - 56,7%;
- Would like to be trained in conflict handling - 33%;
- Prefer that conflict be brought out into the open and handled properly - 90,5%; and
- To try and solve tension and conflict will only make matters worse - 23,2%.

Conflict management is a critical competency during times of change and also impacts on organizational behaviour, specifically on group level. This focus should convince leaders to show courage to challenge change constructively, to deal with resistance to change/conflict through involvement and participation, and to view obstacles as opportunities.

Table 14.10 indicates the frequency responses regarding change in the organization.

TABLE 14.10: <u>CHANGE IN THE ORGANIZATION</u>.

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
81. Many employees in this organization resist change.				
43,8	42,9	4,3	8,2	0,9
82. Changes are usually enforced by management.				
27,5	30,9	16,3	13,3	12
83. Employees can influence the decisions of this organization regarding change.				
10,3	34,8	31,3	11,6	12
84. I feel that the staff should be part of all decision-making regarding change.				
20,2	42,1	27	4,7	6
85. Staff need not be part of decision-making regarding change, but they should be fully informed about the reasons for the changes.				
30,5	39,5	5,6	15,5	9
86. My personal objectives differ from those of the organization.				
30	24,5	18,9	20,2	6,4

Responses to questions 81-86 (Table 14.10) indicate the frequency in percentage of those who agreed with the statements (1/2 on the rating scale):

- Many employees in this organization resist change - 86,7%;
- Changes are usually enforced by management - 58,4%;
- Employees can influence the decisions of this organization regarding change - 45,1%;
- Staff should be part of all decision-making regarding change - 62,3%;
- Staff need not be part of decision-making regarding change, but should be fully informed about the reasons for change - 70%; and
- Personal objectives differ from those of the organization - 54,5%.

The perception of staff is that the organization prefers a top-down management approach, which is in contrast to the transformation principles mentioned previously.

Table 14.11 indicates the frequency responses regarding the past two years in the job.

TABLE 14.11: <u>THE PAST TWO YEARS IN THE JOB</u>.

Never	Sometimes	Always
87. When reflecting on my job over the past two years, I feel that my work demands caused disruption in my family life as I worked too hard and too many hours.		
29,6	45,9	24,5
88. When reflecting on my job over the past two years, I feel I have accomplished a lot.		
25,8	33	41,2
89. When reflecting on my job over the past two years, I feel the problems around my job sometimes kept me awake at night and/or affected my health.		
24,5	36,9	38,6

Responses to questions 87-89 (Table 14.11) indicate the frequency in percentage of those who agreed with the statements (1/2 on the rating scale):

- Work demands always cause disruption in their family life because they work too hard and too many hours - 24,5%;
- Have not accomplished a worthwhile task in the past two years - 25,8%; and
- The problems around their jobs always kept them awake at night and/or affected their health - 38,6%.

Effective change at individual level can only occur if people are motivated to change, and get the support and recognition from their managers. Formal employee assistance programmes (life/career planning or stress management interventions) are vital to support the change efforts.

Table 14.12 indicates the frequency responses regarding communication.

TABLE 14.12: <u>COMMUNICATION</u>.

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
90. I am consulted by management regarding work-related matters.				
8,2	21	6	29,2	35,6
91. I prefer more "mixing" socially of managers and staff.				
13,7	37,8	15,9	14,6	18
92. I need Management to consider alternatives regarding my position in the organization.				
5,6	26,2	22,7	29,6	15,9
93. I need to know not only the formal decisions of this organization but also the background of those decisions.				
21,5	43,3	7,3	20,2	7,7

Responses to questions 90-93 (Table 14.12) indicate the frequency in percentage of those who agreed with the statements (1/2 on the rating scale):

- Are consulted by management regarding work-related matters - 29,2%;

- Prefer more "mixing" socially of management and staff - 51,5%;

- Management need to consider alternatives regarding their position in this organization - 31,8%; and

- Not only need to know about decisions but also the background of those decisions - 64,8%.

As previously mentioned, there is a definite need to improve communication of relevant information, and participative decision-making.

Table 14.13 indicates the frequency responses regarding organizational climate.

TABLE 14.13: <u>THE ORGANIZATIONAL CLIMATE</u>.

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
94. I believe this organization takes care of the employees.				
9,9	32,2	19,7	20,6	17,6
95. I believe there are cliques and groups outside these cliques in this organization.				
20,6	52,8	7,7	13,3	5,6
96. This organization encourages employees to take initiative.				
21	32,2	19,3	19,7	7,7
97. Many employees always seem to have grievances.				
17,6	37,8	6,9	26,6	11,2
98. I feel I can influence the decisions of Management.				
6,4	19,3	18	34,3	21,9
99. Management does not exercise strict control over employees.				
11,6	32,6	19,7	18,9	17,2

Responses to questions 94-99 (Table 14.13) indicate the frequency in percentage of those who agreed with the statements (1/2 on the rating scale):

- This organization takes care of the employees - 42,1%;
- There are cliques and groups outside these cliques in this organization - 73,4%;
- This organization encourages employees to take initiative - 53,2%;
- Many employees always seem to have grievances - 55,4%;
- Feel they can influence the decisions of management - 25,7%; and
- Management does not exercise strict control over employees - 44,2%.

These responses are also fairly negative, which is indicative of a low morale.

Table 14.14 indicates the frequency responses regarding attitudes on work and life.

TABLE 14.14: <u>ATTITUDE TOWARDS WORK AND LIFE</u>.

100. I find it difficult to accept new ideas	10,3	31,3	12,4	20,2	25,8	I like new ideas
101. I struggle with change	7,7	12,9	15	39,1	25,3	I am open to change
102. I need support from outside	9	11,2	14,2	30,9	34,8	I have inner strength
103. I wait to react to a situation	22,3	23,6	15	15,5	23,6	I like to plan ahead/ be proactive
104. I often have feelings of failure	15,5	15,9	15,5	23,6	29,6	I turn failure into learning opportunities
105. I think success goes with luck and change	6,9	12	12,4	34,8	33,9	I think that success is achievable and in my control
106. I like to postpone things	15,9	21,5	9,9	24,5	28,3	I usually like to start as soon as possible
107. I can cope if I limit my view and narrow it down	18,9	17,6	21,9	22,7	18,9	I am able to see alternatives to situations
108. I blame others for mistakes if I think they have failed me	14,6	10,3	14,6	33,9	26,6	I accept and "own" my shortcomings and mistakes
109. If I fail I blame myself	6,9	5,6	19,7	41,6	26,2	If I fail I still value myself and try again
110. In a new situation I find it difficult to take initiative	15,9	20,6	18,5	30	15	In a new situation I like to try and take initiative

TABLE 14.14: (CONTINUED)

111. I try to get out of a difficult situation even if the problem is not solved	16,7	18	21	29,2	15	I confront a difficult situation even if it is extremely hard to solve the problem
112. If I clash with people I am either aggressive or passive	6	14,2	19,3	42,1	18,5	If I clash with people I am assertive, I don't attack them, but neither do I give in
113. Faced with a very difficult situation I usually don't have enough determination	8,2	12,9	19,7	37,8	21,5	Faced with a very difficult situation I am usually determined to overcome it
114. Pressurized by an extreme problem I usually give in	9	16,7	18	32,6	23,6	Pressurized by an extreme problem I usually still persevere
115. If I lack knowledge to do a job properly, I do not ask others for help	8,2	22,3	21	17,6	30,9	If I lack knowledge to do a job properly, I do not hesitate to ask others for help
116. If I am cornered by a problem I try to think of the past or consider future possibilities	7,7	23,2	28,3	21,9	18,9	If I am cornered by a problem I try to think of possibilities in the present

TABLE 14.14: (CONTINUED)

117. If I am attacked or criticized I am a "blank" and cannot think of finding answers	15,9	30	14,6	28,3	11,2	If I am attacked or criticized I am not "blank" and start thinking of answers
118. I find it difficult when faced by a problematic situation to remain inside the boundaries of the problem to find solutions	27,5	27,9	18,9	14,6	11,2	If I am faced by a problematic situation within boundaries I start looking for answers and alternatives within the framework of the problem
119. I normally struggle with my work and life…ah!	30,5	29,2	15	12,4	12,9	I love my work and my life…hurrah!

Responses to questions 100-119 (Table 14.14) indicate the frequency in percentage of those who agreed with the statements (1/2 on the rating scale):

- Find it difficult to accept new ideas - 41,6%;
- Struggle with change - 20,6%;
- Need support from outside - 20,2%;
- Wait to react to a situation - 45,9%;
- Often have feelings of failure - 31,4%;
- Think success goes with luck and chance - 18,9%;
- Like to postpone things - 37,4%;
- Can cope if view is limited and narrowed down - 36,5%;
- Blame others for mistakes - 24,9%;
- Negate or blame themselves for failure - 12,5%;
- Find it difficult to take initiative in a new situation - 36,5%;
- Try to get out of a difficult situation even if the problem is not solved -34,7%;
- When clashing with people who are either aggressive or passive - 20,2%;
- When faced with a difficult situation, usually don't have enough determination - 21,1%;

- Usually give in when pressurized by an extreme problem - 25,7%;
- Do not ask others for help when knowledge is lacking to do a job properly - 30,5%;
- Think of the past or consider future possibilities when faced by a problem - 30,9%;
- Can't think of answers when attacked or criticized - 45,9%;
- Find it difficult to remain inside the boundaries of the problem to find solutions - 55,4%; and
- Normally struggle with work and life - 59,7%.

The majority of the responses are positive but there are still a lot of people who resist change, and/or lack skills to deal with change effectively.

Table 14.15 indicates the frequency responses regarding team building in the work environment.

TABLE 14.15: <u>TEAM BUILDING</u>.

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
120. I am willing to put my group goals in this organization above my personal ones.				
35,6	40,8	15,9	5,6	2,1
121. I have confidence in and trust my colleagues and managers.				
33	32,6	20,2	9	5,2
122. I can cooperate with others on many levels and about many issues.				
27,5	45,5	21,9	2,6	2,6

Responses to questions 120-122 (Table 14.15) indicate the frequency in percentage of those who agreed with statements (1/2 on the rating scale):
- Willing to put group goals in this organization above personal ones - 76,4%;
- Have confidence in and trust colleagues and managers - 65,6%; and
- Can cooperate with others on many levels and about many issues - 73%.

Staff is generally committed to teamwork.

Table 14.16 indicates the frequency responses regarding personal feelings about the organization.

TABLE 14.16: <u>PERSONAL FEELINGS</u>.

123. In my present situation I am anxious	39,1	28,8	17,6	8,2	6,4	In my present situation I am calm
124. I feel insecure	37,8	38,6	15,9	4,7	3	I feel secure
125. I am self-pitying	12,4	34,3	26,6	15	11,6	I am self-satisfied
126. I am passive	14,6	27,9	22,7	25,3	9,4	I am sociable
127. I'm withdrawn	13	33,9	24,5	18,5	9,9	I am fun-loving
128. I am reserved	11,2	24,9	24	24,5	15,5	I show my feelings
129. I try to get along practically	14,6	18,9	26,2	29,2	11,2	I am imaginative and think of new possibilities
130. I prefer routine	10,7	23,6	25,8	20,6	19,3	I prefer variety
131. I am trying to conform	12,4	20,2	21	29,6	16,7	I am trying to act independently and creatively
132. I feel ruthless / I don't care	6	10,7	19,7	39,9	23,6	I show empathy and openness
133. I feel suspicious	13,7	15,5	22,3	32,6	15,9	I feel trusting
134. I feel unco-operative	10,7	18	24,9	29,2	17,2	I feel helpful
135. I feel disorganized	12,9	28,8	26,2	19,7	12,4	I feel well-organized
136. I feel careless	11,2	13,3	21,5	34,3	19,7	I feel caring
137. I feel weak and weak-willed	8,6	16,3	22,7	33,9	18,5	I feel self-disciplined and determined

Responses to questions 123-137 (Table 14.16) indicate the frequency in percentage of those who agreed with the statements (1/2 on the rating scale):

- In present situation are anxious - 67,9%;

-      Feel insecure - 76,4%;
-      Are self-pitying - 46,7%;
-      Are passive - 42,5%;
-      Are withdrawn - 46,9%;
-      Are reserved - 36,1%;
-      Try to get along practically - 33,5%;
-      Prefer routine - 34,3%;
-      Try to conform - 32,6%;
-      Feel ruthless/don't care - 16,7%;
-      Feel suspicious - 29,2%;
-      Feel uncooperative - 28,7%;
-      Feel disorganized - 41,7%;
-      Feel careless - 24,5%; and
-      Feel weak and weak-willed - 24,9%.

Some staff members are insecure and anxious in their present environment. Specific interventions aimed at coping with change on a personal level are needed.

Table 14.17 indicates the frequency responses regarding the future and possible stress.

TABLE 14.17: <u>PERCEPTIONS ABOUT STRESS</u>.

Event	Stress intensity level from low (1) to high (10) (left to right)									
Death of family member/wife/ husband	3,9	8,6	13,3	17,6	23,2	1,3	0,9	5,2	26,2	0
Divorce	21,9	24,9	8,6	3,9	10,7	1,3	3,4	6,9	18,5	0
Victim of crime/hijacking	3,4	12	17,6	16,7	17,6	1,3	4,7	4,7	21,9	0
Serious illness	18	15,9	14,6	9,4	9	2,1	5,2	9,4	16,3	0
Serious accident	15,9	23,6	11,2	4,7	10,3	2,6	4,7	7,7	19,3	0
My husband/wife is having a serious affair with someone	26,2	23,6	6	7,3	5,6	1,3	2,6	9	18,5	0
Medical tests confirm that I won't have any children	8,6	14,6	15,5	14,2	25,3	3	2,1	2,6	14,2	0
I become bankrupt and I am legally declared bankrupt	15	21,9	11,6	12,4	10,3	2,1	2,6	5,6	18,5	0
A lot of my property is stolen	22,3	26,2	5,2	9	7,7	3,4	4,7	5,6	15,9	0
I cannot cope with too much work causing me sleeplessness	25,3	24	13,3	10,7	12,9	4,3	4,3	1,7	3,4	0
I have lost my job	4,7	9,9	16,3	15	20,2	1,3	3	4,7	24,9	0

Responses to question 138 (Table 14.17) indicate the frequency in percentage of those who rated high on stressful events listed below (7-10 on the rating scale):

- Death of family member/wife/husband - 32,3%;
- Divorce - 28,8%;
- Victim of crime/hijacking - 31,3%;
- Serious illness - 30,9%;
- Serious accident - 31,7%;
- Husband/wife having a serious affair - 30,1/%;

- Unable to have children - 18,9%;
- Legally declared bankrupt - 26,7%;
- Property is stolen - 26,2%;
- Too much work causing sleeplessness - 9,4%; and
- Lost job - 32,6%.

The individual perceptions about stress indicate that some staff might be subjected to high intensity stress levels, specifically about job losses during the transformation process.

Table 14.18 indicates the frequency responses regarding handling stress.

TABLE 14.18: <u>MANAGING STRESS</u>.

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
139. I cannot cope when people argue or differ from me.				
20,2	25,8	16,3	32,6	5,2
140. I feel like a passive passenger not participating fully when I work in a team towards a goal.				
21	33,9	17,6	21,9	5,6
141. I cannot handle responsibility when there is pressure on me.				
28,8	26,6	6,9	26,6	11,2
142. I find it difficult to think straight when confronted with difficult alternatives.				
1,3	5,6	12	48,9	32,2
143. I do not know what to do when facing major changes in my work or life and become "blank".				
18,5	28,3	11,2	30,9	11,2
144. I feel that I am losing my self-respect and that people don't think highly of me as a person.				
16,3	28,3	13,3	27,9	14,2

TABLE 14.18: (CONTINUED)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
145. Lately, if I make a mistake I feel utterly foolish.				
17,6	24,5	15	33,9	9
146. I feel as I am being tested all the time and am failing.				
29,2	29,6	6,9	26,2	8,2
147. I find that small and unimportant things, which did not worry me before, are now starting to irritate me.				
25,3	34,3	6	21,5	12,9

Responses to questions 139-147 (Table 14.18) indicate the frequency in percentage of those who agreed with the statements (1/2 on the rating scale):

- Can't cope when people argue or differ from them - 46%;
- Feel like a passive passenger, not participating fully when working in a team towards a goal - 54,9%;
- Can't handle responsibility when there is pressure - 55,4%;
- Find it difficult to think straight when confronted with difficult alternatives - 6,9%;
- Don't know what to do when facing major changes in work or life and become "blank" - 46,8%;
- Lose self-respect and people don't think highly of them as a person - 44,6%:
- When making a mistake they feel utterly foolish - 42,1%;
- Feel as if they are being tested all the time and are failing - 58,8%; and
- Small and unimportant things that did not worry them before are now starting to irritate them - 59,6%.

Many employees experience the transformation process as stressful. Managing stress interventions should focus on coping with change, changing perceptions about change by clarifying the vision and benefits of the change, building capacity of staff by improving skills and self-confidence.

Table 14.19 indicates the frequency responses regarding personal needs.

TABLE 14.19: <u>PERSONAL NEEDS</u>.

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
148. I struggle and need support in my work/life.				
8,6	24	33,9	25,8	7,7
149. I can openly verbalize my work/life problems at work.				
22,3	47,2	20,2	9	1,3
150. I can discuss my work/life problems with my manager/the one to whom I report.				
20,6	47,2	23,2	5,6	3,4
151. I get support at work with my work/life problems.				
17,6	46,4	21,9	11,2	3
152. I have medium and long-term objectives in my work/life.				
10,3	31,8	14,6	22,7	20,6
153. I have short-term goals with my work/life.				
18,5	34,8	22,3	18,5	6
154. I feel that this organization should discuss possibilities about my future with me before implementing the redundancy decision.				
38,2	42,5	10,3	6	3
155. I feel that I have an independent existence and that I am accepted.				
31,3	45,5	15	7,7	0,4
156. I feel appreciated for whom I am and for what I do even if I am made redundant.				
10,7	24,9	20,2	26,2	18
157. I have enough experience and courage to face my challenges.				
27	37,8	29,6	4,3	1,3
158. I still feel like smiling every day even if I am not sure of my future.				
7,3	29,6	27,9	21,5	13,7
159. I would like to talk to someone who is willing to listen objectively to my difficulties/dreams/hopes/strengths/weaknesses.				
25,3	40,3	21,9	11,2	1,3

Responses to questions 148-159 (Table 14.19) indicate the frequency in percentage of those who agreed with the statements (1/2 on the rating scale):

- Struggle and need support in their work or life - 32,6%;
- Can verbalize openly about work/life problems at work - 69,5%;

- Can discuss work/life problems with person they report to - 67,8%;
- Get support at work with work or life problems - 64%;
- Have medium and long-term objectives regarding work/life - 42,1%;
- Have short-term goals regarding work/life - 53,3%;
- Feel this organization should discuss future possibilities with individual employees before implementing the redundancy decision - 80,7%;
- Have an independent existence and are accepted - 76,8%;
- Feel appreciated even if made redundant - 35,6%;
- Have enough experience and courage to face challenges - 64,8%;
- Feel like smiling every day even if not sure about the future - 36,9%; and
- Would like to talk to someone who is willing to listen objectively to difficulties/dreams/hopes/strengths/weaknesses - 65,6%.

The majority of staff are not comfortable to discuss their problems with others at work, nor do they get the support they desire. Goal-setting interventions (aligned to the vision), and improved communication of objectives are needed.

Table 14.20 indicates the frequency responses regarding diversity in the work environment.

TABLE 14.20: <u>DIVERSITY IN THE WORK ENVIRONMENT</u>.

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
160. Regarding working in groups, I prefer working only in groups of my own gender.				
15,5	20,6	17,6	32,2	14,2
161. I think that this organization and employees must take sexual harassment at the work place more seriously.				
8,6	36,9	22,7	18	13,7
162. I believe that employees should be more encouraged and protected to "speak out" when they are harassed and received unwanted sexual attention from the opposite sex.				
10,3	27,9	14,2	11,2	36,5

TABLE 14.20: (CONTINUED)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
163. I think that we should use only English as "official medium" in this organization.				
6	6,9	12,4	28,8	45,9
164. I think this organization has to take diversity of people and cultural differences more seriously into account and assist in facilitating harmony.				
13,7	27,9	18	13,3	27
165. Diversity is part of life and I accepted it, therefore I cooperate easily with people of different cultures.				
6,9	28,3	15,5	13,7	35,6
166. I think we should not ignore the differences in culture and "get on with the job". This organization should work out a way of understanding and co-operating between different cultures.				
7,7	30,5	14,6	20,6	26,6
167. I need to be more exposed to people of other cultures in groups and courses to be able to move to a common and united frame of mind in my work and life.				
5,6	21	19,7	25,3	28,3

Responses to questions 160-167 (Table 14.20) indicate the frequency in percentage of those who agreed with the statements (1/2 on the rating scale):

- Prefer working with own gender only - 36,1%;
- Sexual harassment at work must be taken more seriously by this organization and employees - 45,5%;
- Employees should be encouraged and protected to "speak out" when they are harassed and receive unwanted sexual attention from the opposite sex - 38,2%;
- Should use only English as "official medium" in this organization - 12,9%;
- This organization should take diversity of people and cultural differences more seriously into account and assist in facilitating harmony - 41,6%;
- Accepted the fact that diversity is part of life and therefore cooperate easily with people of different cultures - 35,2%;
- This organization should work out a way of understanding and co-operating between different cultures - 38,2%; and
- Need to be more exposed to people of other cultures in groups and courses in order to move to common and united frame of mind - 26,6%.

There seems to be some diversity issues that should be addressed via policy and procedure amendments, awareness training, formal statements form management, and further communication of the transformation principles and values.

Table 14.21 indicates the frequency responses regarding a framework for sharing about work and life.

TABLE 14.21: <u>A FRAMEWORK FOR SHARING ABOUT WORK AND LIFE</u>.

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
168. I need career guidance regarding my future (my curriculum vitae).				
8,6	20,6	17,2	15,5	38,2
169. I need clarity regarding training for my future career.				
8,6	26,2	14,2	17,2	33,9
Yes	I don't know			No
170. I am available to have an open discussion with the two people who conducted the questionnaire about my work, life and future. I understand that this will be kept strictly confidential.				
25,8	8,6			65,7
171. I am available for such a discussion if I can bring a colleague or two with me.				
12,9	5,6			81,5
172. I wish to have a group discussion with the two facilitators.				
10,7	15,5			73,8
173. I wish to have a group discussion with the representatives of senior management and the two facilitators.				
10,3	12,4			77,3

Responses to questions 168-173 (Table 14.21) indicate the frequency in percentage of those who agreed with the statements (1/2 on the rating scale):

- Need career guidance regarding the future (CV) - 29,2%;
- Need clarity regarding training for future career - 34,8%;
- Available to have an open discussion about work/life and the future - 25,8%;

- Available for such a discussion if they can bring a colleague along - 12,9%;
- Wish to have a group discussion with the two facilitators - 10,7%; and
- Wish to have a group discussion with representatives of senior management and the two facilitators - 10,3%.

Support structures are needed for staff members who wish to share their transformation issues, and work issues. Specific career assessments and guidance, as well as skills training for affected staff should be considered.

The following are some of the comments regarding the transformation process (open-ended question 174):

- Negotiate with employees and unions;
- No one-sided decision-making;
- Be open to employees;
- Don't treat employees like children;
- Improve communication and be honest;
- CEO follows own agenda or political blueprint, therefore no suggestions are welcome;
- Employees don't understand the transformation process;
- The transformation process should be speeded up. Currently too much uncertainty and negativity;
- It seems as if transformation is going to claim employees, customers and the Bank's future;
- Follow the correct procedures;
- Take employees' suggestions into consideration;
- The "tough shit" approach of the CEO still echoes through the organization;
- Competent people should be employed in decision-making jobs;
- The transformation process should be more transparent;
- Transformation started before all relevant information was gathered. The new CEO should have included informed, experienced senior managers to gather information in order to make decisions;
- Transformation should be economically orientated and not politically driven;
- Why do they employ foreigners in this organization if job opportunities and employment are such a huge problem in SA?;

- Affirmative action should be implemented now; and
- Transformation is a good thing, but it should include better placement of employees.

The comments above indicate some issues mentioned before, including clarifying the vision and objectives, improved communication of all transformation issues and progress, and living the transformation principles and values.

Table 14.22 indicates the frequency responses regarding proposals to assist with the transformation process.

TABLE 14.22: <u>PROPOSALS FOR THE TRANSFORMATION PROCESS</u>.

Yes	I don't know	No
174. The transformation process has to be redefined.		
22,7	15,5	61,8
175. Regarding the analyses indicating too many employees for positions after the restructuring process, the redundancy policy and application thereof should be changed.		
22,7	13,7	63,5
176. Given the situation that affirmative action in general has to take place to improve the position of the disadvantaged in the past, a clear policy has to be formulated and implemented.		
31,8	8,6	59,7
177. Is it possible to strike a balance between making competent employees with long service redundant on the one hand and the transformation process on the other?		
15,9	15,5	68,7

TABLE 14.22: (CONTINUED)

Yes	I don't know	No
178. In the light of severe poverty in the country, especially in the rural areas, this organization is to embark on more programmes of assistance. It may expand its operations on all levels and its financial assistance by obtaining more funds. This may result in an increase of jobs and retaining more employees.		
29,2	17,2	53,6
179. The "new" situation with its consequences in the country and in this organization has to be faced in all openness and honesty. The privileged positions of some people in the past have to be changed and the consequences have to be accepted. The disadvantaged workers have to be assisted and trained to take their rightful place in this organization.		
29,2	14,6	56,2
180. I support "think tanks" in the departments, or other groups, to discuss and present proposals regarding the transformation process.		
35,2	7,7	57,1
181. I support seminars on affirmative action.		
42,1	0	57,9
182. I support seminars on racial tension.		
48,9	0	51,1
183. I support seminars on justice towards the disadvantaged.		
37,8	0	62,2
184. I support seminars on justice towards the experienced and competent employees in the "new" structure.		
47,2	0	52,8
185. I support seminars on open, but controlled, discussions and proposals on these issues.		
60,9	0	39,1

Responses to questions 174-185 (Table 14.22) indicate the frequency in percentage of those who agreed with the statements (1 on the rating scale):

-       The transformation process has to be redefined - 22,7%;

- The redundancy policy and application thereof have to be changed - 22,7%;
- A clear affirmative action policy has to be formulated and implemented - 31,8%;
- It is possible to strike a balance between making competent employees with long service redundant on the one hand and the transformation process on the other - 15,9%;
- In the light of poverty in the country, especially in rural areas, this organization is to embark on more programs of assistance. It may expand its operations on all levels and its financial assistance by obtaining more funds. This may result in an increase of jobs and retaining more employees - 29,2%;
- The new situation in the country and this organization has to be faced in all openness and honesty. The privileged positions of some people in the past have to be changed and the consequences accepted. The disadvantaged workers have to be assisted and trained to take their rightful place in this organization - 29,2%;
- Support "think tanks" to discuss proposals regarding the transformation process - 35,2%;
- Support seminars on the problematic issues, such as affirmative action - 42,1%, and racial tension - 48,9%;
- Justice towards the disadvantaged - 37,8%;
- Justice towards experienced and competent employees in the "new" structure - 47,2%; and
- Open, controlled discussions and proposals on these issues - 60,9%.

The responses above are also fairly negative, indicating low staff morale. The vision and transformation objectives need to be clearly communicated to all staff, a renewed focus on staff participation and empowerment, and specific clarity on affirmative action initiatives and diversity issues need to be given.

Some responses to open-ended question 182 regarding possible problems or issues are the following:
- Employees don't trust anyone, not management, not consultants, and not the facilitators either;
- Recruitment and selection of Branch Directors were unfair;
- Specific corruption incidents at branches were mentioned;
- Wrong decisions of top management and ineffective management practices;
- Nepotism and favouritism;

- Loss of competent individuals who leave the Bank;
- CEO disregards old management/management structures of the past;
- Employees are very negative and demoralized;
- CEO lacks people and management skills;
- Follow a win-win strategy through a honest and human approach;
- Wrong placement of staff;
- Racial tension;
- Management lack leadership skills;
- No training and development are provided to new staff;
- Total uncertainty exists among staff;
- Negativity exists among the majority of employees;
- Lack of trust between "new" top management and old guard;
- Negative image of the Bank influences business negatively;
- No meaningful, constructive relationships between new management and staff - a "we/you" perspective;
- People are turning on their colleagues in order to secure their jobs;
- Employees' inputs are not valued;
- Restructuring is taking place at Head Office but not at the branches. Redundant staff should be given an opportunity at branch level. Head Office and branch restructuring should occur simultaneously;
- Disadvantaged employees should display self-discipline and perform according to standards. Misfits should be dismissed;
- Negative employees will influence the organization negatively;
- Don't take away any benefits of employees;
- Staff have no confidence in top management while the staff is the organization's most important asset;
- The CEO has a hidden agenda;
- Don't trust the CEO or top management;
- No clear job descriptions. Perform many tasks on a daily basis that are not associated with a specific job, and don't get recognition for it;
- Discriminatory HR practices especially job levels, job content and remuneration according to gender;
- Strategic management focus on technical issues and not on people/HR issues at all;
- Strategic management is not competent;

- Management should not disregard the fears of employees;
- In the past the men in this organization were privileged and women were given no opportunities or recognition, especially English speaking women. The targeted group for AA should include black people, as well as women;
- Employees don't get adequate information regarding the progress of transformation;
- The CEO talks about participative management and transparency during transformation but one-sided decisions are taken;
- Senior positions are filled with tokens, without effective screening and selection methods;
- This organization needs a new and efficient HR function;
- Promote affirmative action and training for previously disadvantaged groups;
- Everyone is scared of losing their jobs but no one seems to care about staff;
- Transformation is a good thing but the CEO should not be allowed to lie to employees. She must be honest, keep her word and know that employees are human beings; and
- People don't trust senior management anymore.

Some serious organizational culture issues were mentioned. The alignment of the transformation strategy and the organizational culture(s) need to be reviewed.

14.3   DESCRIPTIVE STATISTICS OF THE TRANSFORMATION QUESTIONNAIRE

Table 14.23 displays the descriptive statistics of the Transformation Questionnaire with the specific factors studied.

TABLE 14.23: <u>DESCRIPTIVE STATISTICS - TRANSFORMATION QUESTIONNAIRE</u>.

Factor	Mean	Std. Dev.	Std. Error of the Mean	Kurtosis	Skewness	N
Objectives of the organization	9,159	4,884	0,145	-0,223	0,394	233
Objectives of the work	2,888	1,643	0,084	-1,300	-0,124	233
Job satisfaction	70,472	191,018	0,905	-0,619	-0,304	233

TABLE 14.23: (CONTINUED)

Factor	Mean	Std. Dev.	Std. Error of the Mean	Kurtosis	Skewness	N
Transformation process	21,538	17,643	0,436	-0,517	-0,109	93
Work environment	31,774	13,068	0,375	0,695	0,147	93
Competence	4,391	9,360 degree	0,200	-1,456	0,030	233
Feelings about management	20,558	37,058	0,399	-1,481	-0,383	233
Feelings about decision-making	10,953	6,597	0,168	1,304	0,767	233
Dealing with conflict	18,605	17,068	0,271	-0,317	0,450	233
Change in the organization	14,318	7,097	0,175	1,322	0,379	233
Past two years in the job	7,167	5,037	0,147	-0,226	0,456	233
Communication	12,219	8,137	0,187	-0,274	0,021	233
Climate in the organization	17,146	9,479	0,202	0,468	-0,070	233

An analysis of the content of Table 14.23 reveals that the scores are not normally distributed. A value of 0 for skewness indicates a normal distribution (Norusis, 1983:40). The distribution, however, is positively skewed or skewed to the right for objectives of the organization, work environment, competence, feelings about decision-making, dealing with conflict, change in the organization, the past two years in the job, and communication. With regard to the objectives of the work, job satisfaction, the transformation process, feelings about management, and organizational climate, the distribution is negatively skewed. Analysis of the values of the kurtosis reveals that for work environment, feelings about decision-making, change and climate in the organization, the distribution is more peaked than for a normal distribution (leptokurtic; value > 0,263). With regard to the objectives of the work and organization, job satisfaction, the transformation process, competence, feelings about management and conflict handling, past two years in the job, and communication, the distribution is platykurtic (value < 0,263). The standard deviations are quite high which is also an indication of the skewness of distributions. The standard error of the mean is the standard deviation of the sampling distribution of means (Bohrnstedt and Knoke, 1988:500; Shavelson 1981:305) and is an index of the extent to which the sample means

vary about the population means. Table 14.23 reveals that the standard error of the mean is not low (not < 0,1) for all the factors, except objectives of the work (0,084). The observed means of the sample are thus not necessarily good indices of the comparable population means. Therefore inferences about the population mean should be drawn with care.

