CHAPTER 3

RESEARCH METHODOLOGY

1 INTRODUCTION

In this chapter, I will consider the methodological and theoretical decisions which are the premises on which this investigation is based. The statement of the problem in Chapter 1 showed that the researcher would have to use various research techniques to elucidate how leaders perceived and understood organisational renewal and transformation. This chapter discusses how the three main research methods, which were used to examine the leadership of five organisations in South Africa, were utilised and justified. The investigation was based on the premise which I explained in Chapter 2. That premise is that the top leadership are always the main agents of change in their organisations.

This chapter explicates the research design employed and outlines how a "sample" of leaders in five organisations were selected, and how the exploration utilised a qualitative research approach.

The perceptions which were explored in this study included an examination of the participating respondents' expectations, their views about transformation and the

problems and successes which they experienced. The findings of this exercise are reviewed and analysed in some detail in Chapter 4.

The chapter also deals with the way in which the "sample" of respondents was selected. It was necessary that for the researcher to ascertain which South African leaders she should approach for interviewing (this then would constitute the "sample"). In order to identify a suitable "sample", the researcher had to rely to some extent on the expert advice of leadership experts (who, as it happened, are also mainly academics). In this way, a judgemental sample was identified. (This process is discussed in Section 4 of this chapter.)

The researcher also had to verify the criteria that she used to determine the sample. She achieved this by undertaking a survey of South African organisational documentation. The technique which was used to analyse this documentation is discussed in Section 5 of this chapter. The research process was thus organised in the following way.

2   JUSTIFICATION FOR UTILISING A QUALITATIVE RESEARCH APPROACH

The research design as elucidated in this chapter is premised on the epistemological presupposition that quantitative approaches are incapable of capturing the richness and depth of people's experiences. The author uses a variety of hermeneutical positions which she has taken from the social sciences in

their broadest and most generic sense. These include Weberian and phenomenological orientations to knowledge. McKay and Romm (1992:72) refer to the generic interpretive "umbrella" to refer to the work of, for example, Weber (1973), Schutz (1976) and Garfinkel (1976).

Interpretive social science attempts to interpret and hence understand the meanings of particular forms of social actions. In terms of such an understanding of social life, human beings are seen as active appropriators who constantly produce meanings by interpreting the world in which they find themselves. Meanings are constructed and reconstructed by social actors in the process of social life. When examining society it is accordingly necessary to analyse the way in which actors experience and negotiate a meaningful reality in the course of their interactions with others. The aim of interpretive social science is to examine how the construction of meaning is accomplished in the process of social life.

For this reason, a qualitative research approach, which is designed to engage research subjects in a process of dialogue, is employed. The research design is intended to capture how the selected leaders perceive the changes in their organisations. By drawing on the interpretive tradition, the study aims to reveal the five leaders' interpretations and experiences of the world in terms of the meanings that they use actively to construct their own social reality. Meanings do not have an existence which is separate from the social actors who construct them. Instead, they are constructed and reconstructed by actors in the course of social interaction. It is this richness that cannot be captured by means of statistical

data, and this is the reason why the researcher adopted a qualitative research design.

2.1 The research design

The research therefore followed the steps outlined below.

Firstly, the researcher identified those organisations whose leaders fitted the profile discussed in the previous chapter. Thereafter, the researcher undertook a range of interviews with leadership specialists in South Africa. (These are discussed in more detail in the subsequent section which deals with sampling.)

Secondly, the researcher validated the choice of organisations which she identified by using the above-mentioned approach and by making a documentary study of each one. The data obtained in this way was useful for interpreting the findings from the subsequent interview phase.

Thirdly, the researcher carried out in-depth individual interviews. These were analysed and interpreted in terms of the principles of the interpretative approach. In this phase of the study, the leadership approaches and styles of the selected South African leaders were explored

2.2 Documentary study

As I have already indicated above, I had to locate the leaders within an organisational context as well as understand how much progress an organisation had made in any kind of transformational process. Before I could do this, I had to have a valid method for conceptualising and using documents. Because I had to make certain decisions about the selection of documents pertinent to this study, I followed the process outlined below.

2.2.1 External documentation

I also consulted various external sources of communication during the process of this research. This external documentation included periodicals, journals, business reviews (all of which revealed the organisation's own account of its successes in terms of organisation renewal and transformation). Stacey (1970:43) states that newspapers, periodicals and popular journals are all sources of information and are in themselves both a means of communication and rich objects of study.

2.2.2 "Sampling" the documents

In contrast to the methods of experimentation and observation which almost always requires that the field be delimited by sampling, Bailey (1987:291) suggests that "document study can often use a larger sample". This seems to suggest that it is unnecessary to have to "select" a sample (in the conventional

sense. Nevertheless, some form of "sampling" did occur and various journal articles which contained unique and (often) well reported accounts of how organisations had been transformed, were examined. I also used the documentary technique as a guide when I selected the "sample" of organisational leaders who were interviewed in the subsequent phase of the study.

Examining journal articles about organisational transformation also enabled the researcher to identify novel approaches which had been used by particular leaders to introduce and sustain organisational transformation. These approaches (as discussed in the journals) supplied for the researcher with cues for the interviews. She made sure that these approaches were addressed and explored during interviews. In this way, the journal articles helped to validate and identify areas that needed to be probed. The external documentary technique also helped to determine the extent of the period in which change was introduced as well as the duration and pertinent stages of the process.

2.2.3 General survey of the literature

As with all research, the survey of the literature as outlined in Chapter 2, played a significant role in this investigation. While mention is made in Chapter 2 of those general sources of literature which were examined by the researcher, additional documentation specific to the various companies were also investigated. These included the following:

Financial and business periodicals

Human resource and organisational development journals

Newspapers dealing specifically with business reporting or business papers which were supplementary to mainstream newspapers

Various sources of literature pertaining to management and transformation (as discussed in Chapters 1 and 2).

2.2.4 Internal documents

It was also necessary that the researcher (in addition to the external sources mentioned above) to obtain and analyse a number of documents which were internal to the organisations being investigated. Stacey (1970:44) suggests that in-house publications are literary sources that should be explored but that their exploration should depend on "a strict test of relevance". In this study, annual reports, the organisations' vision and mission statements, transformation policies and affirmative action policies were considered relevant and were therefore studied. These documents were considered to be relevant because they reflected the organisations' "realities" as well as the organisations' intentions. They included:

Annual reports

Annual reports portrayed an organisation's roles and intentions and enabled comparisons to be made over a period of several years. This proved useful for gaining insights into the change process over a period of time.

Various researchers have stressed the importance of a realistic future vision for an organisation. Weeks (1990) claims that articulating a vision in an organisation displays a willingness on the part of leadership to reformulate perceptions, concepts, values and beliefs pertaining to the organisation's psyche. An in-depth understanding of the organisation's vision was thus important and extremely relevant for widening the researcher's understanding of the dynamics and aspirations of an organisation's leadership.

Affirmative action policies

Affirmative action policies that were examined displayed a leadership's commitment (or lack thereof) to the concepts of affirmative action. An organisation which was not committed to affirmative action might, for example, present a single page brief on their policy. Such documents were also characterised by vagueness, few measures and little (if any) quantification. These findings allowed the researcher to probe the relevant leader on the subject and to gain insight into the lack of progress in this area.

Newsletters and magazines

Newsletters and magazines also constitute a form of written evidence which enabled the researcher to gain access to the psyche of the organisation in advance of the research being done. These internal documents, although popular in design, convey those of the organisation's values, beliefs and assumptions which give rise

to organisational behaviour (Weeks 1990:208). This view is supported by Peters (1989:410) who maintains that such organisational symbolism confirms "what really counts around here" when organisations are changing.

The documentary study of both external and internal sources was thus considered to be invaluable to the research design for this study in that it validated the sample, highlighted areas to be explored and provided a good overview of the various organisation's positions in terms of their approach to and progress in organisational transformation.

The documentary research was fundamental in informing the investigation. The documents in particular provided a useful backdrop for the subsequent in-depth interviews.

3 IN-DEPTH INTERVIEWS

As suggested earlier, the method of in-depth interviews was an important method for collecting data for this study. Robson and Foster (1989:47) describe the individual interview as a penetrative technique which, they indicate, "if used correctly, it is the deep digging tool" of researchers.

Robson and Foster (1989:47) regard the individual in-depth interviews (as opposed to a group interview) in the following cases as being an essential research technique for understanding people's experiences:

The method (of in-depth interviews) is optimal when socially and personally sensitive subject matter needs to be investigated. In this study, such sensitive questions included the researcher asking "What is your relationship with the union?" and "How do you stand in terms of affirmative action and employment equity?"

The method is optimal when respondents are making exaggerated claims and could become a problem in a group discussion especially when questions such as "What skills or attributes did you bring to the post of chief executive officer?" and "What success stories can you tell about your leadership?" are asked in an interview.

The method is optimal when the researcher wishes to be alerted to the "truth" of various attitudinal responses and in those cases where individual interviews might provide insight into attitude. This was especially evident when exploring the non-performance of workers and discipline at the workplace.

The method is optimal when the population under study necessitates the use of individual interviews rather than group discussions. Because of widely differing leadership styles, the confidentiality of business practices, and the uniqueness of situations, it was necessary to conduct individual interviews with respondents.

Section 4 will describe the way in which the sample of respondents was selected.

3.1 The rationale behind using various interview techniques

In this study, the use of in-depth interviews as a technique for the investigation offered many advantages to the researcher in her endeavour to explore the varying styles of leadership and the changes which took place over a period of time in different organisations. The interview provided the researcher with the opportunity to redefine or customise questions to suit the various respondents in situ. It also enabled the researcher to amend the order of questions to harmonise the flow of discussion. This meant that the interview could proceed naturally and there was no need to impose an artificial structure on the interview process. This form of flexibility was necessary because, in some cases, the sector and/or sector-specific legislation informed the actual construction of the question and the type of probing utilised. The flexibility afforded by the in-depth interview process enabled the researcher to ascertain what kinds of questions were appropriate for the different respondents without her having to write out all the various possibilities (as would have been necessary had a mailed questionnaire been utilised).

The loosely structured in-depth interview, as opposed to a postal survey (which generally obtains a low return rate) or more structured interviews, enables a high response rate. This may be a consequence of the sense of confidentiality that interviews of this kind offer, but it may also be a consequence of the fact that many people prefer to respond orally rather than in writing (Bailey 1987:174). This offered opportunities for respondents to provide more complex answers, to

elucidate nuances and to provide non-verbal cues in the form of (non-verbal) behaviour and also in the form of diagrams or sketches which respondents tended to construct in the course of the interview when they needed to explain complex issues. This enabled the researcher to obtain qualitative understandings of the meanings ascribed by the respondents to their approaches to transformation.

While what has been described above illuminates the merits of the interview process for an in-depth analysis, certain disadvantages are integral to the approach. Thus, for example, the approach is more costly than a mailed survey – in terms of both time and money. The interview also does not provide the respondent with time to consult records or to "check" information. In this study, this often meant that the respondent had to phone or fax the researcher and ask for supplementary information. Finally, the lack of anonymity may have impacted on answers to questions pertaining to more sensitive issues.

3.2 Eliciting response: rapport through using in-depth interviews

As with all research, it is necessary for the researcher to establish a degree of credibility and rapport with the subject(s) in order to undertake the research. "Rapport" generally refers to the cordiality and cooperative spirit which is obtained at that stage in the interview when the respondent has accepted the research goals of the interviewer and actively seeks to help her or him to obtain the information that she or he seeks.

This desire on the part of the respondents to assist the interviewer was experienced by the researcher in the following ways:

When the researcher approached identified leaders in writing, told them of the investigation and requested a personal interview, they responded almost immediately. All requests were honoured: there were no refusals.

In some cases the leaders had prepared (without prompting) a summary of their view of leadership.

They also provided the researcher with supplementary documentation such as affirmative action policies and transformation forum minutes.

In many cases, the leaders exceeded the time allocated for the meeting. This affirmed the establishment of rapport. Given the tight schedules to which the sample of leaders were held, their willingness to grant time for the interviews and their willingness to speak freely and openly, was another confirmation of the kind of rapport which was established.

Almost all of the leaders asked for extra time so that they could complete the telling of their stories. The researcher found that such extended sessions allowed her to gather the information that she required.

Conducting the interviews

The interviews were all conducted in the interviewees' offices in their corporate head offices in the Gauteng area. Permission was in all cases given for the researcher to tape-record the interviews. The researcher had all the interviews transcribed and analysed. The data obtained were classified according to whatever trends were discerned. These are discussed in detail in the next chapter.

The interviewer's approach

Robson and Foster (1989:52) emphasise how important it is for the researcher not to be an unnerving and threatening silent observer because, as they say, "it is impossible to know what influence his or her presence has on the respondent". Although the interviewees were, by virtue of their positions, unlikely to be unnerved, the researcher nonetheless ensured that she followed all the "rules" for research protocol when conducting the interviews.

Benson and Hughes (1983:77) suggest that the interviewer must try to:

- create an atmosphere that encourages the respondent to talk freely in the knowledge that what is said is a private and anonymous matter
- create an atmosphere in which he/she can talk about the more private and intricate details of his/her life without [adverse] consequence. (Author's insertion)

Robson and Foster (1989: 51) describe qualitative research fieldwork as "essentially informal and variable" and continue by stating that "it has to be, as it is dealing with living material". When the respondent holds the territorial advantage, probing (to name but one activity) becomes less threatening. According to Robson and Foster (1989: 51), "the intention is to build an intimate atmosphere in which the respondents feel inclined to express his or her natural opinions and feelings rather than distorting or suppressing them".

The researcher was satisfied with the level of attention, commitment and sincerity experienced in the interview. The researcher assured the respondents that the interviews would be written up in a way that ensured their anonymity. Their willingness went beyond the initial hopes of the researcher and most of the interviewees requested an opportunity to read the findings. This seemed to indicate their availability for further questioning (should the need arise).

