



# **The Relationship between the Changing Leadership Profile and the Retention of Black Talent**

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A research report submitted to the Gordon Institute of Business Science, University of Pretoria, in partial fulfilment of the requirements for the degree of Master of Business Administration.

**11 November 2009**

## Abstract



The retention of skills is central to the sustained success of an organisation. In an environment of increased globalisation and competition for skills, the retention of skills is increasingly important yet difficult to achieve.

An inclusive organisational culture and the effective management of diversity play a decisive role in the retention of skills. In turn, leadership is a key element in shaping and influencing the culture of an organisation and creating an inclusive workplace environment in a diverse culture such as that in post-Apartheid South Africa.

The explicit objective of the Employment Equity Act (1998) is to transform the racial composition of the South African employment landscape, but what of the implicit aim of transforming the workplace into one that embraces all races and cultures? Has the transformation process, driven by government through legislation, had a positive impact in the workplace and achieved the objectives of the Employment Equity Act?

The aim of this research was to establish if the increasing number of black managers have had a positive influence on the culture of South African workplaces resulting in the retention of black talent. The results indicated that the influence of black managers on the culture of an organisation was limited - largely because the environment was not conducive to the change they envisioned. Consequently black top and senior managers have not influenced the decisions of other black employees to seek alternate employment.

## Declaration



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I declare that this research project is my own work. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree or examination in any other University. I further declare that I have obtained the necessary authorisation and consent to carry out this research.

Siobhan McCarthy

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Signature

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Date

## Acknowledgements



A special word of gratitude goes to my supervisor, Dr Mandla Adonisi. You were right when you said I 'might hate you now' but I would grow to appreciate you. Thank you for the tough love.

Thank you to my sister, Roisin McCarthy, without whose assistance it would have been difficult to convene a group of eight in the same place and at the same time to participate in the focus group interview. Not forgetting Mainza Chizyuka for organising the logistics for the focus group and Jayne Ferguson for her efficient editing skills.

Lastly, but certainly not least, thank you to my family for all the love and support and allowing me to get away with so many broken promises. Mum, Dad, Simphiwe, Noemia and Michael – I could not have done it without you.

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## 1 Introduction to Research

This research investigates the relationship between the increased racial diversity of top management and organisational culture in a South African context and the effect this has had on reducing the mobility of black skills and increasing the retention of talent.

The loss of employees negatively impacts on the effectiveness of a company. A direct impact is reduced intellectual capacity and increased operational expenses as a result of recruitment to fill vacated positions and training (Hillmer, Hillmer and McRoberts, 2004). There has been widespread discussion in the media and business circles with respect to the impact on the South African economy of a skills shortage (Donohue, 2008; Wocke and Klein, 2002). Launching the Joint Initiative for Priority Skills Acquisition (JIPSA) in March 2006, then-Deputy President Phumzile Mlambo-Ngcuka said “the biggest challenge facing the (South African) economy is the shortage of skills (Vuk’uzenzele, 2006). Black skills, in particular black managers, are in short supply and high demand; this is said to be exacerbated by the high mobility of black professionals (Vallabh and Donald, 2001), a trend described as job-hopping (Sibanda, 1995 in Vallabh and Donald, 2001).

Many reasons and stereotypes have been suggested to explain this phenomenon of job-hopping, the most common being the want for more money (Ngobeni, 2006). Vallabh and Donald (2001) dispute this, suggesting instead that the similarity of values across racial groups imply that a white manager is as likely to



leave their job if the salary is not available to them. A bigger contributing factor to the poor retention of black professionals than money may be that black people still have to contend with racism and hostility in the workplace. Support for this view is provided in the foreword to the Commission for Employment Equity's Annual Report (CEE Annual Report, 2007, pg iv) by the Chairperson, Mr Jimmy Manyi, who stated that "more than ten years into our democracy, institutional racism continues to reign supreme. The only difference is that previously it was more overt, but now it has assumed sophisticated forms in day-to-day work practices". The views of Vallabh and Donald (2001) and Manyi (2007) point to the role of organisational culture as a determinant of voluntary turnover.

### **1.1 A changing leadership profile**

In 1998 the South African government introduced the Employment Equity Act with the objective of achieving equity across all occupational categories and levels in the workplace (Employment Equity Act, 1998). Prior to 1994 corporate leadership was predominantly white and male. The intention of the Employment Equity Act is to change the racial composition of corporate leadership to reflect the demographics of South Africa. But as Zulu and Parumasur (2009) point out merely conforming to the Act through the appointment of individuals from the designated population groups does not suffice. It is important for an organisation to transform. In this context transforming the racial profile of the organisation without changing its culture would be indicative of conforming and not transforming. A transformational leader is able to inspire followers to go the extra

mile and to put the ne



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wn (Robbins and Judge,

2007).

The role of leadership includes understanding the current organisational culture, the desired future state and driving the process of change to reach such state. It is this inter-relation between leadership, organisational culture and the retention of talent that this research aims to explore.



## 2 Literature review

### 2.1 Retaining skills in a demand led environment

Attracting and retaining key talent has become increasingly vital to the long-term success of organisations (Wocke and Sutherland, 2008), more so in the context of an economy in transition (Donohue, 2008), a skills shortage and legislation such the Employment Equity Act (1998).

#### 2.1.1 *A shortage of skills*

Achievement of the high economic growth targets set by the South African government is dependent on the availability of high-level skills, in particular, skills that address national demands (Earle and Paterson, 2007).

Legacies of Apartheid policies - a high level of inequality (Zulu and Parumasur, 2009) and a severe skills gap (Mayer and Altman, 2005) together with an oversupply of unskilled workers and a shortage of skilled workers (Coetzee, Botha, Kiley and Truman, 2007) have had a negative impact on the availability of skills required to grow the economy.

According to Wocke and Klein (2002) the shortage of skills is exacerbated by a global labour market where there is an increased demand for skilled labour and a decrease for less skilled labour. South Africa, no exception to this global phenomenon, has experienced an outflow of academics and skilled personnel to other countries (Wocke and Klein, 2002). As an example South Africa lost 2,500

researchers a year bet



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3).

## **2.2 Addressing racial equity in the South African Workplace**

In 1998 the South African government introduced the Employment Equity Act to achieve equity in the workplace and drive equitable representation in all occupational categories and levels (Employment Equity Act, 1998).

Describing the typical South African workplace prior to 1994, Denton and Vloeberghs (2003) refer to a ‘them and us’ culture which delineates the predominantly white management minority from the predominantly black and unskilled majority.

The introduction of the Employment Equity Act is changing these demographics. In 2006 blacks (i.e. Africans, Coloureds and Indians) represented 38.9% of all employees recruited at the top management level (CEE, 2007). This compares with 23.8% in 2003 (CEE, 2004).

### **2.2.1 Barriers to retaining black skills**

The Employment Equity Act provides the legislative framework for the transformation of the workplace environment yet exclusionary practices are said to continue in certain South African companies (Manyi in the CEE Report, 2007; Mohamed and Roberts, 2008). In their study (Mohamed and Roberts, 2008) confirmed the effective exclusion of black people from decision-making positions. Their research highlighted a trend of appointing black people to the Board only to

achieve employment e



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as window-dressing. In

a recent study by Zulu and Parumasur (2009), conducted in three South African companies, over a third (34.7%) of the respondents either disagreed or strongly disagreed that South African business is committed to addressing the management of cultural diversity in the workplace, while 31.6% either agreed or strongly agreed. A significant segment (33.6%) remained neutral. Responses to the statement 'the company does attempt to establish systems and structures to assist previously disadvantaged groups to acclimatise to company culture' yielded similar results. These results support Vallabh and Donald (2001) who presented that black managers do not feel they are trusted or recognised for their work or values that are particularly important to them. While one may argue that these values do not differ significantly between racial groups, the problem lies in these values not being adequately addressed by management. The research by Vallabh and Donald (2001) goes on to suggest that companies contribute to job hopping when they fail to utilise black managers to their full potential or subject them to work environments where they are constantly second-guessed by colleagues. This creates the misconception that the individual is unable to do the job, while on the other hand the individual involved is left feeling frustrated and more likely to seek alternate employment.