14.4   **FREQUENCY TABLES OF THE MOTIVATION QUESTIONNAIRE**

Table 14.24 displays the frequency response of participants to the Motivation Questionnaire. Every question is phrased as a potential motivation need, and participants responded to each statement by agreeing or disagreeing on a five-point Likert scale.

TABLE 14.24: <u>FREQUENCY DISTRIBUTION OF THE MOTIVATION QUESTIONNAIRE.</u>

Agree strongly	Agree	Uncertain	Disagree	Disagree strongly
1. My manager/supervisor regards me as a good worker.				
31,5	37,5	9	7,1	14,8
2. I receive the recognition I deserve for the work I do.				
0,6	4,5	4,5	58,9	31,5
3. I know exactly what is expected of me to carry out my daily task satisfactorily.				
43,5	49,9	3	1,5	2,1
4. The training I receive enables me to perform well.				
10,3	24,8	0,8	47,7	16,5
5. If I disagree with my manager/supervisor I have an opportunity to discuss the matter with him.				
4,5	39	43,3	4,1	9
6. Unnecessary red tape prevents me from carrying out my daily task effectively.				
39	24,4	3,8	26,3	6,6
7. I know what the company's objective is and how I can contribute towards the achievement thereof.				
11,3	33,4	6	30,8	18,6
8. If people in our section do not agree on a matter, it is ignored rather than discussed.				
34,1	28,5	4,5	20,3	12,6
9. I feel that I am overburdened with work.				
15,6	4,9	1,5	44,3	33,8
10. If I compare my salary with that of people in other companies, I feel dissatisfied.				
26,3	32,6	24	12,8	4,3

TABLE 14.24: (CONTINUED)

Agree strongly	Agree	Uncertain	Disagree	Disagree strongly
11. I do not have enough time to complete my daily task.				
4,1	14,4	5,3	52,9	23,3
12. My superior notices my hard work and gives me the necessary recognition for it.				
2,1	3	9,8	46,9	38,3
13. I have sufficient time to familiarize myself with new work and sections of work.				
1,9	6,2	37,5	34,9	19,5
14. The training I receive enables me to perform to the best of my ability.				
4,9	28	7,5	34,1	25,5
15. If I do my part I have sufficient opportunities for promotion.				
2,6	4,7	0,6	39,4	52,7
16. My senior is interested in the work that I do.				
7,1	6	0,8	49,7	36,4
17. If I do my work well, I receive the necessary recognition.				
0,6	2,3	2,8	51,8	42,6
18. I have sufficient opportunity to rotate and become familiar with new tasks.				
3,8	9	37,3	34,1	15,8
19. My present circumstances are much better than those of people who have been newly appointed in the company.				
5,8	4,5	1,5	65,9	22,3
20. My potential is fully utilized.				
0,4	3,9	0,2	45,8	49,7
21. I believe that the remuneration package I receive is in line with that of my peer group in other companies.				
4,1	0,9	31,5	32,1	31,3
22. My career planning is just as important to my superior as to myself.				
1,3	4,5	9	35,1	50,1
23. My manager/supervisor always tries to place me in a post where my potential can be best utilized.				
2,8	6	0	26,6	64,5
24. I believe that the interests of the branch or section enjoy priority over those of the employee and that career planning is jeopardized in the process.				
52,2	27	6,8	6	8,1
25. My workload is of such a nature that I can give sufficient attention to my tasks.				
36	43,9	2,3	12	5,8
26. I have felt part of the organization since being appointed here.				
5,8	9,2	3	35,6	46,3
27. I envisage a career for myself in this organization.				
3,6	2,3	7,1	40	47,1
28. My senior understands me and understands my point of view when I have a problem.				
3	23,5	35,1	21,4	17,1
29. I am satisfied with the progress I am making in my career in this company.				
0,6	0	4,5	44,3	50,7

TABLE 14.24: (CONTINUED)

Agree strongly	Agree	Uncertain	Disagree	Disagree strongly
30. The team spirit in our branch or section is very good.				
0,6	3,8	4,5	40,9	50,3
31. I know at all times what is expected of me.				
36,8	42	1,5	9,4	10,3
32. My senior communicates with me in a very acceptable manner.				
7,3	13,5	0	49,9	29,3
33. My present working environment contributes to my job satisfaction.				
2,1	0,8	0	31,9	65,3
34. I would like to work for another company if I could.				
61,2	33	1,5	1,5	2,8
35. I would like to work in another section.				
8,8	15,4	23,3	32,3	20,3
36. I feel that I am being kept in one section too long, which could jeopardize my career.				
15	18,4	54,6	7,5	4,5
37. I feel sure of my work each day.				
5,8	0,8	6,2	44,1	43,2
38. In our branch or section people understand one another and we work well together.				
4,3	0,8	4,5	45,4	45
39. I feel that people who started working in the company long after me are better off financially than I am.				
17,8	8,6	24,8	26,3	22,6

The findings of Table 14.24 are discussed next. Responses to questions 1-39 indicate the frequency of those who agreed with the statements (1/2 on the rating scale):

- My manager/supervisor regards me as a good worker - 69%;

- I receive the recognition I deserve for the work I do - 5,1%;

- I know exactly what is expected of me to carry out my daily task satisfactorily - 93,4%;

- The training I receive enables me to perform well - 35,1%;

- If I disagree with my manager/supervisor I have an opportunity to discuss the matter with him/her - 43,5%;

- Unnecessary red tape prevents me from carrying out my daily task effectively - 63,4%;

- I know what the company's objective is and how I can contribute towards the achievement thereof - 44,7%;

- If people in our section do not agree on a matter, it is ignored rather than discussed - 62,6%;

- I feel that I am overburdened with work - 20,5%;

- If I compare my salary with that of people in other companies, I feel dissatisfied - 58,9%;

- I do not have enough time to complete my daily task - 18,5%;

- My superior notices my hard work and gives me the necessary recognition for it - 5,1%;

- I have sufficient time to familiarize myself with new work and sections - 8,1%;

- The training I receive enables me to perform to the best of my ability - 32,9%;

- If I do my part I have sufficient opportunities for promotion - 7,3%;

- My senior is interested in the work that I do - 13,1%;

- If I do my work well, I receive the necessary recognition - 2,9%;

- I have sufficient opportunity to rotate and become familiar with new tasks - 12,8%;

- My present circumstances are much better than those of people who have been newly appointed in the company - 10,3%;

- My potential is fully utilized - 4,3%;

- I believe that the remuneration package I receive is in line with that of my peer group in other companies - 5%;

- My career planning is just as important to my superior as to myself - 5,8%;

- My manager/supervisor always tries to place me in a post where my potential can be best utilized - 8,8%;

- I believe that the interests of the branch or section enjoy priority over those of the employee and that career planning is jeopardized in the process - 79,2%;

- My work load is of such a nature that I can give sufficient attention to my tasks - 79,9%;

- I have felt part of the organization since being appointed here - 15%;

- I envisage a career for myself in this organization - 5,9%;

- My senior understands me and understands my point of view when I have a problem - 26,5%;

- I am satisfied with the progress I am making in my career in this organization - 0,6%;

- The team spirit in our branch or section is very good - 4,4%;

- I know at all times what is expected of me - 78,8%;

- My senior communicates with me in a very acceptable manner - 20,8%;

- My present working environment contributes to my job satisfaction - 2,9%;

- I would like to work for another company if I could - 94,2%;

- I would like to work in another section - 24,2%;
- I feel that I am being kept in one section too long, which could jeopardize my career - 33,4%;
- I feel sure of my work each day - 6,6%;
- In our branch or section people understand one another and we work well together - 5,1%; and
- I feel that people who started working in the company long after me, are better of financially than I am - 26,4%.

Although employees generally know what is expected of them to perform their daily tasks, they need clarity on the new vision and objectives of the organization. Communication seems to be an issue, specifically around problems or conflict in the work environment. There is a need to improve people-management practices that impact on work motivation, including job security, training, growth opportunities, recognition, and utilization of potential. The vast majority of respondents do not think that the morale within their team is good, nor do they feel part of the organization (commitment). They also don't envisage a future within this organization.

The data will be discussed further under headings referring to various dimensions identified through a factor analysis for the Motivation, and Locus of Control Questionnaires.

14.5   **DIMENSION PERSONAL JOB SATISFACTION**
Table 14.25 displays a cross-tabulation between class intervals of scores on the personal job satisfaction dimension by qualification groups for Head Office.

TABLE 14.25: <u>PERSONAL JOB SATISFACTION BY QUALIFICATION GROUP FOR HEAD OFFICE STAFF</u>.

Personal job satisfaction count	Qualification groups		
Row Pct Col Pct Tot Pct	Matric qualified	Tertiary qualified	Row total
27	100 1 0,8		1 0,8
29	100 3,1 2,4		3 2,4
30	90 9,2 7,1	10 3,4 0,8	10 7,9
31	100 6,1 4,7		6 4,7
32	100 8,2 6,3		8 6,3
33	66,7 4,1 3,1	33,3 6,9 1,6	6 4,7
34	85 17,3 13,4	15 10,3 2,4	20 15,7
35	100 8,2 6,3		8 6,3
36	65,6 21,4 16,5	34,4 37,9 8,7	32 25,2
37	45 9,2 7,1	55 37,9 8,7	20 15,7
38	100 12,2 9,4		12 9,4

TABLE 14.25: (CONTINUED)

Personal job satisfaction count	Qualification groups		
Row Pct Col Pct Tot Pct	Matric qualified	Tertiary qualified	Row total
39		100 3,4 0,8	1 0,8
Total Frequency Total Pct	98 77,2	29 22,8	127 100

According to Table 14.25 the scores tend to aggregate in the middle and higher class intervals, which indicates a tendency towards personal job dissatisfaction for the Head Office staff. This is specifically true for respondents with tertiary education where 96,6% of their responses aggregate in the middle to higher class intervals.

Table 14.26 displays a cross-tabulation between class intervals of scores on the personal job satisfaction dimension by qualification groups for the branch network.

TABLE 14.26: <u>PERSONAL JOB SATISFACTION BY QUALIFICATION GROUP FOR BRANCH STAFF</u>.

Personal job satisfaction count	Qualification groups		
Row Pct Col Pct Tot Pct	Matric qualified	Tertiary qualified	Row total
17	100 0,6 0,5		2 0,5
20	100 0,3 0,2		1 0,2
22	100 2,2 2		8 2

TABLE 14.26: (CONTINUED)

Personal job satisfaction count	Qualification groups		
Row Pct Col Pct Tot Pct	Matric qualified	Tertiary qualified	Row total
23	100 2,2 2		8 2
24	100 1,1 1		4 1
27	100 1,9 1,7		7 1,7
28	100 2,2 2		8 2
29	100 0,3		1 0,2
30	90,3 7,7 6,9	9,7 7 0,7	31 7,6
31	94,7 5 4,4	5,3 2,3 0,2	19 4,7
32	85,2 6,3 5,7	14,8 9,3 1	27 6,7
33	74,4 8,8 7,9	25,6 25,6 2,7 43 10,6	
34	90,3 17,9 16	9,7 16,3 1,7	72 17,7
35	100 18,5 16,5		67 16,5

TABLE 14.26: (CONTINUED)

Personal job satisfaction count	Qualification groups		
Row Pct Col Pct Tot Pct	Matric qualified	Tertiary qualified	Row total
36	86,2 15,4 13,8	13,8 20,9 2,2	65 16
37	82,8 6,6 5,9	17,2 11,6 1,2	29 7,1
38	100 3 2,7		11 2,7
39		100 7 0,7	3 0,7
Total Frequency Total Pct	363 89,4	43 10,6	406 100

Table 14.26 indicates that for the matric educated respondents, 9,6% of their responses aggregate in the lower class intervals which indicates a tendency towards personal job satisfaction. For the rest of the matric and tertiary educated respondents the scores tend to aggregate in the middle and higher class intervals, which indicate a tendency towards personal job dissatisfaction for those in the branch network.

Table 14.27 displays the descriptive statistics of the personal job satisfaction dimension.

TABLE 14.27: <u>DESCRIPTIVE STATISTICS - PERSONAL JOB SATISFACTION</u>.

Organizational Factor	Mean	Std. Dev.	Std. Error	Kurtosis	Skewness	N
AGE: 18 – 20 years	33,390	3,516	0,439	4,771	-2,128	64
AGE: 21 – 25 years	33,311	4,037	0,312	4,067	-2,005	167
Age: 26 – 30 years	34,288	3,557	0,318	3,135	-1,760	125
Age: 31 – 40 years	34,516	2,811	0,291	0,255	-0,824	93
Age: 41 years and older	32,142	1,920	0,209	-1,504	-0,082	84
Married	33,529	3,813	0,223	3,736	-1,760	291
Unmarried or Divorced	33,632	3,022	0,194	2,449	-1,356	242
Reformed Churches and Dutch Reformed Church	33,501	3,672	0,177	3,461	-1,736	429
Other church groups	33,884	2,482	0,243	-0,892	0,041	104
Qualification: Matric	33,362	3,582	0,166	3,387	-1,655	461
Tertiary qualified	34,944	2,257	0,266	-0,462	-0,405	72
Less than three years of service	33,358	3,932	0,343	2,155	-1,727	131
Three to five years of service	33,438	3,941	0,334	5,190	-2,026	139
Six to ten years of service	34,351	3,036	0,292	5,115	-1,991	108
More than 11 years of service	33,375	2,817	0,230	-0,790	-0,148	149
Head Office staff	34,653	2,604	0,231	-0,310	-0,732	127
Branch staff	33,238	3,641	0,180	3,453	-1,703	406

An analysis of the content of Table 14.27 reveals that the scores according to personal job satisfaction are not normally distributed as the values for skewness are either greater

or less than zero (0). Except for other church groups, the distribution for all the independent variables is negatively skewed, or skewed to the left, as the tail of the distribution is towards smaller values. An analyses of the value for kurtosis reveals that the distribution is more peaked than normal -the distribution is leptokurtic (value > 0,263) for subjects in the age groups 18 -30 years, marital status, the Reformed Church, Reformed (Hervormd) Church, and Dutch Reformed Church groups, subjects with matric, subjects with up to ten years of service, and branch staff. The distribution is platykurtic (value < 0,263) for subjects in the age group 31 years and over, subjects in other church groups, tertiary qualified subjects, subjects with more than 11 years of service, and Head Office staff. The standard deviation is quite high which is also an indication of the skewness of the distribution. The standard error of the mean is high for all the organizational factors, which implies that the observed means are deviant to some extent from the comparable population means, and therefore inferences about the population cannot be drawn with absolute confidence.

The influence of the independent variables (factors) (discussed in Chapter XIII) and their two-way interaction effects on personal job satisfaction were investigated by means of Anova, and the calculations pertaining to this analysis of variance are presented in Table 14.28.

TABLE 14.28: <u>ANOVA: PERSONAL JOB SATISFACTION BY ORGANIZATIONAL FACTORS.</u>

Source	DF	Sum of Squares	Mean Square	F Value	Pr F
Model	81	2922,77	36,08	4,66	0,0001*
Error	442	3425,82	7,75		
Corrected total	523	6348,60			
	R-square	C.V.	Root MSE	Job sat. Mean	
	0,460381	8,28	2,78	33,59	

TABLE 14.28: (CONTINUED)

Source	DF	Anova SS	Mean Square	F Value	Pr F
Age	4	292,76	73,19	9,44	0,0001*
Gender	1	108,16	108,16	13,95	0,0002*
Language	1	16,37	16,37	2,11	0,1468
Marital status	1	12,57	12,57	1,62	0,2035
Religious denomination	1	3,48	3,48	0,45	0,5029
Education	1	75,03	75,03	9,68	0,0020*
Salary	5	107,37	21,47	2,77	0,0177*
Branch	1	70,42	70,42	9,09	0.0027*
Job grade	4	30,79	7,69	0,99	0,4109
Age*Gender	4	170,16	42,54	5,49	0,0003*
Age*Language	4	47,67	11,91	1,54	0,1902
Age*Marital status	4	531,77	132,94	17,15	0.0001*
Age*Religious denomination	2	33,37	16,68	2,15	0,1174
Age*Education	4	11,60	2,90	0,37	0,8269
Age*Salary	5	287,00	57,41	7,41	0,0001*
Age*Branch	4	71,06	17,75	2,29	0,0589
Age*Grade	6	216,93	36,15	4,66	0,0001*
Gender*Language	1	0,12	0,12	0,02	0,9010
Gender*Marital status	1	10,36	10,36	1,34	0,2482
Gender*Religious denomination	1	88,08	88,08	11,36	0,0008*
Gender*Education	1	1,00	1,00	0,13	0,7190
Gender*Branch	1	9,12	9,12	1,18	0,2784
Language*Marital status	1	25,00	25,00	3,23	0,0732
Language*Salary	1	0,07	0,07	0,01	0,9213
Language*Branch	1	85,41	85,41	11,02	0,0010*
Language*Grade	1	70,98	70,98	9,16	0,0026*
Marital status*Religious denomination	1	40,58	40,58	5,24	0,0226*
Marital status*Education	1	0,14	0,14	0,02	0,8921
Marital status*Salary	3	174,82	58,27	7,52	0,0001*

TABLE 14.28: (CONTINUED)

Source	DF	Anova SS	Mean Square	F Value	Pr F
Marital status*Branch	1	18,64	18,64	2,41	0,1216
Marital status*Grade	1	9,42	9,42	1,22	0,2709
Religious denomination*Branch	1	9,18	9,18	1,19	0,2769
* p ≤ 0,05					

The information in Table 14.28 shows that significant differences are prevalent among the independent variables in respect of personal job satisfaction. The overall F-ratio is significant (F = 4,66, p = 0,0001 < p = 0,05). This ratio, however, does not pinpoint the particular independent variables concerned. The first of these is age (F = 9,44, p = 0,0001< p = 0,05). Secondly, gender provided significant differences (F = 13,95, p = 0,0002 < p = 0,05). The third significant variable was education (F = 9,68, p = 0,0020 < p = 0,05). The fourth significant variable was salary (F = 2,77, p = 0,0177< p = 0,05). The fifth significant variable was branch (F = 9,09, p = 0,0027 < p = 0,05). Significant two-way interaction effects were also detected. The first of these are age by gender (F = 5,49, p = 0,0003 < p = 0,05). Secondly, the interaction effect of age by marital status was also significant (F = 17,15, p = 0,0001 < p = 0,05). The third significant two-way interaction effect was between age by salary (F = 7,41, p = 0,0001 < p = 0,05). Fourthly, the two-way interaction effect of age by grade (F = 4,66, p = 0,0001 < p = 0,05). Fifthly, the two-way interaction effect of gender by religious denomination (F = 11,36, p = 0,0008 < p = 0,05). The sixth significant two-way interaction effect was language by branch (F = 11,02, p = 0,0010 < p = 0,05). The seventh significant two-way interaction effect was language by grade (F = 9,16, p = 0,0026 < p = 0,05). The eighth significant two-way interaction effect was marital status by religious denomination (F = 5,24, p = 0,0226 < p = 0,05). The ninth significant two-way interaction effect was marital status by salary (F = 7,52, p = 0,0001 < p = 0,05).

Post hoc comparisons were done by means of a Scheffé-test to determine significant differences, if any, between the means of the subgroups in regard to the main factors age, gender, education, and branch.

In regard to age, the age groups 18-30 years, and 31 years and over were compared. In this comparison t = 2,39 so that F ' = 5,71 (t^2) which with 2 and 393 degrees of freedom

(df) is significant (F ' = 5,71 > F = 3,04 with 2 and 393 df p being < 0,05). In regard to gender, the male and female groups were compared. In this comparison t = 1,97 so that F ' = 3,88 (t^2) which with 2 and 393 degrees of freedom (df) is significant (F ' = 3,88 > F = 2,14 with 2 and 393 df p being < 0,05). In regard to education the matric group was compared with the tertiary education group. In this comparison t = 1,97 so that F ' = 3,88 (t^2) which with 2 and 393 degrees of freedom (df) is significant (F ' = 3,88 > F 3,86 with 2 and 393 df p being < 0,05). In regard to branch location the group at Head Office were compared to the branch network. In this comparison t = 2,82 so that F ' = 7,95 (t^2) which with 2 and 393 degrees of freedom (df) is significant (F ' = 7,95 > F = 2,39 with 2 and 393 df p being < 0,05).

14.6　DIMENSION SOCIAL AND ESTEEM NEEDS

Table 14.29 displays a cross-tabulation between class intervals of scores on the social and esteem needs dimension by age group for males.

TABLE 14.29: <u>SOCIAL AND ESTEEM NEEDS BY AGE GROUP FOR MALES</u>.

Social and esteem needs count	Age groups					
Row Pct Col Pct Tot Pct	18-20 years	21-25 years	26-30 years	31-40 years	41 years and over	Row total
25		50 4,5 1,6	50 5,8 1,6			8 3,3
26		40 9,1 3,3	40 11,6 3,3	20 8,2 1,6		20 8,1
27		60 13,6 4,9	20 5,8 1,6	20 8,2 1,6		20 8,1
28		37,5 13,6 4,9	37,5 17,4 4,9	12,5 8,2 1,6	12,5 11,1 1,6	32 13

TABLE 14.29: (CONTINUED)

Social and esteem needs count	Age groups					
Row Pct Col Pct Tot Pct	18-20 years	21-25 years	26-30 years	31-40 years	41 years and over	Row total
29		25 9,1 3,3	50 23,2 6,5	25 16,3 3,3		32 13
30		30 13,6 4,9	20 11,6 3,3	20 16,3 3,3	30 33,3 4,9	40 16,3
31		18,2 4,5 1,6	40,9 13 3,7	22,7 10,2 2	18,2 11,1 1,6	22 8,9
32	11,1 100 1,6	33,3 13,6 4,9	11,1 5,8 1,6	11,1 8,2 1,6	33,3 33,3 4,9	36 14,6
33		33,3 4,5 1,6		33,3 8,2 1,6	33,3 11,1 1,6	12 4,9
34			100 5,8 1,6			4 1,6
35		100 4,5 1,6				4 1,6
36		33,3 4,5 1,6		66,7 16,3 3,3		12 4,9
39		100 4,5 1,6				4 1,6
Total Frequency Total Pct	4 1,6	88 35,8	69 28	49 19,9	36 14,6	246 100

Table 14.29 indicates that 45,5% of the responses aggregate in the lower to middle class intervals which indicates a tendency towards social needs. This specifically is true for the younger than 41 years male respondents. The 41 years and older male responses

aggregate in the middle order class intervals, which indicate that, the social and esteem needs for these respondents are less prominent.

Table 14.30 displays a cross-tabulation between class intervals of scores on the social and esteem needs dimension by age group for females.

TABLE 14.30: <u>SOCIAL AND ESTEEM NEEDS BY AGE GROUP FOR FEMALES</u>.

Social and esteem needs count	Age groups					
Row Pct Col Pct Tot Pct	18-20 years	21-25 years	26-30 years	31-40 years	41 years and over	Row total
24			100 7,1 1,4			4 1,4
25	50 6,7 1,4		50 7,1 1,4			8 2,8
26	12,5 6,7 1,4	12,5 5,1 1,4	50 28,6 5,6	25 18,2 2,8		32 11,1
27	33,3 13,3 2,8	50 15,2 4,2			16,7 8,3 1,4	24 8,4
28	55,6 33,3 7	11,1 5,1 1,4	22,2 14,3 2,8		11,1 8,3 1,4	36 12,5
29	7,7 5 1	51,3 25,3 7	20,5 14,3 2,8	10,3 9,1 1,4	10,3 8,3 1,4	39 13,6
30	26,5 15 3,1	11,8 5,1 1,4	11,8 7,1 1,4	26,5 20,5 3,1	23,5 16,7 2,8	34 11,8
31	10,3 6,7 1,4	20,5 10,1 2,8	20,5 14,3 2,8	28,2 25 3,8	20,5 16,7 2,8	39 13,6

TABLE 14.30: (CONTINUED)

Social and esteem needs count	Age groups					
Row Pct Col Pct Tot Pct	18-20 years	21-25 years	26-30 years	31-40 years	41 years and over	Row total
32	12,1 6,7 1,4	39,4 16,5 4,5	12,1 7,1 1,4		36,4 25 4,2	33 11,5
33	16 6,7 1,4	20 6,3 1,7		48 27,3 4,2	16 8,3 1,4	25 8,7
34		55,6 6,3 1,7			44,4 8,3 1,4	9 3,1
39		100 5,1 1,4				4 1,4
Total Frequency Total Pct	60 20,9	79 27,5	56 19,5	44 15,3	48 16,7	287 100

Table 14.30 indicates that 49,8% of the responses aggregate in the lower to middle class intervals which indicates a tendency towards social needs. This specifically is true for the younger than 41 years female respondents. The 41 years and older female responses aggregate in the middle order class intervals, which indicate that the social and esteem needs for these respondents are less prominent.

Table 14.31 displays the descriptive statistics of the dimension social and esteem needs.

TABLE 14.31: <u>DESCRIPTIVE STATISTICS – SOCIAL AND ESTEEM NEEDS</u>.

Organizational Factor	Mean	Std. Dev.	Std. Error	Kurtosis	Skewness	N
Age: 18 – 20 years	28,890	2,226	0,278	-0,808	0,248	64
Age: 21 – 25 years	30,149	3,257	0,252	0,667	0,901	167
Age: 26 – 30 years	28,504	2,378	0,212	-0,590	0,128	125
Age: 31 – 40 years	30,430	2,763	0,286	-0,358	0,196	93
Age: 41 years and older	30,809	1,773	0,193	-0,439	-0,394	84
Married	29,701	2,886	0,169	1,245	0,958	291
Unmarried or Divorced	29,842	2,674	0,171	-0,288	-0,061	242
Reformed Churches and Dutch Reformed Church	29,727	2,946	0,142	0,524	0,585	429
Other church groups	29,923	2,027	0,198	-0,826	0,163	104
Qualification: Matric	29,945	2,772	0,129	0,743	0,586	461
Tertiary qualified	28,611	2,646	0,311	-0,582	0,378	72
Less than three years of service	29,580	2,871	0,250	-0,603	0,280	131
Three to five years of service	29,863	3,128	0,265	1,885	1,337	139
Six to ten years of service	28,259	2,163	0,208	-0,931	-0,003	108
More than eleven years of service	30,885	2,282	0,186	0,232	-0,064	149
Head Office staff	29,322	2,449	0,217	0,008	0,086	127
Branch staff	29,903	2,878	0,142	0,565	0,599	406

An analysis of the content of Table 14.31 reveals that the scores of the social and esteem needs are also not normally distributed as the values for skewness are either

greater or less than zero (0). For the subjects in the age group 41 years and over, unmarried or divorced subjects, those with more than six years of service, the distribution is negatively skewed, or skewed to the left, as the tail of the distribution is towards smaller values. For all the other independent variables the distribution is positively skewed, or skewed to the right, as the tail of the distribution is towards larger values. An analysis of the value for kurtosis reveals that the distribution is more peaked than normal (the distribution is leptokurtic; value > 0,263) for subjects in the age group 21-25 years, married subjects, the Reformed-, Reformed (Hervormd), and Dutch Reformed Church groups subjects, subjects with matric, those with three to five years of service, and branch subjects. The distribution is less peaked than normal (the distribution is platykurtic; value < 0,263) for the age group 18-20 years, and 26 years and over, unmarried or divorced subjects, subjects from other church groups, tertiary qualified subjects, those with less than three years service, those with six years and more of service, and Head Office subjects. The standard deviation is quite high which is also an indication of the skewness of the distribution. The standard error of the mean is also high for all the organizational factors, and therefore inferences about the population cannot be drawn with confidence.

The influence of the independent variables (organizational factors) and their two-way interaction effects on social and esteem needs were investigated by means of Anova. The calculations pertaining to these analyses of variance are presented in Table 14.32.

TABLE 14.32: <u>ANOVA: SOCIAL AND ESTEEM NEEDS BY ORGANIZATIONAL FACTORS</u>.

Source	DF	Sum of Squares	Mean Square	F Value	Pr F
Model	81	2111,72	26,07	5,69	0,0001*
Error	442	2025,51	4,58		
Corrected total	523	4137,24			
	R-square	C.V.	Root MSE	Social and esteem needs Mean	
	0,510419	7,19	2,14	29,75	
Source	DF	Anova SS	Mean Square	F Value	Pr F
Age	4	408,96	102,24	22,31	0,0001*
Gender	1	14,52	14,52	3,17	0,0757
Language	1	14,88	14,88	3,25	0,0722
Marital status	1	2,98	2,98	0,65	0,4198
Religious denomination	1	2,53	2,53	0,55	0,4570
Education	1	92,05	25,99	5,67	0,0001*
Salary	5	129,97	21,47	2,77	0,0177*
Branch	1	24,34	24,34	5,31	0,0216*
Job grade	4	226,91	56,72	12,38	0,0001*
Age*Gender	4	1165,63	41,40	9,04	0,0001*
Age*Language	4	100,89	25,22	5,50	0,0002*
Age*Marital status	4	15,27	3,81	0,83	0,5045
Age*Religious denomination	2	22,68	11,34	2,48	0,0853
Age*Education	4	141,24	35,31	7,71	0,0001*
Age*Salary	5	134,26	26,85	5,86	0,0001*
Age*Branch	4	36,00	9,00	1,96	0,0990
Age*Grade	6	89,02	14,83	3,24	0,0040*
Gender*Language	1	2,88	2,88	0,63	0,4283
Gender*Marital status	1	14,78	14,78	3,23	0,0731
Gender*Religious denomination	1	2,56	2,56	0,56	0,4544
Gender*Education	1	25,86	25,86	5,64	0,0179*
Gender*Branch	1	8,45	8,45	1,85	0,1750

TABLE 14.32: (CONTINUED)

Source	DF	Anova SS	Mean Square	F Value	Pr F
Language*Marital status	1	0,60	0,60	0,13	0,7176
Language*Salary	1	2,02	2,02	0,44	0,5067
Language*Branch	1	3,84	3,84	0,84	0,360 degree5
Language*Grade	1	0,90	0,90	0,20	0,6577
Marital status*Religious denomination	1	3,09	3,09	0,68	0,4115
Marital status*Education	1	2,24	2,24	0,49	0,4848
Marital status*Salary	3	56,94	18,98	4,14	0,0065*
Marital status*Branch	1	2,59	2,59	0,57	0,4518
Marital status*Grade	1	52,15	52,15	11,38	0,0008*
Religious denomination*Branch	1	15,06	15,06	3,29	0,0705
* p ≤ 0,05					

The information in Table 14.32 shows that significant differences are prevalent among the independent variables in respect of social and esteem needs. The overall F-ratio is significant (F = 5,69, p = 0,0001 < p = 0,05). This ratio, however, does not pinpoint the particular independent variables concerned. The first of these is age (F = 22,31, p = 0,0001 < p = 0,05). Secondly, education provided significant differences (F = 5,67, p = 0,0001 < p = 0,05). The third significant variable was salary (F = 2,77, p = 0,0177 < p = 0,05). The fourth significant variable was branch (F = 5,31, p = 0,0216 < p = 0,05). The fifth significant variable was grade (F = 12,38, p = 0,0001 < p = 0,05). Significant two-way interaction effects were also detected. The first of these interaction effects is age by gender (F = 9,04, p = 0,0001 < p = 0,05). Secondly, the interaction effect of age by language was also significant (F = 5,50, p = 0,0002 < p = 0,05). The third significant two-way interaction effect was age by education (F = 7,71, p = 0,0001 < p = 0,05). Fourthly, the two-way interaction effect of age by salary (F = 5,86, p = 0,0001 < p = 0,05). Fifthly, the two-way interaction effect of age by grade (F = 3,24, p= 0,0040 < p = 0,05). The sixth significant two-way interaction effect was gender by education (F = 5,64, p = 0,0179 < p = 0,05). The seventh significant two-way interaction effect was marital status by salary (F = 4,14, p = 0,0065 < p = 0,05). The last significant two-way interaction effect was marital status by grade (F = 11,38, p = 0,0008 < p = 0,05).