The semi-structured interview

In this research the semi-structured interview was primarily employed. Although the bulk of the interview was conducted using some form of interview schedule, the researcher tended to use this only as an aide-mémoire. The semi-structured interview was chosen as the major data collection technique because it allowed for flexibility in eliciting information of a qualitative nature. Qualitative information about the topic was recorded by the researcher, who was able to seek clarification and elaboration on the answers given. Themes and sub-themes were

introduced according to the interview guide but not necessarily in the order or sequence.

As Fielding (1988:212) notes, the semi-structured interview and the thematic guide allow the researcher to probe and open opportunities for the respondents to expand on issues raised. This kind of interview gives people more of an opportunity to answer on their own terms than does the standardised interview format. The most important advantage of the semi-structured interview for the purpose of this study is that it provides a better structure for comparability than does the focus group interview. The value of being able to make a comparative analysis with a certain degree of flexibility was thus deemed to be important. The main advantage of the semi-structured interview was that it permitted the researcher to obtain comparative data through the exploration of central themes and that it also allowed the interviewer to hone in on aspects of the interviews. This provided the following two necessary components for this study (May 1993:94):

It provided qualitative depth by allowing the interviewees to talk about the subject in terms of their own frame of reference. This was necessary especially since they have their particular view, vision, background and approach to leadership within a specific industry line.

Because this technique includes what are known as "life history or oral history interviews", asking leaders about their leadership approaches and techniques as

opposed to assuming that they use a text-book approach to leadership added an extra dimension of personal meaning and value to their accounts.

Focusing the interview

Moving from a semi-structured interview to a more focused interview is especially effective once rapport has been properly established. This kind of rapport also allows information of a more personal nature to emerge more comfortably. Once the researcher was satisfied that a theme or sub-theme was being addressed, she steered the interview towards a more open-ended, conversational and situational format in which she encouraged narration. The researcher only redirected the conversation when it strayed altogether from relevant topics.

The appropriateness of using the focus interview for leadership studies is confirmed by Bailey (1987:192). He argues that the focus interview might be more appropriate where communication might be impeded by the use of a rigid, highly structured interview schedule, a schedule in which all questions are decided in advance (regardless of the actual situation). In this study, the respondents were given a great deal of liberty to express themselves and articulate their ideas. The researcher's chosen approach allowed respondents to engage in a genuine conversation rather than merely answer pre-structured interview questions. This opened the way to a much greater degree of interaction.

Where the universe of discourse varies from respondent to respondent, the interviewer should have the freedom to change the wording of the question so as to pitch it to the understanding of the respondent. Because the nature of her respondents' businesses varied so much in their respective organisations, the researcher needed to be able to re-formulate her questions in the context of the interview. The researcher also needed to be able to contextualise the phrasing of any particular question so that it became relevant to, for example, a factory or a plantation or a depot or a store (as the context demanded).

Finally, the more focused interview is a superior format when a researcher is trying to elicit unconscious or non-rational emotional feedback. This was especially evident in discussions that centred on non-compliance, non-performance and industrial unrest (topics likely to elicit highly emotive responses or opinions).

The tactic of moving from a semi-structured interview style to a focused approach appeared to be effective in ensuring that all themes and sub-themes were answered to the researcher's satisfaction. While interviewees were given the freedom fully to express their own lines of thought, the researcher was given the opportunity to elicit vital information of a qualitative nature.

3.5 The interview process

In this study each subject was interviewed at his office within three weeks of being approached by means of a letter or telephonically. All subjects gave permission to allow interviews to be tape-recorded. This method was beneficial for two reasons. Firstly, accurate recordings could be obtained and transcribed and, secondly, the researcher was able to conduct the interview in a manner which was both comfortable and which allowed for thoughtful probing because she did not have to resort to writing.

Patton (1980:246) points to the necessity of capturing the actual words of the interviewees in qualitative interviewing because there is no substitute for raw data of actual quotations spoken by interviewees. In addition, the researcher made sparse notes during interviews. These notes consisted of key sentences and words on spaces which had already been provided below each question on the interview guide. This served as a kind of non-verbal feedback for the researcher.

Immediately after each interview, the researcher transcribed the tapes so that responses might be studied at leisure. Once this had been done, the researcher replayed the tapes and simultaneously made further notes about her impressions of each of the respondents as they related their experiences. These were situated under the appropriate headings from the interview guide. Section 5 below discusses this process in detail.

4 CHOOSING THE SAMPLE AND GAINING ENTRY

Organisations in both the public and private sector of the South African business environment have been subjected to the impact of both major micro and macro environmental changes. It was imperative that organisations which were successful and had made considerable contributions in the field of organisational transformation be identified for the purposes of this research. It was equally crucial for the researcher to gain access to the most senior level of these organisations so that she could obtain the personal accounts of their chief executives. This permitted the researcher to gain insight into their leadership approaches and strategies.

Judgemental sampling by leadership experts in business

Because of the rapid changes which are taking place in organisational development and current affairs, it was necessary for the researcher to consult experts in the field (experts who had a day-to-day knowledge of businesses successes which were predicated on organisational transformation). The researcher therefore approached four leading figures in the business environment. She explained to them the research project and the type of organisations to which she would need to gain access. These business experts judged the leaders according to various criteria. Each selection was limited by the requirements of the literary survey and by the researcher cross-verifying each expert's "list" by

discussing each selector's list with other experts. In this way, the researcher selected the sample.

4.2 Selection of the sample

After the final list had been obtained in this way, the researcher decided that, if she wished to gain a comprehensive and comparative understanding of leadership in South Africa, she would have to select a sample that was representative of a variety of industries. In the case of respondents working in the private sector, four out of the five organisations were selected on the grounds of the fact that they also featured in the Financial Mail's survey list of the top 100 South African organisations for 1998 (Financial Mail Special Survey, May 1998). In order to gain access, the researcher selected a "sample of convenience", and the variety of industries was selected on the basis of their having their head offices located in the Gauteng area.

The industries thus selected were from the engineering, mining, retail, manufacturing and the health sector. As indicated above, the names of executives interviewed were obtained by the leadership experts by way of a judgemental sampling approach. The composition of the leaders selected were as follows:

- Director

- Group Chief Executive Officer

- Group Managing Director

- National Managing Director

- Managing Director

All the respondents selected were directly involved in the planning and implementation of the organisational transformation process. The respondents would therefore be able to concentrate on those aspects of the process which they deemed to be of critical importance in the realisation of organisational transformation. Maximum benefit might therefore be obtained from recording and analysing the personal experiences and perceptions of the respondents thus interviewed.

A number of respondents requested that neither their names nor those of their organisations be divulged because of the sensitivity of the information which they were willing to provide. For the purpose of this study, therefore, the respondents are referred to as respondent A,B,C,D and E so as to identify the various respondents without divulging their names or those of their organisations. To ensure that the anonymity did not influence the scientific integrity of the study, the following measures were implemented.

- Their names were divulged on a confidential basis, with their permission, to the promoter of this study, so that the authenticity of the information obtained might be confirmed.

- The information obtained from each respondent was cross-referenced with the information obtained from the other respondents who were interviewed and with the literature study.

It is recognised that, because of the qualitative approach here being utilised, it is not possible to generalise from such a sample. But the researcher argues that such research does not pretend to attain to generalisable knowledge. It focuses mainly on capturing the leaders' thoughts about their own experiences of the renewal and transformatory processes.

5 DATA CODING AND ANALYSIS

In qualitative research, the researcher needs to organise the data so as to make sense of the large volume of information obtained in the interview process. It was therefore necessary in this study, that the researcher applied a data coding procedure which would enable the researcher to use the data to answer the research questions. Neuman (1997:422) outlines three phases of data coding:

- In the phase of open coding the researcher identifies initial themes and ascribes initial codes thereby limiting the amount of data.

- In the phase of axial coding the researcher attaches codes to the various themes which emerge from the initial phase of coding.

- Finally, in the phase of selective coding the researcher considers and then selects specific codes from the two earlier phases.

In order arrive at a selection of dominant themes it was necessary for the researcher to proceed with the data coding process and with the formulation of relevant concepts.

To do this, the interview tapes were replayed so that the researcher could focus on the dominant themes and trends that emerged. While listening, the researcher made notes on her impressions of the respondents and on their experiences and accounts. These were slotted under the appropriate headings from the interview guide (The guide was informed by the findings of the literature survey outlined in Chapter 2.) The researcher then made a detailed study of the transcriptions of the tapes and in addition to cataloguing the findings under headings appropriate to the various themes on the interview guide, the researcher applied the process of concept formation.

Concept formation is, according to Neuman (1997:421), an integral part of data analysis and begins during data collection phase but continues after the three phases outlined above is completed. As indicated above, it is necessary in qualitative research that the data is organised into categories on the basis of themes, concepts or similar features. New concepts are developed, conceptual

definitions are formulated and the relationships among concepts are formulated. Eventually, these concepts are linked to each other in terms of sequence, as sets of similar categories that are interwoven into theoretical statements.

As the researcher proceeded with the concept formation phase, she made use of the analytic memo technique. This requires the researcher to construct a memo or discussion of thoughts and ideas about the data. Each theme or concept forms the basis of a separate memo, and the memo contains a discussion of the concept or theme (Neuman 1997:421). The analytic memo thus forges a link between the raw data and more abstract theoretical thinking. The memo permitted the researcher to analyse data in terms of what is presented in the research report. Rewritten sections from the analytic memos became sections of the final report.

6 CONCLUDING REMARK

In this Chapter, the methodological principles underlying the investigation were discussed. These were used to justify the choice of various techniques employed in the empirical component of the study.

In the next chapter, the interviews will be discussed and analysed in terms of the following themes:

- The organisational profile

- The leader's view of organisational transformation

- The leader's approach to attaining organisational transformation

- The success and challenges as perceived by the interviewee.

CHAPTER 4

ANALYSIS OF FINDINGS

There is only knowledge from a point of view.

Jean-Paul Satre

1 INTRODUCTION

Having discussed the research design in chapter 3 which was used to obtain the necessary data from interviews, in this chapter the findings of this study will be presented by stating some of the responses of the five leaders who were studied.

As previously stated, the rationale for the study is to acquire a clear understanding of how a group of demonstrably successful leaders viewed organisational transformation and how they were able to accommodate in their leadership style two opposite and very different styles (the transformational and military/autocratic) in order to transform their organisation. Furthermore, in this study the researcher will attempt to acquire an insight into the approaches, success and shortcomings of the respective leaders during their quest for organisational transformation.

In this chapter all of the five leaders who were studied will present their views on leadership. In some cases the leaders views will be presented in direct quotes. The quotes given do not constitute the sum total of all the views of leadership but are purely a selection of the most important quotes in this study.

This chapter will analyse the findings under the following headings:

(1)   Organisational profile

(2)   The leader's view of organisational transformation

(3)   The leader's approach to attaining organisational transformation

(4)   Success and challenges

2 LEADER A

2.1 The organisation's profile

Organisation A is an industrial group which is listed on the Johannesburg Stock Exchange with intensive manufacturing and trading interests. Major industries served by Organisation A include automotive, steel, mining, transport, building (including housing), ship repair, telecommunications and water reticulation.

The organisation's group activities may be summarised as follows:

Engineered products

An international company, with its home base in the USA, was acquired by Organisation A in May 1998. The Engineered Products Inc is a world leader in the design and engineering of both timber and light-gauge steel roof trusses. Products manufactured by this division include timber truss connector plates, construction hardware products and a complete range of manual and fully automated machinery and equipment utilised by the truss manufacturers.

It is a leading processor, stockist and distributor of customer-specified, high-quality blanks in flat sheet, plate and profiles in carbon steel, stainless steel and aluminium. Market reach is achieved through a countrywide network of 30 focused service centres, factories and distribution outlets to a wide industry base which includes automotive, appliance, building and construction, engineering and general fabrication.

Automotive division

The Automotive Division sources nationally and international and manufactures a range of products required by both the light and heavy-duty vehicle after-markets. It makes these products readily accessible via competitive distribution channels. From a zero base in August 1996, the division has grown to an annual turnover of

around R1,175 billion and a market reach through its sourcing and distribution chain in excess of R1,5 billion.

Distribution is achieved by means of strategically located warehouses in the major centres and by utilising established information systems. The company ensures that the leading brands of such products are always available and product quality is always underwritten by the manufacturer's warranty.

Automotive technologies

As the principal South African supplier to automotive assemblers, the division supplies first-tier systems to the local market and second-tier components to the local market and to offshore partners. It also services its aftermarket customer base in local and offshore markets.

Transport

Organisation A manufactures, services and repairs buses, semi-luxury coaches, road tankers, refrigerated insulated bodies, trailers, semi-trailers and commercial vehicle and van bodywork. It assembles, services and distributes commercial vehicles for freight markets and port terminal tractors, and coach and bus chassis for passenger vehicle markets. Its patented short coupling tri- and inter-linking trailer systems enhance operators' profitability.

Water

Organisation A manufactures, imports and distributes a wide range of valves, pumps and couplings for pipelines and stationary diesel and petrol engines.

Engineering

Organisation A manufactures heavy mechanical equipment and services the mining industry and steel mills. The division designs and manufactures products in various fabrication, machining and manufacturing facilities such as gastainers, coal feeder breakers, components for earthmoving equipment, pre-engineered steel frame buildings, water storage tanks, communication masts, composition railway brake blocks, forged railway tyres, rolled flanges for the petro-chemical industry and mine detection vehicles.

The rolling stock business focuses on the manufacture and refurbishment of locomotives, rail freight wagons, draw gear, couplers and bogies.

Ship repair yards along the South African coast undertake ship repair, the conversion and refurbishment of vessels and the fabrication of medium-sized floating structures (like barges).

2.2 Leader A's views about organisational transformation

How leader A experienced the organisation

According to leader A, the organisation was excessively bureaucratic and reactive and did not have a strategic focus. It was "covertly a Broederbond, quasi [sic] organisation" that made its profit mainly out of other government and other quasi government institutions, which traded very much on its Broederbond connections. Leader A also stated that the organisation was very Afrikaans in its nature and he thought it did not have any place whatsoever in the future.