### ***2.2.2 What shapes an individual's work values?***

Work values are often viewed as a central determinant of a wide range of an individual's work-related attitudes and behaviours (Oyserman, Coon and Kimmelmeier, 2002). Work values play an important role in shaping both



individual expectations specific work situations and likely performance within specific work role (Huff and Kelley, 2004; Gahan and Abeysekera, 2009). Oyserman *et al* (2002) suggest that national culture and self-understanding both have an impact on work values.

### **2.2.2.1 The influence of psychological contracts**

O'Donohue, Sheehan, Hecker and Holland (2007) describe a psychological contract as being those 'unwritten and implied beliefs held by an employee and organisation about what each should offer, and what each is obliged to provide'. A psychological contract, when honoured by both the employer and employee can serve as the basis for commitment and motivation amongst employees. However, should the employee experience what they consider to be a breach to the contract this may result in the individual becoming disengaged and unmotivated leading to increased absenteeism and eventually voluntary staff turnover (Grobler, Warnich, Carrell, Elbert and Hatfield, 2006). The challenge for managers lies in knowing what each party considers a breach in the psychological contract. According to Robbins and Judge (2007) voluntary turnover is a response to an individual's perception of a job as good or bad. Perception, which may differ from objective reality, is a process by which individuals organise and interpret their sensory impressions in order to give meaning to their environment (Robbins and Judge, 2007).





## 2.3 The importance of organisational culture and the role of leadership in developing skills

Understanding an organisation's culture and, as required, changing it, can mean the difference between attracting and retaining good employees (Schachter, 2005). Organisational culture may become a liability in an environment where the shared values do not agree with those the organisation needs to become effective (Robbins and Judge, 2007). This is particularly pertinent in South Africa where the organisational cultures of many companies need to change firstly to accommodate the different backgrounds and secondly to comply with legislation.

Robbins and Judge (2007) offer a view that organisational culture is a descriptive term for a system of shared meaning held by its members that differentiates one organisation from another. A strong organisational culture increases consistency in behaviour but may also precipitate the formation of sub-cultures amongst those who face common problems and experiences.

This opinion is shared by Cummings and Worley (2005) who present three views on organisational culture:

- a. Integrated view: culture as a stable and coherent set of beliefs about an organisation and its environment,
- b. Differentiated view: culture as a culmination of sub-cultures that exist in an organisation
- c. Fragmented view: culture as ambiguous and constantly evolving



Considering that the f ndividual may influence management decisions on recruitment, performance appraisal, promotion (Robbins and Judge, 2007) and employees' commitment to the organisation (Vallabh and Donald, 2001) it becomes paramount that leaders understand in which of the three states mentioned above they are operating in.

To fully comprehend the nature of the organisations culture, the following four elements require consideration (Robbins and Judge, 2007; Cummings and Worley, 2005):

- a. Artefacts – observable behaviours of members,
- b. Norms – unwritten rules that guide behaviour,
- c. Values – basic convictions that inform whether a certain behaviour is good or bad,
- d. Basic assumptions – inform how members should perceive, think and feel about things.

Robbins and Judge (2007) further suggest that organisational culture is reflected in the seven characteristics listed in Table 1 - these characteristics provide management with a tangible tool to gauge the culture of the company for which they are responsible.



Table 1. Seven primary organisational culture (Robbins and Judge, 2007)

Characteristic	The degree to which...
Innovation and risk-taking	Employees are encouraged to be innovative and take risks
Attention to detail	Employees are expected to exhibit precision, analysis and attention to details
Outcome orientation	Management focuses on results or outcomes rather than on the techniques and processes
People orientation	Management decisions take into consideration the effect of outcomes on people
Team orientation	Work activities are organised around teams rather than individuals
Aggressiveness	People are aggressive and competitive rather than easygoing
Stability	Organisational activities emphasise maintaining the status quo in contrast to growth



### **2.3.1 The role of nat**

Understanding the interface between national and organisational culture is central to any talent management strategy in a country as diverse as South Africa where different cultures will have different expectations, values, work ethics and views as to what is considered correct behaviour (Cummings and Worley, 2005). If Adler's (2002) argument holds true that national culture has a greater impact on employees than does the organisational culture, then it can be expected that the increased diversity of the workplace must impact its culture. For example Huff and Kelley (2003) question how national culture influences the tendency of individuals and organisations to trust, a particularly pertinent question given South Africa's turbulent and often painful history.

Wocke and Sutherland (2008) suggest that the South African workplace has evolved from the apartheid-era segregation of black (African, Coloured, Indian) and white (European) groups and now consists of three social identities – white males, Africans and a third group consisting of white females, coloureds and Indians. The definition of the groups is based on the individual's experience of the legislative changes, in particular the Employment Equity Act. However Wocke and Sutherland's (2008) group classification makes no reference to the individual's response to other, non-legislative, factors in the workplace and the impact thereof on their social identity.

## 2.4 The Role of Leader



Robbins and Judge (2007) define leadership as the ability to influence a group toward the achievement of a vision or set of goals. Leaders establish direction by developing a vision of the future; then they align people to it by communicating this vision and inspiring them to overcome hurdles. As an organisation experiences pressure to change, a leader must be able to step outside the culture and start the process of adapting it (Schein, 2004). He adds that the leadership challenge is to be able to identify the weaknesses and limitations of a culture and adapt the organisation's culture.

### 2.4.1 *Managing diversity*

Workforce diversity is more than a euphemism for cultural or racial differences (Cummings and Worley, 2005). Diversity in the workplace refers to people with different perspectives and resources, needs, expectations and preferences (Cummings and Worley, 2005). Diversity management, is defined by Grobler *et al* (2006) as being 'a planned systematic and comprehensive managerial process for developing an organisational environment in which all employees, with their similarities and differences, can contribute to the strategic and competitive advantage of the organisation, and where no-one is excluded on the basis of factors unrelated to productivity'. Managing diversity is a long-term process that allows an organisation to tap the potential of a diverse workforce. The definition however does not address the element of conformity that may occur in a strong culture and the negative impact this may have on diversity and the benefits thereof (Robbins and Judge, 2007).



diversity management programmes.

- a. Accessing a range of skills which the organisation did not have previously;
- b. Attracting and retaining the best skills;
- c. Promoting greater productivity through improved job satisfaction;
- d. Developing enhanced creativity and problem-solving and the accompanying improved service delivery to diverse customers and markets;
- e. Utilising people to the maximum; and
- f. Creating improved relations and communications between organised labour and management.

Notably ensuring organisational fit for those in the minority in the workplace is not included in the list.

#### **2.4.1.1 Managing a diverse staff profile to achieve team effectiveness**

Companies can resist diversity and only implement the minimum required in order to comply with legislation (Cummings and Worley, 2005; Mohamed and Roberts, 2008) or management can view diversity as a source of competitive advantage.