Post hoc comparisons were done by means of a Scheffé-test to determine significant differences, if any, between the means of the subgroups in regard to the main factors age, gender, language, education, and branch.

In regard to age, the age groups 18-30 years, and 31 years and older were compared. In this comparison t = 1,97 so that F ' = 3,88 (t^2) which with 2 and 393 degrees of freedom (df) is significant (F ' = 3,88 > F = 3,86 with 2 and 393 df p being < 0,05). In regard to gender the comparison t = 1,97 so that F ' = 3,88 (t^2) which with 2 and 393 degrees of freedom (df) is significant (F ' = 3,88 > F 3,86 with 2 and 393 df p being < 0,05). In regard to language groups, the Afrikaans group was compared to the English speaking group. In this comparison t = 1,97 so that F ' = 3,88 (t^2) which with 2 and 393 degrees of freedom (df) is significant (F ' = 3,88 > F = 3,86 with 2 and 393 df p being < 0,05). In regard to education the matric group was compared with the tertiary education group. In this comparison t = 1,97 so that F ' = 3,88 (t^2) which with 2 and 393 degrees of freedom (df) is significant (F ' = 3,88 > F = 3,86 with 2 and 393 df p being < 0,05). In regard to branch location the group at Head Office was compared to the branch network. In this comparison t = 1,97 so that F ' = 3,88 (t^2) which with 2 and 393 degrees of freedom (df) is significant (F ' = 3,88 > F = 3,86 with 2 and 393 df p being < 0,05).

14.7   DIMENSION COACHING FOR DEVELOPMENT NEEDS

Table 14.33 displays a cross-tabulation between class intervals of scores on the coaching for development needs dimension by age group for males.

TABLE 14.33: <u>COACHING FOR DEVELOPMENT BY AGE GROUP FOR MALES</u>.

Coaching for development count	Age groups					
Row Pct / Col Pct / Tot Pct	18-20 years	21-25 years	26-30 years	31-40 years	41 years and older	Row total
8		33,3 / 4,5 / 1,6		66,7 / 16,3 / 3,3		12 / 4,9
9		100 / 4,5 / 1,6				4 / 1,6
10		66,7 / 9,1 / 3,3		33,3 / 8,2 / 1,6		12 / 4,9
11		100 / 13,6 / 4,9				12 / 4,9
12			33,3 / 5,8 / 1,6	33,3 / 8,2 / 1,6	33,3 / 11,1 / 1,6	12 / 4,9
13	8,3 / 100,0 / 1,6	33,3 / 18,2 / 6,5	33,3 / 23,2 / 6,5	8,3 / 8,2 / 1,6	16,7 / 22,2 / 3,3	48 / 19,5
14		17 / 9,1 / 3,3	19,1 / 13 / 3,7	21,3 / 20,4 / 4,1	42,6 / 55,6 / 8,1	47 / 19,1
15		53,1 / 19,3 / 6,9	25 / 11,6 / 3,3	21,9 / 14,3 / 2,8		32 / 13
16		14,3 / 9,1 / 3,3	57,1 / 46,4 / 13	21,4 / 24,5 / 4,9	7,1 / 11,1 / 1,6	56 / 22,8
17		100 / 5,7 / 2				5 / 2

TABLE 14.33: (CONTINUED)

Coaching for development count	Age groups					
Row Pct Col Pct Tot Pct	18-20 years	21-25 years	26-30 years	31-40 years	41 years and over	Row total
18		100 5,7 2				5 2
20		100 1,1 0,4				1 0,4
Total Frequency Total Pct	4 1,6	88 35,8	69 28	49 19,9	36 14,6	246 100

Table 14:33 indicates that 16,3% (specifically for 21-25, and 31-40 years age groups) of the scores aggregate in the lower class intervals, which indicates a tendency towards lower coaching for development needs. Also the majority of male scores, across all the age groups, aggregate in the middle and higher class intervals which indicates a general need for coaching for development. It should be noted that for all the 21 years and older male respondents, 27,2% of the scores aggregate in the higher class intervals which indicates a tendency towards higher coaching for development needs.

Table 14.34 displays a cross-tabulation between class intervals of scores on the coaching for development needs dimension by age group for females.

TABLE 14.34: <u>COACHING FOR DEVELOPMENT BY AGE GROUP FOR FEMALES</u>.

Coaching for dev. count	Age groups					
Row Pct Col Pct Tot Pct	18-20 years	21-25 years	26-30 years	31-40 years	41 years and over	Row total
8		100 3,8 1				3 1

TABLE 14.34: (CONTINUED)

Coaching for dev. count	Age groups					
Row Pct Col Pct Tot Pct	18-20 years	21-25 years	26-30 years	31-40 years	41 years and over	Row total
9	50 6,7 1,4		50 7,1 1,4			8 2,8
10		28,6 10,1 2,8	42,9 21,4 4,2	14,3 9,1 1,4	14,3 8,3 1,4	28 9,8
11	25 6,7 1,4		25 7,1 1,4	50 18,2 2,8		16 5,6
12		50 10,1 2,8		25 9,1 1,4	25 8,3 1,4	16 5,6
13	15,1 13,3 2,8	30,2 20,3 5,6	7,5 7,1 1,4	7,5 9,1 1,4	39,6 43,8 7,3	53 18,5
14	27,9 20 4,2	18,6 10,1 2,8		18,6 18,2 2,8	34,9 31,3 5,2	43 15
15	40 26,7 5,6	40 20,3 5,6	10 7,1 1,4		10 8,3 1,4	40 13,9
16	20 20 4,2	20 15,2 4,2	40 42,9 8,4	20 27,3 4,2		60 20,9
17		100 10,1 2,8				8 2,8
18	30 5 1		40 7,1 1,4	30 6,8 1		10 3,5
19	50 1,7 0,3			50 2,3 0,3		2 0,7
Total Frequency Total Pct	60 20,9	79 27,5	56 19,5	44 15,3	48 16,7	287 100

Table 14:34 indicates that 19,2% of the scores aggregate in the lower class intervals which indicates a tendency towards lower coaching for development needs. Also the majority of female scores, across all the age groups, aggregate in the middle and higher class intervals which indicates a general need for coaching for development. It should be noted that across all the age groups, 27,9% of the scores aggregate in the higher class intervals which indicates a tendency towards higher coaching for development needs.

Table 14.35 displays a cross-tabulation between class intervals of scores on the coaching for development needs dimension by age group for Head Office.

TABLE 14.35: <u>COACHING FOR DEVELOPMENT BY AGE GROUP - HEAD OFFICE STAFF</u>.

Coaching for development count	Age groups					
Row Pct Col Pct Tot Pct	18-20 years	21-25 years	26-30 years	31-40 years	41 years and older	Row total
8				100 2,3 0,8		1 0,8
10		5,6 3,6 0,8	61,1 31,4 8,7	16,7 6,8 2,4	16,7 17,6 2,4	18 14,2
11		33,3 14,3 3,1		66,7 18,2 6,3		12 9,4
12			42,9 8,6 2,4	14,3 2,3 0,8	42,9 17,6 2,4	7 5,5
13	14,3 100 2,4	23,8 17,9 3,9	23,8 14,3 3,9	23,8 11,4 3,9	14,3 17,6 2,4	21 16,5
14		32 28,6 6,3	4 2,9 0,8	44 25 8,7	20 29,4 3,9	25 19,7
15		22,2 7,1 1,6	33,3 8,6 2,4	44,4 9,1 3,1		9 7,1

TABLE 14.35: (CONTINUED)

Coaching for development count	Age groups					
Row Pct Col Pct Tot Pct	18-20 years	21-25 years	26-30 years	31-40 years	41 years and older	Row total
16		18,5 17,9 3,9	44,4 34,4 9,4	25,9 15,9 5,5	11,1 17,6 2,4	27 21,3
17		100 3,6 0,8				1 0,8
18		25 3,6 0,8		75 6,8 2,4		4 3,1
19				100 2,3 0,8		1 0,8
20		100 3,6 0,8				1 0,8
Total Frequency Total Pct	3 2,4	28 22	35 27,6	44 34,6	17 13,4	127 100

Table 14:35 indicates that 29,9% of the scores aggregate in the lower class intervals which indicates a tendency towards lower coaching for development needs. Also the majority of Head Office scores, across all the age groups, aggregate in the middle and higher class intervals which indicates a general need for coaching for development. It should be noted that across the age groups, 18-20 years, 26-30 years, and 41 years and older, there are no scores in the higher class intervals which indicates that these coaching for development needs are less prominent for the Head Office staff in these age groups.

Table 14.36 displays a cross-tabulation between class intervals of scores on the coaching for development needs dimension by age group for the branch network.

TABLE 14.36: <u>COACHING FOR DEVELOPMENT BY AGE GROUP FOR</u> <u>BRANCH STAFF</u>.

Coaching for dev. count	Age groups					
Row Pct Col Pct Tot Pct	18-20 years	21-25 years	26-30 years	31-40 years	41 years and older	Row total
8		50 5 1,7		50 14,3 1,7		14 3,4
9	33,3 6,6 1	33,3 2,9 1	33,3 4,4 1			12 3
10		68,2 10,8 3,7	4,5 1,1 0,2	22,7 10,2 1,2	4,5 1,5 0,2	22 5,4
11	25 6,6 1	50 5,8 2	25 4,4 1			16 3,9
12		38,1 5,8 2	4,8 1,1 0,2	33,3 14,3 1,7	23,8 7,5 1,2	21 5,2
13	11,3 14,8 2,2	33,8 19,4 6,7	18,8 16,7 3,7	3,8 6,1 0,7	32,5 38,8 6,4	80 19,7
14	18,5 19,7 3	12,3 5,8 2	12,3 8,9 2	10,8 14,3 1,7	46,2 44,8 7,4	65 16
15	25,4 26,2 3,9	49,2 22,3 7,6	14,3 10 2,2	4,8 6,1 0,7	6,3 6 1	63 15,5
16	13,5 19,7 3	16,9 10,8 3,7	49,4 48,9 10,8	19,1 34,7 4,2	1,1 1,5 0,2	89 21,9
17		100 8,6 3				12 3
18	27,3 4,9 0,7	36,4 2,9 1	36,4 4,4 1			11 2,7

TABLE 14.36: (CONTINUED)

Coaching for dev. count	Age groups					
Row Pct Col Pct Tot Pct	18-20 years	21-25 years	26-30 years	31-40 years	41 years and over	Row total
19	100 1,6 0,2					1 0,2
Tot. Frequency Total Pct	61 15	139 34,2	90 22,2	49 12,1	67 16,5	406 100

Table 14:36 indicates that the majority of branch network scores, across all the age groups, aggregate in the middle and higher class intervals which indicate a general need for coaching for development. It should be noted that across the age groups, 27,8% of the scores aggregate in the higher class intervals which indicate that the coaching for development needs are more prominent for the branch network staff compared to Head Office staff (5,5%).

Table 14.37 displays a cross-tabulation between class intervals of scores on the coaching for development needs dimension by gender group for matrics.

TABLE 14.37: <u>COACHING FOR DEVELOPMENT BY GENDER GROUP – MATRICS</u>.

Coaching for development count	Gender groups		
Row Pct Col Pct Tot Pct	Male	Female	Row total
8	72,7 4 1,7	27,3 1,2 0,7	11 2,4
9	50 2 0,9	50 1,5 0,9	8 1,7

TABLE 14.37: (CONTINUED)

Coaching for development count	Gender groups		
Row Pct Col Pct Tot Pct	Male	Female	Row total
10	22,2 4 1,7	77,8 10,8 6,1	36 7,8
11	50 4 1,7	50 3,1 1,7	16 3,5
12	42,9 5,9 2,6	57,1 6,2 3,5	28 6,1
13	47,3 21,8 9,5	52,7 18,9 10,6	93 20,2
14	52,2 23,3 10,2	47,8 16,6 9,3	90 19,5
15	41,2 13,9 6,1	58,8 15,4 8,7	68 14,8
16	40 15,8 6,9	60 18,5 10,4	80 17,4
17	38,5 2,5 1,1	61,5 3,1 1,7	13 2,8
18	33,3 2,5 1,1	66,7 3,9 2,2	15 3,3
19		100 0,8 0,4	15 3,3
20	100 0,5 0,2		1 0,2
Total Frequency Total Pct	202 43,8	259 56,2	461 100

Table 14:37 indicates that 84,6% of matric respondent scores, across both the gender groups, aggregate in the middle and higher class intervals, which indicate a general need for coaching for development. It should be noted that the male and female scores do not differ much across the distribution. Also 9,6% of the scores aggregate in the higher class intervals which indicate that the coaching for development needs are less prominent for the matric staff compared to tertiary educated staff (55,6%).

Table 14.38 displays a cross-tabulation between class intervals of scores on the coaching for development needs dimension by gender group for tertiary educated staff.

TABLE 14.38: <u>TABLE OF COACHING FOR DEVELOPMENT BY GENDER GROUP - TERTIARY QUALIFIED</u>.

Coaching for development count	Gender groups		
Row Pct Col Pct Tot Pct	Male	Female	Row total
8	100 9,1 5,6		4 5,6
10		100 14,3 5,6	4 5,6
11	100 9,1 5,6		4 5,6
13	33,3 9,1 5,6	66,7 28,6 11,1	12 16,7
15	50 9,1 5,6	50 14,3 5,6	8 11,1
18	100 9,1 5,6		4 5,6

TABLE 14.38: (CONTINUED)

Coaching for development count	Gender groups		
Row Pct Col Pct Tot Pct	Male	Female	Row total
19	66,7 54,5 33,3	33,3 42,9 16,7	36 50
Total Frequency Total Pct	44 61,1	28 38,9	72 100

Table 14:38 indicates that 55,6% of tertiary respondent scores, across both the gender groups, aggregate in the higher class intervals which indicates a high need for coaching for development. The male scores (63,6%) in the higher class intervals are more prominent than the female scores (42,9%) which indicate a higher need for coaching for development amongst the male tertiary educated staff. The distribution of Table 14.37 and 14.38 also differs vastly which indicates a higher need for coaching for development amongst the tertiary educated staff.

Table 14.39 displays the descriptive statistics of the dimension coaching for development needs.

TABLE 14.39: <u>DESCRIPTIVE STATISTICS - COACHING FOR</u>

<u>DEVELOPMENT</u>.

Organizational factor	Mean	Std. Dev.	Std. Error	Kurtosis	Skewness	N
Age: 18 – 20 years	14,203	2,117	0,264	0,904	-0,627	64
Age: 21 – 25 years	13,568	2,568	0,198	-0,482	-0,340	167
Age: 26 – 30 years	14,256	2,299	0,205	-0,380	-0,820	125
Age: 31 – 40 years	13,397	2,699	0,279	-0,557	-0,441	93
Age: 41 years and older	13,416	1,184	0,129	2,059	-0,687	84
Married	13,969	2,417	0,141	-0,087	-0,591	291
Unmarried or Divorced	13,491	2,200	0,141	-0,099	-0,482	242
Reformed Churches and Dutch Reformed Church	13,738	2,377	0,114	-0,148	-0,546	429
Other church groups	13,807	2,141	0,209	-0,128	-0,301	104
Qualification: Matric	13,774	2,249	0,104	0,096	-0,452	461
Tertiary qualified	13,661	2,811	0,331	-1,118	-0,652	72
Less than three years of service	14,068	2,402	0,209	0,358	-0,521	131
Three to five years of service	13,812	2,357	0,199	-0,460	-0,677	139
Six to ten years of service	13,740	2,742	0,263	-0,945	-0,598	108
More than eleven years of service	13,416	1,896	0,155	1,257	-0,314	149
Head Office staff	13,559	2,369	0,210	-0,512	0,016	127
Branch staff	13,812	2,318	0,115	0,083	-0,688	406

An analysis of the content of Table 14.39 reveals that the skewness scores of the social and esteem needs are also not normally distributed as the values for skewness are either greater or less than zero (0). For all independent variables, except Head Office subjects, the distribution is negatively skewed, or skewed to the left. An analysis of the value for kurtosis reveals that the distribution is platykurtic (value < 0,263) for the majority of the independent variables, except for subjects 18-20 years of age, subjects 41 years and over, subjects with less than three years of service, and those with more than eleven years of service. The standard deviation is quite high which is also an indication of the skewness of the distribution. The standard error of the mean is also high for all the organizational factors, and therefore inferences about the population cannot be drawn with certainty.

The influence of the independent variables (organizational factors) and their two-way interaction effects on coaching for development needs were investigated by means of Anova. The calculations pertaining to these analyses of variance are presented in Table 14:40.

TABLE 14.40: <u>ANOVA: COACHING FOR DEVELOPMENT NEEDS BY ORGANIZATIONAL FACTORS</u>.

Source	DF	Sum of Squares	Mean Square	F Value	Pr F
Model	81	1495,70	18,46	5,86	0,0001*
Error	442	1393,24	3,15		
Corrected total	523	2889,24			
	R-square	C.V.	Root MSE	Coaching for development needs Mean	
	0,517682	12,91	1,77	13,74	

TABLE 14.40: (CONTINUED)

Source	DF	Anova SS	Mean Square	F Value	Pr F
Age	4	74,70	18,67	5,92	0,0001*
Gender	1	0,68	0,68	0,22	0,6405
Language	1	0,02	0,02	0,01	0,9230
Marital status	1	18,89	18,89	5,99	0,0147*
Religious denomination	1	0,62	0,62	0,20	0,6551
Education	1	2,95	2,95	0,94	0,3332
Salary	5	78,04	15,60	4,95	0,0002*
Branch	1	5,79	5,79	1,84	0,1759
Job grade	4	31,60	7,90	2,51	0,0415*
Age*Gender	4	102,71	25,67	8,14	0,0001*
Age*Language	4	73,29	18,32	5,81	0,0001*
Age*Marital status	4	75,50	18,87	5,99	0,0001*
Age*Religious denomination	2	18,67	9,33	2,96	0,0527
Age*Education	4	28,03	7,00	2,22	0,0656
Age*Salary	5	99,23	19,84	6,29	0,0001*
Age*Branch	4	110,97	27,74	8,80	0,0001*
Age*Grade	6	101,76	16,96	5,38	0,0001*
Gender*Language	1	12,66	12,66	4,02	0,0457*
Gender*Marital status	1	3,21	3,21	1,02	0,3130
Gender*Religious denomination	1	32,35	32,35	10,26	0,0015*
Gender*Education	1	12,50	12,50	3,97	0,0471*
Gender*Branch	1	26,69	26,69	8,47	0,0038*
Language*Marital status	1	19,59	19,59	6,21	0,0130*
Language*Salary	1	2,18	2,18	0,69	0,4061
Language*Branch	1	51,62	51,62	16,37	0,0001*
Language*Grade	1	39,28	39,28	12,46	0,0005*
Marital status*Religious denomination	1	31,97	31,97	10,14	0,0016*
Marital status*Education	1	55,67	55,67	17,66	0,0001*

TABLE 14.40: (CONTINUED)

Source	DF	Anova SS	Mean Square	F Value	Pr F
Marital status*Salary	3	32,24	10,74	4,41	0,0176*
Marital status*Branch	1	3,27	3,27	1,04	0,3083
Marital status*Grade	1	83,37	83,37	26,45	0,0001*
Religious denomination*Branch	1	6,88	6,88	2,18	0,1401
* p ≤ 0,05					

The information in Table 14.40 shows that significant differences are prevalent among the independent variables in respect of coaching for development needs. The overall F-ratio is significant (F = 5,86, p = 0,0001 < p = 0,05). This ratio, however, does not pinpoint the particular independent variables concerned. The first of these is age (F = 5,92, p = 0,0001 < p = 0,05). Secondly, marital status provided significant differences (F = 5,99, p = 0,0147 < p = 0,05). The third significant variable was salary (F = 4,95, p = 0,0002 < p = 0,05). The fourth significant variable was grade (F = 2,51, p = 0,0415 < p = 0,05). Significant two-way interaction effects were also detected. The first of these interaction effects is age by gender (F = 8,14, p = 0,0001 < p = 0,05). Secondly, the interaction effect of age by language was also significant (F = 5,81, p = 0,0001 < p = 0,05). The third significant two-way interaction effect was age by marital status (F = 5,99, p = 0,0001 < p = 0,05). Fourthly, the two-way interaction effect was age by salary (F = 6,29, p = 0,0001 < p = 0,05). Fifthly, the two-way interaction effect of age by branch is significant (F = 8,80, p = 0,0001 < p = 0,05). The sixth significant two-way interaction effect was age by grade (F = 5,38, p = 0,0001 < p = 0,05). The seventh significant two-way interaction effect was gender by language (F = 4,02, p = 0,0457 < p = 0,05). The eighth significant two-way interaction effect was gender by religious denomination (F = 10,26, p = 0,0015 < p = 0,05). The ninth significant two-way interaction effect was gender by education (F = 3,97, p = 0,0471 < p = 0,05). The tenth significant two-way interaction effect was gender by branch (F = 8,47, p = 0,0038 < p = 0,05). The eleventh significant two-way interaction effect was language by marital status (F = 6,21, p = 0,0130 < p = 0,05). The twelfth significant two-way interaction effect was language by branch (F = 16,37, p = 0,0001 < p = 0,05). The thirteenth significant two-way interaction effect was language by grade (F = 12,46, p = 0,0005 < p = 0,05). The fourteenth significant two-way interaction effect was marital status by religious denomination (F = 10,14, p = 0,0016 < p = 0,05). The next significant two-way interaction effect was marital status by education (F = 17,66, p = 0,0001 < p =

0,05). The sixteenth significant two-way interaction effect was marital status by salary (F = 4,41, p = 0,0176 < p = 0,05). The seventeenth significant two-way interaction effect was marital status by grade (F = 26,45, p = 0,0001 < p = 0,05).

Post hoc comparisons were done by means of a Scheffé-test to determine significant differences, if any, between the means of the subgroups in regard to the main factors age, language, education and branch.

In regard to age, the age groups 18-30 years, and 31years and older were compared. In this comparison t = 2,82 so that F ' = 7,95 (t^2) which with 2 and 393 degrees of freedom (df) is significant (F ' = 7,95 > F = 2,39 with 2 and 393 df p being < 0,05). In regard to language the Afrikaans group was compared to the English speaking group. In this comparison t = 1,97 so that F ' = 3,88 (t^2) which with 2 and 393 degrees of freedom (df) is significant (F ' = 3,88 > F = 3,86 with 2 and 393 df p being < 0,05). In regard to education the matric group was compared with the tertiary education group. In this comparison t = 1,97 so that F ' = 3,88 (t^2) which with 2 and 393 degrees of freedom (df) is significant (F ' = 3,88 > F = 3,86 with 2 and 393 df p being < 0,05). In regard to branch location the group at Head Office was compared to the branch network. In this comparison t = 1,97 so that F ' = 3,88 (t^2) which with 2 and 393 degrees of freedom (df) is significant (F ' = 3,88 > F = 3,86 with 2 and 393 df p being < 0,05).

14.8   DIMENSION INDIVIDUAL-CENTRED LEADERSHIP NEEDS

Table 14.38 displays a cross-tabulation between class intervals of scores on the individual-centred leadership needs dimension by education group.

TABLE 14.41: <u>TABLE OF INDIVIDUAL-CENTRED LEADERSHIP BY EDUCATION GROUP</u>.

Individual-centred leadership count	Education groups		
Row Pct Col Pct Tot Pct	Matric qualified	Tertiary qualified	Row total
10	76,5 5,6 4,9	23,5 11,1 1,5	34 6,4
11	81,3 11,3 9,8	18,8 16,7 2,3	64 12
12	84,8 29,1 25,1	15,2 33,3 4,5	158 29,6
13	80,8 21,9 18,9	19,2 33,3 4,5	125 23,5
14	96,4 23,4 20,3	3,6 5,6 0,8	112 21
15	100 2,6 2,3		12 2,3
16	100 3,5 3		16 3
18	100 2,6 2,3		12 2,3
Total Frequency Total Pct	461 86,5	72 13,5	533 100

Table 14:41 indicates that 48% of both matric and tertiary respondent scores, aggregate in the lower class intervals which indicates a low need for individual-centred leadership. Also 44,5% of both matric and tertiary respondent scores, aggregate in the middle class intervals which indicates a moderate need for individual-centred leadership. A high need for individual-centred leadership is indicated for matric respondent scores only, where 7,6% of the matric scores aggregate in the high class intervals.

Table 14.42 displays a cross-tabulation between class intervals of scores on the individual-centred leadership needs dimension by language group for Head Office staff.

TABLE 14.42: <u>TABLE OF INDIVIDUAL-CENTRED LEADERSHIP BY LANGUAGE GROUP FOR HEAD OFFICE STAFF</u>.

Individual-centred leadership count	Language groups			
Row Pct Col Pct Tot Pct	Afrikaans	English	Other	Row total
10	100 9,4 7,9			10 7,9
11	100 8,5 7,1			9 7,1
12	67,9 17,9 15	21,4 33,3 4,7	10,7 100 2,4	28 22
13	100 42,5 35,4			45 35,4
14	75 19,8 16,5	25 38,9 5,5		28 22
15		100 5,6 0,8		1 0,8
16		100 22,2 3,1		4 3,1
17	100 0,9 0,8			1 0,8
18	100 0,9 0,8			1 0,8
Total Frequency Total Pct	106 83,5	18 14,2	3 2,4	127 100

Table 14:42 indicates that all three language group scores, aggregate in the lower and medium class intervals which indicates a moderate need for individual-centred leadership. It should be noted that the English speaking respondents tend to have higher needs for individual-centred leadership (21,8% of their scores aggregate in the higher class intervals) compared to the Afrikaans group (1,9% of their scores aggregate in the higher class intervals).

Table 14.43 displays a cross-tabulation between class intervals of scores on the individual-centred leadership needs dimension by language group for the branch network staff..

TABLE 14.43: <u>TABLE OF INDIVIDUAL-CENTRED LEADERSHIP BY LANGUAGE GROUP FOR BRANCH STAFF</u>.

Individual-centred leadership count	Language groups			
Row Pct Col Pct Tot Pct	Afrikaans	English	Other	Row total
10	100 6,8 5,9			24 5,9
11	100 15,7 13,5			55 13,5
12	85,4 31,6 27,3	13,8 33,3 4,4	0,8 100 0,2	130 32
13	85 19,4 16,7	15 22,2 3		80 19,7
14	84,5 20,2 17,5	15,5 24,1 3,2		84 20,7
15	36,4 1,1 1	63,6 13 1,7		11 2,7
16	66,7 2,3 2	33,3 7,4 1		12 3
17	100 0,9 0,7			3 0,7
18	100 2 1,7			7 1,7
Total Frequency Total Pct	351 86,5	54 13,3	1 0,2	406 100

Table 14:43 indicates that all three language group scores, aggregate in the lower (51,4%) and medium (43,1%) class intervals that indicate a moderate need for individual-centred leadership. It should be noted that the English speaking respondents tend to have higher needs for individual-centred leadership (55,6% of their scores

aggregate in the higher class intervals) compared to the Afrikaans group (6% of their scores aggregate in the higher class intervals). Comparisons between Table 14.43 and Table 14.42 shows that the individual-centred leadership needs for Head Office are more prominent (majority of the scores aggregate in the middle class intervals) than those in the branch network (majority of the scores aggregate in the lower class intervals).

Table 14.44 displays the descriptive statistics of the dimension individual-centred leadership needs.

TABLE 14.44: <u>DESCRIPTIVE STATISTICS: INDIVIDUAL-CENTRED LEADERSHIP</u>.

Organizational factor	Mean	Std. Dev.	Std. Error	Kurtosis	Skewness	N
Age: 18 – 20 years	12,125	0,934	0,116	0,361	-0,256	64
Age: 21 – 25 years	12,508	1,660	0,128	1,649	1,006	167
Age: 26 – 30 years	12,528	1,235	0,110	0,907	0,130	125
Age: 31 – 40 years	13,225	1,967	0,204	0,066	0,656	93
Age: 41 years and older	13,333	1,090	0,118	-0,219	-0,931	84
Married	12,567	1,447	0,084	2,380	1,116	291
Unmarried or Divorced	12,909	1,609	0,103	0,702	0,317	242
Reformed Churches and Dutch Reformed Church	12,636	1,552	0,074	1,703	0,801	429
Other church groups	13,076	1,391	0,136	-0,428	0,477	104
Qualification: Matric	12,826	1,564	0,072	1,148	0,700	461
Tertiary qualified	12,055	1,086	0,128	-0,555	-0,384	72

TABLE 14.44: (CONTINUED)

Organizational factor	Mean	Std. Dev.	Std. Error	Kurtosis	Skewness	N
Less than three years of service	12,549	1,701	0,148	1,793	0,960	131
Three to five years of service	12,352	1,361	0,115	1,043	0,875	139
Six to ten years of service	12,555	1,232	0,118	0,769	0,418	108
More than eleven years of service	13,315	1,568	0,128	1,438	0,432	149
Head Office staff	12,803	1,431	0,126	1,415	0,320	127
Branch staff	12,697	1,561	0,077	1,317	0,816	406

An analysis of the content of Table 14.44 reveals that the skewness scores of the individual-centred leadership needs are also not normally distributed as the values for skewness are either greater or less than zero (0). For all independent variables, except subjects 18-20 years of age, and those 41 years and older, as well as tertiary qualified subjects, the distribution is positively skewed, or skewed to the right. An analysis of the value for kurtosis reveals that the distribution is leptokurtic (value > 0,263) for the majority of the independent variables, except for subjects 31 years of age and older, subjects from other church groups, and tertiary qualified subjects. The standard deviation is quite high which is also an indication of the skewness of the distribution. The standard error of the mean is also high for most of the organizational factors (except married respondents, those from the Reformed/Reformed (Hervormd)/Dutch Reformed church groups, matric qualified respondents, and branch respondents), and therefore inferences about the population cannot be drawn with certainty.

The influence of the independent variables (organizational factors) and their two-way interaction effects on individual-centred leadership needs were investigated by means of Anova. The calculations pertaining to these analyses of variance are presented in Table 14.45.

TABLE 14.45: <u>ANOVA: INDIVIDUAL-CENTRED LEADERSHIP BY ORGANIZATIONAL FACTORS</u>.

Source	DF	Sum of Squares	Mean Square	F Value	Pr F
Model	81	2922,77	36,08	4,66	0,0001*
Error	442	3425,82	7,75		
Corrected total	523	6348,60			
	R-square	C.V.	Root MSE	Individual-centred leadership needs Mean	
	0,460381	8,28	2,78	33,59	
Source	DF	Anova SS	Mean Square	F Value	Pr F
Age	4	292,76	73,19	9,44	0,0001*
Gender	1	108,16	108,16	13,95	0,0002*
Language	1	16,37	16,37	2,11	0,1468
Marital status	1	12,57	12,57	1,62	0,2035
Religious denomination	1	3,48	3,48	0,45	0,5029
Education	1	75,03	75,03	9,68	0,0020*
Salary	5	107,37	21,47	2,77	0,0177*
Branch	1	70,42	70,42	9,09	0,0027*
Job grade	4	30,79	7,69	0,99	0,4109
Age*Gender	4	170,16	42,54	5,49	0,0003*
Age*Language	4	47,67	11,91	1,54	0,1902
Age*Marital status	4	531,77	132,94	17,15	0,0001*
Age*Religious denomination	2	33,37	16,68	2,15	0,1174
Age*Education	4	11,60	2,90	0,37	0,8269
Age*Salary	5	287,00	57,41	7,41	0,0001*
Age*Branch	4	71,06	17,75	2,29	0,0589
Age*Grade	6	216,93	36,15	4,66	0,0001*
Gender*Language	1	0,12	0,12	0,02	0,9010
Gender*Marital status	1	10,36	10,36	1,34	0,2482
Gender*Religious denomination	1	88,08	88,08	11,36	0,0008*
Gender*Education	1	1,00	1,00	0,13	0,7190
Gender*Branch	1	9,12	9,12	1,18	0,2784
Language*Marital status	1	25,00	25,00	3,23	0,0732
Language*Salary	1	0,07	0,07	0,01	0,9213

TABLE 14.45: (CONTINUED)

Source	DF	Anova SS	Mean Square	F Value	Pr F
Language*Branch	1	85,41	85,41	11,02	0,0010*
Language*Grade	1	70,98	70,98	9,16	0,0026*
Marital status*Religious denomination	1	40,58	40,58	5,24	0,0226*
Marital status*Education	1	0,14	0,14	0,02	0,8921
Marital status*Salary	3	174,82	58,27	7,52	0,0001*
Marital status*Branch	1	18,64	18,64	2,41	0,1216
Marital status*Grade	1	9,42	9,42	1,22	0,2709
Religious denomination*Branch	1	9,18	9,18	1,19	0,2769
* p ≤ 0,05					

The information in Table 14.45 shows that significant differences are prevalent among the independent variables in respect of individual-centred leadership needs. The overall F-ratio is significant (F = 4,66, p = 0,0001 < p = 0,05). This ratio, however, does not pinpoint the particular independent variables concerned. The first of these is age (F = 9,44, p = 0,0001 < p = 0,05). Secondly, gender provided significant differences (F = 13,95, p = 0,0002 < p = 0,05). The third significant variable was education (F = 9,68, p = 0,0020 < p = 0,05). The fourth significant variable was salary (F = 2,77, p = 0,0177 < p = 0,05). The fifth significant variable was branch (F = 9,09, p = 0,0027 < p = 0,05). Significant two-way interaction effects were also detected. The first of these are age by gender (F = 5,49, p = 0,0003 < p = 0,05). Secondly, the interaction effect of age by marital status was also significant (F = 17,15, p = 0,0001 < p = 0,05). The third significant two-way interaction effect was age by salary (F = 7,41, p = 0,0001 < p = 0,05). Fourthly, the two-way interaction effect age by grade was significant (F = 4,66, p = 0,0001 < p = 0,05). Fifthly, the two-way interaction effect gender by religious denomination was significant (F = 11,36, p = 0,0008 < p = 0,05). The sixth significant two-way interaction effect was language by branch (F = 11,02, p = 0,0010 < p = 0,05). The seventh significant two-way interaction effect was language by grade (F = 9,16, p = 0,0026 < p = 0,05). The two-way interaction effect marital status by religious denomination also proved significant (F = 5,24, p = 0,0026 < p = 0,05). The ninth significant two-way interaction effect was marital status by salary (F = 7,52, p = 0,0001 < p = 0,05).