There had also been, according to leader A, a culture of silence in the organisation. This meant in effect that no one was allowed to speak up or speak out about anything important. Communication was only one way (from the top downwards). The organisation was also characterised by reactivity and it had apparently never even enjoyed the benefits of a strategic workshop. The leader expressed his dismay at the lack of ethics and morality which prevailed in the organisation: "Frankly, I was quite appalled at what I saw. I have never seen such a morally [and] ethically rotten corporation in all my life. It was stunning."

As has already been mentioned earlier in the text, the organisational culture as it existed when leader A joined the organisation was simply crying out for change. Leader A described what he found as hierarchical, bureaucratic and without strategic focus.

Leader A also noted that the culture was not participative: no mechanisms permitting any kind of free flow of information or input from the ground level upwards existed. Ethics and morality were a major concern to leader A because he noted that "people operated in the most unethical manner. There was no transparency and one could get away with the most disgusting of behaviour." This concurs with Sunter's (1997:31) description of a world-class organisation as being ethical in all aspects of its culture and operation. The World Bank is considering drawing up a black list of companies which are suspected of corruption and organisations will be exposed for bribery and unfair labour practices (Sunter 1997:31).

The company had been allowed to stagnate and decay to an amazing degree, and the leader described it as having "run out of ideas and [having] ... no way of changing into the future whatsoever".

The leader further noted that an urgent and direct intervention was needed in order to influence and redirect the organisations culture. To this end his leadership "decided" on the new culture of the organisation and allowed it to cascade downwards. They in turn encouraged input from the ground up and fed this information into the desired culture design.

The desire to define the organisation's culture was supported by the organisation's executive committee which felt that everyone in the company – no mattered how scattered geographically – should be made acquainted with this initiative.

"They said to me that the rest of the company will never believe this unless you go around and actually talk about it."

The key message that was communicated was that (1) the organisation was in a serious condition, (2) the organisation would cease to exist unless it was reshaped, and (3) the organisation had no option but to change radically.

Apart from reshaping through participative interventions, the leader noted that there was a need for the unloading of excess baggage in the form of guilt, unresolved anger and the unjust treatment which prevailed in the organisation's history. In the second half of 1997, the organisation embarked on a kind of "Truth and Reconciliation" hearing process. It was felt that this was necessary before the organisation could move forward and close the past. The leader describes this necessity for this measure in the broader South African context: "The interesting thing is that this organisation is 100 years old and the history of the company is very much like the history of South Africa. It's got its good bits and its got its very dark bits and in trying to build relationships with the unions it became very clear that there are some bits of the past that just would not go away".

The "Truth and Reconciliation" process was begun and thousands of people went through the process of speaking to the company's "Truth and Reconciliation" commissions which were set up on a national scale. The submissions gave evidence of abuses which ranged from racism to sabotage to sexual harassment and even sexual abuse. Some of those who gave evidence were perpetrators and some were the abused or harassed themselves. Many who heard the submissions were quite shocked by the severity of the problem. Although the leader had expected that much that was unsavoury and atrocious would be exposed, he nevertheless found the intensity and level of the suffering personally alarming: "Some of the stuff was so unacceptable that I could not believe these things could happen. People had been treated very, very badly."

Although the process was emotional and lengthy and therefore very costly, the leader felt it was necessary before the organisation could move forward. Because the organisation could not deny what had occurred in the past, it was necessary to deal with the all the significant issues of the past if all employees were to be allowed to make a fresh start. When I questioned the leader about the changes that became evident in the employees who went through this process, the leader commented: "We had grown men crying like babies in front of the "Truth and Reconciliation Commissions". People said they had the opportunity to tell their story, get it out in the open, and only now could they move on".

Strategic transformation

The leader not only introduced a change of culture to the organisation but viewed work practice as critical for organisational survival. The organisation under the leadership of leader A strategically implemented a process whereby management performance was measured by improvements in EVC (economic value created) and the degree of transformation brought about by every associate working for the company. Each person working for the company also had to show how he/she was contributing to the company's commercial success. Leader A's intervention ensured the development of commercial skills at every level of the company. This development was reviewed on a monthly basis as the company began to be managed in terms of the accuracy of forecasts made by unit mangers.

Leader A also introduced a system of financial reporting whereby those concerned reported on their business units financial situation not later than five days after each month's end. This system ensured that management could take the appropriate action in time to enhance profits, reduce working capital and correct the cost base. This action-division management style is able to identify underperformers almost immediately. Because incentives are based on EVC and improvements in headline earnings, such individuals are removed from the system by their peers or after they have accepted their own underperformance. This form of peer management and output-based assessment is described by the leader as: "the best method we could think of. Instead of having to chase and counsel the

underachiever, he looks at the bottom line and concedes: "OK, guys, I see that I'm not performing". ... Maybe [he] cannot improve – and in that case he is out of there. He leaves graciously".

The strategic transformation approach which was introduced by leader A concurs with Nasser and Vivier's (1993:107) view that a paradigm shift towards competitiveness is a move towards replacing too much harmony with a healthy degree of creative tension.

Racial and gender transformation

Leader A was of the opinion that the racial and gender mix of the organisation should be transformed but conceded that the organisation had failed in this regard. A current national shortage of black and female candidates in the engineering industry was cited as the main reason for this state of affairs.

Leader A felt that there were too few black and women personnel in engineering because they tended to by-pass engineering and choose careers in fields that he called "softer options". The leader was concerned that the poor representation of black and female was compounded by the fact that it was difficult to retain these categories of personnel and because they were often poached from the organisation. This was a major concern and source of irritation to leader A who felt that this practice was unacceptable in South Africa. he expressed his annoyance by saying: "We pay them more than generously ... other people just

buy them. They want a black face [and] so they just buy a few people. They are not interested in the person's career path or the other organisation that they are poaching from. They just want a face to put in the window".

Window dressing and tokenism was considered to be unethical by leader A and he said that he would not practise it. Leader A preferred to take the long-term view that the strategy of "growing" personnel within the organisation was both more realistic and attainable: "We are not going to window dress at all. We will rather grow people from within and put real people with real power and real jobs and that's really what we continue to do".

Although leader A considered this approach to be the best and most ethical business practice, he remained unsure about unsure about how it might be sustained because qualified black professionals and women were in great demand and were poached even after having been developed within the organisation. The leader hoped that the organisation would retain staff by nurturing and developing them. In spite of his hope, staff continued to be poached. This interminable cycle was summarised as follows by the leader: "We try to grow people from within but that's tough [because] as you grow them they get poached".

The leader therefore conceded that employment targets were not achievable. He recognised the need for a more representative workforce in his organisation but did not consider it to be the main goal of organisational transformation. Instead he

cited change in organisational culture and organisational turnaround as major and achievable components of organisational transformation.

The leader's specific style and approach towards attaining organisational transformation is discussed in the following section.

2.3 Leader A's specific style and approach

Morality and ethics

Leader A repeatedly cited morality and ethics as important issues in discussions. As was mentioned earlier in this chapter, leader A was appalled by the lack of transparency, the corruption and dishonest culture that existed in the organisation.

On joining the organisation, the leader found the organisation "low in terms of values and morality, the corporation was totally unprincipled."

The leader was deeply concerned to emphasise issues of morality and ethics as part of his leadership style.

Leader A began by specifically addressing his top management on the subject of bribery. Bribery, he said, was unacceptable to the newly agreed value system which had been endorsed by all members of management. Leader A also found it necessary to address all the shareholders about the subject of bribery because

bribery had very much been a standard part of the procedure in that particular industry and in his company in particular: "I had to say to them [that] there is a whole chunk of business in the organisation which I cannot get if I do not bribe because that is what our competitors do. We are not prepared to go down that road so either you now instruct me from the board that it is OK to bribe because that is the way business is conducted in those industries and I want you as the board and the principal shareholders to understand".

After this statement to the board, leader A was instructed by the board to withdraw from dealing with any businesses which operated by means of bribery and corruption. It was important for leader A to make this point to the board if he wished to eliminate unethical behaviour throughout the organisation. Once he had established an ethical base at the higher reaches of the organisation, the leader described how he extended this attitude throughout the organisation. "If our people steal from us we will be the first to put them into jail. We prosecute all the time".

Leader A is adamant that responsibility, morality and firmness should continue to be implemented – even though the price to be paid may be high: "In a country where fraud has become a national past time we try and at least hold the line even if it leads to strikes and uncomfortable situations".

Communication

Leader A noted that although the organisation possessed a formal communication system, it was primarily a top-down and one-way system in which members' views and thinking about the organisation were never considered – a system in which no one was ever given the opportunity to speak: "Staff were all choked up with their thinking but could not express it."

Leader A noted the need for two-way (top-down and bottom-up) communication and viewed it as being necessary for implementing the desired organisational culture. The leader used communication forums to achieve consensus about a new organisational culture. He advanced his own views in these forums about what he thought a desirable organisational culture and values might be. This might be interpreted as imposing a one-way culture. The leader however was confident that he had a clear understanding of the organisation and its shortcomings and could introduce a framework which would save the organisation. He further thought that the condition of the organisation was critical and that there was not sufficient time (at that time) to conduct full participation forums. He nevertheless made arrangements to include employees' ideas and thinking in the system. He described this process as follows: "We broke people up into groups of about 8 to 10 people and we said, "Elect a spokesman and discuss our new credo and culture and anything else you would like to discuss, and give us feedback."

According to leader A, the response was positive and they received an abundance of feedback and suggestions from employees. The need to express their opinions – particularly about the past – was a critical factor. "People were very excited and gave us ideas outside the scope of what we wanted. The input kept coming and we used as much as we could. After that we realised that we need[ed] to keep these communication forums going otherwise we were going to kill the organisation and its people".

Participation and empowerment

The launching of a communication forum signalled the beginning of a form of participative management for the leader. This was not yet full participation but it was the beginning of participation by the staff in work-related matters.

Participation is considered by leader A to be the cornerstone of transformation. He is of the opinion that the main component of organisational transformation is inclusivity which allows "every person to rise to the best that they can".

Leader A further believed that structures or systems which would allow individuals to contribute to the organisation should be in place. He felt that this was especially important because of the skills shortage in South Africa. In order to facilitate the upward movement of all employees, leader A stressed the necessity for the workforce be both participative and involved. He described the manner in which he intended to maximise individual capacity as follows: "Unless

we tease the absolute maximum out of every person we are not going to succeed." Unless this happened, he felt, employees would not feel motivated or involved in the organisation.

The leader conceded however that although his company was possibly a leading companies in terms of worker involvement, his organisation "has still [got] a long way to go".

Teamwork was considered to be an essential part of participation because it would allow employees to grow in and contribute to the organisation. His view of team skill is defined as "regarding the team as more important than the whole". He regards teamwork as being of paramount importance in business because "if someone's got team skills, then they will survive this new organisation".

But participation in general and participation in teams were not merely regarded as mechanisms for ensuring full staff involvement and providing intrinsic satisfaction for employees. They were also (in the leader's view) mechanisms for separating performers from non-performers. Performance (especially at a high level) was measured by leader A as follows: "Success is achieved as a team so you succeed or you fail as a team. What happens is that people will quickly weed out the non-performers because they are not prepared to have their own bonus system prejudiced by someone else's non-performance".

In saying this, leader A once again emphasises the fact that the organisational culture and its people are able to remove non-performers from the organisation through peer or organisational pressure.

Personal style

Apart from the characteristics listed above (communication and participation), many of the successes achieved by the leader could be attributed to a variety of personal inputs which he introduced – inputs which speeded up change in his organisation and which reinforced the need for change and the manner in which change would be approached.

Leading by example

The leader spoke continuously about the importance of dedication and pride in one's work. He uses uncompromising terms to describe the standard of his work and his performance: "I probably work harder than anyone else in this organisation [and] so I lead by example."

He also indicated that empathy and fairness were important factors in leading by example. He said that he would not expect his employees to do what he was not prepared to do.

Leading by example was not only about work but also about the importance of values. It was important for the leader to be respected not only for his work performance and achievements but also for his integrity and values. The leader believes that his sense of integrity should be uncompromising – even if that should cost him his job. He described how his career had been prejudiced in his previous job because he had not supported an unethical strategy. He conceded that some people might find his style threatening but he believes that when staff become accustomed to his style they will accept him because they will know that he "has no hidden agendas".

Leader A also believes that in order to be fair, a leader should not hold grudges. If a leader reprimands someone for poor performance, he/she should not pursue the point forever but should rather let it pass once it has been addressed: "I don't carry the baggage of the past into the future. So they always know where they are with me and we address everything in the open. It's totally transparent and that ultimately, I find, is what motivates people most. In the initial phase it makes people quite nervous because it is the exact opposite".

A tough and forceful approach

Leader A described and displayed a very firm approach to changing his organisation. He contended that change could be extremely painful for employees and management but that pain was necessary to effect change. This concurs with McCalman and Paton (1992:7) who suggest that if employees accept significant

corporate change, they must accept some degree of pain. The greater the change, the more extreme will be the pain needed to mobilise employees to implement change.

He maintained that management adopted a "tough stance" in negotiating with the union even during the process of change. The following quote demonstrate several of the leader's beliefs about a firm management style in the organisation. "We cannot afford to be soft. We are a lot tougher than most companies. If people get out of line, they get handled. ... We've never gone soft on the disciplinary issues".

Leader A displayed his belief in a firm approach when referring to a union action which precipitated a strike: "We said, "Look guys we can't continue like this. All the goodwill that we have generated you guys have absolutely destroyed. We've moved away from the company being unacceptable. We've built trusting relationships and now you guys have broken that down entirely and we are not prepared to put up with it." So we just closed down the plant".

When describing the manner in which the plants were closed, leader A uses strong quasi-military language: "We mustered up a small army to support the personnel who were going in to close the plant. We needed a strong military force there because we were not prepared – if word got around – to be bodily harmed [and] so we went in well prepared and with force".