Diverse teams consist of diverse abilities, skills and knowledge, which should translate into efficiency. Diversity promotes creativity through increased conflict, leading to improved decision making. One study found that homogenous groups

of white males perform



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relative to heterogeneous

groups (Robbins and Judge, 2007). Organisations that cannot change will face higher employee absenteeism and turnover (Grobler et al. 2006).

Schneider (2004) cautions that increased workforce diversity may be associated with more frequent experiences of unique stressors, harassment and exclusion amongst minority employees. This implies that, left unattended, diversity can have a damaging impact in the workplace.

#### **2.4.2 Leading for Change**

Two factors important in institutionalising change in corporate culture are, firstly, a conscious attempt to show people how the new approaches, behaviours, and attitudes will help improve performance and secondly, to take sufficient time to ensure that the next generation of top management personifies the new approach (Kotter, 1995). Traditional approaches to managing change focus on identifying sources of resistance and finding ways to overcome them. This remains an important factor in the South African context despite the recent shift to focusing on creating visions and desired futures (Cummings and Worley, 2005).

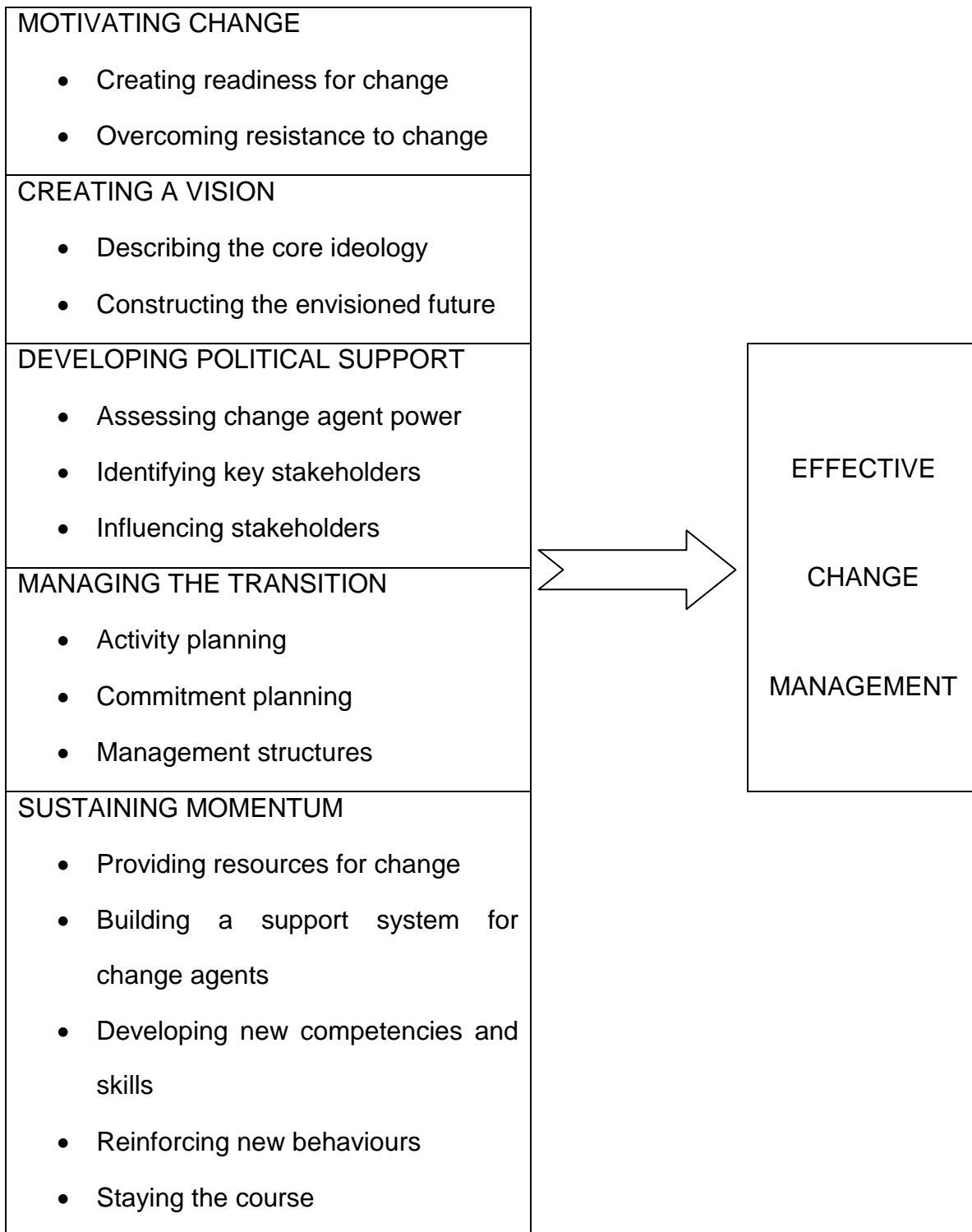


While any change process is influenced by factors both inside, and sometimes outside the organisation, the role of the leader is paramount. The framework (Cummings and Worley, 2005) to measure effective change management as illustrated in figure 1 was used for the purposes of this research project. Particular attention was paid to the first three elements of the framework, which are directly attributable to the leadership. Nonetheless the importance of the role of the leader in the last three elements of the framework should not be underestimated.





Figure 1. Activities con gement (Cummings and Worley, 2005)



### **2.4.2.1 Motivating ch**



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Leading an organisation through a process of change begins in the planning phase, by preparing the members of an organisation. This is achieved by alerting the organisation to the external and internal pressures necessitating the change. The gap between the current and desired state of the organisation is presented, driving the positive outcomes expected from the change process.

A second and important element in preparing an organisation for change is addressing resistance to the initiative. Effective leadership seeks to overcome resistance by identifying the individuals resisting the change, why and then to develop solutions to overcome the resistance.

Communication is critical to allaying fears and uncertainties and avoiding resistance to the process. Similarly, involving members in the process enhances buy-in and understanding of the process, motivates participation and improves the effectiveness of the programme.

### **2.4.2.2 Creating a vision**

A core function of a leader is to create a vision for an organisation, more so during time of change. Encapsulated in the vision are the core values, basic principles or beliefs that represent what the organisation stands for. The vision should also define what the desired future state of the organisation looks like.

Engaging internal stakeholders



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buy-in from staff for the

new vision and what it stands for and overcome much of the resistance to change.

### **2.4.2.3 Developing political support**

Internal power dynamics must be managed to prevent conflict and ensuing disruptions to the process, instead harnessing internal power dynamics to propel the process in a positive direction. Key sources of a change agent's power may be determined by the individual's level of knowledge or expertise, their personality or the level of support they enjoy amongst colleagues. In addition to their personal power, change agents must identify other influential stakeholders and tap into their influence in the organisation.

## **2.5 Conclusion to the literature review**

While the Employment Equity Act (2008) aims to redress the racial inequalities in the workplace it does not consider diversity management. Diversity in the workplace refers to people with different perspectives and resources, needs, expectations and preferences (Cummings and Worley, 2005). There is evidence that the South African workplace remains divided along racial lines and exclusive of certain groups and supportive of others (Denton and Vloeberghs, 2003; Manyi, CEE Report, 2007; Mohamed and Roberts, 2008). Schneider (2004) cautions that increased workforce diversity may be associated with more frequent experiences of unique stressors which, left unattended, can have a damaging impact in the workplace.