Post hoc comparisons were done by means of a Scheffé-test to determine significant differences, if any, between the means of the subgroups in regard to the main factors age, gender, education and branch.

In regard to age, the age groups 18-30 years, and 31 years and older were compared. In this comparison t = 2,39 so that F ' = 5,71 (t^2) which with 2 and 393 degrees of freedom (df) is significant (F ' = 5,71 > F = 3,04 with 2 and 393 df p being < 0,05). In regard to gender, the male and female groups were compared. In this comparison t = 1,97 so that F ' = 3,88 (t^2) which with 2 and 393 degrees of freedom (df) is significant (F ' = 3,88 > F = 2,14 with 2 and 393 df p being < 0,05). In regard to education the matric group was compared with the tertiary education group. In this comparison t = 1,97 so that F ' = 3,88 (t^2) which with 2 and 393 degrees of freedom (df) is significant (F ' = 3,88 > F = 3,86 with 2 and 393 df p being < 0,05). In regard to branch location the group at Head Office was compared to the branch network. In this comparison t = 2,82 so that F ' = 7,95 (t^2) which with 2 and 393 degrees of freedom (df) is significant (F ' = 7,95 > F = 2,39 with 2 and 393 df p being < 0,05).

14.9   DIMENSION TEAM SPIRIT NEEDS

Table 14.46 displays a cross-tabulation between class intervals of scores on team spirit needs dimension by age group.

TABLE 14.46: TABLE OF TEAM SPIRIT NEEDS BY AGE GROUP.

Work load and team spirit count	Age groups					
Row Pct Col Pct Tot Pct	18-20 years	21-25 years	26-30 years	31-40 years	41 years and over	Row total
4		100 1,2 0,4				2 0,4
6		55,6 3 0,9	44,4 3,2 0,8			9 1,7

TABLE 14.46: (CONTINUED)

Work load and team spirit count	Age groups					
Row Pct Col Pct Tot Pct	18-20 years	21-25 years	26-30 years	31-40 years	41 years and over	Row total
7			100 3,2 0,8			4 0,8
9		33,3 2,4 0,8	66,7 6,4 1,5			12 2,3
12	25 6,3 0,8	50 4,8 1,5		25 4,3 0,8		16 3
13	33,3 12,5 1,5	33,3 4,8 1,5	16,7 3,2 0,8	16,7 4,3 0,8		24 4,5
14			80 3,2 0,8	20 1,1 0,2		5 0,9
15			50 0,8 0,2		50 1,2 0,2	2 0,4
16	16 18,8 2,3	5,3 2,4 0,8	26,7 16 3,8	14,7 11,8 2,1	37,3 33,3 5,3	75 14,1
17	10,1 25 3	38,6 36,5 11,4	22,8 28,8 6,8	16,5 28 4,9	12 22,6 3,6	158 29,6
18	12,9 25 3	24,2 18 5,6	22,6 22,4 5,3	21,8 29 5,1	18,5 27,4 4,3	124 23,3
19		55,4 21,6 6,8	6,2 3,2 0,8	18,5 12,9 2,3	20 15,5 2,4	65 12,2

TABLE 14.46: (CONTINUED)

Work load and team spirit count	Age groups					
Row Pct Col Pct Tot Pct	18-20 years	21-25 years	26-30 years	31-40 years	41 years and over	Row total
20	19,4 10,9 1,3	25 5,4 1,7	33,3 9,6 2,3	22,2 8,6 1,5		36 6,8
21	100 1,6 0,2					1 0,2
Total Frequency Total Pct	64 12	167 31,3	125 23,5	93 17,4	84 15,8	533 100

Table 14:46 indicates that a vast majority across the age group scores, aggregate in the higher (86,2%) of the class intervals, which indicate a high need for team spirit.

Table 14.47 displays the descriptive statistics of the dimension team spirit needs.

TABLE 14.47: <u>DESCRIPTIVE STATISTICS: TEAM SPIRIT</u>.

Organizational factor	Organizational Factor	Mean	Std. Dev.	Std. Error	Kurtosis	Skewness	N
Age: 18 – 20 years	AGE: 18 – 20 years	16,640	2,277	0,284	-0,181	-0,554	64
Age: 21 – 25 years	AGE: 21 – 25 years	16,640	3,260	0,252	4,478	-2,136	167
Age: 26 – 30 years	Age: 26 – 30 years	15,992	3,529	0,315	1,802	-1,607	125
Age: 31 – 40 years	Age: 31 – 40 years	17,268	1,877	0,194	1,675	-1,205	93
Age: 41 years and older	Age: 41 years and over	17,226	1,112	0,121	-1,209	0,182	84
Married	Married	16,725	2,988	0,175	4,939	-2,081	291
Unmarried or Divorced	Unmarried or Divorced	16,648	2,567	0,165	5,392	-2,168	242
Reformed Churches and Dutch Reformed Church	Reformed/ Reformed (Hervormd) / Dutch Reformed	16,594	2,868	0,138	4,700	-2,048	429
Other church groups	Other church groups	17,086	2,489	0,244	8,393	-2,472	104
Qualification: Matric	Qualification: Matric	17,006	2,563	0,119	6,902	--2,326	461
Tertiary qualified	Tertiary qualified	14,666	3,390	0,399	1,288	-1,516	72
Less than three years of service	Less than 3 years of service	16,374	2,912	0,254	0,465	-1,064	131
Three to five years of service	3-5 years of service	16,906	3,113	0,264	7,474	-2,665	139
Six to ten years of service	6-10 years of service	16,111	3,462	0,333	2,638	-1,785	108
More than eleven years of service	More than 11 years of service	17,187	1,552	0,127	2,723	-1,350	149
Head Office staff	Head Office staff	16,755	2,061	0,182	0,319	-0,836	127
Branch staff	Branch staff	16,669	2,999	0,148	4,932	-2,176	406

An analysis of the content of Table 14.47 reveals that the skewness scores for team spirit needs are also not normally distributed as the values for skewness are either

greater or less than zero (0). The distribution is negatively skewed or skewed to the left, except for subjects 41 years and older. Analysis of the value for kurtosis reveals that the distribution is more peaked than normal (the distribution is leptokurtic; value > 0,263), except for subjects aged 18 - 20 years, and subjects aged 41 years and older. The standard deviation is high which also indicates the skewness of the distribution. The standard error of the mean is also high for all the organizational factors and therefore inferences about the population cannot be drawn with certainty.

The influence of the independent variables (organizational factors) and their two-way interaction effects on team spirit needs were investigated by means of Anova. The calculations pertaining to these analyses of variance are presented in Table 14.48.

TABLE 14.48: <u>ANOVA: TEAM SPIRIT BY ORGANIZATIONAL FACTORS.</u>

Source	DF	Sum of Squares	Mean Square	F Value	Pr F
Model	81	2465,33	30,43	7,96	0,0001*
Error	442	1689,51	3,82		
Corrected total	523	4154,84			
	R-square	C.V.	Root MSE	Team spirit Mean	
	0,593364	11,72	1,95	16,67	
Source	DF	Anova SS	Mean Square	F Value	Pr F
Age	4	107,48	26,87	7,03	0,0001*
Gender	1	3,74	3,74	0,98	0,3230
Language	1	4,51	4,51	1,18	0,2779
Marital status	1	3,22	3,22	0,84	0,3589
Religious denomination	1	24,04	24,04	6,29	0,0125*
Education	1	389,49	389,49	101,90	0,0001*
Salary	5	180,50	36,10	9,44	0,0001*
Branch	1	1,55	1,55	0,41	0,5239
Job grade	4	139,84	34,96	9,15	0,0001*
Age*Gender	4	132,86	33,21	8,69	0,0001*
Age*Language	4	58,19	14,54	3,81	0,0047*
Age*Marital status	4	134,58	33,64	8,80	0,0001*
Age*Religious denomination	2	6,17	3,08	0,81	0,4463
Age*Education	4	63,07	15,76	4,13	0,0027*
Age*Salary	5	199,85	39,97	10,46	0,0001*

TABLE 14.48: (CONTINUED)

Source	DF	Anova SS	Mean Square	F value	Pr F
Age*Branch	4	53,15	13,28	3,48	0,0082*
Age*Grade	6	268,81	44,80	11,72	0,0001*
Gender*Language	1	25,68	25,68	6,72	0,0099*
Gender*Marital status	1	59,51	59,51	15,57	0,0001*
Gender*Religious denomination	1	6,50	6,50	1,70	0,1929
Gender*Education	1	6,15	6,15	1,61	0,2053
Gender*Branch	1	21,69	21,69	5,68	0,0176*
Language*Marital status	1	5,78	5,78	1,51	0,2195
Language*Salary	1	0,07	0,07	0,02	0,8878
Language*Branch	1	28,30	28,30	7,40	0,0068*
Language*Grade	1	6,48	6,48	1,70	0,1933
Marital status*Religious denomination	1	8,03	8,03	2,10	0,1479
Marital status*Education	1	96,91	96,91	25,36	0,0001*
Marital status*Salary	3	214,28	71,42	18,69	0,0001*
Marital status*Branch	1	2,67	2,67	0,70	0,4029
Marital status*Grade	1	34,76	34,76	9,10	0,0027*
Religious denomination*Branch	1	1,28	1,28	0,34	0,5630
* p ≤ 0,05					

The information in Table 14.48 indicates that significant differences are prevalent among the independent variables in respect of team spirit needs. The overall F-ratio is significant (F = 7,96, p = 0,0001 < p = 0,05). This ratio, however, does not pinpoint the particular independent variables concerned. The first of these is age (F = 7,03, p = 0,0001 < p = 0,05). Secondly, religious denomination provided significant differences (F = 6,29, p = 0,0125 < p = 0,05). The third significant variable was education (F = 101,90, p = 0,0001 < p = 0,05). The fourth significant variable was salary (F = 9,44, p = 0,0001 < p = 0,05). The fifth significant variable was job grade (F = 9,15, p = 0,0001 < p = 0,05). Significant two-way interaction effects were also detected. The first of these is age by gender (F = 8,69, p = 0,0001 < p = 0,05). Secondly, the interaction effect age by language was also significant (F = 3,81, p = 0,0047 < p = 0,05). The third significant two-way interaction effect was age by salary (F = 10,46, p = 0,0001 < p = 0,05).

Fourthly, the two-way interaction effect on age by marital status (F = 8,80, p = 0,0001 < p = 0,05). Fifthly, the two-way interaction effect on age by education (F = 4,13, p = 0,0027< p = 0,05). The sixth significant two-way interaction effect was on age by salary (F = 10,46, p = 0,0001 < p = 0,05). The seventh significant two-way interaction effect was on age by branch (F = 3,48, p = 0,0082 < p = 0,05). The eighth significant two-way interaction effect was on age by grade (F = 11,72, p = 0,0001 < p = 0,05). The ninth significant two-way interaction effect was on gender by language (F = 6,72, p = 0,0099 < p = 0,05). The tenth significant two-way interaction effect was on gender by marital status (F = 15,57, p = 0,0001 < p = 0,05). The eleventh significant two-way interaction effect was on gender by branch (F = 5,68, p = 0,0176 < p = 0,05). The twelfth significant two-way interaction effect was on language by branch (F = 7,40, p = 0,0068 < p = 0,05). The thirteenth significant two-way interaction effect was on marital status by education (F = 25,36, p = 0,0001 < p = 0,05). The fourteenth significant two-way interaction effect was on marital status by salary (F = 18,69, p = 0,0001 < p = 0,05). The last significant two-way interaction effect was on marital status by grade (F = 9,10, p = 0,0027 < p = 0,05).

Post hoc comparisons were done by means of a Scheffé-test to determine significant differences, if any, between the means of the subgroups in regard to the main factors age, gender, language, education and branch.

In regard to age, the two age groups 18-30 years, and 31 years and over were compared. In this comparison t = 2,82 so that F ' = 7,95 (t^2) which with 2 and 393 degrees of freedom (df) is significant (F ' = 7,95 > F 2,39 with 2 and 393 df p being < 0,05). In regard to gender, the male and female groups were compared. In this comparison t = 1,97 so that F ' = 3,88 (t^2) which with 2 and 393 degrees of freedom (df) is significant (F ' = 3,88 > F = 3,86 with 2 and 393 df p being < 0,05). In regard to language, the Afrikaans and English speaking groups were compared. In this comparison t = 1,97 so that F ' = 3,88 (t^2) which with 2 and 393 degrees of freedom (df) is significant (F ' = 3,88 > F = 3,86 with 2 and 393 df p being < 0,05). In regard to education the matric group was compared with the tertiary education group. In this comparison t = 1,97 so that F ' = 3,88 (t^2) which with 2 and 393 degrees of freedom (df) is significant (F ' = 3,88 > F = 3,86 with 2 and 393 df p being < 0,05). In regard to branch location the group at Head Office were compared to the branch network. In this comparison t = 1,97

so that F ' = 3,88 (t^2) which with 2 and 393 degrees of freedom (df) is significant (F ' = 3,88 > F = 3,86 with 2 and 393 df p being < 0,05).

14.10   **DIMENSION INTERNAL CONTROL**

Table 14.49 displays a cross-tabulation between class intervals of scores on the internal control dimension by education group for Head Office.

TABLE 14.49: TABLE OF INTERNAL CONTROL BY EDUCATION GROUP FOR HEAD OFFICE STAFF.

Internal control count	Education groups		
Row Pct Col Pct Tot Pct	Matric	Tertiary qualified	Row total
82	100 1,3 0,9		1 0,9
83	100 20 15,1		16 15,1
84	100 1,3 0,9		1 0,9
85	100 6,3 4,7		5 4,7
88	100 1,3 0,9		1 0,9
89	100 1,3 0,9		1 0,9
93	100 10 7,5		8 7,5
94	100 1,3 0,9		1 0,9

TABLE 14.49: (CONTINUED)

Internal control count	Education groups		
Row Pct Col Pct Tot Pct	Matric	Tertiary qualified	Row total
98	100 10 7,5		8 7,5
138	100 1,3 0,9		1 0,9
140	100 5 3,8		4 3,8
150	100 3,8 2,8		3 2,8
156		100 3,8 0,9	1 0,9
157	100 3,8 2,8		3 2,8
162	100 1,3 0,9		1 0,9
163	100 3,8 2,8		3 2,8
166	100 5 3,8		4 3,8
169		100 11,5 2,8	3 2,8
170	100 2,5 1,9		2 1,9

TABLE 14.49: (CONTINUED)

Internal control count	Education groups		
Row Pct Col Pct Tot Pct	Matric	Tertiary qualified	Row total
176		100 3,8 0,9	1 0,9
177	100 5 3,8		4 3,8
179	11,1 1,3 0,9	88,9 30,8 7,5	9 8,5
185		100 23,1 5,7	6 5,7
186	100 5 3,8		4 3,8
189	100 10 7,5		8 7,5
205		100 26,9 6,6	7 6,6
Total Frequency Total Pct	80 75,5	26 24,5	106 100

Table 14:49 indicates that the matric group scores at Head Office, aggregate in the lower (52%) and medium (18,5%) class intervals that indicate lower to moderate internal control. The tertiary qualified group scores at Head Office aggregate in the higher (96%) class intervals that indicate higher internal control.

 Table 14.50 displays a cross-tabulation between class intervals of scores on the internal control dimension by education group for the branch network.

TABLE 14.50: <u>**TABLE OF INTERNAL CONTROL BY EDUCATION GROUP**</u>
<u>**FOR BRANCH STAFF**</u>.

Internal control count	Education groups		
Row Pct Col Pct Tot Pct	Matric	Tertiary qualified	Row total
80	100 1,3 1,1		4 1,1
81	100 2,5 2,3		8 2,3
82	100 9,8 8,8		31 8,8
83	100 2,5 2,3		8 2,3
84	100 18,6 16,8		59 16,8
85	100 6 5,4		19 5,4
86	100 3,8 3,4		12 3,4
87	75 3,8 3,4	25 11,8 1,1	16 4,6
88	100 3,5 3,1		11 3,1
89	100 4,7 4,3		15 4,3
90	100 1,3 1,1		4 1,1

TABLE 14.50: (CONTINUED)

Internal control count	Education groups		
Row Pct Col Pct Tot Pct	Matric	Tertiary qualified	Row total
91	100 1,3 1,1		4 1,1
94	100 2,2 2		7 2
97	100 1,3 1,1		4 1,1
101	100 2,5 2,3		8 2,3
120	100 1,3 1,1		4 1,1
121	100 1,3 1,1		4 1,1
128	100 2,5 2,3		8 2,3
129	100 1,3 1,1		4 1,1
138	100 0,9 0,9		3 0,9
140	100 1,3 1,1		4 1,1
146	100 0,9 0,9		3 0,9

TABLE 14.50: (CONTINUED)

Internal control count	Education groups		
Row Pct Col Pct Tot Pct	Matric	Tertiary qualified	Row total
148	100 1,3 1,1		4 1,1
150	100 0,3 0,3		1 0,3
154	100 1,3 1,1		4 1,1
156		100 11,8 1,1	4 1,1
157	75 2,8 2,6	25 8,8 0,9	12 3,4
158	100 1,3 1,1		4 1,1
162	100 0,9 0,9		3 0,9
163	100 1,6 1,4		5 1,4
164	100 1,3 1,1		4 1,1
169		100 2,9 0,3	1 0,3
171		100 11,8 1,1	4 1,1

TABLE 14.50: (CONTINUED)

Internal control count	Education groups		
Row Pct Col Pct Tot Pct	Matric	Tertiary qualified	Row total
176		100 8,8 0,9	3 0,9
179	100 2,2 2		7 2
181	100 2,5 2,3		8 2,3
185	80 2,5 2,3	20 5,9 0,6	10 2,8
186	80 1,3 1,1	20 2,9 0,3	5 1,4
187		100 8,8 0,9	3 0,9
189	100 2,5 2,3		8 2,3
194		100 11,8 1,1	4 1,1
195	100 1,3 1,1		4 1,1
199		100 11,8 1,1	4 1,1
205		100 2,9 0,3	1 0,3
Total Frequency Total Pct	317 90,3	34 9,7	351 100

Table 14:50 indicates that the majority of the matric group scores in the branch network, aggregate in the lower (67,7%) class intervals that indicate low internal control. The majority of the tertiary qualified group scores in the branch network, aggregate in the higher (70%) class intervals, which indicate higher internal control. It should be noted that more matric qualified respondents in the branch network are low on internal control (67,7% of their scores aggregate in the lower class intervals) compared to the Head Office (52% of their scores aggregate in the lower class intervals). Also more tertiary qualified respondents in the Head Office are high on internal control (96% of their scores aggregate in the high class intervals) compared to the branch network (70% of their scores aggregate in the higher class intervals).

Table 14.51 displays the descriptive statistics of the dimension internal control.

TABLE 14.51: <u>DESCRIPTIVE STATISTICS: INTERNAL CONTROL</u>.

Organizational factor	Mean	Std. Dev.	Std. Error	Kurtosis	Skewness	N
Age: 18 – 20 years	130,187	44,680	5,585	-1,829	0,192	64
Age: 21 – 25 years	117,688	39,430	3,051	-1,431	0,557	167
Age: 26 – 30 years	126,448	44,318	3,963	-1,545	0,348	125
Age: 31 – 40 years	127,494	42,611	4,418	-1,761	0,257	93
Age: 41 years and older	100,761	34,883	3,806	1,014	1,666	84
Married	122,453	42,180	2,472	-1,565	0,432	291
Unmarried or Divorced	117,681	42,017	2,701	-1,282	0,671	242
Reformed Churches and Dutch Reformed Church	120,748	41,827	2,019	-1,450	0,522	429
Other church groups	118,384	43,533	4,268	-1,464	0,609	104
Qualification: Matric	111,997	37,949	1,767	-0,961	0,878	461
Tertiary qualified	173,361	25,868	3,048	4,468	-1,919	72
Less than three years of service	129,931	43,225	3,776	-1,727	0,148	131
Three to five years of service	111,352	36,540	3,099	-0,989	0,879	139
Six to ten years of service	136,916	44,893	4,319	-1,659	-0,104	108
More than eleven years of service	108,812	38,336	3,140	-0,549	1,110	149
Head Office staff	137,039	44,779	3,973	-1,732	-0,161	127
Branch staff	115,046	39,907	1,980	-1,102	0,780	406

An analysis of the content of Table 14.51 reveals that the skewness scores of the internal control dimension are also not normally distributed as the values for skewness are either greater or less than zero (0). The distribution is positively skewed or skewed to the right, except for tertiary qualified subjects, those with six to ten years of service, and Head Office staff. Analysis of the value for kurtosis reveals that it is platykurtic (value < 0,263), except for subjects 41 years and older, and those that are tertiary qualified. The standard deviation is quite high which also indicates the skewness of the distribution. The standard error of the mean is very high for all the organizational factors and therefore inferences about the population cannot be drawn with certainty.

The influence of the independent variables (organizational factors) and their two-way interaction effects on the internal control dimension were investigated by means Anova. The calculations pertaining to these analyses of variance are presented in Table 14.52.

TABLE 14.52: <u>ANOVA: INTERNAL CONTROL BY ORGANIZATIONAL FACTORS</u>.

Source	DF	Sum of Squares	Mean Square	F Value	Pr F
Model	7	278813,45	39830,49	31,41	0,0001*
Error	521	660758,25	1268,25		
Corrected total	528	939571,71			
	R-square	C.V.	Root MSE	Internal Control Mean	
	0,296745	29,38	35,61	121,19	
Source	DF	Anova SS	Mean Square	F Value	Pr F
NULanguage	1	10856,32	10856,32	8,56	0,0036*
NUEducation	1	230719,86	230719,86	181,92	0,0001*
NUBranch	1	51462,54	51462,54	40,58	0,0001*
NULanguage *NUEducation	1	8068,80	8068,80	6,36	0,0120*
NUEducation *NUBranch	1	0,00	0,00	0,00	1,0000
* p ≤ 0,05					

The information in Table 14.52 shows that significant differences are prevalent among the independent variables in respect of internal control. The overall F-ratio is significant (F = 31,41, p = 0,0001 < p = 0,05). This ratio, however, does not pinpoint the particular

recoded independent variables concerned. The first of these is language (F = 8,56, p = 0,0036 < p = 0,05) and secondly, education (F = 181,92, p = 0,0001 < p = 0,05). Thirdly, branch provided significant differences (F = 40,58, p = 0,0001 < p = 0,05). A significant two-way interaction effect was also detected, namely language by education (F = 6,36, p = 0,0120 < p = 0,05).

Post hoc comparisons were done by means of a Scheffé-test to determine significant differences, if any, between the means of the subgroups in regard to the main factors, language and education.

In regard to language, the Afrikaans and English speaking groups were compared. In this comparison t = 1,97 so that F ' = 3,88 (t^2) which with 2 and 521 degrees of freedom (df) is significant (F ' = 3,88 > F = 3,86 with 2 and 521 df p being < 0,05). In regard to branch location the group at Head Office was compared to the branch network. In this comparison t = 1,97 so that F ' = 3,88 (t^2) which with 2 and 521 degrees of freedom (df) is significant (F ' = 3,88 > F = 3,86 with 2 and 521 df p being < 0,05). In regard to education the matric group was compared with the tertiary education group. In this comparison t = 1,97 so that F ' = 3,88 (t^2) which with 2 and 521 degrees of freedom (df) is significant (F ' = 3,88 > F = 3,86 with 2 and 521 df p being < 0,05).

14.11   DIMENSION EXTERNAL CONTROL

Table 14.53 displays a cross-tabulation between class intervals of scores on the external control dimension by education group.

TABLE 14.53: <u>TABLE OF EXTERNAL CONTROL BY EDUCATION GROUP</u>.

External control count	Education groups		
Row Pct Col Pct Tot Pct	Matric	Tertiary qualified	Row total
13	100 0,7 0,6		3 0,6
17	100 2,6 2,3		12 2,3
21	100 0,9 0,8		4 0,8
23	100 2 1,7		9 1,7
24	100 1,5 1,3		7 1,3
25	66,7 1,7 1,5	33,3 5,6 0,8	12 2,3
26	100 6,9 6		32 6
27	92,9 11,3 9,8	7,1 5,6 0,8	56 10,5
28	96,5 23,9 20,6	3,5 5,6 0,8	114 21,4
29	96,2 21,7 18,8	3,8 5,6 0,8	104 19,5
30	100 5,2 4,5		24 4,5

TABLE 14.53: (CONTINUED)

External control count	Education groups		
Row Pct Col Pct Tot Pct	Matric	Tertiary qualified	Row total
31	75 2,6 2,3	25 5,6 0,8	16 3
32	100 2,6 2,3		12 2,3
33	58,5 5,2 4,5	41,5 23,6 3,2	41 7,7
34	42,1 1,7 1,5	57,9 15,3 2,1	19 3,6
35	60 2,6 2,3	40 11,1 1,5	20 3,8
36		100 5,6 0,8	4 0,8
37	100 4,3 3,8		20 3,8
38		100 5,6 0,8	4 0,8
40	100 1,7 1,5		8 1,5
41	33,3 0,9 0,8	66,7 11,1 1,5	12 2,3
Total Frequency Total Pct	461 86,5	72 13,5	533 100

Table 14:53 indicates that the majority of the matric group scores aggregate to the middle (67,7%) and high (19%) class intervals which indicate moderate to high external control. The majority of the tertiary qualified group scores aggregate to the higher (61,2%) class intervals, which indicate higher external control. Low external control is depicted by the matric group scores that aggregate to the low (4,2%) class intervals.

Table 14.54 displays a cross-tabulation between class intervals of scores on the external control dimension by branch group.

TABLE 14.54: <u>TABLE OF EXTERNAL CONTROL BY BRANCH</u>.

External control count	Branch groups		
Row Pct Col Pct Tot Pct	Head Office	Branches	Row total
13		100 0,7 0,6	3 0,6
17		100 3 2,3	12 2,3
21		100 1 0,8	4 0,8
23	11,1 0,8 0,2	88,9 2 1,5	9 1,7
24	42,9 2,4 0,6	57,1 1 0,8	7 1,3
25	16,7 1,6 0,4	83,3 2,5 1,9	12 2,3
26	15,6 3,9 0,9	84,4 6,7 5,1	32 6

TABLE 14.54: (CONTINUED)

External control count	Branch groups		
Row Pct Col Pct Tot Pct	Head Office	Branches	Row total
27	25 11 2,6	75 10,3 7,9	56 10,5
28	14 12,6 3	86 24,1 18,4	114 21,4
29	23,1 18,9 4,5	76,9 19,7 15	104 19,5
30	16,7 3,1 0,8	83,3 4,9 3,8	24 4,5
31		100 3,9 3	16 3
32	33,3 3,1 0,8	66,7 2 1,5	12 2,3
33	36,6 11,8 2,8	63,4 6,4 4,9	41 7,7
34	15,8 2,4 0,6	84,2 3,9 3	19 3,6
35	35 5,5 1,3	65 3,2 2,4	20 3,8
36	100 3,1 0,8		4 0,8
37	45 7,1 1,7	55 2,7 2,1	20 3,8

TABLE 14.54: (CONTINUED)

External control count	Branch groups		
Row Pct Col Pct Tot Pct	Head Office	Branches	Row total
38	100 3,1 0,8		4 0,8
40		100 2 1,5	8 1,5
41	100 9,4 2,3		12 2,3
Total Frequency Total Pct	127 23,8	406 76,2	533 100

Table 14:54 indicates that the majority for both the Head Office and branch group scores aggregate in the lower and medium class intervals which indicate lower to moderate external control. Comparisons between the group scores for the higher class intervals of Head Office (45,5%) and the branches (20,2%) indicate higher external control at Head Office.

Table 14.55 displays the descriptive statistics of the dimension external control.

TABLE 14.55: <u>DESCRIPTIVE STATISTICS: EXTERNAL CONTROL</u>.

Organizational factor	Mean	Std. Dev.	Std. Error	Kurtosis	Skewness	N
Age: 18 – 20 years	81,062	9,130	1,141	1,173	-0,658	64
Age: 21 – 25 years	76,688	10,199	0,789	3,580	-1,087	167
Age: 26 – 30 years	79,064	9,517	0,851	0,738	-0,194	125
Age: 31 – 40 years	80,903	8,469	0,878	-0,576	0,292	93
Age: 41 years and older	76,380	3,945	0,430	6,886	2,342	84
Married	78,374	9,524	0,558	3,419	-0,953	291
Unmarried or Divorced	78,557	8,460	0,543	1,041	0,256	242
Reformed Churches and Dutch Reformed Church	78,459	9,619	0,464	2,423	-0,591	429
Other church groups	78,451	6,200	0,607	-0,180	0,944	104
Qualification: Matric	77,160	8,401	0,391	4,031	-0,838	461
Tertiary qualified	86,763	8,679	1,022	-1,069	-0,462	72
Less than three years of service	79,152	10,581	0,924	-0,040	-0,429	131
Three to five years of service	76,107	9,007	0,764	7,398	-1,964	139
Six to ten years of service	80,620	9,105	0,876	0,520	-0,127	108
More than eleven years of service	78,449	7,071	0,579	1,175	1,144	149
Head Office staff	82,669	8,699	0,771	-1,039	0,291	127
Branch staff	77,140	8,758	0,434	3,658	-0,855	406

An analysis of the content of Table 14.55 reveals that the skewness scores of the external control dimension are also not normally distributed as the values for skewness

are either greater or less than zero (0). The distribution is negatively skewed or skewed to the left, except for subjects 31 years and older, unmarried/divorced subjects, those from other church groups, those with more than 11 years of service, and Head Office staff. An analyses of the value for kurtosis reveals that it is leptokurtic (value > 0,263), except for subjects 31 years and over, subjects from other church groups, tertiary qualified subjects, those with less than 3 years service, and Head Office subjects. The standard deviation is high which also indicates the skewness of the distribution. The standard error of the mean is very high for all the organizational factors and therefore inferences about the population cannot be drawn with confidence.

The influence of the independent variables (organizational factors) and their two-way interaction effects on the external control dimension were investigated by means of Anova. The calculations pertaining to these analyses of variance are presented in Table 14.56.