Leader A displays reasonableness and good faith with the unions until he loses faith in their behaviour. After that he displays a robust intolerance towards them. Thus, for example, he cites an occasion when his staff went on a sympathy strike. Leader A explained to the union that they had customers to supply and that work therefore could not be interrupted. The strike nevertheless continued. Leader A then recruited an alternative labour force for the organisation which produced substantially more with far fewer people after only one week of training and one week of experience on the job. He said: "When the staff return, they will have to face retrenchment. Because the shop stewards were the cause of this, they [the shop stewards] are going to be at the top of the list."

Leader A takes note of the newly recruited labour force's high productivity rate and rehearses what he is going to say to the staff when they return. (He is determined to use the events of the strike to make a point about productivity and possible benefits for the firm). "We are going to say we had 550 people and our latest calculations say that we can do the same output with 300 people because we are going to say that the previous week people didn't even know the organisation two weeks ago and they have produced that high output with only 300 people. Now that is to be the standard or the rest of you will be fired as well".

Symbols

Leader A also attributes his personal style and leadership success to the way in which he presents himself. For example he does not wear a tie which he considers to be an "ego symbol". He believes that ties often are a barrier that people (especially management) hide behind. To make himself more accessible and approachable, leader A wears an open-neck shirt at all times – except when the situation demands that he dresses more formally.

Another indication of his symbolic style is the use of first names. He is not addressed as "Mister ..." but rather by his first name. One of the first changes he introduced when he took office was to insist on the use of his first name. Leader A describes the extent to which this gesture had made him more approachable. "Because of this a lot of people got to know me as "Joe", and they would come up to me and shake my hand and say. "How are you, Joe?" Some of the reserved people in lower middle management would still call me "Mr A" and I'd say, "That's not my preferred mode of address."

Personal drive

Leader A attributes the drive which make him successful as a leader to his passion. He constantly sets personal goals for himself and says that once he has achieved them, he gains great satisfaction. Because this satisfaction is very short-

lived, he has constantly to seek out further challenges. His sense of achievement and restlessness is illustrated in the following statement:

"If tomorrow's like today, then tomorrow I'm kind of bored. So I like problems. I dive into problems and help to solve problems".

In order to work to his optimum level, leader A needs to work independently without constantly having to report to a higher level. He describes this need as critical to his growth and describes himself as follows: "I'm a bit of a maverick so I don't like a boss breathing down my neck."

2.4 Leader A: successes and challenges

Leader A highlighted the various successes he achieved about since he had become head of the organisation. Not only had he increased productivity and profit, he had also succeeded in reshaping the organisation. He did this by ensuring participation and input from all the company's employees. By eliminating unnecessary levels, he reshaped the organisational culture by flattened the organisational structure. He also opened communication and allowed free-flowing two-way communication. He also wiped out corruption and bribery and replaced it with value-based ethically sound work practices.

The most notable success which leader A brought about was instituting the Truth and Reconciliation Commission model to deal with past injustices in the

organisation and so permit reconciliation and a transition to a renewed organisation.

The area which leader A concedes he has not been able to address is that of employment ratios. The employment and retention of black employees is particularly deficient in the organisation. Leader A attributes this failure to the scarcity of qualified candidates coupled with an increased demand for such of candidates on a national scale.

3 LEADER B

3.1 The organisation's profile

Organisation B is a holding company of several platinum mining divisions and constitutes the third-largest platinum producer in Southern Africa. The Chairman's Report for 1998 describes the status of the organisation as revolutionary for a South African mining industry. This "revolution", according to the report, achieved the following:

- Marketing and contracted disadvantages were eliminated.
- The underground mining method has changed.
- Sub-decliners were started as a more capital efficient means of access to arc-reserves.
- Concentrator and smelter technology were updated.

- Refinery and particular rhodium recoveries were optimised.

- The most progressive industrial relations in the industry have been developed.

- The total staff was reduced by one third while the same production levels were maintained.

A programme called "One Team – One Vision" was introduced to access the knowledge and skills inherent in the organisation and "unlock the potential" of the employees. The company:

- accelerated the "roll-out" of best mining practice in all their mines.

- developed the most efficient underground hard rock mine in the country.

- improved concentrator recoveries.

- improved smelter through-put.

- reduced staff to 55% of the 1990 level.

The Annual Report of 1998 stated the organisation's values as follows:

- Act with integrity in all our actions.

- Be sensitive to the environment and play an active role in conservation.

- Encourage our employees to realise their potential through development, education and training.

- Remove discrimination.

- Practise affirmative action.

- Assist [those] employees who wish to do so, to live with their families.

- Respect and promote the safety and health of all.

When he joined the organisation, leader B found that organisation B was profoundly hierarchical – "almost militaristic". Since the culture was extremely hierarchical, rank status was paramount. The workforce was very large and very labour-intensive. One of the major challenges facing leader A was to reduce the number of layers in the organisation and so improve productivity.

3.2 Leader B's views about organisational transformation

Organisational culture

Leader B views organisational transformation primarily from an organisational culture perspective. The institutionalisation of a commonly accepted organisation culture was one of the major interventions introduced by leader B. When leader B had examined the existing organisational culture after having become managing director, he constituted a executive team plus union representatives which was called "Fixco". An outside consulting team was employed in order to assist Fixco with organisational change. According to leader B, outside assistance was necessary in order to keep the momentum of the project going and in order to ensure impartiality.

Fixco identified twenty different initiatives which were necessary to bring about organisational culture change. These included inter alia creating conditions for change, examining why employees were demotivated, the structuring of bonus

systems, the formulation and sharing of values, and an acceptance of the importance of training and development.

The manner in which Fixco involved all stakeholders is significant because it effected participation at every level. Presentations which explained the proposed new culture were made to 2000 employees at a time (Fixco ultimately made presentations to 30 000 employees). Although the number of employees who had to be contacted were very large indeed, leader B explains how Fixco were made to answer questions and address concerns:

Many of the employees did not have any trust in management because of the history which I think is typical of all South African mines. ... Safety performance is very bad and there is almost a sense that the company doesn't really care about them. ... These were quite difficult presentations. There was a couple of them where we were not allowed to leave until we had answered their questions. We were also asked, "Are you going to come back and speak to us if this vision doesn't work? What's in it for us?" – and some [other] very difficult questions.

Leader B regarded organisational transformation as producing an increase in productivity and a reduction in the labour force. Five to six years prior to leader B's arrival, organisation B had got itself in a position where it was not competitive in business, mining or productivity. Leader B therefore regarded this deficiency as his main challenge: he saw his mission as making the company more profitable.

As part of the quest for survival and profitability, leader B decided to widen the horizons of the organisation and release more resources for mining by outsourcing non-core functions while focusing on core functions. Leader B took a very critical view of what he called a very "bloated organisation". He introduced operating units with a very lean organisational structure. To set an example, he reduced his head office staff from 300 to 20 people. He supported leaner structures by saying: "I think too many people create work and create politics that feeds on itself and I believe that a very lean structure is more efficient and allows for quicker decisions".

This down-sized and focused approach to business has paid off in the long run. Leader B is satisfied with their results: "We are now in a situation where we are a leading industry in mining productivity. We have just done a bench mark exercise with our competitors which shows that we've got the best refinery and the best performance in the business".

The emphasis on flatter staff structures for successful future organisations and for organisational survival is confirmed by Dessler (1995:12) who attests that flatter organisations will be the norm in the future and that pyramid-shaped organisations will give way to leaner, flatter organisations.

The process of reshaping the organisational culture in organisation B has been measured by the external consultants and they confirm that "there is generally a better vibe amongst all levels of the work force".

Leader B was confident that his organisation is on the right track with regard to racial and gender representivity because they develop and provide opportunities for previously disadvantaged groups. Because his organisation is a mining organisation, women are not recruited for operational functions (they have been precluded from mining by legislation). He was however confident that women were entering other professions associated mining.

The emphasis on the inclusion of black personnel in the organisation appeared to take place in the low to middle organisational levels where he noted that many black candidates were "now in possession of a blasting certificate". Leader B noted that the organisation has a definite policy about affirmative action: "Let them bring the Employment Equity Bill. We think it's fine. Let them bring it in."

The researcher probed further in order to find out whether leader B was aware of the requirements of the Act. Leader B responded that it was difficult to retain senior black staff because they were highly sought after in the job market – in spite of more rapid promotion of black candidates and their faster increases in salaries. Leader B felt that they were still not retaining black personnel and that this eventually "throws everything out and it gets too distorted".

Leader B therefore believed that his organisation was doing everything possible to rectify the racial inequities in his organisation. But because of the vagaries of

market forces (i.e. the strong demand for black professionals), he felt justified in defending their position to the labour commission. He contends that he would rather rely on natural progression which – although it takes more time – is more natural and sustainable.

Ethics

Leader B presented a major moral and ethical value to his whole management team when he stipulated that organisational politics would not be allowed in the organisation. Leader B described his refusal to tolerate this behaviour in the following words: "We don't allow clashes amongst the senior people and prior to me taking over there was a whole group of senior managers in charge of little empires and there was a whole bunch of politics going on".

On being probed by the researcher as to how organisational politics could be avoided and/or curtailed, leader B described how people who indulged in organisational politics were "moved" out of the organisation. "When I took over the organisation and saw political games, I would call them and say, "You're a great guy but, I'm sorry, the way you play politics in this organisation is destructive."

When the researcher probed further so as to find out exactly how these managers are in fact removed from the organisation, leader B told the story of how two managers in particular were in conflict and causing a lot of tension. In order to

resolve the situation, he spoke to both managers and requested them to resolve their differences or leave.

Leader B cites the placing of pressure on one's staff as being an extremely important means for introducing change in one's organisation. Staff who feel uncomfortable and out of tune with the organisation's new system of ethics are also encouraged to leave the organisation. Leader B describes how the new culture makes it difficult for such staff members to remain in the organisation: "It is a bit crude but I say the organisation spits them out. We have had some really good people who have actually recognised that they don't fit in. They just put their hand up and said, "Look, I am a leader in this organisation and I can see that my style of things and the way we are going no longer harmonise. I no longer fit the mould and I would like to leave."

Communication

Leader B's communication focus was two-pronged. Firstly he placed a major emphasis on open and honest communication. Leader B saw this as being of paramount importance if he were to retain credibility with his staff while effecting the organisation's down-sizing and transformation. Leader B exemplified the old adage of "giving the bad news with the good" as follows: "We tackled the tough questions up front. We told people we were going to reduce the number of jobs and we were going to do it every year. When we communicated the vision we

said, "This is what's going to happen" [and] so people knew where we were heading. We didn't hide the tough issues".

Leader B felt that this honesty paid off. There was less labour unrest than had been expected and workers participated a lot in all programmes.

Leader B considered his own high visibility to be a prerequisite for bringing about organisational transformation. Leader B himself made presentations to 30 000 employees by addressing groups of approximately 2 000 people at a time. Kotter (1995:63) endorses the importance of mass communication for bringing about change. He attests to the fact that change is impossible unless hundreds or thousands of people are willing to get involved. Leader B thought that it was important to make the presentation himself. He also thought that his visibility was necessary and made a conscious effort to manifest it. Leader B compared himself to his predecessor whose style he thought was detrimental to the image and cause of transformation. "Historically most of the people who worked underground could not name or recognise the top person in the company".

By making presentations to every employee, leader B thought that he had reached every staff member apart from "those who had been on leave".

Leader B believed that the face-to-face communication had paid off and he was confident that all the staff knew who he was. He believes that he is well liked throughout the organisation because of his openness. He believes that if the

researcher were to ask any of the union leaders about him, they would make positive comments. Leader B attributes this positive image to high visibility as well as to the way in which he speaks to people: he says that he does not talk down to people and that he is also being open. He tells them "exactly what the truth is".

Leader B qualified this statement by saying that there might be people who may think that he is "miserable or whatever", but in general he has received a lot of feedback which indicates that he is well liked and well respected. This is positive feedback for a leader who is bringing about fast change and who is operating in an organisation which traditionally has had a culture of mistrust and fear.

Motivation and reward

Leader B displayed a strong sense and understanding of being able to motivate not only staff reporting directly to him but also the broader staff base. For instance leader B was himself once a miner and believed that he knew quite clearly what type of reward and recognition a miner wanted and what "exactly motivated" a miner every day. He is very clear that his motive for rewarding is not done "out of the goodness of his heart" but is rather offered in order to obtain performance and output from his staff.

Leader B contended that treating his support staff (those employed at the organisation's head office) with dignity and respect was critical to maintaining an

efficient and loyal workforce. He displayed a relaxed and easy attitude towards these staff members and added that they too were human and (as such) were entitled to have days in which they were not in top form. He emphasized this as follows: "Everyone is allowed to have what I call "a bad hair day" – [that is, one] when you're just miserable and stuff but generally you've got to be able to smile".

When he opines about the "human" side of leadership, leader B believes that it is important for a leader to be "approachable [and] on the same level" and to be able to relate to his workforce. In response to the researcher's question as to how he thought he might be perceived by the workforce, leader B gave the following reply (it illustrates his confidence in his leadership style and in the enrolment of his workforce): "The secretaries would basically jump out of the windows for me and for the rest of the staff. I think they would say I am someone who has had a positive impact on them and on the company".

Empowerment and teamwork

Leader B made several references to "freeing" his staff to make them happier so that they could influence and be in more control of their own destiny. He does not specifically use the term "empowerment", but he implies it as he refers to changes in the organisational culture. His concept of empowerment is wide and incorporates a freer environment and a shift away from what he repeatedly called "a culture of fear". He summarises this new culture as "creating a more positive

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environment and a place where its people recognise and give recognition for their performance in one way or another".

According to leader B, trust is also linked to empowerment. This is a fundamental requirement if a free organisational culture is to be created. Leader B points to frankness, "open cards" and a willingness to share information – all of which (he believes) contribute to building the kind of long-term trust which is empowering to the workforce.

Leader B emphasises that teamwork brings about organisational transformation. According to leader B, the ability to work in a team is a crucial skill and is the major criterion he uses when recruiting and selecting staff. Although he believes in the importance of technical skills, he says that he has rejected many qualified and skilled candidates because he did not believe that they could contribute team skills. The ability to work in a team is cited by Dessler (1995:16) as critical if organisations of the future wish to survive. Dessler (1995:16) states that work will be organised around teams and processes, and that workers will have to belong to a multi-functional team.