In contrast, an inclusive and effective management of diversity play a decisive role in the retention of skills central to the sustained success of an organisation. A key role of the leadership is to shape and influence the culture of an organisation, creating an inclusive workplace environment. In particular transformational leadership is required to shift mindsets and paradigms.

The role of a leader is a complex one – it requires that the leader sets and drives a vision that aligns the business with the external environment; gets buy-in from internal and external stakeholders; establishes structures and platforms to enable transformation. But perhaps the most challenging role for a leader is to understand the assumptions and work values that inform the behaviours and attitudes of employees (Grobler *et al*, 2006) and how to leverage these to, firstly, achieve the business objectives and, secondly, to attract and retain the required skills.

Adler's (2002) suggests that national culture has a greater impact on employees than does the organisational culture. It follows, therefore, that as the racial profile of workplace changes to reflect national demographics, the exclusionary culture (Manyi in the CEE Report, 2007) of South African companies should also change.



### 3 Research Question

This research sought to answer the following questions:

- a) Do black leaders have a positive influence on the culture of the organisations they lead?
- b) Has the influence of black leaders and executive managers led to improved retention of black talent?

Accordingly the research was designed to determine:

- a. How the leadership profile of the company has changed following the introduction of the Employment Equity Act in 1998
- b. The impact this change has had on the seven characteristics of the organisations culture, defined by Robbins and Judge (2007), over the same period.
- c. Whether the changes in the organisational culture have influenced voluntary turnover amongst black employees.



## 4 Research Method

Using the focus group discussion, the purpose of the study was to explore whether or not the racial diversification of the leadership profile of a South African company has had an impact on the organisational culture and, if so, how this relates to the retention, within the company, of black talent.

The first step was to collect data on the organisation to assess how much the racial profile of the management has changed over the last ten years. This was followed by an exploratory survey using focus group interviews.

### 4.1 Qualitative research

Qualitative research seeks to answer how 'macro' factors such as race, gender and in this case organisational culture, translate into the 'micro' for example through everyday practices, understandings and interactions (Barbour, 2008).

Saunders, Lewis and Thornhill (2003) describe three interrelated purposes for exploratory research: (1) diagnosing a situation, (2) screening alternatives and (3) discovering new ideas. Qualitative interviews may be conducted on a one-to-one basis or on a group basis (Saunders, Lewis and Thornhill, 2003).

For the purposes of this research, a group interview was used to provide a means to diagnose the current status of a South African company and explore how organisational culture influences the retention of black talent.

Saunders *et al* (2003)



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; of qualitative research

interviews as a method of data collection is informed by:

#### **4.1.1 The nature of the approach to research**

Where it is necessary to understand the reasons for decisions that research participants have taken, or to understand the reasons for their attitudes and opinions, it will be necessary to conduct a qualitative interview.

#### **4.1.2 The significance of establishing personal contact**

Employees, in particular those at management level are more likely to agree to be interviewed than to complete a questionnaire especially where the interview topic is seen to be interesting and relevant to their current work. An interview provides them with an opportunity to reflect on events without the need to write anything down. This situation also provides the opportunity for interviewees to receive feedback and personal assurance about the way in which the information will be used.

#### **4.1.3 The nature of the data collection questions**

A group or individual interview is the most advantageous approach to obtain data where the questions are either complex or open-ended and where the order and logic of questioning may need to be varied.



#### 4.1.4 Length of time

ie process

Participants are more willing to participate in an interview process where they understand and agree with the objectives of the research and where the length of time required has been agreed.

#### 4.2 Qualitative over quantitative data collection

The key differences between quantitative and qualitative data collection tools are illustrated in Table 2 below. The suitability of the qualitative data collection tools relates to the need for opinions and thoughts to be expressed in words. Given that the responses of the participants were unknown prior to the interview it was not possible to pre-empt and standardise the data or to use numbers to derive information.

Table 2. Distinctions between quantitative and qualitative data (Saunders, Lewis and Thornhill, 2003)

<b>Quantitative data</b>	<b>Qualitative data</b>
Based on meanings derived from numbers	Based on meaning expressed through words
Collection results in numerical and standardised data	Collection results in non-standardised data requiring classification into categories
Analysis conducted through the use of diagrams and statistics	Analysis conducted through the use of conceptualisation





### 4.3 Exploratory res

Exploratory research is conducted to gain understanding of the dimensions of the problems (Zikmund, 2003). There are two principal ways of conducting exploratory research:

- A search of literature
- Talking to experts in the subject (Saunders *et al*, 2003)

#### 4.3.1 Group interviews

Group interviews, an exploratory research tool, are unstructured and free-flowing in a format that encourages discussion (Zikmund, 2003).

Although the terms group and focus interviews are sometimes used interchangeably, the purpose of focus groups is more defined than that of group interviews. In general group interviews are conducted without a specific purpose in mind and are associated with a low-level of structure and less intervention by the facilitator. Focus groups, which usually cover a known theme or topic, tend to be more interviewer-led in structure (Saunders *et al*, 2003). For the purpose of this research focus groups were used to discuss a set of pre-determined themes and topics.

#### 4.3.2 Focus groups

Focus groups are often used for concept screening and refinement (Zikmund, 2003). The interviews are led by a moderator or facilitator whose role, provided in more detail below, includes explaining the purpose of the group interview, getting



the participants to relate their experiences to the method of data collection requires a balance between encouraging participants to discuss the particular question and allowing them to broaden their discussion where this may reveal data that provides important insights (Saunders *et al*, 2003).

The specific advantages of conducting focus group interviews include (Zikmund, 2003; Saunders *et al*, 2003):

- Synergy – the combined effort of the group will produce a wider range of information, insights and ideas
- Serendipity – it is more likely in a group that an idea will drop out of the blue
- Snowballing – a comment by one individual triggers a chain of responses from the other participants. This allows a variety of view points to emerge and for the group to respond to, discuss and challenge them, helping the moderator explain and explore concepts.
- Stimulation – usually, after a brief introductory period, the respondents want to express their ideas and expose their feelings
- Security – in a well-structured group the individual can usually find some comfort in the fact that his or her feelings are similar to those of others
- Spontaneity – since no individual is required to answer any given question, the individual's responses can be more spontaneous and less conventional
- Structure – the group interview affords more control than the individual interview with regard to topics covered and the depth in which they are



treated. The most open topics that received too shallow a discussion when initially presented.

- Speed – the group interview permits securing a given number of interviews more quickly than does interviewing individual respondents

#### **4.4 The population of relevance**

The population of relevance is a South African company chosen in terms of the following criteria:

- employs more than 500 people
- has been in existence for more than 10 years
- has achieved at least 5% increase in black representation at management over the past 10 years
- currently employs more than 10% black managers.

The company identified for the purpose of this research and which complies with the above requirements, is an advertising agency referred to as The Agency.

##### **4.4.1 The Agency**

The Agency is one of South Africa's oldest and largest advertising agencies (Best Employers, 2009). According to The Annual (2009), a yearly review of South Africa's advertising and media environment, the company was founded in 1926 and employs over 600 people.



An international group n York Stock exchange owns 50.1% of The Agency. The remaining shares are owned by a local investment group (26%), a BBEE group and staff (23.9%). According to The Annual (2009) the staff complement includes:

- Black employees: 44%,
- Black executive management: 60%, and
- Previously disadvantaged individuals in management: 66%.