TABLE 14.56: <u>ANOVA: EXTERNAL CONTROL BY ORGANIZATIONAL FACTORS.</u>

Source	DF	Sum of Squares	Mean Square	F Value	Pr F
Model	7	8375,84	1196,54	17,72	<0,0001*
Error	521	35187,60	67,53		
Corrected total	528	43563,45			
	R-square	C.V.	Root MSE	External Control Mean	
	0,192268	10,47	8,21	78,46	
Source	DF	Anova SS	Mean Square	F Value	Pr F
NULanguage	1	98,33	98,33	1,46	0,2281
NUEducation	1	5745,19	5745,19	85,07	0,0001*
NUBranch	1	3024,07	3024,07	44,78	0,0001*
NULanguage *NUEducation	1	70,59	70,59	1,05	0,3071
NUEducation *NUBranch	1	0,00	0,00	0,00	1,0000
* p ≤ 0,05					

The information in Table 14.56 shows that significant differences are prevalent among the recoded independent variables in respect of external control. The overall F-ratio is significant (F = 17,72, p < 0,0001 < p = 0,05). This ratio, however, does not pinpoint

the particular recoded independent variables concerned. The first of these is education ($F = 85,07$, $p = 0,0001 < p = 0,05$). Secondly, branch provided significant differences ($F = 44,78$, $p = 0,0001 < p = 0,05$). No significant two-way interactions were detected.

Post hoc comparisons were done by means of a Scheffé-test to determine significant differences, if any, between the means of the subgroups in regard to the main factor branch location.

In regard to branch location the group at Head Office were compared to the branch network. In this comparison $t = 1,97$ so that $F ' = 3,88$ (t^2) which with 2 and 521 degrees of freedom (df) is significant ($F ' = 3,88 > F = 3,86$ with 2 and 521 df p being $< 0,05$).

14.12   DIMENSION AUTONOMY

Table 14.57 displays a cross-tabulation between class intervals of scores on the autonomy dimension by education group for Head Office.

TABLE 14.57: <u>TABLE OF AUTONOMY BY EDUCATION GROUP FOR
HEAD OFFICE STAFF</u>.

Autonomy count	Education groups		
Row Pct Col Pct Tot Pct	Matric	Tertiary qualified	Row total
4	100 48,8 36,8		39 36,8
5	55,6 6,3 4,7	44,4 15,4 3,8	9 8,5
16	100 5 3,8		4 3,8
17	100 10 7,5		8 7,5
18	85,2 28,8 21,7	14,8 15,4 3,8	27 25,5
20	50 1,3 0,9	50 3,8 0,9	2 1,9
22		100 7,7 1,9	2 1,9
23		100 11,5 2,8	3 2,8
24		100 46,2 11,3	12 11,3
Total Frequency Total Pct	80 75,5	26 24,5	106 100

Table 14:57 indicates that the majority of the scores for tertiary qualified staff at Head Office aggregate in the higher class intervals (84,6%) which indicate higher levels of autonomy. The majority of the scores for matric qualified staff at Head Office aggregate in the lower class intervals, which indicate lower levels of autonomy.

Table 14.58 displays a cross-tabulation between class intervals of scores on the autonomy dimension by education group for the branch network.

TABLE 14.58: <u>TABLE OF AUTONOMY BY EDUCATION GROUP FOR BRANCH STAFF</u>.

Autonomy count	Education groups		
Row Pct Col Pct Tot Pct	Matric	Tertiary qualified	Row total
4	100 2,5 2,3		8 2,3
5	100 2,2 2		7 2
10	100 0,9 0,9		3 0,9
12	100 3,8 3,4		12 3,4
15	100 3,8 3,4		12 3,4
16		100 11,8 1,1	4 1,1
17	100 7,6		24 6,8
18	89,6 21,8 19,7	10,4 23,5 2,3	77 21,9
19	100 36,3 32,8		115 32,8
20	94 14,8 13,4	6 8,8 0,9	50 14,2

TABLE 14.58: (CONTINUED)

Autonomy count	Education groups		
Row Pct Col Pct Tot Pct	Matric	Tertiary qualified	Row total
21	50 2,5 2,3	50 23,5 2,3	16 4,6
22	57,1 2,5 2,3	42,9 17,6 1,7	14 4
23	44,4 1,3 1,1	55,6 14,7 1,4	9 2,6
Total Frequency Total Pct	317 90,3	34 9,7	351 100

Table 14:58 indicates that the majority of the scores for both matric and tertiary qualified staff in the branch network aggregate in the higher class intervals which indicate higher levels of autonomy. High levels of autonomy are more prominent with tertiary qualified staff compared to matric qualified staff (88,2% vs. 79,2% respectively). Comparisons between Table 14.57 and Table 14.58 shows that high levels of autonomy are prominent with tertiary educated staff in both Head Office and the branch network, but are higher in the branch network. Also high levels of autonomy are prominent with matric qualified staff in the branch network, but the majority of matric qualified staff in Head Office showed lower levels of autonomy.

Table 14.59 displays the descriptive statistics of the dimension autonomy.

TABLE 14.59: <u>DESCRIPTIVE STATISTICS: AUTONOMY</u>.

Organizational factor	Mean	Std. Dev.	Std. Error	Kurtosis	Skewness	N
Age: 18 – 20 years	22,437	7,018	0,877	0,096	-1,146	64
Age: 21 – 25 years	23,299	6,385	0,494	0,765	-1,250	167
Age: 26 – 30 years	23,688	5,442	0,486	1,494	-1,202	125
Age: 31 – 40 years	23,365	6,128	0,635	1,441	-1,356	93
Age: 41 years and older	26,571	3,380	0,368	0,491	-1,245	84
Married	23,584	5,944	0,348	1,326	-1,399	291
Unmarried or Divorced	24,090	5,936	0,381	1,565	-1,441	242
Reformed Churches and Dutch Reformed Church	23,526	6,315	0,304	0,969	-1,303	429
Other church groups	25	3,846	0,377	-0,723	-0,728	104
Qualification: Matric	24,418	5,661	0,263	1,804	-1,482	461
Tertiary qualified	19,944	6,261	0,737	0,126	-1,196	72
Less than three years of service	21,740	6,827	0,596	-0,222	-0,914	131
Three to five years of service	24,625	5,448	0,462	2,527	-1,653	139
Six to ten years of service	23	5,259	0,506	1,903	-1,259	108
More than eleven years of service	25,302	5,497	0,450	3,493	-1,866	149
Head Office staff	21,850	7,005	0,621	0,107	-1,006	127
Branch staff	77,140	8,758	0,434	3,658	-0,855	406

An analysis of the content of Table 14.59 reveals that the skewness scores for the autonomy dimension are also not normally distributed as the values for skewness are either greater or less than zero (0). The distribution is negatively skewed or skewed to the left for all the independent variables. An analysis of the value for kurtosis reveals that it is leptokurtic (value > 0,263), except for subjects aged 18 - 20 years, subjects from other church groups, tertiary qualified subjects, subjects with less than three years of service, and Head Office staff. The standard deviation is high which also indicates the skewness of the distribution. The standard error of the mean is also high for all the organizational factors and therefore inferences about the population cannot be drawn with confidence.

The influence of the independent variables (organizational factors) and their two-way interaction effects on the autonomy dimension were investigated by means of Anova. The calculations pertaining to these analyses of variance are presented in Table 14.60.

TABLE 14.60: <u>ANOVA: AUTONOMY BY ORGANIZATIONAL FACTORS</u>.

Source	DF	Sum of Squares	Mean Square	F Value	Pr F
Model	7	2458,56	351,22	11,29	0,0001*
Error	521	16207,66	31,10		
Corrected total	528	18666,23			
	R-square	C.V.	Root MSE	Autonomy Mean	
	0,131712	23,45	5,57	23,77	
Source	DF	Anova SS	Mean Square	F Value	Pr F
NULanguage	1	315,99	315,99	10,16	0,0015*
NUEducation	1	1222,94	1222,94	39,31	0,0001*
NUBranch	1	712,65	712,65	22,91	0,0001*
NULanguage *NUEducation	1	54,63	54,63	1,76	0,1857
NUEducation *NUBranch	1	1,16	1,16	0,04	0,8463
* p ≤ 0,05					

The information in Table 14.60 shows that significant differences are prevalent among the recoded independent variables in respect of autonomy. The overall F-ratio is significant (F = 11,29, p = 0,0001 < p = 0,05). This ratio, however, does not pinpoint

the particular recoded independent variables concerned. The first of these is language (F = 10,16, p = 0,0015 < p = 0,05). Secondly, education (F = 39,31, p = 0,0001 < p = 0,05). Thirdly, branch provided significant differences (F = 22,91, p = 0,0001 < p = 0,05). There are no significant two-way interactions.

Post hoc comparisons were done by means of a Scheffé-test to determine significant differences, if any, between the means of the subgroups in regard to the main factors language and education.

In regard to language, the Afrikaans and English speaking groups were compared. In this comparison t = 1,97 so that F ' = 3,88 (t^2) which with 2 and 521 degrees of freedom (df) is significant (F ' = 3,88 > F = 3,86 with 2 and 521 df p being < 0,05). In regard to branch location the group at Head Office was compared to the branch network. In this comparison t = 1,97 so that F ' = 3,88 (t^2) which with 2 and 521 degrees of freedom (df) is significant (F ' = 3,88 > F = 3,86 with 2 and 521 df p being < 0,05). In regard to education the matric group was compared with the tertiary education group. In this comparison t = 1,97 so that F ' = 3,88 (t^2) which with 2 and 521 degrees of freedom (df) is significant (F ' = 3,88 > F = 3,86 with 2 and 521 df p being < 0,05).

14.13   STATISTICS OF ASSOCIATION

Methods of correlation of which the Bravais-Pearson product-moment correlation is the most common, are statistics of association. Ott et al.(1990:696) define the correlation coefficient as a "measure of linear dependence between two random variables". The correlation coefficient provides a measure of the strength as well as the direction of the relationship between two variables. In order to investigate the association between the five dimensions of the Motivation Questionnaire and the three dimensions of the Locus of Control Inventory, Bravais-Pearson product-moment correlation coefficients were calculated. The results are presented in Table 14.61.

TABLE 14.61: BRAVAIS-PEARSON CORRELATION COEFFICIENTS:
MOTIVATION AND LOCUS OF CONTROL
QUESTIONNAIRES.

Factor	Job satis-faction	Social and esteem needs	Coaching for develop-ment	Individual-centred leadership	Team spirit	Int. contr.	Ext. contr.	Autonomy
Job satisfaction	1,000 (N=533) p=0,000*	-0,129 (N=533) p=0,003*	0,408 (N=533) p=0,000*	-0,006 (N=533) p=0,898	0,389 (N=533) p=0,000*	0,0229 (N=533) p=0,599	0,561 (N=533) p=0,000*	0,128 (N=533) 0,603
Social and esteem needs		1,000 (N=533) p=0,000*	-0,240 (N=533) p=0,000*	0,628 (N=533) p=0,000*	0,213 (N=533) p=0,000*	-0,169 (N=533) p=0,000*	-0,082 (N=533) p=0,059	0,128 (N=533) p=0,003*
Coaching for development			1,000 (N=533) p=0,000*	-0,317 (N=533) p=0,000*	0,255 (N=533) p=0,000*	-0,116 (N=533) p=0,008*	0,245 (N=533) p=0,000*	0,302 (N=533) p=0,000*
Individual-centred leadership				1,000 (N=533) p=0,000*	0,334 (N=533) p=0,000*	-0,193 (N=533) p=0,000*	-0,189 (N=533) p=0,000*	0,199 (N=533) p=0,000*
Team spirit					1,000 (N=533) p=0,000*	-0,255 (N=533) p=0,000*	0,082 (N=533) p=0,057	0,565 (N=533) p=0,000*
Internal control						1,000 (N=533) p=0,000*	0,470 (N=533) p=0,000*	-0,239 (N=533) p=0,000*
External control							1,000 (N=533) p=0,000*	-0,221 (N=533) p=0,000*
Autonomy								1,000 (N=533) p=0,000*
* p ≤ 0,05								

Table 14.61 shows low but significant positive correlations between job satisfaction on the one hand and coaching for development, team spirit, and external control. The low correlation between job satisfaction, and social and esteem needs is negative. The correlations between job satisfaction on the one hand and individual-centred leadership, internal control, and autonomy is insignificant. Positive correlations between social and esteem on the one hand and team spirit and autonomy on the other is significant but low. The negative correlation between social and esteem needs on the one hand and coaching for development, and internal control is significant and low. The positive correlation between social and esteem needs and individual-centred leadership needs is significant and moderately high. Positive correlations between coaching for development needs on the one hand and team spirit, external control, and autonomy are significant, but low. The correlation between coaching for development needs on the one hand and individual-centred leadership needs, and internal control on the other, is significant, negative and low. Positive correlations between individual-centred leadership needs on the one hand and team spirit and autonomy are significant, but low. Correlations between individual-centred leadership needs on the one hand and internal control, and external control are

significant, negative and low. The positive correlation between team spirit and autonomy is significant and moderately high. The correlation between team spirit and internal control is significant, negative and low. Also, the negative correlation between external control and autonomy is significant, but low. The negative correlation between internal control and autonomy is significant, but low. The low correlation, though significant and positive, between internal control and external control (0,470; p=0,000 < p = 0,05) is quite conspicuous.

14.14   **DISCRIMINANT ANALYSIS**

A discriminant analysis was conducted to investigate to which extent motivation needs and locus of control predict group membership among the subjects on various independent variables. The standardized canonical discriminant function coefficients are used to compile value profiles for the different groups. The results of the discriminant analyses conducted with the Wilks selection method are presented in Tables 14.62 to Tables 14.81.The Wilks selection method is a stepwise selection method that selects the variable with the largest acceptable value (selection criterion) as the first variable to be included in the analysis.

TABLE 14.62: DISCRIMINANT ANALYSES: SUMMARY TABLE OF VARIABLES SELECTED - LANGUAGE GROUPS.

Step	Variable entered	Variable removed	Wilks Lambda	Significance
1	Individual-centred leadership	-	0,959	0,000
2	Coaching for development	-	0,933	0,000

Table 14.62 indicates that only two motivation variables, viz. individual-centred leadership, and coaching for development, best predict group membership according to the Afrikaans and English language groups. The classification function coefficients according to Fisher's linear discriminant functions are presented in Table 14.63.

TABLE 14.63: DISCRIMINANT ANALYSIS: CLASSIFICATION FUNCTION COEFFICIENTS- LANGUAGE GROUPS.

Variables	Afrikaans speaking	English speaking
Individual-centred leadership	4,167	4,657
Coaching for development	2,452	2,689
(Constant)	-246,024	-246,038

The accompanying canonical discriminant functions are presented in Table 14.64.

TABLE 14.64: DISCRIMINANT ANALYSIS: CANONICAL DISCRIMINANT FUNCTIONS - LANGUAGE GROUPS.

Function	Eigenvalue	Canonical correlation	Wilks Lambda	Chi-square	Significance
1	0,087	0,283	0,919	43,894	0,000 *

* p ≤ 0,05

An analysis of Table 14.64 reveales only one discriminant function with a small eigenvalue that indicates that this is not a good function. The significance (p = 0,000) indicates that the language groups contribute to group differences. The Wilks Lambda (transformed to a chi-square value of 43,894) is only a test of the null hypothesis (H_o) that the population means are equal and as such provides little information about the effectiveness of the discriminant function in the classification (Norusis, 1984:90).

The classification results of the discriminant analysis are presented in Table 14.65.

TABLE 14.65: <u>DISCRIMINANT ANALYSIS: CLASSIFICATION TABLE -
LANGUAGE GROUPS</u>.

Actual group membership	No of cases	Predicted group membership: Afrikaans speaking	Predicted group membership: English speaking
Afrikaans	457	(261) - 57,1%	(196) – 42,9%
English	71	(19) – 26,8%	(52) – 73,2%
Ungrouped cases	4	4	0
Percentage of "grouped" cases correctly classified: 59,28%			

The diagonal elements in Table 14.65 are the number of cases classified correctly into groups. It shows that 261 out of 457 cases (57,1%) in group 1 (Afrikaans speaking) are correctly classified. Also 52 out of 71 cases (73,2%) in group 2 (English speaking) are correctly classified. The overall percentage of "grouped cases" correctly classified, is 59,28%. This overall percentage is the sum of the number of cases classified correctly in each group divided by the total number of cases (Norusis, 1984:103). An overall percentage of 59,28% of cases grouped correctly may be a relatively good indication of these two motivation needs differences between Afrikaans and English speaking respondents.

TABLE 14.66: <u>DISCRIMINANT ANALYSIS: SUMMARY TABLE OF
VARIABLES SELECTED - RELIGIOUS GROUPS</u>.

Step	Variable entered	Variable removed	Wilks Lambda	Significance
1	Individual-centred leadership	-	0,986	0,008
2	Coaching for development	-	0,962	0,001

Table 14.66 indicates that only two motivation variables, viz. individual-centred leadership, and coaching for development, best predict religious group membership according to the Afrikaans churches (Reformed, Reformed ("Hervormd"), and Dutch Reformed), and English churches (Baptists, Roman Catholic, Methodist, Anglican, and Rhema) groups. The classification function coefficients according to Fisher's linear discriminant functions, are presented in Table 14.67.

TABLE 14.67: <u>DISCRIMINANT ANALYSIS: CLASSIFICATION FUNCTION</u>
<u>COEFFICIENTS - RELIGIOUS GROUPS</u>.

Variables	Afrikaans churches	English churches
Individual-centred leadership	4,234	4,489
Coaching for development	2,338	2,576
(Constant)	-247,660	-246,429

The accompanying canonical discriminant functions are presented in Table 14.68.

TABLE 14.68: <u>DISCRIMINANT ANALYSIS: CANONICAL DISCRIMINANT</u>
<u>FUNCTIONS - RELIGIOUS GROUPS</u>.

Function	Eigenvalue	Canonical correlation	Wilks Lambda	Chi-square	Significance
1	0,041	0,199	0,960	21,502	0,001 *

* p ≤ 0,05

An analysis of Table 14.68 reveales only one discriminant function with a small eigenvalue that indicates that this is not a good function. The significance (p = 0,001) indicates that church groups contribute to group differences.

The classification results of the discriminant analysis are presented in Table 14.69.

TABLE 14.69: <u>**DISCRIMINANT ANALYSES: CLASSIFICATION TABLE -**</u>
<u>**RELIGIOUS GROUPS**</u>.

Actual group membership	No of cases	Predicted group membership: Afrikaans churches	Predicted group membership: English churches
Afrikaans churches	428	(288) – 67,3%	(140) – 32,7%
English churches	104	(52) – 50,0%	(52) – 50,0%
Percentage of "grouped" cases correctly classified: 63,91%.			

The diagonal elements in Table 14.69 are the number of cases classified correctly into groups. It shows that 288 out of 428 cases (67,3%) in group 1 (Afrikaans churches) are correctly classified. Also 52 out of 104 cases (50,0%) in group 2 (English churches) are correctly classified. The overall percentage of "grouped cases" correctly classified, is 63,91%. An overall percentage of 63,91% of cases grouped correctly may be a relatively good indication of these two motivation needs differences between Afrikaans church respondents and English church respondents.

TABLE 14.70: <u>**DISCRIMINANT ANALYSES: SUMMARY TABLE OF**</u>
<u>**VARIABLES SELECTED - EDUCATION GROUPS**</u>.

Step	Variable entered	Variable removed	Wilks Lambda	Significance
1	Team spirit	-	0,918	0,000
2	Job satisfaction	-	0,834	0,000
3	Individual-centred leadership	-	0,784	0,000
4	Coaching for development	-	0,772	0,000

Table 14.70 indicates that four motivation variables, viz. team spirit, job satisfaction, individual-centred leadership, and coaching for development, best predict group membership according to the education groups (Matric and tertiary qualified staff). The classification function coefficients according to Fisher's linear discriminant functions are presented in Table 14.71.

TABLE 14.71: <u>**DISCRIMINANT ANALYSIS: CLASSIFICATION FUNCTION COEFFICIENTS - EDUCATION GROUPS**</u>.

Variables	Matric	Tertiary qualified
Team spirit	-1,256	-1,776
Job satisfaction	2,285	2,697
Individual-centred leadership	7,785	7,593
Coaching for development	2,199	2,350
(Constant)	-107,891	-105,927

The accompanying canonical discriminant functions are presented in Table 14.72.

TABLE 14.72: <u>**DISCRIMINANT ANALYSIS: CANONICAL DISCRIMINANT FUNCTIONS - EDUCATION GROUPS**</u>.

Function	Eigenvalue	Canonical correlation	Wilks Lambda	Chi-square	Significance
1	0,294	0,476	0,772	135,910	0,000 *

* p ≤ 0,05

Table 14.72 reveales only one discriminant function with a small eigenvalue that indicates that this is not a good function. The significance   (p = 0,000) indicates that education groups contribute to group differences.

The classification results of the discriminant analysis are presented in Table 14.73.

TABLE 14.73: <u>**DISCRIMINANT ANALYSIS: CLASSIFICATION TABLE -**</u>
<u>**EDUCATION GROUPS**</u>**.**

Actual group membership	No of cases	Predicted group membership: Matric	Predicted group membership: Tertiary qualified
Matric	460	(372) – 80,9%	(88) – 19,1%
Tertiary qualified	72	(22) – 30,6%	(50) – 69,4%
Percentage of "grouped" cases correctly classified: 79,32%			

The diagonal elements in Table 14.73 are the number of cases classified correctly into groups. It shows that 372 out of 460 cases (80,9%) in group 1 (Matric qualified) are correctly classified. Also 50 out of 72 cases (69,4%) in group 2 (Tertiary qualified) are correctly classified. The overall percentage of "grouped cases" correctly classified, is 79,32%. The overall percentage of 79,32% of cases grouped correctly is a relatively good indication of these motivation needs differences between matric qualified and tertiary qualified respondents.

Table 14.74: <u>**DISCRIMINANT ANALYSES: SUMMARY TABLE OF**</u>
<u>**VARIABLES SELECTED - EDUCATION GROUPS**</u>**.**

Step	Variable entered	Variable removed	Wilks Lambda	Significance
1	Locus of control	-	0,876	0,000
2	Motivation needs	-	0,755	0,000

Table 14.74 indicates that both locus of control and motivation needs predict group membership according to the Education groups (matric qualified or tertiary qualified). The classification function coefficients according to Fisher's linear discriminant functions are presented in Table 14.75.

TABLE 14.75: <u>DISCRIMINANT ANALYSIS: CLASSIFICATION FUNCTION COEFFICIENTS - EDUCATION GROUPS</u>.

Variables	Matric qualified	Tertiary qualified
Locus of control	0,654	0,737
Motivation needs	0,894	0,746
(Constant)	-172,826	-183,415

The accompanying canonical discriminant functions are presented in Table 14.76.

TABLE 14.76: <u>DISCRIMINANT ANALYSIS: CANONICAL DISCRIMINANT FUNCTIONS - EDUCATION GROUPS</u>.

Function	Eigenvalue	Canonical correlation	Wilks Lambda	Chi-square	Significance
1	0,324	0,494	0,755	148,620	0,000 *

* p ≤ 0,05

Table 14.76 reveales only one discriminant function with a small eigenvalue that indicates that this is not a good function. The significance (p = 0,000) indicates that the education groups contribute to group differences.

The classification results of the discriminant analysis are presented in Table 14.77.

TABLE 14.77: <u>DISCRIMINANT ANALYSIS: CLASSIFICATION TABLE - EDUCATION GROUPS</u>.

Actual group membership	No of cases	Predicted group membership: Matric qualified	Predicted group membership: Tertiary qualified
Matric qualified	460	(362) – 78,7%	(98) – 21,3%
Tertiary qualified	72	(8) – 11,1%	(64) – 88,9%
Percentage of "grouped" cases correctly classified: 80,08%			

The diagonal elements in Table 14.77 are the number of cases classified correctly into groups. It shows that 362 out of 460 cases (78,7%) in group 1 (matric qualified) are

correctly classified. Also 64 out of 72 cases (88,9%) in group 2 (tertiary qualified) are correctly classified. The overall percentage of "grouped cases" correctly classified, is 80,08%. This overall percentage of 80,08% of cases grouped correctly is a very good indication of the motivation needs and locus of control differences between respondents with matric and those with tertiary qualifications.

TABLE 14.78: DISCRIMINANT ANALYSIS: SUMMARY TABLE OF VARIABLES SELECTED - BRANCH GROUPS.

Step	Variable entered	Variable removed	Wilks Lambda	Significance
1	Job satisfaction	-	0,969	0,001
2	Coaching for development	-	0,953	0,000
3	Social and esteem needs	-	0,943	0,000
4	Individual-centred leadership	-	0,928	0,000

Table 14.78 indicates that four motivation variables, viz. job satisfaction, coaching for development, social and esteem needs, and individual-centred leadership best predict group membership according to the branch groups (Head Office or branch network). The classification function coefficients according to Fisher's linear discriminant functions are presented in Table 14.79.

TABLE 14.79: DISCRIMINANT ANALYSIS: CLASSIFICATION FUNCTION COEFFICIENTS - BRANCH GROUPS.

Variables	Head Office	Branch network
Job satisfaction	5,404	5,256
Coaching for development	-1,433	-1,175
Social and esteem needs	-3,507	-3,313
Individual-centred leadership	4,700	4,516
(Constant)	-368,954	-365,706

The accompanying canonical discriminant functions are presented in Table 14.80.

TABLE 14.80: <u>DISCRIMINANT ANALYSIS: CANONICAL DISCRIMINANT FUNCTIONS - BRANCH GROUPS</u>.

Function	Eigenvalue	Canonical correlation	Wilks Lambda	Chi-square	Significance
1	0,078	0,270	0,927	39,925	0,000 *

* p ≤ 0,05

Table 14.80 reveales only one discriminant function with a small eigenvalue that indicates that this is not a good function. The small significance (p = 0,000) indicates that the branch groups contribute significantly to group differences.

The classification results of the discriminant analysis are presented in Table 14.81.

TABLE 14.81: <u>DISCRIMINANT ANALYSIS: CLASSIFICATION TABLE - BRANCH GROUPS</u>.

Actual group membership	No of cases	Predicted group membership: Head Office	Predicted group membership: Branch network
Head Office	127	(77) – 60,6%	(50) – 39,4%
Branch network	405	(153) – 37,8%	(252) – 62,2%
Percentage of "grouped" cases correctly classified: 61,84%			

The diagonal elements in Table 14.81 are the number of cases classified correctly into groups. It shows that 77 out of 127 cases (60,6%) in group 1 (Head Office) are correctly classified. Also 252 out of 405 cases (62,2%) in group 2 (Branch network) are correctly classified. The overall percentage of "grouped cases" correctly classified, is 61,84% which is a relatively good indication of these motivation needs differences between respondents in the Head Office and those in the branch network.

14.15　CONCLUSION

In this chapter the results of the statistical analysis of the data were presented. The scientific data was presented according to the specific responses of participants on the three questionnaires. Descriptive statistics were used to record the numerical properties of the various distributions. Correlation statistics were employed to ascertain the relationship

between the dimensions of the Motivation Questionnaire and the Locus of Control Inventory. The main independent variables of the biographical questionnaire (age, gender, home language, marital status, religious denomination, educational qualifications, salary per month, years of service, branch office/section at Head Office, and job grade) and where applicable their two-way interactions, were investigated and compared by means of discriminant analysis and analysis of variance in combination with the Scheffe test.

Conclusions drawn from these findings and recommendations will be discussed in Chapter XV.

CHAPTER XV

CONCLUSIONS AND RECOMMENDATIONS

15.1   **INTRODUCTION**

In this chapter the original aim of the study are linked to the results and conclusions drawn, while a number of specific recommendations are made. A summary of the results is given with conclusions based on the literature study. Some psychometric considerations, some aspects of the research design i.e. administering the questionnaires and the qualitative research strategy, as well as the representativeness of the sample are discussed. Specific conclusions based on empirical research are drawn with detailed recommendations for creating a new organizational culture of human habits that would lead to a highly effective organization. Consequences and recommendations for Human Resources are discussed. Lastly, other observations and learnings of the researcher are mentioned.

15.2   **A SUMMARY OF THE DATA ANALYSIS**

The results of the data analysis by means of various statistical techniques were presented in this Chapter XIV. Descriptive statistics for all the dependent variables for all the questionnaires showed that the distribution was to a smaller or larger extent skewed and that the peak of the distribution is not mesokurtic. The somewhat large standard deviations confirmed that the distribution was skewed across all the questionnaires. The standard error also indicated a moderate to high variability among the sample mean implying that inferences about the population mean form the sample mean could be in error.

Specific issues and needs identified through the Transformation Questionnaire are:
-       Low staff morale;
-       Understanding and identifying with the objectives of the organization;
-       Linking the objectives of the organization to individual jobs outputs;
-       Understanding and identifying with the transformation objectives of the organization;
-       Communication regarding transformation policy, procedure, progress and issues;
-       Resistance to change;
-       Building a new culture (in line with transformation objectives) that values diversity and previous good practices;

- Management and team issues including communication, problem solving, decision-making, and values;
- Career management, and succession planning;
- Remuneration;
- Learning opportunities; and
- Impact of transformation insecurities and stress on employee well-being.

Many of the issues identified in the Transformation Questionnaire correlates to the issues identified in the Motivation Questionnaire. Additional issues and needs identified through the Motivation Questionnaire are:

- Open communication with management;
- Recognition and rewards;
- Development (including multi-skilling) and promotion prospects;
- Utilization of potential; and
- Work security and commitment to the organization.

The dimension personal job satisfaction (comprising satisfaction with the work environment in terms of equitable practices, growth opportunities, and relationships) showed personal job dissatisfaction for Head Office and branch network staff and more specifically for tertiary educated staff.

The dimension social and esteem needs (through constructive conflict management, development opportunities, and recognition) indicated that 45,5% and 49,85% for males and females respectively have higher social and esteem needs. These needs are less prominent for both male and female respondents of 41 years and younger.

The dimension coaching for development needs showed prominent and very similar needs for male and female respondents. The coaching for development needs for Head Office and branch network staff is high, but are more prominent in the branches. These needs are also more prominent for tertiary educated staff, across the genders, but specifically for the majority of the males.

The dimension individual-centred leadership showed moderate needs for Head Office staff across the range of education and language groups, though it is more prominent for

the matric and English speaking respondents. These needs are not prominent in the branch network.

The dimension team spirit indicated high needs across all age groups.

The dimension internal control indicated lower levels of internal control for the majority of matric qualified respondents both in Head Office (52%) and the branch network (67,7%). Also, higher levels of internal control were established for the majority of tertiary qualified respondents both in Head Office (96%) and the branch network (70%).

The dimension external control indicated moderate (67,7%) to high (19%) external control for matric qualified respondents. Higher external control is evident in Head Office (45,5%) compared to the branches (20,2%).

The dimension autonomy indicated high levels of autonomy for the majority of tertiary qualified respondents both in Head Office (84,6%) and the branch network (88,2%). The majority of the matric qualified respondents in Head Office showed lower levels of autonomy (55,1%); though higher levels of autonomy were found for the majority of matric respondents in the branch network (79,2%).

Bravais-Pearson product-moment correlation coefficients between the five motivation need dimensions and the three dimensions of the Locus of Control Inventory were also calculated. Low but significant positive correlations were determined between job satisfaction on the one hand and coaching for development, team spirit, and external control. Also, low but significant positive correlations between social and esteem needs on the one hand, and team spirit and autonomy on the other. The positive correlation between social and esteem needs and individual-centred leadership needs is significant and moderately high. The positive correlation between team spirit and autonomy is significant and moderately high. The positive correlation between internal control and autonomy is significant, but low.

The classification table for the discriminant function analysis indicated that 80,08% of the "grouped cases" was correctly classified for the motivation needs and locus of control orientation. Individual-centred leadership, and coaching for development, best predict group membership according to the Afrikaans and English language groups,

whereby 59,28% of the "grouped cases" were correctly classified. These two motivation dimensions also best predict group membership according to the Afrikaans churches (All Reformed churches), and English churches (Baptists, Roman Catholic, Methodist, Anglican, and Rhema) groups, whereby 63,91% of the "grouped cases" were correctly classified. Four motivation dimensions, viz. team spirit, job satisfaction, individual-centred leadership and coaching for development, best predict group membership according to the education groups (Matric and tertiary qualified staff), whereby 79,32% of the "grouped cases" were correctly classified. Four motivation dimensions, viz. job satisfaction, coaching for development, social and esteem needs, and individual-centred leadership best predict group membership according to the branch groups (Head Office or branch network), whereby 61,84% of the "grouped cases" were correctly classified.