A tough approach

Although leader B uses military analogies to describe certain aspects of his leadership, in the majority of cases he cites examples of his fairness and kindness in his approach to guiding his staff. He believes in being sensitive when delivering

"hard messages" and considers staff members' feelings, backgrounds and histories carefully as he attempts not to offend them. When leader B believes that he has done all he can to get his message across gently, he becomes "tired" of their stubbornness and then uses a tougher approach -- which is described as follows: "Different people are motivated by different things. There are a few people in this organisation who don't appreciate my reasonable approach and then I need to use the wire brush approach from time to time

It's the only language they understand and it is very necessary if I want to keep this ship afloat and sail into the unfriendly seas safely and stay on course. I feel very much like a captain of a ship, a very large ship sometimes".

Symbols

Leader B made use of organisational symbolism in a variety of ways in order to transform his organisation's culture. He also used it to draw attention to himself: "When I initially came into the organisation, and to get peoples attention I felt that people are not listening to me and the organisation is not listening to me. They think I'm a replication of the past MD. ... So I did different things. I stopped wearing a tie and I did little things that are different so people thought. 'This person does things differently. He's not going to fit into the old culture of doing things'".

Leader B used this symbolism and behaviour to get the attention of his staff and break down the formal barriers which had existed in the previous organisational culture. To further break down the formal organisational culture he introduced first names as a from of address, and asked to be addressed in this mode.

The work environment was also important to leader B for symbolising change. Leader B was instrumental in moving his head office core staff from a traditional mining house in the city to a more trendy office park in the suburbs of Johannesburg. Leader B describes the importance of the environment: "A good environment is important so that people feel good about coming to work. ... If I don't have a nice environment, I get very depressed. If I don't have windows I will go nuts".

The importance of balance between an "over the top" and a reasonable environment is important. Leader B added that his staff had a hand in designing and in creating their own work environment and in choosing their art work.

3.3 Leader B: successes and challenges

Leader B cited many successes in his approach to and achievement of organisational transformation. His major achievement was the turnaround of an organisation which had been running at a loss for five to six years and which has now become a leader in the mining industry. He believes that he achieved this largely through the reduction of staff and his involvement with and building of trust among the remaining staff.

Leader B focused on the organisational culture for effecting changes which he viewed as critical for sustaining a successful organisation and ensuring it would have a place in the future. "Freeing" the culture, building trust and open communication, and humanising the work place were all critical factors for leader B.

Leader B did not believe that it was realistic to transform the representivity of the organisation with regard to gender and racial transformation because of the low number of applicants available in these groups. He did concede that they were transforming gradually from within the organisation. He said that the necessary number of females and blacks were not available in the market place and that transformation of the representivity of the organisation could therefore not be carried out in the short term.

4 LEADER C

4.1 The organisational profile

Organisation C is a fully integrated forest products business employing about 20 000 people and comprising eight operating divisions:

The Forests Division owns and manages extensive hardwood and softwood plantations in Mpumalanga, KwaZulu Natal, Northern Province, the Eastern Cape and Swaziland. The division supplies timber to the group's processing divisions as well as to outside parties. A sophisticated forestry research and development centre based in Pietermaritzburg forms an integral part of the drive to improve yields for the division.

The Kraft division produces bleached eucalyptus pulp as well as white-top and brown kraftliner, testliner and fluting at its Richards Bay, Piet Retief and Flexiton mills. The division has an annual production capacity of 500 000 tons of draft pulp and 380 000 tons of kraftliner and fluting. An integrated chemical plant at Richards Bay produces most of the mill's bleaching chemicals. The chipping plant at Richards Bay exports in excess of 850 000 tons of hardwood chips to customers in the Far East.

The Paper division produces newsprint, super-calendered magazine and telephone directory paper and a range of fine printing and writing papers, including carbonless copy paper, at its 520 000 tons per annum Durban mill. The mill benefits from having its own thermo-mechanical and groundwood pulping facilities as well as a modern recycled fibre plant.

The Cartonboard division manufactures a range of coated packaging and industrial board for the carton and print, stationery, construction and core winding industries and has an overall capacity of 180 000 tons a year.

The Recycling division is the largest waste-paper collection and recycling operation in South Africa, selling 300 000 tons of waste annually to the organisation's operations and outside customers.

The Timber division operates 12 sawmills and other manufacturing facilities which produce SABS-graded lumber and a wide range of solid wood products, including plywood, rotary cut veneer, finger-jointed Edgelam panels and mouldings. The division also has interests in the manufacture of decorative sliced veneers and chipboard and the distribution of lumber and allied building products.

The Mining Timber division is the major supplier of mine-support systems to the South African mining industry. The division processes about 600 000 tons of timber in its six mills, supplying products to the country's gold and platinum mines.

Paperlink division operates as a paper board merchant supplying the printing and allied industries.

4.2 Leader C's views about organisational transformation

Strategic transformation

The leader was known in South Africa as a turnaround specialist. His success was measured by the way in which he turned the share price from R12,00 to R57,00 after a few months of office.

His opinion of organisation transformation was that it can only be attained through instituting a correct structure and (thereafter) an appropriate strategy.

Leader C attributed his achievement of correct structure and down-sizing to the manner in which he empowered his staff: "I utilised my own philosophy which is now fancy buzz words. I called the management team together and said, 'This is the problem. We employ x people. We are making a turnover of y. The more we make, the more we lose. ... I'm giving you a week to go away and tell me what we can do. I want to reduce cost structures by Z'".

Leader C was able to reduce his staff significantly on the recommendation of his management teams. This intervention, he believes, was done by the people.

Leader C also noted areas apart from restructuring in the organisational culture, which he thought needed change. He noted that people were afraid to take risks and responsibility. Because he attributed this to a lack of confidence in themselves and in their decision-making ability, Leader C increased the staff training and development budget by 50%. He describes what he found in relation to staff development at Organisation C: "One of the things I discovered once I put in new levels of responsibility and accountability, [was that] people didn't know how to make decisions because they [hadn't ever known] ... how to make a decision before in their lives".

Leader C is convinced that the empowerment of his workforce caused the organisation to turn around and survive economic decline. He is satisfied that he is "doing something right" for the organisation, and notes that by changing the organisation he has saved the organisation and that the shareholders are "over the moon".

With regards to racial and gender transformation, leader C believed that his organisation had already addressed the question of representivity before the matter of employment equity was legislated. There is however a shortage of black staff because of the general market shortage of suitable candidates.

Leader C has set up many programmes to facilitate accelerated development for black staff. He believes that targets can only be achieved through internal

development. He also puts pressure on his management to ensure that they strive to develop a sufficient number of black staff. In order to ensure this happens, Leader C chairs the diversity workshop and sets targets for its members to achieve.

When the researcher asked him if he had experienced any resistance to accelerated black development, he said: I say to them. "Look, it's going to happen and if you don't like it, you better go and find a job elsewhere."

Leader C agrees however that he has broken down most resistance and has given the programme a lot of momentum and support from the top.

High energy and inner drive

According to leader C, bringing about organisational change requires a lot of energy and inner drive, which leader C believes he has "been blessed with". On being asked how he achieved success in organisational transformation, leader C spoke at length about the path he followed to reach top management. He had no university education other than the "university of life". He passed his apprenticeship within three years with distinctions. He moved through the organisation from the ground level and so experienced all facets of the industry. His success as a change agent is summarised in the following statement: "My energy and drive comes from within myself. I haven't needed someone to drive me. You can't motivate me. I can't motivate you".

While the researcher accepted that leader C had a high degree of inner drive and self motivation, she probed further in order to ascertain how he had used these assets to motivate a workforce to embrace radical change.

Leader C explained his success in terms of giving his workforce a safe and trusting environment. He believes that he motivated them through being "up front" with the workforce and allowing them to be part of the change process. He also believes that his enthusiasm and energy was "contagious". He asserts that when people become excited, they enjoy what they are doing – but not the other way around. His link between enjoyment and work is summarised in the following quote: "If you're losing, you're actually getting tired. If you're winning, you actually don't get tired".

Communication

Leader C began a high visibility communication programme as a part of his transformation initiative. He went to the grass-roots level and visited plantations where he delivered his message of change and shared his intentions. He stressed that visibility and the personal delivery of messages were crucial (especially at the beginning of change initiatives) so that the change process could be given credibility and momentum. He described his involvement as follows: "In all the change programmes I've embarked on, I have shared it down the line and I have

taken the lead as the change agent and started breaking it down with a presentation of what I need, what's behind it, why we were doing it".

Leader C also believes that visibility is crucial to the change process if one wishes to emphasise one's sincerity. Many organisations have gone through an enormous amount of change and have also failed. Many people have therefore become cynical and saturated with change. Because change is a high risk activity, it is necessary for the leader to endorse the intended change process with his visibility. The apathy of many staff towards change is summarised in leader C's quote: "People hear about it and say, 'Huh! We've heard that before it's not going to happen'. So you've got to become like the corporate crusader and you've got to preach the gospel and you've got to walk the talk".

Communicating informally is equally important to leader C. He often creates opportunities to get to know his staff and attempts to remember as much about them as possible. On a few occasions he has gone away on three-day visits with various groups of employees: "I went with these guys to the mountains for three days and sacked and slept with them, ate pap with them and drank with them".

This type of sharing and communicating was important for leader C as it gave him the opportunity to learn more about his staff, their culture and their ways. He believes that he has become a good listener (which he was not in the past) and that this is very important for effective communication. His socialising with them has sent a message to all employees that leader C cares.

Leader C also introduced a communication cascading system where forums of up to 300 people are addressed on subjects of finance, marketing and human resources from their respective directors. According to leader C this has proved to be very successful. He states that previously this kind of information was "sacred and could not be told to anybody".

Empowerment and teams

Leader C dealt with the issue of empowerment immediately after having joined the organisation. He was particularly perturbed by the fact that his management teams were not empowered to make decisions and identify and solve problems. For this reason he intensified their training programme and included them in problem solving exercises for the organisation.

He cites the freedom which he gives to his secretary as an example of empowerment. He encourages her to make decisions which impact on her working environment and speaks openly to her about his work plans and philosophy. His secretary has a fair idea of what must be done, who he should see, and so on.

To empower people, according to leader C, is to give them confidence. For this reason leader C not only focuses on training and giving employees opportunities

to make decisions; he also ensures that people are given positive feedback. Recognition is seen as being a vital part of empowerment.

Because of this belief, leader C gives immediate recognition in the form of awards or by means of a congratulatory memo when he sees that his staff are performing well. He describes his style and desire to give recognition as follows: "I don't want somebody looking over my shoulders and in the same way I won't look over my staff's shoulder. My staff have blossomed like roses and we've reached a stage where I've got to say to them. 'Guys, these are the results. This is how well we are doing'."

Leader C believes that it is critical to let staff members know how well they are doing so that their sense of achievement may grow.

Leader C believes very strongly in the value of team work. He plays the role of coach in the team work process. He believes that he manages and leads in much the same way as does a rugby coach, and he bases his philosophy on his experiences in rugby teams from his "days as a rugby player". He is vigilant about the way in which his staff performs and he constantly assesses them as team players. He ensures that they play a meaningful role in the process. He also ensures that they do not work only for their own interests and that they are not arrogant in the approach towards others. Leader C believes he has a "gut feel" about staff who are not playing as part of a team. He states that when he identifies these non-team players, he confronts them because "if they haven't got the

company at heart, they are working in their own interest and are actually restricting the development of the company".

The importance of working in teams is confirmed by Dessler (1995:16) as being critical for organisations which hope to survive into the future.

Tough leadership

Moving an organisation through rapid change in order to turn the organisation around requires firm and tough leadership. Leader C states that he has "radar antennae" and is able to pick up non-performance and non-conformers in his organisation. If he sees that his warnings and admonitions have had no effect on erring individuals, he puts pressure on them to "eliminate themselves from the organisation".

When he discussed his firm stance in this regard, management leader C describes himself as follows: "My eyes go a bit black and my staff get a little shaky. Body language is a wonderful thing and also at the end of a day I call a shovel a shovel. I'm not a tyrant but I can make my presence felt".

He uses military analogy to describe this kind of firm stance: "I'm a great one in believing in commanding this business instead of demanding".

4.3 Leader C: successes and challenges

Leader C was able to bring about organisational renewal through turning the organisation around and raising the share price from R12,00 to R57,00. He did this through down-sizing and cutting costs. Both empowerment and communication were critical in his quest for transformation. Leader C chaired the transformation committee and placed a strong emphasis on developing and retraining black staff in the organisation.

He was deeply concerned about the challenges presented by legislation for employment equity and becoming globally competitive. If the company was to become globally competitive, then operations would have to be automated and jobs would have to be cut. The Employment Equity legislation also put much greater pressure on employers who already were working under pressure. The conflict inherent in equity versus efficacy (Misselhorn 1998) is strongly felt by leader C who believes that equity will not come cheaply and that efficacy is necessary if equity is to be gained.

5 LEADER D

5.1 Profile of the organisation

Organisation D is a retail store that was established in Johannesburg in 1897. It has an annual turnover of approximately 1.2 Billion. Organisation D has approximately 1900 permanent staff members and 18 000 temporary staff members. As at December 1999 the organisation has 340 stores in South Africa which includes two in Botswana and five in Namibia.

During the last two years, changes have been made in organisation D. Customers have been made the centre of the organisation's thinking; what they need, when they want it, how much they are prepared to pay and how they expect to be served. The product categories of organisation D include: books, stationery, magazines, cards, videos, toys, confectionary, gifts, interactive software and cellular products.

The organisation has highlighted three key relationships in their strategic functioning. These relationships are with:

- Customers
- Suppliers both locally and abroad
- The outsource company of organisation D
- The services which have been outsourced by organisation D include:

- warehousing and logistics

- information technology

- financial services and the administration of the payroll

In an endeavour to align organisation D's business processes and practices, within ever changing environmental demands, the leadership of the organisation identified key strategic drivers which were incorporated into the organisation's business. These strategic drivers are regarded as crucial in providing world class professional competence to enable the organisation to deliver cutting edge retail service. The key strategic drivers of the organisation are:

- New information systems

- The re-establishment of business and retail discipline

- The establishment of business transformation initiatives to reshape organisation D and build profitability

- Business realignment strategies through key merchandise and supply chain initiatives.