Quoted in the company's profile in Best Employers (2009), the former Head of Group Human Resources describes the culture at The Agency as "a down-to-earth agency with family values. It is a people-oriented environment which centres on the concept of heart." She explains "Our primary human resources focus is on attraction, creating an environment for staff to be magicians and retention of the right people" she explains (Best Employers, 2009).

#### **4.5 Sample group and size**

The focus group interview was conducted with employees of The Agency. The participants responded to an e-mail invitation distributed by the Human Resource department to all Johannesburg-based employees. The focus group included a moderator (interviewer) and seven participants. This was in line with Zikmund's (2003) recommendation that a focus group interview involves six to ten participants.



#### **4.5.1 Unit of analysis**

The research study was designed to incorporate the views of both black managers and those black staff members that they manage.

According to Zikmund (2003) homogenous groups work best, allowing the moderator to focus on one issue and not become confused with too many arguments and different view points. Saunders *et al* (2003) advise using a horizontal slice through an organisation to select people of similar status and work experiences to construct each group. They suggest that a lack of trust, perceptions of status differences or the dominance of certain individuals may inhibit possible contributions. In this case the racial classification of the participants was used as the factor of commonality rather than the status and work experience of individuals.

The unit of analysis was the individual members of staff.

### **4.6 Data collection**

#### **4.6.1 Demographic data**

Prior to the commencement of the focus group interview, participants were asked to complete a short questionnaire providing demographic data. A sample of the questionnaire is attached in Appendix one.

The questionnaire collected primary data relating to:

- age

- gender
- number of years employed in the company
- level within the company

To ensure confidentiality, participants were asked to assume the name of their favourite celebrity (singer, actor, cartoon character) and wear a name tag reflecting their assumed name.

#### **4.6.2 Discussion guide**

An effective focus group moderator prepares a discussion guide to help ensure that the focus group covers all topics of interest. The discussion guide consists of written opening remarks to inform the group about the nature of the focus group and an outline of questions/topics that will be addressed in the group session (Zikmund, 2003).

A sample of the discussion guide used for the focus group interviews is attached hereto as Appendix two.

#### **4.6.3 The role of the moderator**

The role of the moderator included:

- Managing the dominance of the discussion by certain individuals
- Ensuring that everybody understood the contributions of other participants.

Where necessary the moderator asked questions to clarify the person's contribution (Saunders *et al.*, 2003).

Conducting the interview



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th of information coming

from this process is sometimes difficult to manage, Saunders *et al.* (2003) recommend having two facilitators in the room. The facilitator of the focus group interview was accompanied by a scribe and the proceedings recorded using a voice recorder.

#### **4.7 Limitations of the research design**

The following limitations and potential biases were identified:

- A limitation of the non-probability design is that the results cannot be extrapolated (Zikmund, 2003). Further research would be required to test the replicability and relevance of the results to other companies. Suggestions for further research are included in the concluding chapter.
- Exploratory research does not uncover conclusive evidence to determine a particular course of action (Zikmund, 2003).
- Where the research project occurs within an organisation the request to participate in a group interview may be received as an instruction rather than a choice about whether to take part. This may lead to some level of non-attendance or to unreliable data (Saunders *et al.*, 2003). The facilitator's introduction, as written in the discussion guide, was used to provide assurance about confidentiality. The use of assumed names was used as an added technique to protect the identity of participants.



- Certain individuals may exhibit a social desirability bias, preventing some participants from sharing their views (Saunders *et al.*, 2003). The facilitator moderated this by encouraging the involvement of all group members.
- Response bias – the questions posed in this study are very subjective and open to influence by the respondents state of mind. Extremity bias may be introduced if something out of the ordinary or new has occurred in the company recently. In the case of this focus group interview discussions of recent retrenchments soon surfaced. This was taken into consideration in the analysis and discussion of the results.



## 5 Results

A focus group interview was held at The Agency in Sandton, Johannesburg, on Friday 11 September 2009. The seven participants in the focus group are all employees of The Agency which employs almost 600 staff nationwide.

The focus group interview sought to establish whether:

- a) Black leaders have a positive influence on the culture of the organisations they lead; and
- b) Has the influence of black managers led to improved retention of black talent?

In order to answer these questions the following aspects were explored with a group of employees using the focus group technique:

- The impact of a changing leadership identity on the organisation's culture
- Whether the impact on the organisational culture influenced voluntary turnover amongst black professionals.

## 5.1 Demographic pr



According to the Human Resources manager, The Agency has only been recording demographic information on the staff complement since 2006 (Appendix three). Over the recorded period, 2006 to 2008, the total staff complement increased from a total (excluding foreign nationals) of 498 to 595 (+19.5%). During this period the gender gap increased from just 28 more females than males in 2006 to 79 in 2008, equivalent to an increase of 3.8% from 52.8% to 56.6% over the two years.

Figure 2. Gender profile of The Agency (2006 – 2008)

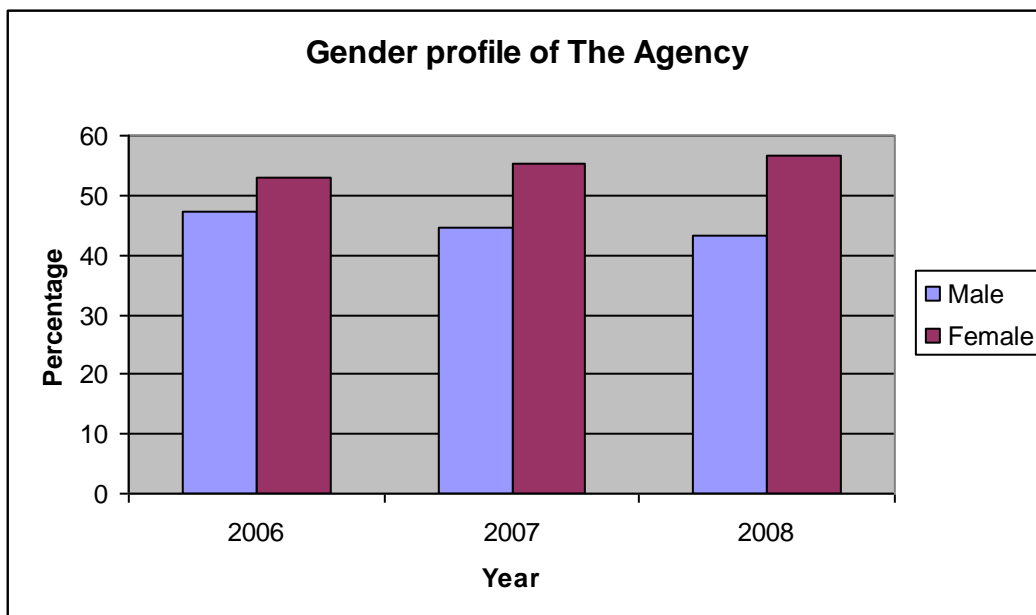




Table 3. Total staff complement by gender and race (2006 – 2008)

	MALE			FEMALE			TOTAL
	Black	White	Sub-total	Black	White	Sub-total	
<b>2006</b>	104	131	235	77	186	263	<b>498</b>
<b>2007</b>	111	125	236	113	180	293	<b>529</b>
<b>2008</b>	124	134	258	129	208	337	<b>595</b>

As illustrated in Figures 3 and 4 the number of black (African, Asian and Coloured) members of staff increased 6.2% from 15.5% of the total staff complement in 2006 to 21.7% in 2008. Comparatively the number of black males changed very little over the same period, decreasing slightly from 20.9% to 20.8%.