An analysis of variance proved that the main independent variables, viz. gender, religion, language, educational qualifications, income, age, occupational level, and geographical area employed in, and their two-way interactions had some significant influences on the dependent variables viz. job satisfaction, coaching for development, social and esteem needs, individual-centred leadership, team spirit, internal control, external control, and autonomy.

15.3   **PSYCHOMETRIC CONSIDERATIONS**

The Locus of Control Inventory proved to be a valid and reliable instrument to the investigation of locus of control orientation, and differences in the locus of control orientation dimensions according to the independent variables mentioned.

The Motivation Questionnaire proved to be a valid, but not very reliable instrument to the investigation of motivation needs, motivation needs-dimensions and differences in motivation needs-dimensions according to the independent variables mentioned. The Transformation Questionnaire proved to be a valid but not very reliable instrument either for the investigation of transformation needs. Reliability estimates were calculated for the different factors studied ("mini questionnaires") in the Transformation Questionnaire, which provided better results on many of the factors.

For the organization to be effective and successful with it's transformation objectives and achieving the vision, the consequences and implications for organizational strategy, culture practices, and organization development initiatives need to be revised. The

challenge lies in changing/aligning the informal components of the informal organization. These include basic beliefs about people, talent management and retaining human capital, living the new organizational values, emergent power and influence patterns, interpersonal and group relationships, and perceptions around integrity and trust. These consequences, implications, and recommendations are discussed next.

15.4   **CONSEQUENCES AND IMPLICATIONS FOR ORGANIZATIONAL STRATEGY, CULTURE PRACTICES, AND ORGANIZATION DEVELOPMENT**

It can be concluded that from the qualitative research (direct observation done by the researcher) as well as quantitative research by means of the Motivation, Locus of Control and Transformation Questionnaires, that various aspects of the transformation process were not effective. Specific interventions are needed for integration of the change strategies with the organization culture(s), and a refocus on behavioural change strategies that are aligned with the transformation principles, that will also improve work motivation during change. Specific recommendations in this regard are discussed below.

15.4.1   **INTEGRATING ORGANIZATIONAL STRATEGY WITH ORGANIZATIONAL CULTURE(S)**

Improved organizational performance and effectiveness will be lasting if there is an integration of the organizational strategy and organizational culture(s). This research indicated that transformation (strategic change) impacts on organizational culture(s), and hence needs to be managed as an integrated approach. As described in Chapter III, the strategy components (goals, objectives, and activities) need to be aligned with the cultural components (values, practices, and behaviours)(Tosti, 1995:20). From the research it is clear that an integrated change approach was not followed as recommended in Chapter VI.

Therefore an organization transformation (OT) strategy (proactive OD strategy) should be part of the business strategy. The objectives of the OT strategy should be total organizational effectiveness, utilizing an action research model and principles of the learning organization, with multidimensional interventions on the individual, group, and organizational levels. The OT strategy should be multidisciplined and systems thinking should be utilized.

It is proposed that validated and reliable culture (climate) surveys and focus groups should become part of the OT strategy, where the transformation factors (including work motivation) that impact on a strong organizational culture or subculture are tracked, measured and managed continuously. As discussed earlier the specific motivation strategy (included in the OT strategy) for the business unit/team should be aligned with the organization's strategy, objectives, business plans, critical success factors, the values of the organization, as well as the subculture(s) of the team/business unit(s). The specific OT strategy should also focus on all the areas that need to be addressed according to the research factors that impacted negatively on the success of the transformation process.

15.4.2 **THE CHANGE MANAGEMENT PROCESS**

From the discussions in Chapter IX to XI it became evident that the following factors impacted on the ineffectiveness of the change process:

- The ineffective communication strategy regarding the transformation principles and processes;
- Unclear roles, responsibilities, and limited knowledge of the different change teams focus areas;
- The external consultant's analyzer style which placed great emphasis on efficiency with little emphasis on relationships and morale;
- Specific information about critical factors that drive the diagnostic phase were not managed for improvement, viz. the barriers to change, "burning" issues identified in the workshops and negative power dynamics of key people;
- The limited acknowledgement for previous good practice (culture reinforcement);
- Many of the strategic, operational and cultural concerns were not identified or managed through an integrated approach to change with relevant and multidimensional interventions;
- The information gathered in the diagnostic phase was not always presented in terms of criteria that reflect measured effectiveness on an individual, group or organizational level;
- The lack of an action research change model that could provide feedback in terms of culture and leadership behaviour change (old versus new culture); and
- Ineffective management of Human Resources related issues including communications, stress and conflict management, morale, affirmative action issues, and employee relations. HR systems and procedures were not amended

with the new performance outputs (including values), standards and measures or to recognize and reward the changes needed in work behaviour (values behaviour changes).

Regarding the continuous improvement process including self-renewal, monitoring and stabilising the action programmes the Bank made good progress with the following:

- Reviewing and expanding its range of financial products and its loan procedures to meet the needs of new clients;
- Consolidating its existing client base;
- Upgrading and modernizing its banking systems to provide improved and efficient service;
- Taking measures to ensure accessibility for its clients; and
- Developing Provincial Forums that will provide an ongoing formal link between the organization and external stakeholders.

It is proposed that a permanent Transformation (OT) Unit be established within the organization that would be responsible to act as the change leadership team, on an ongoing basis. This Unit should drive existing and future transformation initiatives (reactive and proactive OD), and culture management. Specific emphasis should be placed on improving the aligned strategy-culture approach as discussed earlier. The Transformation Unit urgently needs to focus on culture management initiatives (explained in Chapter III) including culture change (transformation, employment equity, diversity management, change in values and leadership behaviour), culture reinforcement (acknowledge previous good practice and progress), implementation (new initiatives) and change management (action research). This Unit could report directly to the Managing Director, and should be represented by transformational leaders within the business and HR.

15.5   CONCLUSIONS BASED ON THE LITERATURE STUDY

A lot has changed in South Africa the last 9 to 10 years (since 1994) when the first democratic elections occurred, with ensuing progress on economic and social reform. Pressing economic (including globalization), social and labour considerations made change unavoidable in the country, but also in the majority of South African organizations. Organizations as open systems in constant interaction with their environment are dependent on their ability to adapt to the demands of the environment

for organizational survival. The specific needs for change in the organization studied were discussed as the restructuring and process re-engineering initiative, followed later by recommendations made to Government through the Rural Financial Services Commission, new labour legislation, a need for improved customer service (a broader customer base with diverse lifestyles and needs), a need for improved technology and information systems and a changing workforce (Employment equity and affirmative action initiatives).

These drivers for change impacted on the interrelated primary components of the organization (subsystems), viz. technical, structural, management, psychological, goals and value components. The impact on the structural subsystem was brought about through restructuring, division of work, new decision-makers and authority, as well as changes in organizational policies and procedures. The impact on the technical subsystem was brought about through process re-engineering, new technology, as well as new techniques and equipment necessary for service delivery. The impact on the psychosocial subsystem was brought about through massive restructuring and affirmative action initiatives, resulting in a new network of social relationships, behavioural patterns, norms, roles and communications. The impact on the goals and values subsystem was brought about through a new mission and vision of the organization, value changes such as empowerment, team work, learning and development, diversity awareness and respect for the individual. All the changes mentioned previously collectively impacted on the managerial subsystem that spans the entire organization by directing, organizing and coordinating all activities toward the basic mission. The managerial subsystem is important for the integration of the other subsystems, and the proposed changes were true role modelling, living the new organizational values, participative management, creating opportunities, people-centred focus, giving recognition, motivating and coaching staff and capacity building.

Large scale organizational change/transformation ideally should be based on an integrated approach, where the organization is viewed as an open system with various interrelated sub systems and cultures. An action research approach to change was proposed for the target organization; an ongoing process of problem diagnoses, action planning, action implementation and evaluation. Action research is linked to the concept of a learning organization where learning and innovation become part of the organizational culture, with a sense of urgency to anticipate change and to learn from it.

Action research also incorporates systems thinking. The target organization used strategic alliances with customers, suppliers and competitors as methods for learning. Information is used in the environment scanning process (described earlier), based on measurement criteria and managed as a shared responsibility.

Through this research it became evident that it could be easier to change processes and structures within the organization, but the challenge is to change behaviour of individuals, groups and the larger organization. The basic organizational behaviour model discussed in Chapter II refers to the impact that individuals, groups and structure have on attitudes and behaviour within an organization. This knowledge can be applied to improve human outputs related to performance, job satisfaction or work motivation, absenteeism, turnover and specific job-related attitudes that can make organizations work more effectively. It was also discussed earlier that organizational effectiveness depends on group effectiveness, and group effectiveness depends on individual effectiveness. From this research it is evident that the environment, technology, strategy, structure, processes and culture influence organizational effectiveness. According to Gibson et al.(2000:15) group effectiveness is influenced by cohesiveness, leadership, structure, status, norms and roles; and individual effectiveness is influenced by ability, skills, knowledge, attitude, motivation and stress.

The research done in this study indicated that proposed change strategies and plans were not always implemented by means of an integrated approach (technical, structural and behavioural focus areas), which hampered the success of the transformation process.

15.6   **RESEARCH DESIGN**

In this study both qualitative and quantitative research strategies were utilized to investigate the factors that influenced the effectiveness/ineffectiveness of the transformation process. Quantitative techniques (survey method research) were used to assess employee attitudes regarding the factors that influenced transformation, to investigate work-related needs and work motivation and to assess locus of control variables. A qualitative strategy was used to gather information about the need for change in this organization, the diagnoses of the current organization, planning of change strategies, implementation of change interventions, and management of the transformation process within the organization.

15.6.1 **ADMINISTERING THE QUESTIONNAIRES**

The administering of the questionnaires caused no real problems. The researcher administered all the questionnaires, both in Head Office and all the branches. This ensured that the same process was followed. It is recommended that a more valid and reliable Transformation Questionnaire (culture/climate survey) be developed, that could be used in both the branch network and Head Office. The questionnaire should be accessible via the intranet, provide feedback and reports immediately that can also be used to manage the culture change.

15.6.2 **THE QUALITATIVE RESEARCH STRATEGY**

The researcher's role was established as one of an objective observer of each and every aspect of the transformation process that entailed data collection, evaluation and feedback to the external consultants. Throughout Chapters X to XII the background to the transformation process was explained in detail and critically reviewed. This proved to be useful feedback to inform the change team of the change process and possible focus areas for improvement.

15.6.3 **REPRESENTATIVENESS OF THE SAMPLE**

It was never intended to research only a sample of the organization - the entire branch network of the organization and the Head Office were included in the surveys. A response rate of 52,15 % was achieved. The sample taken in this study provided useful scientific information, although it displayed obvious limitations. If the organization is serious about embarking on a culture management process as part of the transformation initiative, further action research needs to be done on all aspects that impacted on the transformation initiatives and organization effectiveness. An elaborate sample should be used where subjects are drawn from all the cultural (ethnic and demographic) groups, including all the relevant independent variables. Further research could include diverse subjects in the banking/finance industry. This would allow significant comparisons across organizational boundaries, and assessments to be made in regard to attitudes, work motivation needs during change/transformation, factors that impact on the effectiveness of change initiatives and possible guidelines for effective culture management practices. A shortcoming of this study was that the branch network had not been surveyed on the Transformation Questionnaire, but only the Motivation and Locus of Control Questionnaires. The representation of African respondents was also unfortunately insignificant.

15.7   **CONCLUSIONS BASED ON EMPIRICAL RESEARCH**

The basic organizational behaviour model discussed in Chapter II indicates that human output (performance, absence and turnover and work-related attitudes including job satisfaction and commitment) and organizational effectiveness are determined by various variables on the organizational, group and individual levels. The researcher focused on an organization that went through massive transformation, studying some of the factors that might impact on the effectiveness of the organization through a Transformation Questionnaire. These factors as well as the second order factors as identified for the Motivation and Locus of Control Questionnaires will be discussed next.

15.7.1   **OBJECTIVES OF THE ORGANIZATION**

An organization that anticipates massive transformational change must know that it will impact on the individual, group and organizational levels. This new vision, mission, objectives, and the strategy should be clearly communicated and understood by all stakeholders as part of the change process. The target organization embarked on a number of workshops to explain the transformation process and objectives, yet the statistics show a failure as the subjects said they had not understood the objectives of the organization, nor did they identify with the objectives. This links with the need for clearer job descriptions (new performance agreements linked to the business strategy). For the business strategy to be understood all possible means of communication of the new objectives and strategies need to be done and the link with personal job performance objectives (outputs, standards, measures, competencies) need to be clarified and agreed for every employee.

15.7.2   **THE TRANSFORMATION PROCESS AND COMMUNICATION**

The majority of the subjects agreed that the transformation process is needed, they wished to be part of it, they supported the modernization process, while a vast majority needed more information about the process. This indicates that the communication process was not effective. As part of the continuous evaluation and improvement process, the communication strategy needs to be extended to include intranet news coverage, business communication updates via e-mail, regular articles in the staff newspaper, as well as regular presentations/videos by senior management.

15.7.3   **INDIVIDUAL LEVEL: ISSUES AND JOB SATISFACTION**

15.7.3.1   **EMPLOYEE RELATIONS AND EMPLOYEE WELL-BEING**

Some of the subjects feel that the past two years (during transformation) have affected their health. Many employees seem to have grievances, and some employees are of the opinion that the organization does not take care of them. Many subjects feel insecure and anxious and don't know what to do when facing major changes in work or life situations. This links with the majority responses of the subjects that they do not have enough experience and courage to face the challenges, indicating uncertainty. The organization does not have a formal policy on employee relations, a clearly defined grievance procedure, or any other defined process to identify (climate surveys) and deal with unhappy staff issues (independent staff ombudsperson). The organization needs to establish an employee well-being policy and procedures, and qualified staff or professionals to manage these issues.

15.7.3.2   **VARIABLES THAT INFLUENCE MOTIVATION**

The Transformation Questionnaire indicated that the majority of the subjects regretted having accepted their jobs and would consider another job within or outside the organization. Many subjects were of the opinion that they were not trained well enough to perform in their jobs, were unhappy about their development opportunities, and needed career guidance. The Motivation Questionnaire also identified many of the issues identified by the Transformation Questionnaire. The vast majority of staff disagreed about receiving the recognition they deserve for the work they do. The majority of staff were of the opinion that they received inadequate training, or had inadequate promotion prospects, that their potential was not fully utilized, experienced work insecurity, and perceived inadequate communication from management. Staff was not committed to the organization as many would like to work for another organization. These are just a few examples of the factors that impact on job satisfaction. The dimension personal job satisfaction showed personal job dissatisfaction for both Head Office and branch staff, and specifically for tertiary educated staff. From the data obtained the responses seemed fairly negative which also indicates low staff morale.

From the discussion it is evident that individual work motivation should be a critical focus area for improvement. As proposed earlier, a motivation strategy need to be developed as part of the proactive OD strategy, that is incorporated in the business strategy to address all factors that impacted negatively on the success of the transformation process.

Culture/climate surveys, driven via technology should be used to track, measure and manage the desired changes continuously.

Specific proposals for HR policies and practices, as well as human habits and leadership challenges are discussed later.

15.7.3.3 **LOCUS OF CONTROL ORIENTATION**

The dimension internal control indicated lower levels of internal control for the majority of matric qualified respondents both in Head Office and the branch network. Also, higher levels of internal control were established for the majority of tertiary qualified respondents both in Head Office and the branch network. The reason might be indicative of the centralization of power to the Head Office, especially during transformation. The majority of the tertiary qualified staff were in managerial positions or were young individuals that joined the organization recently. Also, the dimension external control indicated moderate to high external control for matric qualified respondents. Higher levels of external control are evident in Head Office compared to the branches. Also, the dimension autonomy indicated high levels of autonomy for the majority of tertiary qualified respondents both in Head Office and the branch network.

Managers should focus their efforts to influence their staff to believe that what happens to them are determined by their individual abilities, efforts, and actions. The locus of control orientation could be used by management and the change team as a guideline to identify individuals that should help to drive the change initiatives. Because "internals" are leaders and "externals" are followers who tend to be more dissatisfied and less involved with their jobs, it is predicted that when organizational demands require initiative and independence of action (managerial and professional jobs), internals would be more suitable (Robbins, 1998:58). When the requirement is for compliance and routine work, however, externals would be more appropriate. Managers should also attempt to identify perceptions of task difficulty and find ways of changing these perceptions by effective coaching and competency-based development. If perceptions of task difficulty cannot be changed then it would be appropriate for management to designate internals for the job as they exhibit more task-oriented behaviour, goal-oriented behaviour and job effort with the appropriate rewards (Gul et al., 1994:976). Matching individual differences (needs and capabilities) with task expectations and requirements will then lead to improved performance.

The culture change initiatives discussed in Chapter III can be used as a guideline to analyze individual beliefs and values, the organizational climate and leadership styles and to ensure the alignment of the shared values to the desired organizational culture. A major focus is needed to improve the people management and leadership competencies of all managers. Some proposals about this issue are made in paragraph 15.7.4.

The integrated model for work motivation discussed in Chapter IV offered some tips on work motivation on individual and group levels and the specific links with the work environment, organizational culture(s), objectives and strategies. It is vital to pursue the reasons why the diversity of employees are unhappy as part of the continuous improvement process, to implement OD interventions to address the issues and to establish a motivation strategy for the organization. Specific HR issues including performance management, competency-based and NQF aligned training and development, leadership development and others will be discussed in paragraph 15.8.

15.7.4 ISSUES AT GROUP LEVEL

Many issues related to communication, conflict management, decision-making, group/team relationships and leadership at group/team level were identified.

Many subjects were unhappy about the way they were treated by their colleagues or by their managers. Some were of the opinion that only management take decisions. Many subjects were of the opinion that the organization should take diversity issues more seriously and assist in facilitating harmony. Some subjects were of the opinion that certain managers lack leadership skills, the majority of the subjects were of the opinion that workers and management lack skills to deal with conflict and felt that conflict is generally ignored or suppressed in the organization. Many subjects were of the opinion that communication between departments is poor and that other work groups/departments are viewed as opposition/enemies. The majority of the subjects were of the opinion that many employees were resisting the change in the organization.

The change leadership team need to diagnose the specific problems in all areas and all levels of the organization, specifically the limiting conditions (as described in Figure 6.2 - change stages), namely the formal organization, the organizational culture(s), leadership climate, leadership competencies and resistance to change. This should be an ongoing process of continuous feedback and improvement with relevant OD interventions.

Immediate progress on the issues at group/team level can be addressed by reviewing the communication strategy. Also changing the focus of performance management to cater for individual and team performance outputs, implementing 360 degree values, performance and competence feedback as well as linking these to remuneration and rewards.

The core competencies for leaders should be identified and incorporated with the new competency-based HR Management System (CB-HRM). It is proposed that all line managers be assessed on their transformational leadership competencies (see Table 6.1) and people competencies (human habits), including the following:
- Central focus on critical success factors and organizational values;
- Self-management and role modelling;
- Communicating vision;
- Interpersonal skills (human habits);
- Building effective teams (team habits);
- Conflict management;
- Directing others;
- Managing diversity;
- Empowerment and developing others;
- Change management (change habits);
- Talent management; and
- Motivating others.

The key people-management competencies (human habits are discussed later) should not only be developed, but also needs to be a prerequisite for appointment as a line manager. As proposed earlier, an integrated model for work motivation needs to be implemented.

15.7.5 **ISSUES AT ORGANIZATIONAL LEVEL**

A modern OD strategy (OT) should become part of an aligned and integrated organization strategy and culture, with multidimensional interventions to address the issues raised in this research, as well as resistance to change. If OD becomes a strategy in itself it would address many factors that impacted negatively on this organization during transformation, specifically employee well-being (various factors in the informal

organization), but also continuous learning, and total organization effectiveness (Meyer and Botha, 2000:12-13).

Various other recommendations to address issues on the individual/group/organizational level(s) are discussed next. These include creating a culture of human habits, changes to HR policy and HR procedures, changes to HR systems and HR practices, and changes to HR roles.

15.8   **CREATING A NEW ORGANIZATIONAL CULTURE OF HUMAN HABITS THAT WOULD LEAD TO A HIGHLY EFFECTIVE ORGANIZATION**

Harvey and Brown's (1996) integrated approach to change (Figure 6.4) highlighted the importance of the compatibility of the change strategy with the existing organizational culture(s). An integrated approach to change will focus on a technical strategy (change production and methods for new processes), a structural strategy (to change structures and designs of work teams to establish new relationships) and a behavioural strategy (to change attitudes and values for new behaviours)(Harvey and Brown, 1996:208). Because change is now part of this organization, implemented by people, a behavioural strategy should be included in the integrated approach for all the change initiatives.

As proposed earlier, a newly established Transformation Unit (acting as the change team) urgently needs to focus on culture management (explained in Chapter III) and culture change initiatives. One of the proposed initiatives is to establish, develop and reinforce human as well as team habits as part of the behavioural strategy. These initiatives would also impact on HR policies, procedures, programmes and strategies.

It is important to establish and reinforce a core leadership competency of human habits as part of the new organizational culture. These human habits are vital to manage the desired transformation effectively. The human habits (also labelled the human capital approach) are driven by the following principles, which are in line with the organizational values:

- Employees are investments that will provide long-term rewards to the organization if they are effectively managed, inspired and developed;
- HR policies, procedures, programmes, and strategies must be developed with the employee and team needs in mind;
- A motivating work environment needs to be created that could inspire employees to develop and utilize their competencies to the benefit of themselves/teams as well as

the organization; and

- HR strategies, HR programmes, and HR practices must be developed with the aim of balancing the needs and meeting the goals of both the employee and the organization (Carrell et al., 1998:10).

Charlton (2000:9-10) summarizes these human habits:

- Attracting, developing, motivating and retaining human capital (talented/competent people and leadership) by measuring employee satisfaction and acting accordingly;
- Building capacity to change;
- Valuing (managing) of diversity;
- Accountability for sustained performance based on relevant performance competencies; and
- A comprehensive strategic HR perspective.

In this research many factors were identified that impacted on the effectiveness of the transformation process. The human habits of Charlton mentioned above provide a visionary framework for people managers (all line managers), and change agents to start rehumanizing the organization through transformational leadership (see Chapter VI).

From the earlier discussions (see Chapters XII and XIV) it is clear that limited team interventions were employed to improve group effectiveness, specifically regarding leadership behaviour (competencies and values), role clarity (specific performance outputs, standards, measures, competencies), group/team performance, group/team values and norms, communication, people skills (diversity sensitivity), decision-making, conflict handling and power and politics. Charlton (2000:80) summarizes these team habits:

- A clear, inspiring focus (mission and vision);
- The organization and team focus areas are constantly and clearly communicated, measured and rewarded;
- People are motivated (part of the OT and business strategy) through this inspiring focus;
- People live the business and team values (ethics and values); and
- People are empowered and take responsibility to contribute to a motivating and excellence work environment (motivation strategy).

These human habits should be tailored according to the specific requirements of the visionary new organization. The human habits and transformational leadership competencies should be aligned with the business strategy, OT and HR strategies, and become part of the new organizational culture (artefacts, beliefs and values, assumptions as well as human habits seen in organizational and leadership behaviour).

15.9   **CONSEQUENCES AND IMPLICATIONS FOR HR**

It should be noted that the scope of the research was not to focus on HRM, but rather an integrated approach to total organizational change/transformation. However, an integrated model for strategic HRM needs to be developed for this organization that would create a framework for the inclusion of HR as part of the total business strategy (Carrell et al., 1998:602). An integrated model for strategic HRM should be aligned with the organizational mission, and would include the following steps (Carrell et al., 1998:602-607):

-       A HR audit of the function, structure, competencies as well as the HR system and possible reorganization of the HR function;

-       External HRM environmental scanning to identify potential threats and opportunities including labour legislation and skills development;

-       Internal HR scanning to identify strengths and opportunities including employee demographics, employee potential, skill levels, leadership competencies, organizational climate and culture, quality of work life and turnover;

-       HR involvement in the creation of organization/business unit/functional objectives and strategies, planning HR requirements, and developing HR strategies accordingly;

-       Continuous monitoring of the HR strategy for progress and validity during change; and

-       Formal evaluation and review of the whole strategic HRM process including goals and objectives met, HR process measurements, tracking HR costs, cost/benefit analyses and HR audits.

This research has implications and consequences for HR in a number of areas that are discussed next.

15.9.1 **HR POLICY AND PROCEDURES**

HR policy and procedures impact on organization behaviour on all levels, and have a strong impact on the organizational culture. As discussed earlier there is a close relationship between organizational culture and organizational success. The success of effective and high performance organizations are usually attributed to a combination of beliefs, values, policies, procedures and practices. There is a relationship between effectiveness and the translation of core beliefs and values into policies and practices (Denison, 1990:5-6).

New policies and procedures need to be drafted with input from all stakeholders and should be aligned with the recommendations of the Rural Financial Services Commission, the transformation plans, business strategy and plans as well as relevant labour legislation and should be communicated to everyone. Specific training sessions for line management are needed to ensure consistent compliance with the new HR processes and artefacts used. These policies and procedures need to be continuously enhanced in line with the business requirements and global best demonstrated practices (BDP). It is proposed that the HR policy and procedures are determined/controlled by Head Office HR (HR Process Owner) with strong input from the HR Consultants in the business. The policy, procedure, and all artefacts used should be available electronically. Specific HR process re-engineering activities together with the improved technology will reduce cost and increase client service delivery. These initiatives would also align HR with the process culture of the organization. It would also empower the HR practitioner to change their roles from transactional to transformational - becoming performance consultants and business partners.

15.9.2 **HR SYSTEMS AND PRACTICES**

The existing HR systems for administration, remuneration and management information need to be converted from analogue to digital in order to increase efficiency, functionality and user-friendliness. Electronic HR (e-HR) transactional solutions need to be pursued with specific focus on HR portals, virtual call centres, and employee self-service. The aim of these systems is to improve the HR transactions (administration like leave processing, performance management exercises, remuneration queries and amendments) and HR information (policy and procedural information, management information including employee demographics, performance management, training and development, competency and NQF data, disciplinary history information). The majority of the employees in the organization have access to the intranet. They should be held

responsible to update their own information directly via the intranet to the central data basis. This information (in a CV template format) could include job titles, business unit/division, direct reporting structure information, contact details, addresses, emergency contact person details, experience, achievements, skills and qualifications (verified), pertinent medical condition and blood type, hobbies and interests. Specific information regarding business strategies, business unit information, induction, internal job vacancies, competency-based learning and development opportunities, performance management, employee as well as industrial relations and employee well-being should be available via the intranet as well.

With an effective HR system driven via technology, it would become easier to do culture/climate or other surveys electronically (e-surveys). The e-surveys would be user-friendly, cost-effective, with the potential to generate reports and management information (mis) in real time. This is vital for a continuous improvement process where massive transformation and culture change are pursued. The surveys could focus on assessing the knowledge of the transformation objectives, communication patterns, progress of the transformation initiatives, tracking leadership behaviour changes, employee morale and motivation and tracking behaviour changes related to the new values. The new HR system should address the specific focus areas for improvement identified in this research, viz. change management competency development, leadership competency building, conflict, team and diversity management competency building, technical competency development and other development interventions. It should be a competency-based HR Management system (CB-HRM system) that integrates all people-management practices. The CB-HRM system should be directly linked to the organization's vision, mission and strategies.

A newly designed CB-HRM will provide a common language for all people-management practices, and should be used as a basis to support various strategic initiatives within the organization, e.g.:
-        Change in business strategy: Competency management provides a means to profile and assess existing competencies for different jobs and incumbents, to identify potential gaps, thus helping the organization identify both their competitive strengths and the new competencies they must either recruit or develop; and

- Improving individual/team performance and effectiveness: Competency management can help pinpoint core competencies, and areas of employee/team weaknesses that may be adversely affecting operating effectiveness, cost ratios or other aspects of business and financial performance.

In expanding the central role of competencies, each process can be described in terms of its application in the specific HR processes with relevant benefits to the new organization:

- Performance Management: The CB-HRM system ensures performance is objectively managed according to specific objectives, job and team requirements, standards and measures and a link with the required competencies. Effective performance feedback including 360 degree competency assessment, values behaviour feedback, and competency-based development plans could further improve the process;

- Training and development: The NQF aligned CB-HRM system ensures all learning resources are in alignment with the requirements of the individual's or leader's role/job requirements and other developmental needs. It will guide personal development to ensure competence for current as well as future positions (career and succession plans);

- Recruitment and selection: The CB-HRM system will provide a framework of objective criteria designed to guide the process so that the best candidates are identified and selected;

- Diversity management and affirmative action: The CB-HRM system facilitates the implementation of affirmative action by providing fair and objective criteria for employment equity practices. It also provides guidance on core competencies to manage diversity for individual, team and organizational effectiveness;

- Remuneration: The CB-HRM system facilitates the process of measuring and evaluating job size and content through the competency process, and by paying for competencies held and used in the job; and

- Recognition, reward and pay for performance: The CB-HRM system facilitates the recognition and reward process by aligning employee behaviour to the organizational objectives and values. Besides the fact that market related remuneration should be based on competencies held and used, pay for performance should be introduced.

15.9.3 **NEW ROLES FOR HR**

From the earlier discussion it is clear that a need for change is inevitable for HR focus areas, roles, responsibilities, deliverables (instead of mere activities) and new competencies for the HR professional.

The focus should be to determine what transactional HR activities can be outsourced to service centres (driven via technology) within or outside the organization. Consideration should be given to amend the HR vision from consulting to business partnering. HR should be perceived as transformational leaders with excellent people insight and organizational development skills. The new HR professional will be a business partner that is actively involved to define business strategy and to restructure the HR functions around the achievement of business goals. The specific HR policies and deliverables should be flexible and are determined by the business strategy.

The proposed roles for the HR professional are:
- Transactional/administrative expert that knows the HR policies and procedures, HR products/services (specifically benefits consulting), and actively strives to improve these for a cost-effective and efficient HR infrastructure;
- HR Consultant with the main focus of generalist transactional HR activities (excluding benefits consulting), building business acumen while transferring people-management skills to line management; and
- Change agent and strategic business partner, an architect and facilitator of OT (proactive OD) that plays a vital role in defining the business strategy and translates the business strategies into HR priorities and deliverables.

A combination of these three roles would constitute the ideal HR business partner and could also serve as career development guidelines within the HR team. It ensures multiskilled HR professionals, and also creates flexibility within the team for specific HR projects.

A competency profile for the HR professional (three roles) is the first step to build capacity within the HR team. HR team members need to be assessed through competency based assessments and 360 degree feedback surveys. Specific development interventions need to be selected to build the core HR competencies.

15.10   **OTHER OBSERVATIONS AND LEARNINGS FROM THIS STUDY**

Continued organizational performance and excellence rests on solid strategy formulation and development. The organization studied - even though in existence for many decades - did not follow a clear process and flow of strategy formulation (holistic, integrated, synergistic approach) until the transformation initiative and new mandate from government to change. For any new business the strategy process will plot the purpose for existence, the vision and objectives that the organization want to achieve. This is also vital for any existing business to maintain or improve organizational performance, profitability and effectiveness. In a rapid changing world this is not a process that should be taken lightly. Once the business strategy is formulated it needs to be communicated, understood, supported and driven by all the people in the business. An action research approach to business strategy would ensure that the strategy remains relevant and effective through continued assessment of the environment and the internal and external business drivers, which might lead to change in the strategy.

In the organization studied proactive OD initiatives were not included in the business strategy. Although planned OD initiatives played a part in initiating and supporting some strategic movement by shaping an enabling organisational environment through restructuring, business process re-engineering and new technology, the alignment of the people efforts (culture change initiatives) were not effective. Action research was not used to track and measure the culture change initiatives. Organizations should not be scared to use climate surveys and focus groups to track issues that will impact on individual/group/organizational effectiveness. Aligning the people efforts with the business strategy should not only be pursued through enhanced systems of performance management, communication, work motivation and leadership development. It is vital that the identified business values are linked and tracked via the new people practices - HR systems and practices that will track the required human and team habits and leadership behaviour.

In this study it was evident that business values are perceived as something that is separate from business practices. The identification of business values without the needed employee involvement and participation might lead to a failure to see the relevance (business context) and importance of changing work behaviour. Business values should be the foundation for all the human habits and the HR practices in the organization.