5.2 Leader D's views about organisational transformation

Leader D believes strongly that organisational transformation is the cause of organisational renewal and turnaround. Despite the company's dominant "high street" presence, it had declined markedly in the market place over the preceding five years. Leader D believed that this had been caused by poor strategic

positioning, poor leadership and poor systems. Leader D notes that poor systems are very debilitating in a retail environment and that it is essential to have comprehensive access to sales margins and inventory information.

Leader D states that when he was appointed as managing director, he succeeded in turning the organisation around by firstly addressing the problem of the cost base – which had grown out of favourable proportion to the company's sales productivity. Leader D also put a world-class systems strategy in place – one which provided the kind of timeous and accurate information which enabled the company's leaders to make correct decisions. Finally he introduced a repositioning strategy for the organisation – one which made it more relevant to its customers.

Leader D's immediate focus on addressing the cost base of the organisation concurs with the view of Nasser and Vivier (1993), who argue that the source of successful competitiveness may be predicated on shifts in paradigms, such as those which obtain when collapsing cost centres are turned into profit centres.

Leader D regarded cultural transformation as a spin-off from the financial transformation. Although he did not see cultural transformation as a major component of transformation, it was important for him in terms of the kind of people he employed. It was for this very reason that leader D replaced his management team. He justified this course of action as being absolutely necessary. "When you're looking at turnarounds, the first and most important thing is that its impossible to turn around a company with old management in place. You've got

to change the management in totality and that is what I did. Of the original twelve there are only two left".

Racial transformation

Leader D described his organisation as being predominantly run by white men ("pale male"). His attitude to racial transformation was detectable in his approach to development within the organisation. He believed that historically South Africans had not allowed sufficiently qualified blacks to move up in the industry. He did not believe that making affirmative appointees from outside the organisation was a practical step as they "were very hard to come by".

He preferred to develop black candidates by allowing them to manage (first) a small store and then a larger store, and then after that by appointing them as regional managers.

The number of black candidates who are moving up this route is, according to leader D, limited because, as he says, "a lot of black people have not got matric because of the education in the seventies. They were busy overthrowing a government."

Leader D was confident that the organisation would have a sufficient number of blacks in management over time. His attitude to women was that there was a

sufficient pool of talented women who were managing stores and that they could be moved into managerial roles.

Leader D's emphasis on transformation was largely on organisational turnaround and obtaining market share. His version of organisational cultural transformation focused largely on the kind of person he would like to have working for him and the attitudes that such people would have to possess.

He was open to racial transformation and he felt that he was on track with regard to gender ratios.

The tough approach

Team leader D appears to embody only one style of management as he brings about change in his organisation: he was noted for being primarily autocratic and authoritarian in approach.

When he was appointed to his post, leader D replaced 10 of the 12 members of his management team. He justified this as follows: "When you're looking at turnaround, it's impossible to turn around a company with old management in place. You've got to change the management in totality".

The researcher probed in order to find out how these members of the management team were moved out of the organisation. The forcefulness of leader D is demonstrated in the following answer:

" Listen. They left on their own accord – but they were pushed. They were told that there was not a place for them, [but that] there might be place lower down in the organisation. Obviously, under those circumstances, they just said no, they'd rather go".

Leader D replaced members of his management team with people he knew from his previous tenures of employment. Leader D "allowed" the remaining two management members to stay on as he believed that they had "the right attitude". The characteristics that leader D looks for in people is that they should be committed, persistent, determined and have a positive attitude.

Once leader D's team was in place, it was necessary for him to stipulate the "rules of the game". The "rules of the game" are critical to leader D as they keep people focused and depoliticise the work place. Furthermore they ensure that people know how to engage one another and work together as a team. Problems and conflict can therefore be resolved and not "pushed under the carpet".

Leader D adds that he is "dictator" when it comes to running a team and he does not want to hear unnecessary "stuff". People, he believes, should simply produce because they are "being paid a lot of money".

Empowerment

Although leader D talks about empowerment, there is not much evidence of this in the company. When questioned by the researcher about empowerment, leader D responded by saying that once he had decided on the path to be taken, he allowed his staff to do the implementation. He describes this approach as follows: "I am very hands-off in terms of what we have decided. The "how" I leave up to my people".

As far as empowerment (as defined by him) is concerned, leader D performs a strong monitoring function and ensures that the strategy is followed. He states: "My job is to keep the vision alive and to make sure it's on track and that there's alignment".

Leader D then qualifies this by saying how he would respond if his staff were not on track by stating, "I'm absolutely ruthless when they don't keep on track."

His reservations about empowerment are confirmed when he states that people should display a certain degree of maturity before they are able to be empowered. His qualified view of empowerment is evident in the following statement: "You actually have to disempower, establish discipline and get everyone thinking the right way and align with the vision before empowering".

Leader D believes that he has failed to deliver in the area of communication. He refers to an article which he has just read about a Continental Airline turnaround case study. In that case a high level of communication was included in the process of their turnaround. He believes that he has failed the organisation in this regard: "If there's anything where I can be critical in terms of what we've done it is communication. We have not communicated enough".

When the researcher asked him why he had neglected communication, he stated that it had happened because he had "tried to take short cuts" and had therefore relied on the line function to communicate – and that they had not been very effective in doing that.

Kotter (1995) says that failure in communication is caused by attempting to take a short cut. He says that skipping steps in the change process only creates an illusion of speed and never produces satisfying results.

Leader D, however, spent time in communicating with his management team in monthly one-on-one sessions. He spent four to five hours with each of them in these monthly sessions and they discussed priorities, obstacles, staff. Leader D describes the importance of these monthly sessions: "That's how I keep the whole

thing together. So my main communications are very detailed – not a let's-have-a-cup-of-tea-session".

Leader D tried to ensure his visibility on the ground level in his industry by visiting various stores on the weekend. He states that staff appreciate it when he visits their store and that they are getting to know his face and him as a person.

Personal style

Leader D displays a tough personal style. He has no hesitation in firing staff and believes in discipline above all else. Discipline is, in his philosophy, the sine qua non of staff management.

He describes himself as an "absolute dictator" and pushes his workforce towards their goals. If any staff member digresses, he becomes "ruthless". Leader D concedes that he is not people-orientated but emphasises that he has good judgement. Good leadership, he believes, does not depend on people skills but on judgement. This he summarised as follows: "If you look at world leaders, they are hard, and some of them are not always ethical but people follow them because (nine out of ten times) they've got good judgement".

He describes his low tolerance for failure as follows: "I am an absolute dictator when it comes to implementation and I've got zero tolerance for poor implementation and poor performance".

He believes toughness is crucial in turnaround situations and that there cannot be any room for softness and tolerance. He states that "You've got to be hell of a tough in a turnaround situation. It's a luxury to tolerate things. You've got to be a dictator".

5.3 Leader D: successes and challenges

As far as turning the organisation around, leader D was successful in reducing the cost base of the organisation, and in increasing sales and productivity. He attributed his success to making decisions on behalf of the organisation and then allowing the implementation to take its course, while all the time monitoring and ensuring alignment with the vision.

Information systems which ensured accurate and timeous information as well as a repositioning strategy for the organisation were both done under leader D's guidance and on his recommendation.

Leader D succeeded in turning the organisation around by means of a direct, forceful approach.

He did not appear to be concerned or even aware of the corporate culture. It appeared that it was only the bottom line that mattered to him. With regard to racial and gender transformation, leader D believed time would make the numbers

more representative and he made allowance for internal programmes to develop and prepare future managers.

6 LEADER E

6.1 Profile of Organisation E

Organisation E is a Gas and Welding and Healthcare organisation which operates through a network of over 85 branches, 17 gas-producing plants, two welding product factories and 30 hospitals and healthcare services operations. The company conducts business in South Africa, Botswana, Lesotho, Malawi, Mauritius, Namibia, the Seychelles, Swaziland and Zambia, and manages gas companies in Kenya, Nigeria and Zimbabwe.

Through international links with its present group, organisation E has access to international technology, research and development and it uses these resources in sub-Saharan Africa.

In their industrial division, which comprises gases and welding businesses, expansion has taken place in the gas and welding divisions. In the previous year, organisation E had been successful in further developing two niche market expansions, namely an operation dedicated to serving home oxygen therapy patients and hospitality. The hospitality division services restaurants, clubs and pubs with a range of products.

The annual report of organisation E's healthcare division 1998 reports that their hospitals are in the enviable position of having higher than average occupancy levels and very solid support from doctors. This had contributed to organisation E becoming a preferred provider of healthcare services.

6.2 Leader E's views about organisational transformation

Leader E is the executive director of organisation E. He views organisational transformation largely in terms of growth and continued expansion. Leader E believes in laying a solid "foundation and creating a strong springboard for the future growth and performance by embarking on new capital projects and making strategic acquisition". Leader E also believes that they should further enhance their position by continuing to invest in manufacturing technology. Leader E did this by introducing continuous improvement programmes. He believes that these programmes have given them a cost-effective base from which to compete in world markets.

Leader E was emphatic about continuous improvement being the cornerstone of growth and world-class business. Leader E ensured that his organisation was able to access their sister companies' research and development, in which R500 million a year is invested. Because of this, organisation E is able to bring advanced technology quickly to the market and so offer their customers the increased efficiency of superior manufacturing processes.

Leader E predicated cultural organisational transformation very decisively on supporting business strategy through a strong focus on productive working relationships. Leader E believes that being able to get employees to identify with the company is crucial to an improvement in productivity. He also believes that the emphasising the importance of employees is paramount to organisational success. The following quotation shows how leader E is determined to nurture a culture which is supportive of the organisation's strategy: "Commitment from our staff cannot be taken for granted. We are working hard on the organisation's culture to improve relationships by better two-way communication, meaningful participation, recognition of achievement, fair treatment and trust".

Leader E viewed employment equity and affirmative action as arising out of training inside the company. He concedes that the organisation has not succeeded in attracting and retaining candidates at a very senior level.

When the researcher probed leader E about what he intended to do to acquire a more representative work force, he stated that employment equity was linked into their succession planning process. This process accelerates the development, training and exposure of candidates. From this it appeared (1) that organisation E was not concerned about ratios, (2) that transformation was largely a commercial venture, and (3) that the question of race would be addressed separately and later.

Empowerment

Leader E used the word "empowerment" frequently in his discussion. He appeared to give the organisation clear guidelines as to what he believed they should be achieving and producing. This type of empowerment bordered on partial participation and was evident in the examples which he adduced. The examples showed that he gave his staff a directive and then asked how they would like to follow the matter through. The following example illustrates this approach of this leader: "I will say. "This is what I want. Okay, how would you like to do this? Let's set down some criteria that we're going to hold you accountable for and agree on them and I don't want to see them again. We'll meet weekly or monthly."

Leader E appears to link empowerment with monitoring and control. He does not believe that he is able to reach all his divisions. He therefore feels that he has to allow them to take responsibility for their areas of concern: "I really said to them, 'Clean up your patch.' These are the words I used".

Leader E would re-evaluate processes at meetings and if the mangers were on track, he would allow them to continue in their particular approach: "It's your baby. Stay with it."

The researcher probed further to determine what leader E would do if his management did not perform according to his expectations. He replied that he would give them guidance and if that didn't work, "he would make sure they didn't stay on senior level". Leader E stressed that if his management were not aligned to his vision and mission, his entire focus and strategy would fail. He therefore would not "tolerate anyone who digressed from his vision through approach or attitude".

The forcefulness of this philosophy was emphasised by the sentence, "There is no space for them here."

Communication

Commitment to communication was cited by leader E as one of the most important components for achieving productivity. After that he cited a sense of loyalty to the organisation as being the next most important factor. Leader E has made many workshop presentations to explain the organisation's vision and values. He adds that this was very time-consuming but that it allowed him to "endorse" his vision and values. These presentations were then cascaded down to all levels of the workforce. Feedback and questions were fed back to his office.

Leader E believed that these presentations were important in that they showed his staff just how much he believed in them. He felt that these presentations were not just a transitory craze. They also allowed him to become better known throughout

the organisation. he sets out the advantages of this approach in the following words: "People were more open to getting the vision and values from a person, especially the leader, because it was not on a piece of paper but rather came from me in person".

Leader E boasts of a very good communication strategy which had been recently approved by the London School of Economics. Various in-house newsletters are published and are frequently distributed and the organisation has green areas in place which are well supported and have proved to be effective communication forums.

Leader E is supported in ensuring change and sustained growth by his human resource department, to which he frequently turns. He states that they "are an enabling factor which he relies on for change management and organisational development".

According to leader E, his most valued form of communication is through his "cascade sessions" with his management team. This mechanism allows messages to be conveyed downwards to the first level of management within two to three days.

Leader E also uses various forms of communication ("a quick phone call, memo or e-mail") to give recognition to exceptional staff performance.

Personal style

When he was asked by the researcher what the key to his leadership success was, leader E said that he was always approachable and that he inspired his workforce by leading through example.

Thus leader E claims that he is always the "last to leave the office" and that "if you phoned him at 07h00 he would be at his desk". He believes that he works harder than most people in the organisation and that he would not expect them to do any form of work that he himself would not do. In this regard leader E displayed a strong sense of pride and a highly developed work ethic.

Leader E also believes that he displays a passion for his work and shows his management team how excited he is about good productivity and profits. He believes that this excitement is important because it "is contagious".

He indicates that his style of leadership is very open and that he is approachable and says that he schedules half a day a month for staff who wish to see him about work-related matters. If there are urgent matters, he does not refuse any member of staff access and his secretary is aware of this.

6.3 Leader E: successes and challenges

Leader E has been successful by leading the organisation through an economic recession into a period of growth and strategic acquisition. Through the introduction of continuous improvement programmes, the organisation was able to bring advanced technology onto the market more quickly and offer it to their customers. They were therefore more competitive in the market place.