Figure 3. Female staff

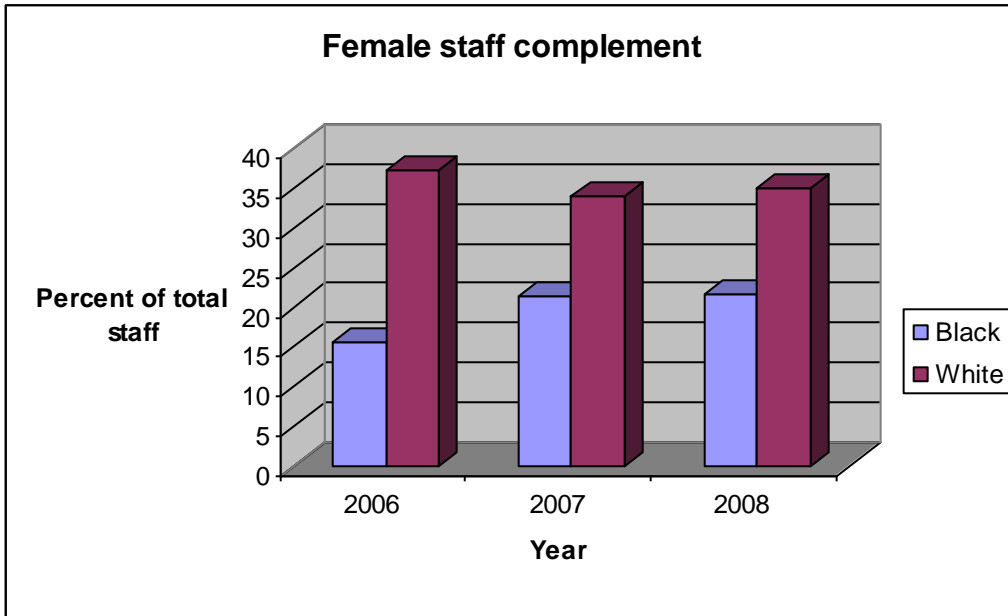
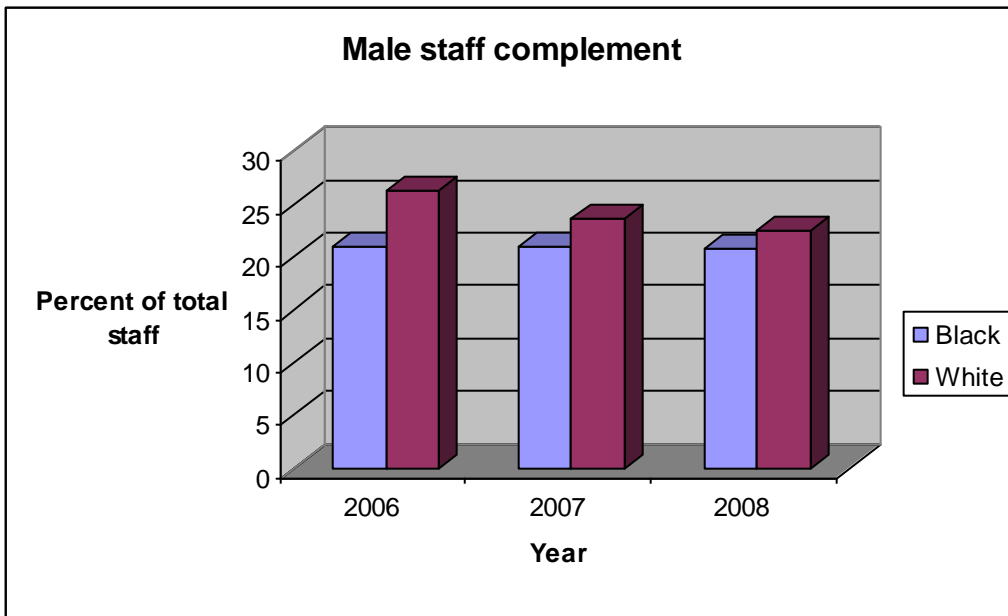


Figure 4. Male staff complement by race (2006 – 2008)



## 5.2 How much has t



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The Agency ranks permanent staff on six levels:

- Top management
- Senior management
- Professionally qualified and experienced specialists and mid-management
- Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents
- Semi-skilled and discretionary decision making
- Unskilled and defined decision making

For the purposes of this research the top management and senior management were considered the leadership of The Agency.

The combined number of top and senior managers decreased sharply from 62 in 2006 to 26 the following year, a 58% drop. The numbers remained unchanged in 2008. The decrease can be attributed to the high turnover of white top managers during the 2006/2007. During this period the number of white males in this category reduced from 13 to three, and white females from one to zero (Figure 5). The turnover amongst white senior managers between 2006 and 2007 was also high, with total of 23 (16 female and seven male) leaving the company (Figure 6). During this period the number of black male top managers decreased 33.3% from three to two and the number of female top managers doubled from one to two. At senior management level the only two black female senior



managers left the company, but the number of black male top managers increased 33.3% from three to four.

Figure 5. Profile of top managers (2006 – 2008)

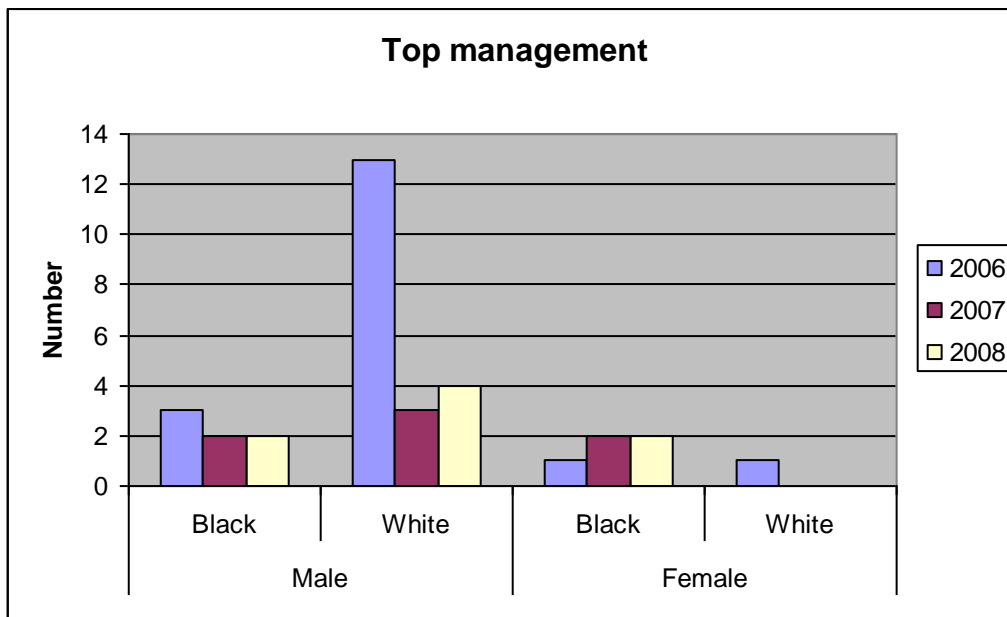
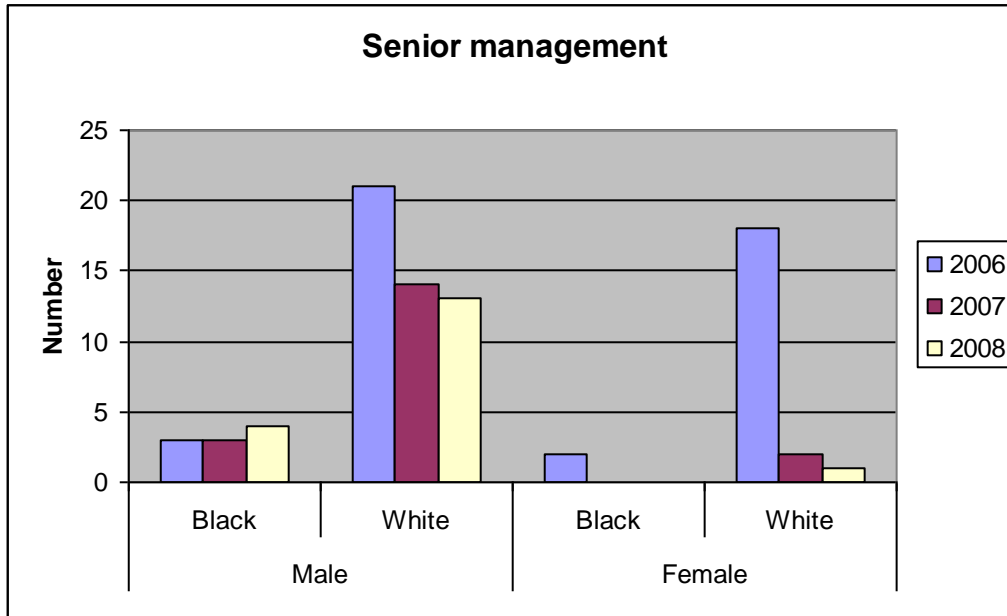