Talent management and retention was not identified as a critical success factor to this niche business. Human capital is the competitive advantage in a niche market where effective people practices, transformational leadership and a healthy organization culture are vital. This organization could not afford to loose the highly skilled and experienced knowledge workers during the transformation initiatives (no organization can !). Without talent management strategies, effective people practices and transformational leadership, highly skilled and experienced employees (including AA candidates) might not stay during difficult times of organizational change or transformation. Transformational leadership competencies or good people management skills are not evident in all line managers. The question could be asked how people without these competencies/behaviour get into a line management position. If an organization is serious about attracting and retaining talent, even during times of change, it should select, develop and manage performance of line managers accordingly.

Business image impacts on customer growth and retention. Transformation processes, successes/failures and issues can and will impact on customers. Customers would like to associate with a business that is successful, a business with a good reputation/business ethics, a culture of doing things the right way.

15.11   **CONCLUSION**

In this chapter a brief background was given to the objectives of this study, the research design and the specific focus areas and dimensions of the questionnaires used. The conclusions based on the literature study indicated that change is now a way of life for many organizations, and the specific needs for change in the organization studied were process re-engineering and restructuring, followed later by recommendations made to Government through the Rural Financial Services Commission, new labour legislation, a need for improved customer service (a broader customer base with diverse lifestyles and needs), a need for improved technology and information systems, and a changing workforce (employment equity and affirmative action). These drivers for change impacted on the interrelated primary components of the organization (subsystems), viz. technical, structural, management, psychological, goals and value components. It is vital for any change process to adopt an integrated approach/strategy that focus on all the subsystems of the organization. Through this research it became evident that the

behavioural strategy need to be amended, integrated, and aligned with the technical and structural strategies, as well as the organization culture(s).

The basic organizational behaviour model discussed in Chapter II was used as a guideline to propose behaviour change initiatives of individuals, groups, and the larger organization (as well as other initiatives), specifically because organizational effectiveness depends on group effectiveness, and group effectiveness depends on individual effectiveness. Specific recommendations were made regarding the objectives of the organization, the transformation process and communication, employee well-being, work motivation, locus of control-orientation, transformational-leadership development, culture management, human and team habits, HR policy and procedure, HR systems and practices, and new HR roles.

The psychometric considerations of the study as well as the research design were discussed and recommendations were made. Other observations and learnings from the researcher were shared.

BIBLIOGRAPHY

Adam, H. and Moodley, K. (1986). South Africa without apartheid. Dismantling racial domination. Cape Town: Maskew Miller Longman.

Adams, S.J. (1975). Inequality in social exchange. In: Berkovitz, L. (Ed.). Advances in experimental social psychology. New York: Academic Press.

Alderfer, C.P. (1972). Existence, Relatedness, and Growth: Human needs in organizational settings. New York: Free Press.

Allport, G.W. (1958). The nature of prejudice. New York: Doubleday Anchor Books.

Altmann, R. (2000). Understand The Organizational Climate (using surveys). Canadian Manager, 25(2):15-17.

Amit, R. and Belcourt, M. (1999). Human Resources Management Processes: A value-creating source of competitive advantage. European Management Journal, 17(2):174-181.

Anthony, W.P., Perrewe, P.L. and Kacmar,K.M. (1996).Strategic Human Resource Management. Second edition. Fort Worth: The Dryden Press, Harcourt Brace College Publishers.

Armstrong, M. (1990). How to be an even better manager. Third edition. London: Biddles Limited, Guildford and King's Lynn.

Armstrong, M. (1999). How to be an even better manager. Fifth edition. London: Kogan Page Limited.

Babbie, E. (1989). The practice of social research. Fifth edition. Belmont, California: Wadsworth Publishing.

Baker, T.L. (1988). Doing social research. New York: McGraw-Hill.

Barendrecht, C. (1995). The influence of biographical variables on the personal experience of job insecurity. University of Pretoria, Pretoria: Unpublished Master's Thesis.

Barling, J., Slater, F. and Kelloway, E.K. (2000).Transformational leadership and emotional intelligence: an exploratory study. Leadership and Organization Development Journal, 21(3): 143-147.

Barney, J. (1991). Firm resources and sustained competitive advantage. Journal of Management, 17(1): 99-120.

Barney, J. (1995). Looking inside for competitive advantage. Academy of Management Executive, 9(4): 49-61.

Bass, B.M. (1990). From transactional to transformational leadership: Learning to share the vision. Organizational Dynamics, 18 (4): 21.

Basson, J. (1988). Organisasiedoelwitbereiking. University of Pretoria, Pretoria: Unpublished Notes.

Bennis, W. and Mische, M. (1995). The 21st Century Organization. San Francisco: Jossey-Bass.

Bennett, R.H., Fadil, P.A. and Greenwood, R.T. (1994). Cultural alignment in response to strategic organizational change: new considerations for a change framework. Journal of Managerial Issues, 6 (4): 474-481.

Bethlehem, R.W. (1988). Economics in a revolutionary society. Johannesburg: A.D. Donker Publishers.

Blanchard, K., Zigarmi, P. and Zigarmi, D. (1985). Leadership and the one minute manager. New York: Morrow and Company.

Blau, G. (1993). Testing the relationship of locus of control to different performance dimensions. Journal of Occupational and Organizational Psychology, 66 (2): 125-138.

Bohrnstedt, G.W. and Knoke, D. (1988). Statistics for social data analyses. Second edition. Itasca, Illinois: F.E. Peacock Publishers.

Bolk, H., van Elswijk, P., Melis, T. and van Praag, A.M. (1997). Only people learn: organisations and systems can adapt. Computers in Industry, 33 (2-3): 209-217.

Brown, T. (1997). My fair Human Resource professional. Human Resources Focus, p. 4, June.

Brill, P.L. and Worth, R. (1997). The four levers of corporate change. New York: Amacom.

Buhler, P.M. (2000). Managing in the new millenium. Supervision, 61: 17.

Burgelman, R.A. and Maidique, M.A. (1988). Strategic management of technology and innovation. Homewood, Illinois: Irwin.

Burke, W.W. (1997). The new agenda for organization development. Organizational Dynamics, 25 (1): 7-14.

Burns, J.M. (1978). Leadership. New York: Harper and Row.

Carrell, M.R., Elbert, N.F., Hatfield, R.D., Grobler, P.A., Marx, M., and Van der Schyf, S. (1998). Human Resource Management in South Africa. Second edition. Cape Town: Prentice-Hall.

Cascio, W.F. (1991). Applied Psychology in Personnel Management. Fourth edition. Englewood Cliffs , New Jersey: Prentice-Hall.

Cacioppe, R. (2000). Creating spirit at work: re-visioning organization development and leadership. Leadership and Organization Development Journal, 21(21): 143-149.

Case, J. (1996). Corporate Culture (How it can improve company performance). Inc., 18 (16): 42.

Chadwick, B.A., Bahr, H.M. and Albrecht, S.L. (1984). Social science research methods. Englewood Cliffs, New Jersey: Prentice-Hall.

Charlton, G. (2000). Human habits of highly effective organizations. Pretoria: Van Schaik Publishers.

Chaudron, D. (1996). Managing change: The battle of buzzwords. HR Focus, 5: 13-14.

Chorn, N.H. (1991). The "alignment" theory: creating strategic fit. Management Decision, 29 (1): 20-24.

Church, A.H. and McMahan, G.C. (1996). The practice of organization and human resource development in the USA's fastest growing firms. Leadership and Organization Development Journal, 17 (2): 17-34.

Church, A.H., Waclawski, J. and Burke, W.W. (1996). OD practitioners as facilitators of change: an analysis of survey results. (organization development). Group and Organization Management, 21(1): 22-45.

Church, A.H., Waclawski, J. and Seigel, W. (1999). Will The Real OD Practitioner Please Stand Up? A call for change in the field. Organization Development Journal, 17(2): 49-58.

Daft, R.L. (1991). Management. Second edition. Orlando: Dryden Press.

Dane, F.C. (1990). Research methods. California: Brooks-Cole Publishing.

Deal, T.E. and Kennedy, A. (1982). Corporate cultures: the rites and rituals of corporate life. Reading, M.A.: Addison-Wesley.

De la Rey, R.P. (1978). Statistiese metodes in sielkundige navorsing. Universiteit van Pretoria, Pretoria: Ongepubliseerde Aantekeninge.

Deming, W.E. (1989). Out of crises. Cambridge: MIT Press.

Denison, D.R. (1990). Corporate culture and organizational effectiveness. New York: John Wiley and Sons.

Dobbs, M.F. (1998). Managing diversity: The Department of Energy initiative. Public Personnel Management, 27 (2): 161-174.

Dooley, D. (1990). Social research methods. New Jersey: Prentice-Hall.

Du Toit, J.M. (1963). Statistiese metodes. Stellenbosch: Kosmos Uitgewers (Edms) Bpk.

Dyer, W.G. (1989). Team building: A microcosm of the past, present, and future of OD. Academy of Management OD Newsletter, 26 (2): 7-8.

Dyer, L. and Holder, G.W. (1988). A strategic perspective of human resource management. In: Dyer, L (Ed.). Human resource management: evolving roles and responsibilities. Washington: The Bureau of National Affairs: 32-34.

Elangovan, A.R. and Xie, F. (1999). Effects of perceived power of supervisor on subordinate stress and motivation: the moderating role of subordinate characteristics. Journal of Organizational Behavior, 20 (3): 359-361.

Erez, M. and Early, P.C. (1993). Culture, self-identity, and work. New York: Oxford University Press.

Ferguson, G.A. (1981). Statistical analysis in psychology and education. Fifth edition. New York: McGraw-Hill.

Fiedler, F.E. (1965). Engineer the job to fit the man. Harvard Business Review, 53:115-122.

Fincham, R. and Rhodes, P. (1999). Principles of organizational behavior. Third edition. New York: Oxford University Press.

Firth, D. (1999). Smart things to know about change. Oxford: Capstone Publishing.

Fitz-Enz, J. (1997). Highly effective Human Resource practises. Human Resource Focus, 12, April.

Flanagan, N. and Finger, J. (2000). Just about everything a manager needs to know in South Africa. Johannesburg: Zebra Press.

Fourie, L.A. (1989). Die motivering van blanke klerke by 'n finansiële instelling. Potchefstroomse Universiteit vir CHO, Potchefstroom: M.Com. Skripsie.

Frazee,V.(1996). When downsizing brings your employees down. Personnel journal, 75 (3): 126-128.

French, W.L. and Bell, C.H. (1990). Organization Development: behavioral science interventions for organization improvement. Fourth edition. Englewood Cliffs, New Jersey: Prentice-Hall.

French, W.L., Bell, C.H. Jr. and Zawacki, R.A. (2000). Organization Development and Transformation: managing effective change. Fifth edition. New York: McGraw-Hill.

FSA Contact. Unpublished Restructuring Report, 1996/10/13.

Garson, B.E. and Stanwyck, D.J. (1997). Locus of control and incentive in self-managing teams. Human Resource Development Quarterly, 8: 247-258.

Gatewood, R.D., Taylor, R.R. and Ferrell, O.C. (1995). Management, Comprehension, Analyses, and Application. Illinois: Austen Press.

George, J.M. and Jones, G.R. (1996). Understanding and managing organizational behavior. New York: Addison-Wesley Publishing Company.

Gerber, P.D., Nel, P.S. and Van Dyk, P.S. (1998). Human Resources Management. Fourth edition. Halfway House: International Thomson Publishing.

Ghoshal, S. and Bartlett, C.A. (1999). The individualized organisation. Parktown, Johannesburg: Random House.

Gibson, V.M. (1995). Align people with business strategies. HR Focus, 3: 12-13.

Gibson, J.L., Ivancevich, J.M. and Donnelly, J.H. (2000). Organizations-behavior, structure, processes. Tenth edition. Boston: McGraw-Hill.

Giliomee, H. and Schlemmer, L. (1989). From apartheid to nation-building. Oxford: Oxford University Press.

Greenberg, J. and Baron, R.A. (2000). Behavior in organizations, Seventh edition. Englewood Cliffs, New Jersey: Prentice-Hall.

Greenhaus, J.H. (1987). Career Management. Florida: The Dryden Press.

Guastello, S.J. (1987). A butterfly catastrophe model of motivation in organizations: academic performance. Journal of Applied Psychology, 72(1): 165-183.

Guion, R.M. (1965). Personnel Testing. New York: McGraw-Hill.

Gul, F.A., Tshui, J. and Mia, L. (1994). Locus of control, task difficulty, and their interaction with employees' attitudes. Psychological Reports, 75: 971-978.

Gurin, P., Gurin, G., Lao, R.C., and Beattie, M. (1969). Internal-external control in motivational dynamics of Negro youth. Journal of Social Issues, 25 (3): 39-53.

Hackman, R. and Oldman, G.R. (1980). Work Design. Massachusetts: Milton Keynes.

Hall, D.T. and Goodale, J.G. (1986). Human resources management: Strategy, design and implementation. Illinois: Scott, Foresman, Glenview.

Hammer, M. and Champy, J. (1993). Re-engineering the corporation. New York: Harper Collins.

Handy, C.B. (1987). Understanding organizations. Harmondsworth: Penguin Books.

Hanf, T., Weiland, H. and Vierdag, G. (1981). South Africa: the prospects of peaceful change. Cape Town: David Philip.

Hannan, M. and Freeman, J. (1989). Structural inertia and organizational change. American Sociological Review, 49: 149-164.

Harris, P.R. and Moran, T. (1979). Managing cultural differences. Houstan: Gulf Publishing Co.

Harris, R.J. (1975). A primer of multivariate statistics. New York: Academic Press.

Harvey, D.F. and Brown, D.R. (1996). An experiential approach to organization development. Fifth edition. Englewood Cliffs, New Jersey: Prentice-Hall.

Hax, A.C. (1985). A new competitive weapon: the human resource strategy. Training and Development Journal, 39 (5): 76-79.

Head, C.W. (1997). Beyond corporate transformation: A whole systems approach to creating and sustaining high performance. Ohio: Productivity Press.

Healy, J.F. (1990). Statistics: a tool for social research. Second edition. Belmont, California: Wadsworth Publishing.

Hellriegel, D., Jackson, S.E., Slocum, J. and Staude, G. (2001). Management. Cape Town: Oxford University Press.

Herbig, P. and Genestre, A. (1997). International motivational differences. Management Decision, 35 (7): 562-568.

Herron, R. (2000). Employers should focus on people this year. Birmingham Business Journal, 17:16-18.

Herzberg, F.(1954). Work and the nature of man. Boston: Granada Publishing.

Hiam, A. (1999). Motivating and rewarding employees. Massachusetts: Adams Media Corporation.

Hofstede, G. (1980a). Culture's consequences. International differences in work-related values. London: Sage Publications.

Hofstede, G. and Bond, M.H. (1988). The Confucius connection: from cultural roots to economic growth. Organizational Dynamics, 3: 5-21.

Horvath, T. (1985). Basic statistics for the behavioral sciences. Boston: Little, Brown and Company.

Howard, G.S. (1985). Basic research methods in the social sciences. Illinois: Scott, Foresman and Company.

Howell, D.C. (1989). Fundamental statistics for the behavioral sciences. Glenview, Illinois: Scott, Foresman and Company.

Huysamen, D. (1996). Rehumanising the organisation. People Dynamics,14 (9): 34-39.

Ivancevich, J.M. and Matteson, M.T. (1999). Organisational behaviour and management. Fifth edition. Singapore: McGraw-Hill.

Jackson, D. (1993). Organisational culture within the South African context. People Dynamics, 11(4): 31-40.

Kastner, J.H.C. (1988). Reconciling people and jobs: in search of greater psychological validity for public personnel administration. SAIPA, 23 (1): 20-35.

Kavanagh, M.J., Gueutal, H.G., and Tannenbaum, S.I. (1990). Human Resource Information Systems: Development and Application. Boston: PWS-Kent.

Kaye, S. (1998). Maximize on cultural shifts. Canadian Manager, 23 (4): 13-15.

Kesler, G.C. (1995). A model and process for redesigning the HRM role, competencies, and work in a major multi-national corporation. Human Resource Management, 34(2): 229-252.

Killman, R.H., Saxton, M.J., and Serpa, R., and Associates (1985). Gaining control of the corporate culture. San Francisco: Jossey-Bass Publishers.

Koonce, R. (1991). The "people side" of organisational change. Credit, 17(6): 22-26.

Kotter, J.P. and Heskett, J.L. (1992). Corporate culture and performance. New York: MacMillan.

Krech, D., Crutchfield, R.S.,and Ballachey,E.L. (1962). Individual in society. New York: McGraw-Hill.

Kren, L. (1992). The moderating effects of locus of control on performance incentives and participation. Human Relations, 45(9): 991-1012.

La Belle, C.M. (1984). Human resource strategic decisions as responses to environmental challenges. Cornell University, New York: Master of Science thesis.

Land Bank (1998). Head Office Restructuring Proposal. Land Bank, Pretoria: Unpublished notes.

Land Bank Prospectus (1998). Pretoria.

Land Bank Staff Communication (1998). Land Bank, Pretoria: Unpublished notes.

Landrum, N. E., Howell, J. P. and Paris, L. (2000). Leadership for strategic change. Leadership and Organization Development Journal, 21(3): 143-145.

Lawler, E.E. (1973). Motivation in work organizations. California: Brooks Cole.

Leedy, P.D. (1993). Practical research: Planning and design. New York: MacMillan.

Lessem, R. (1989). Global management principles. Englewood Cliffs, New Jersey: Prentice-Hall.

Lewin, K. (1951). Field theory in social science. New York: Harper and Row.

Luthans, F. (1998). Organizational behaviour. Eighth edition. New York: McGraw-Hill.

Locke, E.A. (1968). Toward a theory of task motivation and incentives. Organizational Behavior and Human Performance, May, 157-189.

Macchiarulo, J. (1995). Organizational development experts guide change (electric utilities). Electric Light & Power, 73(6): 4-5.

Malinowski, B. (1944). A scientific theory of culture. Chapel Hill: University of North Carolina Press.

Martell, K. and Carroll, S.J. (1995). How strategic is HRM? Human Resource Management, 34(2): 253-254.

Martin, J. and Siehl, C. (1983). Organizational culture and counterculture: an uneasy symbiosis. Organizational dynamics, 12(2): 52-64.

Martinez, M.M. (1997). Break the bad attitude habit. HR Magazine, 42(7): 55-59.

Maslow, A.H. (1954). Motivation and personality. New York: Harper and Row.

Mason, E.J. and Bramble, W.J. (1989). Understanding and conducting research. New York: McGraw-Hill.

Maurer, R. (1996). Beyond the wall of resistance. Texas: Bard Books.

McClelland, D.C. (1961). The achieving society. New Jersey: Van Nostrand.

McDonald, P. and Gandz, J. (1992). Getting value from shared values. Organizational Dynamics, 20(3): 64-78.

McLoud, M. (1989). The role of motivation in supervision. Social Work, 25(1): 48-57.

Megginson, L.C., Mosley, D.C. and Pietri, J.R. (1992). Management concepts and applications. Fourth edition. New York: Harper Collins.

Meyer, M. and Botha, E. (2000). Organisation development and transformation in South Africa. Durban: Butterworths.

Miller, D. (1982). Evolution and revolution: A quantum view of structural change in organizations. Journal of Management Studies, 19: 11-151.

Miller, F.A. (1998). Strategic culture change: The door to achieving high performance and inclusion. Public Personnel Management, 27(2): 151-160.

Milton, C.R. (1981). Human behavior in organizations: three levels of behavior. Englewood Cliffs, New Jersey: Prentice-Hall.

Monks, B. (1998). Learning and leadership. Management-Auckland, 45(11): 122-123.

Mullins, L.J. (1994). Management and organisational behaviour. London: Pitman.

Nave, J.L. (1986). Gauging organizational climate (Survey questionnaire for identifying workplace attitudes). Management Solutions, 31(6): 14-19.

Ndala, R. (1996). Uncovering the "wanta" factor. Productivity SA, 22(1): 27-28.

Nelson, B. (1998). Charging up the team. Bank Marketing, 30(4): 28.

Norusis, M.J. (1984). Advanced statistics guide. New York: McGraw-Hill.

Norusis, M.J. (1990). Advanced statistics users guide. Chicago: SPSS.

Nunnally, J.C. (1967). Psychometric theory. New York: McGraw-Hill.

O'Brien, G.E. (1983). Locus of control, work and retirement. In: Leftcourt, H.M. (Ed.). Research in locus of control, Vol.3. New York: Academic Press.

O' Malley, J. (1999). An executive coach cultivates potential in employees. Birningham Business Journal, 16: 16-17.

O' Toole, J. (1995). Leading change: Overcoming the ideology of comfort and the tyranny of custom. San Francisco: Jossey-Bass.

Osgood, C.E. and Suci, G.J. (1952). A measure of relation determined by both mean differences and profile information. Psychological Bulletin, 49: 251-262.

Ott, J.S. (1989). The organizational culture perspective. Pacific Grove, California: Brooks/Cole.

Ott, L. and Mendenhall, W. (1990). Understanding statistics. Fifth edition. Boston: PWS-Kent Publishing Company.

Parachin, V.M. (1999). Seven secrets for self-motivation. Supervision, 60(1): 3-5.

Porteous, E. and Sutherland, M. (1997). Citizenship of an organisation. People Dynamics, 15(6): 27-31.

Porter, L.W. and Lawler, E.E. (1968). Managerial attitudes and performances. Illinois: Dorney Press.

Ragins, B.R.,Townsend, B. and Mattis (1998). Gender and intelligence. The Academy of Management Executive, 12(1): 28-33.

Ramsay, M. (1995). Towards a new spirit. CA Magazine (Scotland), 99(1067): 52-53.

Renton, M. (1996). Corporate values that are more than cosmetic. People Dynamics, 14(11): 24-29.

Renton, M. (1997). Clarifying your vision. People Dynamics, 15(5): 18-24.

Riordan, Z.V.A. (1981). Locus of control in South Africa. The Journal of Social Psychology, 115: 159-168.

Robinson, D.E. and Galpin, T. (1996). In for a change (effect of company changes on human capital). HR Magazine, 41(7): 90-94.

Robbins, S.P. (1982). Personnel: the management of human resources. Englewood Cliffs, New Jersey: Prentice-Hall.

Robbins, S.P. (1998). Organizational behavior. Eighth edition. Englewood Cliffs, New Jersey: Prentice-Hall.

Rotter, J.B. (1966). Generalized expectancies for internal versus external control of reinforcement. Psychological Monographs, 80(1): 1-28.

Salancik, G. and Pfeffer, J. (1978). A social information processing approach to job attitudes and task design. Administrative Science Quarterly, June: 224-253.

Samuelson, P.L. and Slabbert, A.D. (1992). Employee motivation in South Africa: A hierarchical overview. Industrial Relations Journal of South Africa, 12(4): 29-38.

SAS Institute Inc. (1990). SAS/Stat users guide, Volume 2, version 6. Fourth edition. New York: SAS Institute.

Sathe, V. (1985). How to decipher and change corporate culture. In: Killman, R.H., Saxton, M.J. and Serpa, R. (Eds.). Gaining control of the corporate culture. San Francisco: Jossey-Bass.

Schein, E.H. (1980). Organisational psychology. Third edition. Englewood Cliffs, New Jersey: Prentice-Hall.

Schein, E.H. (1985). Organizational culture and leadership. San Francisco: Jossey-Bass.

Schein, E.H. (1990). Organizational culture. American Psychologist, 45(2): 109-119.

Schepers, J.M. (1995). Die lokus van beheer-vraelys: Konstruksie en evaluering van 'n nuwe meetinstrument. Johannesburg: Randse Afrikaanse Universiteit (Ongepubliseerde Aantekeninge).

Schermerhorn, J.R., Hunt, J.G. and Osborn, R.N. (1997). Organizational Behavior. Sixth edition. New York: John Wiley.

Shavelson, R.J. (1981). Statistical reasoning for the behavioral sciences. London: Allyn and Bacon.

Sherrington, J. and Stern, J. (1997). Human Resource's role in culture change. Human Resource Focus, 4: 27-28.

Sherwood, J.J. (1988). Creating work cultures with competitive advantage. Organizational Dynamics, 3: 5-26.

Siegel, S. (1956). Nonparametric statistics for the behavioral sciences. New York: McGraw-Hill.

Skoldberg, K. (1994). Tales of change. Organization Science, 5: 219-238.

Smit, G.J. (1983). Psigometrika. Aspekte van toetsgebruik. Pretoria: HAUM.

Smit, P.J. and Cronje, G.J. (1992). Management Principles. Cape Town: Creda Press.

Smith, S. (1997). Create that change. London: Koegan Page.

Smither, R., Houston, J. and McIntire, S. (1996). Organization Development, Strategies for Changing Environments. New York: Harper Collins.

Spector, P.E. (1982). Behaviour in organisations as a function of employees' locus of control. Psychological Bulletin, 1: 482-497.

Steers, R.M. and Porter, L.W. (1991). Motivation and work behaviour. Fifth edition. New York: Mc Graw-Hill.

Steyn, A.G.W., Smit, C.F. and Du Toit, S.H.C. (1987). Moderne statistiek vir die praktyk. Pretoria: Sigma.

Sutermeister, R.A. (1976). People and productivity. New York: McGraw-Hill.

Tabachnick, B.G. and Fidell, L. S. (1983). Using multivariate statistics. New York: Harper and Row.

Tabachnick, B.G. and Fidell, L. S. (1989). Using multivariate statistics. Second edition. New York: Harper and Row.

Taylor, J.C. (1975). The human side of work: The socio-technical approach to work design. Personnel Review, 4: 17-22.

Taylor, K.S. (1998). Corporate change: If communication isn't working, nothing else will. Employment Relations Today, 25(1): 69-79.

Theron, S.W. (1989). Labour relations and the black worker. University of Pretoria, Pretoria: Unpublished Paper.

Theron, S.W. (1992). A cross-cultural analysis of work-related values in a mining industry. University of Pretoria, Pretoria: Unpublished Doctoral Thesis.

Tichy, N. (1996). Simultaneous transformation and CEO succession: Key to global competitiveness. Organizational Dynamics, Summer: 49.

Tichy, N.M. and Devanna, M.A. (1990). The transformational leader. New York: Wiley and Sons.

Timmermans, F.M.P. (1988). Mensekragbenutting. Universiteit van Pretoria, Pretoria: Ongepubliseerde Aantekeninge.

Tosti, D. (1995). Grooming in organisational cultures. People Dynamics,13 (10): 18-23.

Trahant, B. and Burke, W.W. (1996). Travelling through transitions. Training and Development, 2:38-39.

Tschol, J. (1996). Achieving excellence through customer service. Second edition. Minnesota: Best Sellers Publishing.

Ulrich, D., Brockbank, W.,Yeung, A.K. and Lake, D.G. (1995). Human Resource Competencies: An empirical assessment. Human Resource Management, 34(4): 473-495.

Vroom, V.N. (1964). Work and motivation. New York: John Wiley.

Werther, W.B. (1975). Beyond job enrichment to employment enrichment. Personnel Journal, 3(2): 438-442.

Yukl, G. (1989). Leadership in organizations. Second edition. Englewood Cliffs, New Jersey: Prentice Hall.

Zimmerman, J. (1995). The principles of managing change. HR Focus, (2): 15-16.

APPENDIX I

MOTIVATION SURVEY

Remarks :

1. This questionnaire contains a number of questions where you are requested to express an opinion on various aspects relating to your work.

2. No person will or can be identified and you may freely express your feelings.

3. Answer each question as honestly as possible and do not omit questions.

4. Please ensure that your respondent number corresponds on both questionnaires.

Respondent number

BACKGROUND INFORMATION (MARK WITH A "X")

1. **AGE**

18 – 20 YEARS	01
21 – 25 YEARS	02
26 – 30 YEARS	03
31 – 40 YEARS	04
41 – 50 YEARS	05
OVER 51 YEARS	06

2. **GENDER**

Male	07
Female	08

3. **HOME LANGUAGE**

Afrikaans	09
English	10
Other	11

4. **MARITAL STATUS**

Married	12
Unmarried	13
Divorced	14

5.   **<u>RELIGIOUS DENOMINATION</u>**

Reformed Church (Gereformeerde Kerk)	15
Reformed Church (Hervormde Kerk)	16
Dutch Reformed Church	17
Apostolic Faith Church (AGS)	18
Afrikaans Protestant Church (APK)	19
Baptist Church	20
Roman Catholic Church	21
Methodist Church	22
Anglican Church	23
Rhema Church	24
Jehovah Witnesses	25
Other	26

6.   **<u>EDUCATIONAL QUALIFICATIONS</u>**

Matric	27
Diploma	28
Degree	29
Post-graduate	30

7.   **<u>INCOME PER MONTH</u>**

       <u>R</u>

2 300 – 3 500	31
3 501 – 4 500	32
4 501 – 5 500	33
5 501 – 6 500	34
6 501 – 7 000	35
More than 7 000	36

8.   **<u>YEARS OF SERVICE</u>**

Less than 1 year	37
1 – 2 years	38
3 – 5 years	39
6 – 10 years	40
11 – 15 years	41
16 – 20 years	42
Longer than 21 years	43

9.   **BRANCH OFFICE / SECTION AT HEAD OFFICE**

HO:Finance Section	44
HO:Buildings and Staff Housing Section	45
HO:Recoveries Section	46
HO:Short term Advances Section	47
HO:Agricultural Economics Section	48
HO:Loans Section	49
HO:Personnel Section	50
HO:Clerks of the Board	51
HO:Registration and Stationery Section	52
HO:Legal Section	53
HO:Computerisation and Statistics Section	54
HO:Accounts Section	55
Beaufort West Office	56
Bethlehem Office	57
Bloemfontein Office	58
Calvinia Office	59
Cradock Office	60
Ermelo Office	61
George Office	62
Heidelberg Office	63
Cape Town Office	64
Kroonstad Office	65
Lichtenburg Office	66
Middelburg Office	67
Nelspruit Office	68
Mokopane Office	69
Pietermaritzburg Office	70
Polokwane Office	71
Port Elizabeth Office	72
Potchefstroom Office	73
Pretoria Office	74
Rustenburg Office	75
Tzaneen Office	76
Upington Office	77
Vryburg Office	78
Vryheid Office	79

10.   **<u>JOB GRADE</u>**

Deputy General Manager and Assistant General Manager (Agricultural Economics)	80
Senior Director, Director, Deputy Director and Assistant Director (Agricultural Economics)	81
Chief Agricultural Officer and Control Agricultural Officer	82
Senior Agricultural Officer and Agricultural Officer	83
Deputy General Manager and Assistant General Manager	84
Senior Director, Director, deputy Director and Assistant Director	85
Senior Control Officer	86
Administrative Officer	87
Deputy Administrative Officer	88
Senior Clerk Special Grade, Senior Clerk and Clerk Grade I	89
Clerk Grade II	90
Clerk Grade III	91
Typist Special Grade I and II and Typist Grade I	92
Typist Grade II	93
Typist Grade III	94

<u>INSTRUCTIONS FOR COMPLETION OF THE QUESTIONNAIRE</u>

1.   Please read the instructions carefully before completing the questionnaire.

2.   Please answer every question.

3.   There are five possible answers to each question. Make a cross in the block which best reflects your attitude.

4.   Try to use the answer "uncertain" as seldom as possible.

5.   This is merely an attitude survey and can in no way prejudice anyone against you.

6.   Thank you in advance for your time and for being prepared to participate in the survey.

KEYS:

STRONGLY AGREE	-	SA
AGREE	-	A
UNCERTAIN	-	U
DISAGREE	-	D
DISAGREE STRONGLY	-	DS

		SA	A	U	D	DS
1.	My manager/supervisor regards me as a good worker					
2.	I receive the recognition I deserve for the work I do					
3.	I know exactly what is expected of me to carry out my daily task satisfactorily					
4.	The training I receive enables me to perform well					
5.	If I disagree with my manager/supervisor I have an opportunity to discuss the matter with him					
6.	Unnecessary red tape prevents me from carrying out my daily task effectively					
7.	I know what the company's objective is and how I can contribute towards the achievement thereof					
8.	If people in our section do not agree on a matter, it is ignored rather than discussed					
9.	I feel that I am overburdened with work					
10.	If I compare my salary with that of people in other companies, I feel dissatisfied					
11.	I do not have enough time to complete my daily task					
12.	My superior notices my hard work and gives me the necessary recognition for it					
13.	I have sufficient time to familiarise myself with new work and sections					
14.	The training I receive enables me to perform to the best of my ability					
15.	If I do my part I have sufficient opportunities for promotion					
16.	My senior is interested in the work that I do					
17.	If I do my work well, I receive the appropriate recognition					
18.	I have sufficient opportunity to rotate and become familiar with new tasks					
19.	My present circumstances are much better than those of people who are newly appointed in the company					
20.	My potential is fully utilised					
21.	I believe that the remuneration package I receive is on a par with that of my peer group in other companies					
22.	My career planning is just as important to my superior as to myself					