The success of this growth was supported by staff who were committed to the vision and mission of the organisation and the organisation's progressive and fair work practices.

A challenge which faces leader E is the slow movement towards employment equity. At the time of conducting this research there was no plan in place to address this problem other than succession planning.

7 CONCLUSION

In this Chapter, the findings which emerged during the in-depth interviews with the five leaders are presented. An attempt is made to capture the richness and the nuances of meanings as articulated by the leaders and hence the Chapter is characterised by lengthy quotations which illuminate their responses to various themes pertaining to their views of organisational transformation and their

perceptions regarding their challenges and successes at the various stages of the organisations history.

In this Chapter, these views are discussed against the background of the various types of leadership approaches as discussed in Chapter 2. The variant approaches examined in Chapter 2 provide a scaffold for the analysis and interpretation and for the attendant discussion of the respective in-depth interviews. It is recognised that the researcher (in this study) is not a passive reporter of "neutral accounts" but rather an active agent in the construction of the "leader's worlds" - this meaning that the researcher's own ideas and themes impinge on the discussion. It is for this reason that an endeavour is made to allow the voices of the respondents to surface through the use of lengthy quotations (as is customary in qualitative research) in order that the reader is able to apply his/her own understandings to the aspects under discussion.

The subsequent Chapter begins with an overview of the themes identified in this Chapter. Chapter 5 is intended to provide a consolidation of the themes isolated during the interview process. While Chapter 5 is separated (from Chapter 4) for practical purposes, it is necessary that the discussion therein is seen as a continuation of Chapter 4.

CHAPTER 5

CONSOLIDATION OF THE FINDINGS

1 INTRODUCTION

This dissertation (research) was undertaken with the specific purpose of acquiring a clear understanding of the role of leadership in organisational transformation and what leaders themselves understand by organisational transformation in South Africa. As such the dissertation is essentially an insight study. The findings from Chapter 4 are analysed and discussed with reference to their implications for the development of leadership and organisational transformation and the literature on these two aspects.

A consolidation of these aspects is pertinent at this point in order to arrive at a more comprehensive and conclusive understanding of the leadership approaches. Accordingly, this chapter consolidates the main findings of the individual cases (as elucidated in Chapter 4) and consolidates these in terms of the themes which were discerned in the interpretation and analysis of the findings.

The insights acquired and the conclusions drawn from this study will serve as a source of reference for South African organisations as they undertake the quest to transform their organisations in the South African context.

2 DISCUSSION OF THE FINDINGS

It may be contended, in line with the findings, that all the leaders viewed organisational transformation from the point of view of organisational survival, turnaround and renewal (Nasser & Viviers 1993). All the leaders in the sample argued that organisational survival was paramount and that cultural transformation and employment equity could only be realised if organisations focused on transformation once they had been stabilised as successful, stable and functionally competitive enterprises. They were of the opinion that a primary focus on racial and gender transformation could not bring about organisational sustenance and growth but might in fact cause negative growth (Misselhorn 1998).

The leaders however accepted that if they hoped to sustain the success and competitive edge of their organisations, they would have to put in place certain organisational cultural practices which would foster a sense of belonging, involvement, and loyalty within their organisations. The benefits of creating an organisational culture conducive to participation, the sharing of values, and decision making at all levels of the workforce is affirmed by writers like Kotter (1995), O'Toole (1995) and Smith (1997).

Although all the leaders who have taken their organisations through organisational transformation adopt a transformational leadership approach at

some stage of the change process, they do not actually begin by focusing on these issues. It was evident that most of the leaders who were challenged to accept a transformational imperative to ensure the survival of their organisations, nevertheless adopted a direct and rigid leadership style in the early days of their leadership.

Their first priority was to acquire a realistic and accurate study of the markets which their organisations served. On the basis of this knowledge they determined strategies which would enable their organisations to deliver competitive products or strategies.. The leaders would then assess their current organisational processes and design the kind of organisational structures and processes which would best deliver their strategies. Leaders usually have a good sense of what might happen if they were to change their organisation. They carefully manage and monitor the changes which they implement and never fail to repeat this process as markets change or new markets develop (Butler 1998).

For all the leaders, the starting point of all organisational transformation was situated in their vision. All leaders either entered the organisation with a clear vision in mind or else formulated their vision soon after having joined the organisation. The vision which they had in most cases personally formulated then became the motivating driving force or the main spring of their organisations. The importance of first designing a vision and then striving to implement it is supported by writers such as Nanus (1992) and Smith (1997), who contend that a leader's vision is the connection between today and tomorrow. They also assert

that the leader becomes the master designer and builder of institutions and that they are the architects of the organisation's future.

It was clear that in the processes of transformational leadership, communication was accorded a high priority for effecting organisational transformation. While various forms of communication were used to inform the workforce of impending changes, communication itself in fact served as a catalyst for unclogging the channels of information in organisations. It was found that a free and unimpeded flow of information in all directions (both vertically and laterally) increased participation, enthusiasm and trust in the work place and therefore facilitated smooth and committed transformation. This confirms the theory that effective participative management and communication are necessary if employees are to commit themselves to change (Sham 1996).

The span of communication was strongly emphasised and all the leaders in this study were able personally to contact large numbers of the workforce at all levels. Most used 'road shows' in order to make their own presentations to their staff. Since the leaders were able to convey the seriousness and the intention of the impending changes, the effectiveness of such methods proved to be crucial. In most cases leaders reported that they had addressed hundreds or thousands of employees during the pre-change process. The value of reaching such large numbers in the early stages of change is affirmed by Kotter (1995), who attests that change is impossible unless hundreds or thousands of people are reached and are persuaded to commit to the envisaged process of change.

Another aspect of the importance of mass communication was confirmed when the leaders noted that it crucial for them to maintain a high visibility profile among their workforce. Leaders noted that their names and faces became widely known (in contrast to what had been the case among their predecessors). They affirmed that their personal visibility had been crucial factor for giving the change process a human face. Their visibility and approachability also endorsed their programmes and conferred credibility on the change process. Useem (1996) notes the importance of high visibility and adds that leadership visibility matters most during periods of stress and uncertainty when the direction ahead is least clear and when people are in doubt as to what course they should follow.

There were other important observations that leaders made with regard to the visibility of any leadership in organisational transformation. All the leaders in the sample believed that they had to lead by example, that they had to be seen to be working harder than anyone else in the workforce, and that their approach to ethics and morality had to be beyond reproach. This is endorsed by Laferla (1998) and Covey (1996) who confirm that leadership has a primary role to play in eliminating unethical behaviour. Many leaders displayed a low tolerance for and low level of acceptance of organisational games and organisational politics, and some even ban it from their organisations. This approach coincides with that of Laferla (1998) who concedes that the determination to manipulate others, to engage in corporate politics and to employ unethical methods can lead to the destruction of an organisation.

The empowerment of the workforce, particularly by the leader's management team, was characterised as being crucial for bringing about organisational transformation. Because of the nature and urgency of the change process, most leaders took the lead in identifying the organisation's vision and new direction. It was only after such direction had been established, that they encouraged and developed the empowerment process. While this might be interpreted as a pseudo or partial form of participation (see Salamon 1991), the leaders understood that they had a primary mandate to ensure the organisation's actual survival since no transformation can take place in a defunct organisation.

Leaders mostly empowered their workforces largely by creating the kind of environment which enabled workers and employees to enrich and contribute to their work life and the work processes in which they were engaged. This was achieved by means of training programmes and a participatory management style (Smith 1997). Leaders believed that the long-term benefits of empowerment and transformation could sustain their organisations' turnaround and growth. They understood the benefits of empowerment to be, firstly, that it empowers employees in terms of skills and knowledge and, secondly, (a point noted by Senge 1992), that it engenders loyalty over an extended period of time as authentic dialogue takes place between at all levels of decision making.

Leaders were aware of the importance of learning and "stretching" themselves. They all read and studied constantly and made reference to what Koestenbaum

(1991) refers to as "ceaseless learning". This was stated as an essential part of the lives of leaders. Leaders were all of the view that if they were to inspire their colleagues and followers to rise to higher levels of ability and potential through coaching and teaching, then they too must ensure that they are constantly learning and developing their skills.

Recognition and reward was cited by all leaders as being critical for organisational transformation at all times but especially during those times when there is a lot of resistance to impending change processes. Each leader had preferred personal ways of demonstrating recognition and reward. In two instances, leaders shared the profit gained from improved productivity rates with all the work force; this was done to illustrate the benefits of changed work processes in a practical and tangible way. Other leaders used more traditional forms of recognition such as memos or telephone calls to the particular employees or organisational divisions. The timing of recognition was viewed as being crucial.

The majority of leaders used organisational symbolism to reshape and reprioritise certain values in the organisation. Since all the organisations had to be moved away from being habitually ossified, formally stratified and rigidly hierarchical, and since it was often a culture of fear that had to be dismantled, many leaders responded by changing small yet significant aspects of their business practice such as the dress code and modes of interactional address between individuals. Thus, for example, in most cases leaders stated that they no longer wore a tie and that they would only allow themselves to be addressed on first name terms. These

apparently small effects made a major impact and gave birth to a more open and freer kind of organisational culture. When reshaping organisational cultures, actions speak louder than words. During times of organisational change, employees are constantly observing cues which indicate to them what important behaviour and value changes have taken root in the company (Weeks 1989). It was therefore necessary for the leaders to endorse their professed commitment to change by means of potent symbolism.

Transformational leadership in itself was not perceived by any of the leaders as being a sufficient condition for turning their organisations around. While some leaders used transformational leadership in the latter phases of change, some used it intermittently but only after they had introduced, in the early stages, a severe quasi-military style of management.

In most cases leaders used a direct and autocratic style of leadership in order to resuscitate their organisations and pull them back from the brink of oblivion. In this they followed their gut instincts or merely acted in accordance with what they knew (from prior experience) would work. In many instances leaders had been deliberately brought into the organisation to revive or turn the organisation around. The time frame in which they had been given to do this was in most cases very short and they were often thus compelled to adopt an autocratic approach to save what had become a sinking ship.

Such leaders found themselves was in what amounted to a war situation: the primary ssue at stake was the survival or demise of the organisation. In all such cases, conditions were turbulent and uncertain and large numbers of people needed to be inspired to achieve a a series of urgent objectives.

Leaders made constant reference to the "pain of change". The pain brought about by change which was experienced by the workforce was always noted and identified by leadership. However leadership recognised this pain as temporary and necessary to induce and sustain change. This argument is supported by McCalman and Paton (1992) who contend that the greater the change required, the more extreme must be the pain which is needed to mobilise employees to implement change.

The leaders utilised an autocratic style of leadership (although they also incorporated transformational initiatives). Thus, for example, although all the leaders applied "light government" with a clear focus, within the first few days after their appointments each leader redefined the organisation's priorities and strategy (Nasser and Vivier 1993). Discipline was strongly maintained by all leaders and, in some cases, leaders were only prepared to empower their workforce once they had shown signs of real discipline in the workplace. Discipline was always a precursor to organisational transformation and it obviously was held in high esteem by many of the leaders especially in organisations which needed to be changed quickly and in which reliance and trust were crucial factors (Garsambke 1988).

The emphasis on winning and on being the best was cited by most leaders who brought their organisation up to a point where they were as good as (or, in some cases, better than) their competitors. Many made use of concepts and elements which are traditionally associated with military strategy, tactics and procedures (capability, victory, challenge, supremacy and winning the battle).

As they coped with resistance to change, the leaders adopted a quasi-military approach to factions or individuals. Most leaders agreed that the new organisation culture would permit the severance of individuals, groups and or teams which did not conform: their new organisational culture would encourage resistors to voluntarily leave the organisation. Nasser and Nel (1993) refer to the utilization of a "divide and rule" approach when dealing with dissension. When the divide and rule approach was considered too severe, leaders used another form of persuasion: they used their "animal-like magnetism" to persuade their followers to move in a particular direction. This quality has been identified by Nasser and Nel (1993) as being a characteristic of a pack leadership.

Although the leaders relied largely on direct and a quasi-military style of leadership, they were all careful to soften this with a transformational approach. The military style might thus produce a "barking of orders" and too much emphasis on top-down communication: such elements might easily entrench an authoritarian structure in an organisation and destroy the possibility of successful change and transformation (Lascaris and Lipkin 1993). It is also obvious that too

much control and top-down communication can sabotage employee participation. It was noted that the leaders in this study were able to temper their firm and direct approach with real two-way communication and participation (albeit not in the early phase of organisational transformation).

The leaders' success in using an autocratic style when necessary and the organisations' acceptance of such a style was confirmed by Dixon (Dixon 1996) who states that whereas low-stressed groups working in situations that are not fraught with painful uncertainties operate best under democratic leadership, organisations such as the military in times of war and organisations which need above all to survive and which are subject to stressful ambiguities actually prefer an autocratic style of leadership.

The onus in organisational transformation is on the leader to know when to use an autocratic approach and when to revert to democratic leadership.

The majority of the leaders expressed their concern about organisational transformation from a racial and gender point of view. While all the leaders were in favour of having a more racially representative organisations, they were not able to implement this as the mandate they received was to rescue the companies to which they had been appointed. All leaders stated that it was difficult to recruit and retain black candidates because they were being constantly solicited in the industry.

All the leaders appeared to be stuck in the belief that the solution to the racial problem would be effected by the long-term development of the staff within their organisations. This procedure will not comply with the requirements of employment equity act of 1998. All the leaders believed that their primary responsibility was to improve the efficiency and productivity of their companies and that equity goals should be pursued by the government. They believed that the private sector should be left out of the process and that they should be allowed to deliver efficiently. They also believed that diluting efficiency with the demands of equity would hinder privatisation (Ahmed 1998).

There therefore exists a major challenge with which these leaders have not come to terms and which they will have to address: how to reallocate the composition of their organisation in terms of (especially) race while sustaining their organisations' efficiency.

CHAPTER 6

CONCLUDING REMARKS AND RECOMMENDATIONS

1 INTRODUCTION

This chapter concludes the study by highlighting the elements of transformational leadership used for organisational transformation. The chapter further makes recommendations to assist leaders to ensure that organisational transformation is sustained. Certain directions for further research became evident, and these directions are highlighted in order that they may be taken into account for future studies.