Figure 6. Profile of top



### 5.3 The impact of the changing leadership identity on the organisation's culture and voluntary turnover of black professionals.

#### 5.3.1 Demographic profile of sample group

Prior to starting the interview the facilitator, Siobhan McCarthy, read the introduction as contained in the discussion guide (Appendix 2) and asked all participants to complete the demographic data questionnaire (Appendix 1). The questionnaire also asks each participant to indicate their consent to participate in the focus group interview.

The table below provides a summary of the responses to the demographic data questionnaires.

Table 4. Demographic



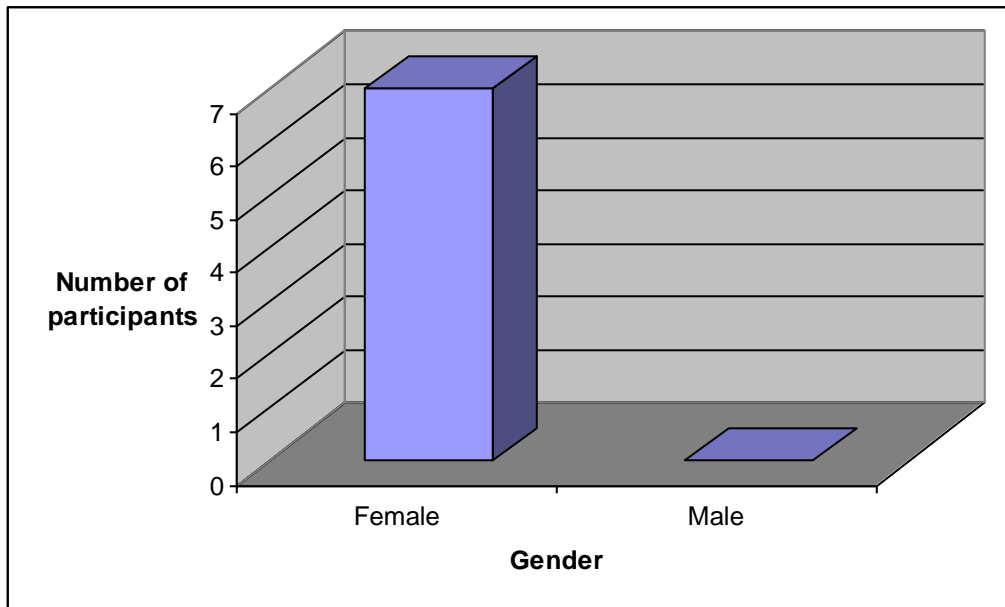
GROUP DEMOGRAPHICS						
	AGE	GENDER	RACE	NUMBER OF YEARS EMPLOYED	LEVEL IN COMPANY	SERIOUSLY CONSIDERED LEAVING COMPANY?
1	25	Female	African	0.8	Account manager	No
2	26	Female	African	3	Account manager	Yes
3	30	Female	African	1	Account Director	Yes
4	31	Female	African	1		No
5	30	Female	African	2		No
6	33	Female	Coloured	5	Account Director	Yes
7	31	Female	African	0.75	Director	Yes



### 5.3.1.1 Gender profile

All seven participants (100%) were female.

Figure 7. Gender profile of the sample group

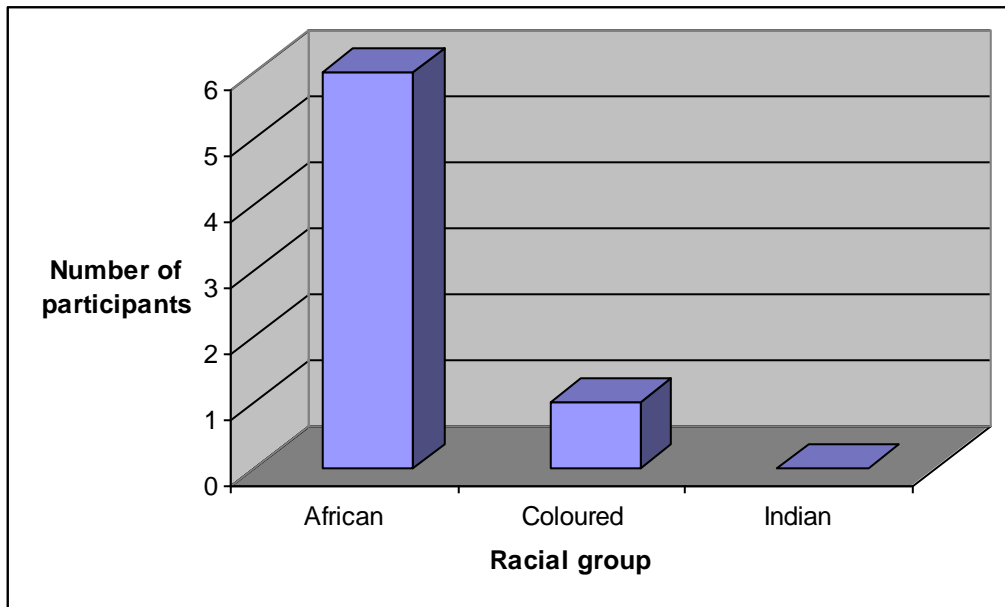


### 5.3.1.2 Racial profile

The focus group interview catered exclusively for black (African, coloured and Asian) employees. Figure 8 illustrates the racial profile of the group interviewed.