		SA	A	U	D	DS
23	My manager/supervisor always tries to place me in a post where my potential can be best utilised					
24.	I believe that the interests of the branch or section enjoy priority over those of the employee and that career planning is jeopardised in the process					
25.	My work load is of such a nature that I can give sufficient attention to my tasks					
26.	I have felt part of the organization since having been appointed here					
27.	I envisage a career for myself in this organization					
28.	My senior understands me and understands my point of view when I have a problem					
29.	I am satisfied with the progress I am making in my career in this company					
30.	The team spirit in our branch or section is very good					
31.	I know at all times what is expected of me					
32.	My senior communicates with me in a very acceptable manner					
33.	My present working environment contributes to my job satisfaction					
34.	I would like to work for another company if I could					
35.	I would like to work in another section					
36.	I feel that I am being kept in one section too long, which could jeopardise my career					
37.	I feel sure of my work each day					
38.	In our branch or section people understand one another and we work well together					
39.	I feel that people who started working in the company long after me are better off financially than I am					

APPENDIX II

Locus of control Inventory

INSTRUCTIONS FOR COMPLETION OF THE QUESTIONNAIRE

1.   Please read the instructions carefully before completing the questionnaire.

2.   Please answer every question.

3.   This questionnaire contains a number of questions where you are requested to express an opinion on various aspects.

4.   There are seven possible answers to each question. Make a cross in the block which best reflects your response.

5.   No person will or can be identified and you may freely express your feelings.

6.   Thank you in advance for your time and for being prepared to participate in the survey.

7.   Please ensure that your respondent number corresponds with the motivation questionnaire.

Respondent number

1.   To what extent do you doubt your own capabilities when your work is being criticized?

Not at all

1	2	3	4	5	6	7

To a great extent

2.   How strongly are you geared towards ensuring that your case triumphs during a conflict situation?

Not at all

1	2	3	4	5	6	7

Very strongly

3.   How readily would you take risks?

Not at all

1	2	3	4	5	6	7

Very readily

4.   How strongly are you convinced that a person without money will get nowhere, no matter how hard he/she works?

Not at all

1	2	3	4	5	6	7

To a great extent

5.   How readily can you convince someone else of your viewpoint?

Not at all

1	2	3	4	5	6	7

Very readily

6. How strongly are you convinced that personal insight is a prerequisite for good interpersonal relationships?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very strongly

7. To what extent should the structure and routine of a person's work be determined by himself/herself?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | To a great extent

8. How readily do you accept responsibility for mistakes that appear in your work?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very readily

9. How often does it happen that people obtain good positions simply because they know the right people?

Hardly ever | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very often

10. To what extent are you convinced that success is mainly related to a person's ability and   dedication?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very strongly

11. How strongly are you convinced that once you have failed at something, it is virtually impossible to achieve success in that aspect again?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very strongly

12. How strongly are you convinced that you are subject to the whims of fate?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very strongly

13. How strongly are you convinced that you will succeed when undertaking important tasks?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very strongly

14. How often do you make things happen through your own input, rather than wait for anything to happen?

Hardly ever | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very often

15. How often do you wait for other people to take charge, rather than take charge yourself?

Hardly ever | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very often

16. How often do you decide on matters yourself, rather than wait for others to take decisions on your behalf?

Hardly ever | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very often

17. To what extent do failures spur you on to improve your performance?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | To a great extent

18. To what extent does recognition encourage you to perform even better?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | To a great extent

19. To what extent does success encourage you to work harder and achieve greater heights?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | To a great extent

20. How often does it happen that you fail on account of other people interfering in your   business?

Hardly ever | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very often

21. To what extent are you dependent on the advice or cues of others, in order to produce quality work?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | To a great extent

22. To what extent do you like taking decisions yourself?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | To a great extent

23. In a group situation, how readily would you support a group decision if you do not agree with it?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very readily

24. How often would you air your views when they differ from someone else's?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very readily

25. To what extent would you prefer to follow your own mind, rather than have to follow someone else's instructions?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | To a great extent

26. To what extent do you insist on recognition of your own individual achievements?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very strongly

27. To what extent do you take responsibility for your own intellectual developments?

To a minor degree | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Fully

28. To what extent do you like occupying a leadership position?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very much

29. How strongly would you stick to your viewpoint when someone for whom you have great respect disagrees with you?

Not at all strongly | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very strongly

30. To what extent do you like solving complex problems?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very much

31. How important is it for you to receive feedback on tasks, which you have performed?

| Not at all important | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very important |

32. To what extent is reward for achievement earned?

| Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | To a great extent |

33. How readily would you accept responsibility for mistakes in the work situation even though you are not liable?

| Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very readily |

34. To what extent does Lady Luck play a role in your life?

| Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | To a great extent |

35. How strongly do you believe in fatalism?

| Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very strongly |

36. To what extent is your life influenced by coincidences?

| Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | To a great extent |

37. To what extent does the achievement of your personal objectives depend on yourself?

| To a minor degree | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Fully |

38. To what extent are other people responsible for your well being?

| Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | To a great extent |

39. How often do you feel you have no control over your own circumstances?

| Never | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very often |

40. How readily do you accept responsibility for your own poor performance?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very readily

41. To what extent are you convinced that failures in life could be attributed to fate?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very strongly

42. How strongly are you convinced that the respect you receive is directly related to your behaviour?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very strongly

43. To what extent are your present achievements adversely affected as a result of negative experiences
      in your past?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very strongly

44. How often do you achieve set objectives irrespective of the conditions?

Hardly ever | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Nearly always

45. How strongly are you convinced that other people are in charge of your life and that they determine
      the outcome of issues?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very strongly

46. How strongly are you convinced that you can solve most of your problems, irrespective of the
      conditions?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very strongly

47. To what extent do you agree that a person cannot achieve anything without the right opportunities?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very strongly

48. To what extent do you agree that failure in life can be attributed to a lack of dedication?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Fully

49. How strongly are you convinced that success depends mainly on hard work?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very strongly

50. How strongly are you convinced that success depends mainly upon equal opportunities in   life?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very strongly

51. To what extent do you believe that your superiors determine advancement in life?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very strongly

52. To what extent did your parents/guardians negatively influence your achievement at school, because
of interference in your affairs?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | To a great extent

53. To what extent was your present achievement negatively influenced by people who are not
favourably disposed towards you?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | To a great extent

54. To what extent do you take personal responsibility for the things that go wrong in your life?

To a minor degree | 1 | 2 | 3 | 4 | 5 | 6 | 7 | To a great extent

55. To what extent is the outcome of matters determined by your own inputs?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | To a great extent

56. How often have people who were hostile towards you thwarted your progress in the past?

Never | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very often

57. How strongly are you convinced that only people who are at the right place at the right time, get
promoted?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very strongly

58. How strongly are you convinced that only people who belong to the right political party have a chance in life?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very strongly

59. To what extent are you convinced that your own input bears no relation to the outcome of matters?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very strongly

60. To what extent are you convinced that achievement depends upon utilizing your own God-given talents to the full?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Fully

61. How strongly are you convinced that the achievements you have obtained were deserved, and not merely due to luck?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very strongly

62. How well can you predict whether you have passed an examination, which you have just written, or not?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very well

63. How strongly are you convinced that promotions occur as a result of hard work and perseverance?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very strongly

64. How easy or difficult do you find it to satisfy choosy people?

Very difficult | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very easy

65. How strongly are you convinced that clique formation is the most important determinant of social acceptance?

Not at all	1	2	3	4	5	6	7	Very strongly

66. How strongly are you convinced that you possess the ability to produce work of the highest quality?

Not at all	1	2	3	4	5	6	7	Very strongly

67. How strongly would you defend your actions if the appropriateness thereof were to be questioned by others?

Not at all	1	2	3	4	5	6	7	Very strongly

68. How strongly are you convinced that you are sufficiently qualified for the work that you are doing?

Not at all	1	2	3	4	5	6	7	Very strongly

69. To what extent do you prefer to plan and coordinate your own work?

Not at all	1	2	3	4	5	6	7	To a great extent

70. To what extent do you prefer challenging work to routine work?

Not at all	1	2	3	4	5	6	7	To a great extent

71. How often does it happen that you subsequently doubt the correctness of the decisions that you have taken?

Hardly ever	1	2	3	4	5	6	7	Very often

72. To what extent are you dependent on the support and goodwill of others in the execution of tasks?

Not at all	1	2	3	4	5	6	7	To a great extent

73. How readily would you quit when battling with a complex problem?

Not at all	1	2	3	4	5	6	7	Very readily

74. How often do you take the initiative in finding solutions for troublesome problems?

Hardly ever | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very often

75. How strongly are you convinced that the achievements you have obtained are the results of hard work and dedication?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very strongly

76. How strongly are you convinced that failures in life are due to lack of perseverance?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very strongly

77. How strongly are you convinced that promotion in the new South Africa will depend largely on skin colour?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very strongly

78. How strongly are you convinced that it is impossible to rise above your own environment?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very strongly

79. How strongly are you convinced that your fate is determined by coincidental events over which you have no control?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very strongly

80. How strongly are you convinced that influential people will determine your advancement in life?

Not at all | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very strongly

TRANSFORMATION QUESTIONNAIRE

CONFIDENTIAL ANSWERS:

Questions and answers with an asterisk contains "sensitive personal information" and we as facilitators will not disclose these answers to Strategic Management unless you grant permission for us by signing as indicated at the end of the questionnaire.

(1-3)

CODE			
DATE						

(4-9)

1. **PERSONAL INFORMATION**
   Please encircle the number of your choice in one of the boxes below.

1. What is your highest academic qualification?   (10)

Lower than Standard 8	1
Standard 8	2
Standard 10	3
National Diploma	4
B-Degree	5
Post Graduate – Honours/ Master's/ Doctorate Degree	6
Other Qualifications: Training Courses	7

2. What is your home language?   (11-12)

Zulu	1
Northern Sotho (Sepedi)	2
Southern Sotho (Pedi)	3
Venda	4
English	5
Afrikaans	6
Tswana	7
Xhosa	8
Ndebele	9
Shangaan	10
Other	11

3. In which department/section/ group do you work?   (13-14)

General Management	1
Human Resources	2
Communications & Marketing	3
Corporate Financing	4
Registration and Stationery	5
Personnel Administration	6
Buildings and Staff Housing	7
Loans	8
Agricultural Economics	9
Legal	10
Recoveries	11
Sales	12
Computerisation and Statistics	13
Finance	14
Accounts	15
Sundry Staff	16
Other	17

4. What is your job level?   (15-16)

General Manager	1
Deputy General Manager	2
Assistant General Manager	3
Senior Director	4
Director	5
Deputy Director	6
Assistant Director	7
Senior Control Officer	8
Control Officer	9
Administrative Officer	10
Deputy Administrative Officer	11
Chief Agricultural Officer	12
Control Agricultural Officer	13
Senior Agricultural Officer	14

What is your job level (continued)?   (15 -16)

Agricultural Officer	15
Clerk I, II, III	16
Typist I, II, III, Special Grade II	17
Data Typist	18
Supervisor Special Grade I/Chief Security Officer and Chief Printing Section Special Grade I	19
Supervisor Special Grade II/Deputy Chief Security Officer and Chief Printing Section	20
Supervisor Special Grade III/Senior Security Special Grade and Senior Printing Section Special Grade	21
Senior Supervisor, Senior Security Officer and Senior Printing Section	22
Supervisor Grade I, Security Officer Grade I and Assistant Printing Section Grade I	23
Supervisor Grade II, Security Officer Grade II and Assistant Printing Section Grade II	24
Security Officer Grade III	25
Senior Manager Restaurant	26
Manager Restaurant	27
Assistant Manager Restaurant	28
Senior Clerical Assistant Special Grade	29
Senior Clerical Assistant	30
Clerical Assistant	31
Senior Cleaner	32
Cleaner	33
Other	34

5. In which occupational group are you working?   (17-18)

Management	1
Administrative	2
Secretarial	3
Marketing	4
Computer Services	5
Bookkeeping	6

In which occupational group are you working (continued)?   (17-18)

Technical Services	7
Support Services	8
Communications	9
Other	10

6. How many years of service do you have with this organization?   (19)

Less than one year	1
One to two years	2
Two to three years	3
Three to five years	4
Five to eight years	5
Eight to ten years	6
Ten to fifteen years	7
Fifteen to twenty years	8
More than twenty years	9

7. Different employers in the past 10 years?   (20)

Not once/Not at all	1
Once	2
Twice	3
Three times	4
Four times	5
More than four times	6

8. What is your monthly income before deductions?   (21)

Less than R2 000	1
R2 000 – R4 000	2
R4 000 – R6 000	3
R6 000 – R9 000	4
R9 000 – R12 000	5
R12 000 – R15 000	6
More than R15 000	7

9. Does your salary provide the primary source of income for you and your family?

(22)

Yes	1
No	2

10. How many dependants do you support financially with your salary?   (23)

One	1
Two	2
Three	3
Four	4
Five	5
More than five	6

2.   **THE OBJECTIVES OF THE ORGANIZATION**

Please encircle the number of your choice in one of the boxes below.

11. I understand the objectives of the organization as described in the Mission Statement.

(24)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

12. I identify with the objectives of the organization.   (25)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

13. I need a document explaining the objectives of the organization.   (26)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

3. **THE OBJECTIVES OF MY WORK**

14. I need a clearer job description of my work.   (27)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

4. **MY JOB SATISFACTION**

15. In general I am satisfied with my job.   (28)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

*   16. If I had the opportunity I would consider another job (not meaning

promotion) in this organization.   (29)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

*   17. If I had the opportunity I would consider a job **outside** this organization.   (30)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

*   18. I do not care what work I do, as long as I receive my salary to survive.   (31)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

19. I am achieving something in my job.   (32)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

*   20. I regret that I accepted this job.   (33)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

21. Sometimes at work I feel as if the day will never end.   (34)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

22. I do not mind working late.   (35)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

23. I decide on my own how my work should be done.   (36)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

24. I feel proud of the work I do.   (37)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

25. I feel that sometimes in the course of work I do not make much sense.   (38)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

26. Most things in life seem more important than my work.   (39)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

27. My work is usually challenging.   (40)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

* 28. The amount of work I am usually asked to do is fair.   (41)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

29. I never seem to have enough time to finish my work.   (42)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

30. If my work usually requires that I do the same thing over and over again, I would like it.   (43)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

31. If my work usually requires that I do the same thing over and over again, I would not like it.   (44)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

32. My work is so simple that virtually anybody could do it.   (45)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

33. Despite my qualifications and experience it took me a long time to master

my work.   (46)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

34. I had assistance to enable me to do my job well.   (47)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

*   35. How satisfied are you with the way in which you are treated by the

organization?   (48)

Very dissatisfied	Not satisfied	More or less satisfied	Satisfied	Completely satisfied
1	2	3	4	5

*   36. How satisfied are you with the way in which you are treated by the managers of your

department/section/ group?   (49)

Very dissatisfied	Not satisfied	More or less satisfied	Satisfied	Completely satisfied
1	2	3	4	5

37. How satisfied are you with the way in which you are treated by your colleagues in
   the organization?   (50)

Very dissatisfied	Not satisfied	More or less satisfied	Satisfied	Completely satisfied
1	2	3	4	5

38. How satisfied are you with the opportunities you are given to learn new things in
   your work?   (51)

Very dissatisfied	Not satisfied	More or less satisfied	Satisfied	Completely satisfied
1	2	3	4	5

*   39. How satisfied are you with the salary you receive?   (52)

Very dissatisfied	Not satisfied	More or less satisfied	Satisfied	Completely satisfied
1	2	3	4	5

*   40. How satisfied are you with the fringe benefits you receive?   (53)

Very dissatisfied	Not satisfied	More or less satisfied	Satisfied	Completely satisfied
1	2	3	4	5

*   41. How satisfied are you with the content of your job?   (54)

Very dissatisfied	Not satisfied	More or less satisfied	Satisfied	Completely satisfied
1	2	3	4	5

*   42. How satisfied are you with the advancement you have made in your job?   (55)

Very dissatisfied	Not satisfied	More or less satisfied	Satisfied	Completely satisfied
1	2	3	4	5

4. **THE TRANSFORMATION PROCESS**

43. I understand the objectives regarding the Transformation Process in this

organization.   (56)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

44. I identify with the objectives in the Transformation Process.   (57)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

45. I need more information about the Transformation Process.   (58)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

* 46. I support the promotion of qualified females into senior positions.   (59)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

* 47. I support the promotion of qualified people regardless of race in senior

positions.   (60)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

48. I agree with and support the new systems and computer programmes

to modernise the work of the organization.   (61)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

49. I wish to be part of this modernisation process and desire to be trained in it.   (62)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

*   50. In general I feel that a transformation process is necessary.   (63)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

51. I prefer a decision-making process that is more democratic in the

transformation period.   (64)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

52. In general I think I can make a positive contribution to the new South Africa.

(65)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

6.   **THE WORK IN MY DEPARTMENT/SECTION/ GROUP**

53. Our work is discussed in out department/section/ group.   (66)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

54. Every member only strives to meet her/his own objectives.   (67)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

55. The people in my department/section/work group are task orientated.   (68)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

*   56. The people in my department/group are loyal to one another.   (69)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

*   57. The people in my department/group gossip about one another.   (70)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

58. The people in my department/section/group understand each other

work/life problems.   (71)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

59. Some workers in our department/group are isolated from the rest.   (72)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

60. In our department/section/group we view other departments/groups as opposition or

even as "enemies".   (73)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

61. Our department/section/group ignore other departments/sections/groups.   (74)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

62. The communication between our department/section/group and the

others is poor.   (75)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

63. Our department/section/group, do not have a lot of influence on those who control

events.   (76)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

7.   **COMPETENCE IN MY DEPARTMENT/SECTION/WORK GROUP**

*   64. The workers in my department/section/ group are not trained adequately to perform

well in their jobs.   (77)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

*   65. Some workers in my department/section/group do not understand their job

requirements.   (78)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

8.   **HOW DO I FEEL ABOUT THE PERSONS I REPORT TO OR THE**

MANAGERS IN GENERAL?

*   66. I think this organization is effectively managed.   (79)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

67. Some managers lack leadership skills.   (80)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

* 68. Management ensures that newcomers soon feel "at home".   (81)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

69. The relationship between managers and workers is not good.   (82)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

* 70. My manager is concerned about me as a person and has confidence in me.   (83)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

9.   **HOW I FEEL ABOUT DECISIONS TAKEN IN THIS ORGANIZATION**

71. In general only managers take decisions.   (84)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

72. All relevant information is gathered before decisions are taken.   (85)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

73. Some meetings are held unnecessarily.   (86)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

74. Most planning is only done by managers.   (87)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

10.   **CONFLICT HANDLING**

75. Conflicts are generally ignored or suppressed in this organization.   (88)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

76. The causes of conflict are usually investigated.   (89)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

77. In general, workers and managers lack skills to resolve conflict.   (90)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

78. I would like to be trained in conflict resolution.   (91)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

79. I prefer that conflict be brought out in the open and resolved properly. (92)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

80. To try and solve tension and conflict will only make matters worse.   (93)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

11.   **CHANGE IN THIS ORGANIZATION**

81. Many employees in this organization resist change.   (94)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

82. Changes are usually enforced by management.   (95)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

83. Employees can influence the decisions of this organization regarding change.

(96)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

84. I feel that the staff should be part of all decision making regarding change.   (97)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

85. Staff need not be part of the decision making regarding change, but they should be fully informed about the reasons for the changes.   (98)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

*   86. My personal objectives differ from those of this organization.   (99)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

12.   **THE PAST TWO YEARS IN MY JOB**

*   87. I feel that my work demands caused disruption in my family life   (100)

Never	Sometimes	Always
1	2	3

*   88. In the course of the past two years, I have accomplished a worthwhile task.

(101)

Never	Sometimes	Always
1	2	3

*   89. I feel the problems around my job sometimes kept me awake at night and/or affected

my health.   (102)

Never	Sometimes	Always
1	2	3

13.   **COMMUNICATION**

90. I am consulted by management regarding work related matters.   (103)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

91. I would prefer more socialisation of managers and staff.   (104)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

92. I need management to consider alternatives regarding my position at this

organization.   (105)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

93. I need to know not only the formal decisions of this organization but also the

background of those decisions.   (106)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

14.   THE CLIMATE IN THIS ORGANIZATION

*   94. I believe this organization takes care of the employees.   (107)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

*   95. I believe there are cliques and groups outside these cliques in this

organization.   (108)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

96. This organization encourages employees to take initiative.   (109)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

97. Many employees always seem to have grievances.   (110)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

98. I feel I can influence the decisions of management.   (111)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

99. Management does not exercise authoritarian (strict control) over the

employees.   (112)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

15.   **MY ATTITUDE TOWARDS MY WORK AND LIFE**

Please encircle a number nearest to your choice.

100.	I find it difficult to accept new ideas	1 2 3 4 5 (113)	I like new ideas	
101.	I struggle with change	1 2 3 4 5 (114)	I am open to change	
102.	I need support from outside	1 2 3 4 5 (115)	I have inner strength	
103.	I wait to react to a situation	1 2 3 4 5 (116)	I like to plan ahead/ am proactive	
104.	I often have feelings of failure	1 2 3 4 5 (117)	I turn failure into learning opportunities	
105.	Success goes with luck and chance	1 2 3 4 5 (118)	Success is achievable	
106.	I like to postpone things	1 2 3 4 5 (119)	I usually like to start as soon as possible	
107.	I can cope if I limit my view and narrow it down	1 2 3 4 5 (120)	I am able to see alternatives to situations	
108.	I blame others for my shortcomings and mistakes	1 2 3 4 5 (121)	I accept and own my mistakes	
109.	If I fail, I blame myself and try again	1 2 3 4 5 (122)	If I fail, I still value myself	

110. In a new situation I find it difficult to take initiative

1 2 3 4 5

(123)

In a new situation I like to try and take initiative

111. I try to get out of a difficult situation even if the problem is not solved

1 2 3 4 5

(124)

I confront a difficult situation even if it is extremely hard to solve the problem

112. If I clash with people I am either aggressive or passive

1 2 3 4 5

(125)

If I clash with people I am assertive, I don't attack them, but neither do I give in

113. Faced with a very difficult situation I don't have enough determination to overcome it

1 2 3 4 5

(126)

Faced with a very difficult situation I'm usually determined to overcome it

114. Pressurised by an extreme problem I usually give in

1 2 3 4 5

(127)

Pressurised by an extreme problem I usually still persevere

115. If I lack knowledge to do a job properly I do not ask others for help

1 2 3 4 5

(128)

If I lack knowledge to do a job properly, I do not hesitate to ask others for help

116. If I am cornered by a problem, I try to think of the past or consider future possibilities

1 2 3 4 5

(129)

If I am cornered by a problem, I try to think of possibilities in the present

117. If I am attacked or criticised I am a "blank" and cannot think of answers

1 2 3 4 5

(130)

If I am attacked or criticised I am not "blank" but start thinking of finding answers

118.   I find it difficult if I   1 2 3 4 5   If I am put in a proble-
        am put into a proble-   matic situation within
        matic situation **to**   boundaries I start looking
        remain inside the   for answers and alternatives
        boundaries of the pro-   **within** the framework of the
        blem to find solutions   problem

                                        (131)

119.   I normally struggle with   1 2 3 4 5   I love my work and my
        my work and life…..ah!   life…..hurrah!

                                        (132)

16.   TEAM BUILDING IN MY WORK

*   120. I am willing to put my group's goals in this organization above my own.   (133)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

*   121. I have confidence in and trust my colleagues and managers.   (134)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

122. I can cooperate with others on many levels and about many issues.   (135)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

17.   HOW I FEEL IN THIS ORGANIZATION

*   123.   In my present situation   1 2 3 4 5   In my present situa-
                I am anxious   tion I am calm

                                            (136)

*   124.   I feel insecure   1 2 3 4 5   I feel secure
                                            (137)

*   125.   I am self-pitying   1 2 3 4 5   I am satisfied
                                            (138)

*   126.   I am passive   1 2 3 4 5   I am sociable
                                            (139)

*	127.	I am withdrawn	1 2 3 4 5 (140)	I am fun-loving
*	128.	I am reserved	1 2 3 4 5 (141)	I show my feelings
	129.	I try to get along practically	1 2 3 4 5 (142)	I am imaginative and creative about new possibilities
	130.	I prefer routine	1 2 3 4 5 (143)	I prefer variety
	131.	I am trying to conform	1 2 3 4 5 (144)	I am trying to act independently and creatively
*	132.	I feel ruthless/I don't care	1 2 3 4 5 (145)	I feel empathy/open-ness
*	133.	I feel suspicious	1 2 3 4 5 (146)	I feel trusting
*	134.	I feel uncooperative	1 2 3 4 5 (147)	I feel helpful
	135.	I feel disorganised	1 2 3 4 5 (148)	I feel well organised
*	136.	I feel careless	1 2 3 4 5 (149)	I feel caring
	137.	I feel weak and weak-willed	1 2 3 4 5 (150)	I feel self-disciplined and determined

18.   **MY FUTURE AND STRESS**

138. Below is a list of major stressful events. Please rate each event in order of 1 to 10
     from very low to very high.   (151 – 161)

1	Death of family member/wife/husband	1	2	3	4	5	6	7	8	9	10
2	Divorce	1	2	3	4	5	6	7	8	9	10
3	Victim of crime/hijacking	1	2	3	4	5	6	7	8	9	10
4	Serious illness	1	2	3	4	5	6	7	8	9	10
5	Serious accident	1	2	3	4	5	6	7	8	9	10
6	My husband/wife is having a serious affair with someone	1	2	3	4	5	6	7	8	9	10
7	Medical tests confirm that I won't be able to have any children	1	2	3	4	5	6	7	8	9	10
8	I become bankrupt and I am legally declared bankrupt	1	2	3	4	5	6	7	8	9	10
9	A lot of my property is stolen	1	2	3	4	5	6	7	8	9	10
10	I cannot cope with too much work causing me sleeplessness	1	2	3	4	5	6	7	8	9	10
11	I have lost my job	1	2	3	4	5	6	7	8	9	10

139. I cannot cope when people argue or differ with me.   (162)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

140. I feel like a passive passenger not participating fully when I work in a team towards
     a goal.   (163)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

141. I cannot handle responsibility when there is pressure on me.   (164)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

142. I find it difficult to think straight when confronted with difficult alternatives.

(165)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

143. I do not know what to do when facing major changes in my work or life and become "blank".

(166)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

*144. I feel that I am losing my self-respect and that people don't think highly of me as a person.

(167)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

145. Lately, if I make a mistake I feel utterly foolish.

(168)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

*   146. I feel as I am being tested all the time and am failing.

(169)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

147. I find that small and unimportant things, which did not worry me before, are now starting to irritate me.

(170)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

19.   **MY NEEDS**

*   148. I struggle and need support in my work/life.   (171)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

149. I can openly verbalise my work/life problems at work.   (172)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

*   150. I can discuss my work and personal problems with my manager.   (173)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

*   151. I get support at work with my work and personal problems.   (174)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

152. I have medium and long-term objectives in my work and personal life.   (175)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

153. I have short-term goals for my work/life.   (176)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

154. I feel that this organization should discuss possibilities about my future with me
    before implementing the redundancy decision.   (177)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

*   155. I feel that I have an independent existence and that I am accepted.   (178)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

*   156. I feel appreciated for who I am and what I do even if my job is redundant.   (179)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

*   157. I have enough experience and courage to face my challenges.   (180)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

*   158. I still feel like smiling every day even if I am not sure of my future.   (181)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

159. I would like to talk to someone who is willing to listen objectively to my difficulties/dreams/hopes/strengths/weaknesses.   (182)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

20.   **DIVERSITY**

160. Regarding working in groups, I prefer working only in groups of my own **gender**.

(183)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

161. I think that sexual harassment at the work place must be taken more seriously by this organization and employees.   (184)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

162. I believe that employees should be encouraged and protected to "speak out" when they have been harassed and have received unwanted sexual attention from the opposite sex.   (185)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

*   163. I think that we should use only English as "official medium" in this organization.   (186)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

164. I think this organization has to take diversity of people and cultural differences more seriously into account and assist in facilitating harmony.   (187)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

*   165. Diversity is a part of life and I have accepted it, therefore I cooperate easily with people of different cultures.   (188)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

166. I think we should not ignore the differences in culture and "get on with the job".
This organization should work towards understanding and co-operation between
different cultures.   (189)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

167. I need to be more exposed to people of other cultures in groups and   courses to
be able to move to a common and united frame of mind in my work and life.

(190)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

21.   **A FRAMEWORK OF SHARING ABOUT MY WORK AND LIFE**

Please indicate where you are regarding the following:

168. I need career guidance regarding my future (my **curriculum vitae**)   (191)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

169. I need clarity regarding training for my future career.   (192)

I agree strongly	I agree	I am not sure	I disagree	I disagree strongly
1	2	3	4	5

170. I am available to have an open discussion with the two people who conducted the
questionnaire about my work, life and future. I understand that this will be kept
strictly confidential.   (193)

Yes	I don't know	No
1	2	3

171. I am available for such a discussion if I can bring a colleague or two with me.

(194)

Yes	I don't know	No
1	2	3

172. I wish to have a group discussion with the two facilitators.   (195)

Yes	I don't know	No
1	2	3

173. I wish to have a group discussion with the representatives of senior management
and the two facilitators.   (196)

Yes	I don't know	No
1	2	3

22.   **IF YOU WERE ASKED TO MAKE PROPOSALS TO ASSIST WITH THE
TRANSFORMATION PROCESS, WHAT WOULD YOU SUGGEST
REGARDING THE FOLLOWING EIGHT POSSIBILITIES?**

174. The transformation process has to be redefined.   (197)

Yes	I don't know	No
1	2	3

My suggestions regarding the transformation process are as follows:

_____

_____

_____

_____

175. Regarding the analysis indicating too many employees for the work positions after
the restructuring process, **the redundancy policy** and application thereof should
be changed.   (198)

Yes	I don't know	No
1	2	3

My suggestions are as follows:

_____

_____

_____

_____

176. Given the situation that affirmative action in general has to take place to improve the position of the disadvantaged in the past, a clear policy has to be formulated and implemented.   (199)

Yes	I don't know	No
1	2	3

My suggestions are as follows:

_____

_____

_____

_____

177. Is it possible to strike a balance between making competent employees with long service redundant and the transformation process on the other?   (200)

Yes	I don't know	No
1	2	3

My suggestions are as follows:

_____

_____

_____

178. In the light of the severe poverty in the country, especially in the rural areas, this organization is to embark on more programmes of assistance. It may expand its operations on all levels and its financial assistance by obtaining more funds. This may result in an increase of lobs and retaining more employees.   (201)

Yes	I don't know	No
1	2	3

My suggestions are as follows:

_____

_____

_____

179. The **"new" situation** with its consequences in the country and in this organization
      has to be faced in all openness and honesty. The privileged positions of some
      people in the past should be changed and the consequences should be accepted.
      The disadvantaged workers should be assisted and trained to take their rightful
      place in this organization.   (202)

Yes	I don't know	No
1	2	3

My suggestions are as follows:

_____

_____

_____

_____

180. I support "think tanks" in the departments, or other groups, to discuss and present
     proposals regarding the transformation process.   (203)

Yes	I don't know	No
1	2	3

181. I support seminars on "thorny issues:, e.g.:   (204-210)

Affirmative action	yes / no
Racial tension	yes / no
Justice towards the disadvantaged	yes / no
Justice towards the experienced and competent employees in the "new" structures	yes / no
Open, but controlled discussions and proposals on these issues	yes / no
Others: 1……………………………………… 2………………………………………	

182. I wish to indicate a problem or an issue to you as facilitators:

_____

_____

_____

_____

_____

_____

_____

_____

_____

Please print your full name:

_____

_____

Date of Birth: e.g. 03.05.1950   (211-216)

I agree that sensitive information in this questionnaire may be shared with the senior management of this organization and I attach my signature to indicate my willingness:

_____

Signature