2 OVERVIEW

In terms of this study, there are two definite styles of leadership which leaders use in order to transform their organisation. The two styles of transformational leadership and autocratic/military leadership are used interchangeably - although the autocratic style predominates. No one leadership style was used exclusively, and a transformational style was used to soften the impact of the quasi-military style of leadership. The elements of transformational and military style leadership will now be described below.

2.1 The elements of transformational leadership used for organisational transformation

The interviews that were conducted show that there appear to be various elements of transformational leadership which were crucial to organisational transformation. These elements are as follows:

- The leader formulates a clear organisational vision soon after he joins the organisation.

- There is a strong emphasis on communication. The primary objective of this organisation is to share and sell the vision and then later to open channels of communication from the top down and to encourage communication from the bottom up.

- The leaders communicated with large numbers of employees. Their purpose was to obtain a critical mass (in terms of committed numbers) of supporters and followers.

- Employees want leaders to be visible and leadership visibility remains crucial both before and during changes.

- Leaders lead by example in terms of work load, dedication and commitment.

- Leaders have to embody a high degree of morality and ethics and encourage this in others.

- Empowerment, especially of the leader's management team, gives empowered members more scope and influence in their work. It also moves employees to

higher levels needs and enables them to transcend their own self-interest for the good of the organisation.

- Leaders recognise and reward staff who display commitment and who enthusiastically confirm changes and new ways of thinking.

- Leaders use organisational symbolism and novel (usually informal) ways of interacting with staff to reinforce new behaviour and reshape the organisational culture.

As noted above, transformational leadership was used in each case to supplement firm and autocratic leadership. The elements of autocratic leadership which the leaders used are outlined below.

Elements of autocratic leadership used for organisational transformation

- Leaders adopt and maintain a strict quasi-military style leadership.

- Leaders apply "light" government with a definite tactical intention and clear focus.

- Leaders reintroduce stringent discipline into the workplace.

- Leaders emphasis winning and being the best in the industry.

- Leaders cope with dissension by applying a divide and rule strategy.

- Leaders often deliberately marginalise weak team members (thereby diminishing their power and influence).

- The organisation's vision and values are predetermined by the leader and are then presented as a fait accompli to the organisation.

- Leaders have forceful and dominating personalities (the "animal magnetism" referred to above).

- Leaders closely manage and monitor change.

The leaders in the sample had mostly been brought into their organisations specifically to turn the organisation around. The de facto structures, cultures and ethical standards which they encountered upon arrival often shocked and astonished them. In many cases the leaders dismantled the existing organisation by eliminating layers and reducing staff (particularly the number of those in the management team). The leaders alternated as they thought necessary between two types of leadership style (the transformational and the autocratic). Cutting posts, removing people and obstacles and formulating a personal vision and value system are elements which are taken from the autocratic leadership style while the transformational style delivers elements inspiration, communication, empowerment, visibility and leading by example. The latter were used to sustain and reinforce the new order.

2.2 Concluding remarks

The research and observation in this study indicated that the leaders viewed organisational transformation primarily from the point of view of organisational survival: in most cases the survival and turnaround of the organisation was of the leader's primary mandate. As South Africa now has an open economy (with all the opportunities and threats which go along with such a status) all the leaders

interviewed aspired to make their companies comply with world-class standards (Sunter 1997).

Although the term "oganisational transformation" in the South African context alludes especially to racial and gender inclusion (Mbigi and Maree, 1994; Lakhani, 1998; Khaye, 1998; Ralinala, 1998), this study showed unambiguously that the leaders believed that their first responsibility was to resuscitate and stabilise the success and capacity of the organisation. They placed this imperative over the requirements of (for example) racial transformation although they accepted in theory that good business practice would have to be compromised if racial and gender quotas were to be realised. Most reverted to believing that time would provide the solution that they could not immediately implement with regard to race and gender.

This did not however preclude them from taking firm measures to increase the number of black candidates from within and outside the organisation or from chairing the many programmes and committees established for the purpose of advancing blacks within their organisation.

The researcher used a qualitative research methodology to elucidate the manner and approach which leaders used to achieve organisational transformation. By doing this, it was possible to identify two alternating and supplementary approaches to leadership (the transformational and autocratic/military styles).

All leaders were brought into the organisation with a specific brief to turn the organisation around. The leaders all began with a drastic intervention: they replaced, removed or retrained their existing management teams. They also began by thinking through and then introducing their own vision for the organisation, along with its accompanying value system. Because all the leaders were given a very limited period of time in which to turn the organisation around, they moved swiftly, non-democratically and with quasi-militaristic resolution. Because the situations in which they found themselves were so critical, the leaders could not afford to accommodate dissension or resistance to change. They therefore used various tactics such as divide and rule and the direct application of force to remove opposition in the organisation.

The researcher has contended above that the major and in particular the first part of organisational transformation is effectively attained by implementing an autocratic/quasi-military approach. The researcher also contended that a totally autocratic/quasi-military would be self-defeating in the long run and would not allow for organisational sustenance. A more inspirational and nurturing form of transformational leadership is also necessary if the workforce is to be kept motivated and happy. Transformational leadership enabled the redirected organisations to grow by opening up communication, empowering the workforce and heightening the confidence of leaders. By an application of such a style when appropriate, the leaders secured both the dedication and the loyalty of their workforces.

The researcher concludes that transformational and quasi-military leadership styles are compatible during a time of organisational transformation. It was also noted that during times of painful uncertainty and stressful ambiguity, people actually prefer an autocratic leadership style. It was also noted that once an organisation has reached a state of relative calmness and stability, employees thrive better under transformational leadership (Dixon 1996). It is up to the leader to sense which style of leadership is appropriate and when to use it.

The peculiarities of the environment in which South African organisations operate require a leader be constantly alternating between the one style and the other.

3 RECOMMENDATIONS

The following recommendations are made to help leaders to ensure that transforming organisations continue to grow and develop according to the changing external environment and also to ensure that issues of human development and compensatory justice are addressed in the kind of increasingly competitive and global market in which employees have to operate.

3.1 Change readiness assessment

Leaders do not have to tackle demands for change without preparation. A change readiness assessment would show the leader those areas on which he/she has to concentrate immediately. It will also all other problems and requirements at all

levels of the organisation. Such an assessment will also include all risk indicators and possible types of interventions. This would provide the leader with a more comprehensive and scientific strategy for introducing change (Deloitte and Touche Change Leadership Methodology 1999).

3.2 Employment equity aligned to overall organisational strategy

Leaders should include the implementation of an employment equity as a strategic objective for their organisation. To this end any strategic or business planning initiatives should be integrated with employment equity objectives (e.g. project planning should incorporate diversity initiatives and meeting agendas should incorporate items on employment equity). The performance management, particularly of managers, should also incorporate an assessment of their ability to manage, and motivate and evaluate their various subordinates. Managers at all levels should be required to promote and maintain successful employment equity within their functional areas. Since the management acumen and example of leadership are so critical to the successful implementation of employment equity, leaders of organisations should consider high-level exposure and training in the field of diversity and cross-cultural understanding. Such training should be action-oriented and customised to suit the core business of the firm (Oakly-Smith 1999).

3.3 Leadership alignment

A leadership alignment programme can ensure that the new management team works synergistically with each other and with their leader.

Leadership alignment is the process of achieving a common understanding among the organisation's leadership of the technical, organisational and business impacts of change or the implementation of the change on their enterprise. An aligned leadership is able to communicate a consistent message about change and visibly demonstrate the shared vision, objectives and goals of change. During the alignment process, and throughout the change process, any conflicts within the leadership group are resolved. This eliminates obstacles to the change progress. The main objective of the leadership alignment programme is to ensure that the leadership team has a collective vision, that they are committed, that they clearly understand their roles and responsibilities and that they are aware of the extent of their accountability for implementing and nurturing successful change.

3.4 Facilitate continuous learning

If leaders are to maintain a competitive world-class organisation, they need to ensure that their workers be developed as world-class employees. They therefore need to develop the core competencies and intellectual capital that have been identified by the organisation's vision and strategy by means of:

- establishing a culture of continuous and collaborative learning and personal growth

- incorporating leading-edge local and international practices in continuous learning in order to effectively address performance needs

- developing leadership and decision making abilities in all individuals

- ensuring that all individuals have clear development plans and that managers are playing their role in mentoring/coaching

By such a process, intellectual capital is maximised, learning opportunities are created and personal responsibility for learning is encouraged.

3.5 Continuous organisational culture survey

The intermingling of an autocratic leadership approach with a transformational leadership style is potentially problematic. This apparent anomaly is risky and certainly not permanently viable (especially in the changing South African socio-political environment) where the workforce are displaying a strong and increasing desire for participatory democracy and self-reliance. Research therefore has to be undertaken to ensure that this kind of alternating approach to leadership is acceptable and sustainable in the long term. It is significant that most of the leaders regarded organisational transformation as referring primarily to organisational renewal and turnaround while employment equity was perceived as merely conferring an additional (secondary) gloss to their main agenda (profitable and successful business practice). Further research is therefore also needed to

determine how employment equity may be incorporated into the strategic plans of organisations.

4 RECOMMENDATIONS FOR FURTHER RESEARCH

Certain directions for future research became evident during the course of the study while others derived from the research findings. These directions represent unexplored territory and should be taken into account in any future studies.

4.1 The strategic management process

The amount of world-wide environmental uncertainty, turbulence and discontinuous change have increased exponentially. Although the traditional strategic management process is deemed to have evolved in response to the changing nature of the organisation's environment context, strategic change cannot be effectively managed without taking the organisation's human dimension into account. As obvious as this may seem, it is in effect the most neglected dimension of the strategic management process. Many of the problems experienced in managing strategic change may well be attributed to the fact that leaders have less insight and understanding about managing the more abstract human dimensions of the corporate and strategic change process.

Environmental analysis is a crucial component of the traditional management process. The emphasis traditionally was placed on the formulation of strategy, and environmental analysis played a fundamental part in that formulation. An

underlying assumption that has been entrenched within traditional strategic management theory is the notion that organisations need actively to monitor, analyse, interpret and adapt to key environmental trends and events that will have a major impact on the activities of the organisation in the future. Both in theory and in practice, environmental analysis is a fundamental component of the strategic management process. Numerous linkages exist between environmental analysis and the various constituent components of the strategic management process. But environmental analysis must also take cognisance of the various manifestations of environmental uncertainty, turmoil and discontinuous change.

4.2 Enterprise transformation

Enterprise transformation could add another dimension to organisational transformation. It refers to simultaneously changing an enterprise in a way that involves several business-related factors such as strategy, process, people, information, technology and performance management. Enterprise transformation addresses those organisational challenges that are complex and systemic in nature, and not merely related to a single discrete functional area or business discipline. It produces an integrated set of programmes to achieve a desired change and focuses on optimising the enterprise, and not just the separate components of the organisation. An organisation's desire to implement enterprise transformation would arise out of:

- a common consensus that there is a fundamental business problem that goes beyond piecemeal solutions

- an urgent desire to seize a market opportunity

- an urgent desire to create a sustainable advantage by being prepared for and responsive to any challenge that might arise in an uncertain future.

5 CONSTRAINTS OF THE STUDY

The sample size of five South African leaders could indicate a limitation to the study. It is contended however that the in-depth case analysis could lend support to the fact that the sample was limited to only five respondents.

A further constraint to the study could be the fact that leadership in organisational transformation was studied from the leaders point of view and not from the workers point of view. In the demarcation of the topic for investigation, it was decided to confine the scope for the purposes of this study from the leaders perspective only.

6 CONTRIBUTION OF THIS STUDY

While this study focused on the way in which a selected group leadership were able to bring about organisational transformation and the manner in which they combined transformational leadership with an autocratic/military management, the study should be appraised for its contribution to

situating leadership in organisational transformation in a practical framework, and researching the theory and practice of leadership from the leader's point of view and not simply from those of writers or theorists.

6.1 Contribution of situating leadership in a theoretical framework

While much has been written about leadership and transformational leadership, the literature has not provided a theoretical base for leadership in organisational transformation from a South African perspective. To achieve this aim it was necessary to discuss the various meanings of global and South African organisational transformation. It was found that leaders adopted organisational turnaround and survival as their primary locus for change while changes to the organisational culture change was seen as a means to sustain a better working environment and employment equity was recognised as a form of transformation but not one that is absolutely necessary for organisational survival.

It was found that varying perceptions engendered variations in interpretative nuances and this in turn caused a definition of organisational transformation to remain elusive. It was therefore necessary to take into account the various types of organisational transformation when locating leadership focus in a theoretical framework.

It was also necessary to discuss the forms of leadership in terms of their focus on bringing about sustained organisational transformation. It was illustrated that in all cases leaders utilised a principle of direct and autocratic management at the introduction of transformation and that they later used transformational leadership to normalise and manage the situation.

6.2 The following elements of transformational leadership were discussed and evaluated:

- organisational vision

- communication

- visibility

- critical mass

- leading by example

- morality and ethics

- empowerment

- recognition and reward

- organisational symbolism

6.3 The following approaches to a quasi-military/autocratic leadership styles were discussed and evaluated:

- direct and forceful intervention as a priority of leadership

- "light government" with a clear focus and intention

- the reintroduction of stringent discipline into the work place

- the divide and rule approach to dissension

- the marginalisation and diminished role of team members who oppose the overall vision and strategy and who refuse to become team players

- the predetermination of a corporate vision and values by the leader

- the monitoring and close management of change

When organisational survival and turnaround were the primary mandate, it was found that leaders first adopted a military style management and then shifted to a transformational leadership style (but that they never relinquished a fundamentally quasi-military style of practice, priority and discipline).

6.4 The value of obtaining input from leaders as opposed to specialists

Since the researcher located leadership in a theoretical framework and thereafter empirically researched the actual approaches and experiences of leaders, it may be argued that this methodology contributes to the study of leadership in South Africa in general and to that of leaders in organisational transformation in particular.