Figure 8. Racial profile

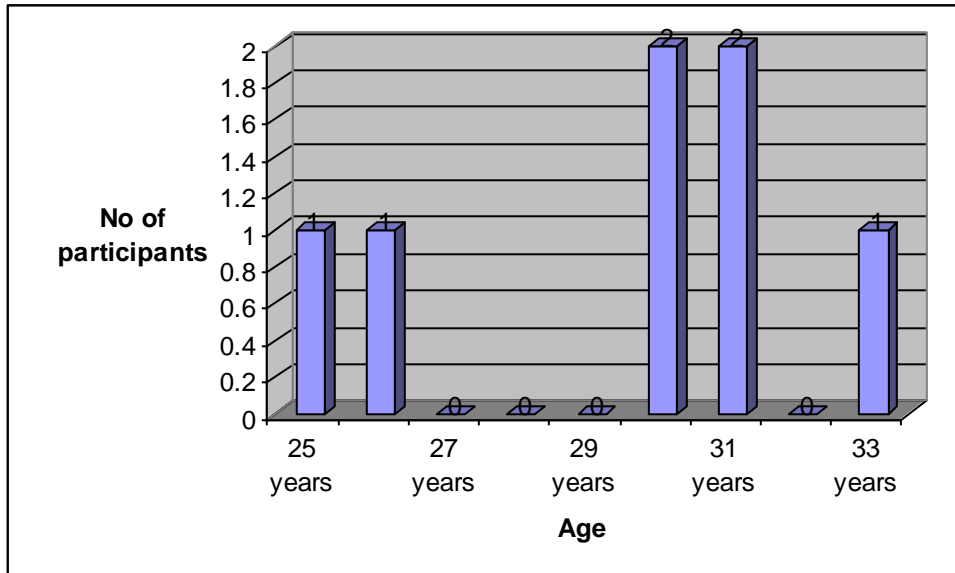


### 5.3.1.3 Age profile

The age of the participants ranged from 25 to 33 years old. The average age was 29.43 years and the median 30 years old.



Figure 9. Age profile of



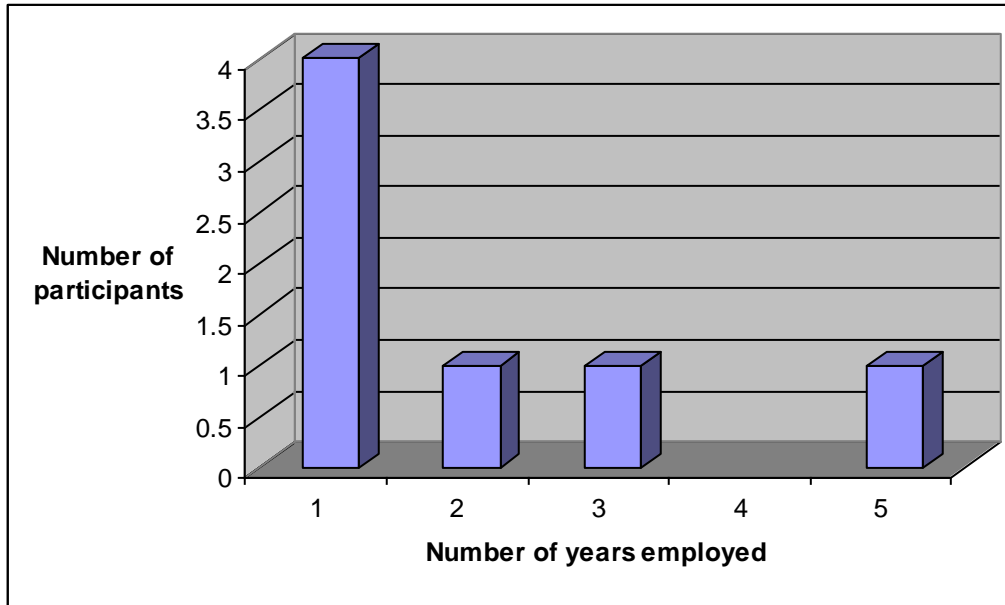
#### 5.3.1.4 Period of employment

The average duration of employment at the advertising agency was 1.94 years.

The longest serving employee in the focus group had been with the agency for five years whilst the latest recruit joined The Agency only nine months prior to the focus group interview.



Figure 10. Numbers in the employ of The Agency



### 5.3.1.5 Level in the company

Participants worked in different divisions in the company in positions ranging from Account Manager to Account Director to Director. Only two of the participants indicated they were professionals but did not indicate at what level.

### 5.3.2 Focus group interview

Table 5 illustrates the research questions asked (as per the discussion guide) during the focus group interview.



Table 5. Consistency n

	Question 1		Question 2
<b>Research questions</b>	a) Do black leaders have a positive influence on the culture of the organisations they lead?		b) Has the increasing number of black leaders and executive managers led to improved retention of black professional talent?
<b>Exploratory themes</b>	How the leadership identity of the company has changed over the past ten years following the introduction of the Employment Equity Act in 1998	The impact this change has had on the seven characteristics, defined by Robbins and Judge (2007), of the organisations culture over the same period.	If the impact on the organisational culture as identified has influenced voluntary turnover amongst black professionals



<b>Interview questions</b>		<ol style="list-style-type: none"><li>1. If someone you knew was offered a job here, would you encourage them to take the offer?</li><li>2. What is it about The Agency that you think (does not) makes it a good place to work?</li><li>5. How do you think The Agency has transformed over the past 10 years?</li><li>7. Have black managers improved working conditions for you? Do you think your white colleagues would say the same?</li></ol>	<ol style="list-style-type: none"><li>3. Apart from an offer of better pay, what would make you leave the company?</li><li>4. Have you seriously considered leaving the company in the past 12 months? If yes, why?</li><li>6. How has the increased in black managers and board impacted on any of the following elements of the organisation's culture?</li><li>8. Are you more or less or equally likely to leave the company now than before the black managers were appointed?</li></ol>
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## 5.4 Outcome of the



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A full transcript of the group discussion is provided in Appendix four. Below is an overview of the group discussion and responses provided by the participants. Where the facilitator asked additional probing questions these are indicated as such.

As indicated in Table 5 above, four questions were asked in response to each of the two research questions. The sequencing of the questions was adjusted to encourage the flow of conversation. The excerpts of the focus group interview presented below reflect the sequence of the conversation.

### ***5.4.1 If someone you knew was offered a job here, would you encourage them to take the offer? Why?***

- This agency is a very open-minded agency; there are a lot of opportunities here. The culture is so that people are assisted with opportunities, whatever goals you want to achieve they are always willing to help.
- It is a vibey agency, its fun to be here.
- If you want to further your studies they will encourage you and they will pay for you.
- I think, for me more than anything else it is the environment. It is an environment that fits in with who you are. It does not stop you from doing what you set out to do.



- I have found it to be a good thing to have a manager who is not just looking at the bottom line, but also at the well-being of other things in my life
- You find that the management actually does care about its employees. They have an open-door policy, there is always someone to go to, to talk to. They are neutral and will look at both sides of your problem; they will not just look at one side of the pancake.
- The support from management, from colleagues and from people that I work with, that for me is just truly amazing. (Overwhelming actually) They are really supportive so to be really honest with you I would not really move for anything else because that is what I need, flexibility
- They do not just look at your professional life. Even personally we have got something like a helpline – it is called Heart Matters, 24 hours a day you can call the line if you do not feel like talking to your manager or HR, there is always somebody to listen to you with whatever problems you have got.

Facilitator: who mans the helpline?

- It is external. The Care Ways group

**5.4.2 What is it about The Agency that you think (does not) makes it a good place to work?**

The facilitator did not ask this question as it had been addressed by the answers provided to question 1.





**5.4.3 Apart from an *ad* make you leave the company?**

- Probably for experience, if you feel that you have reached your goal here and you need to spread your wings
- I would not because I come from a very different background. I have never been in advertising. I have been forever in HR, doing recruitment. I feel I can still grow and add more to what I have got especially with what the other departments have got.
- I have moved around on different accounts because I wanted to get experience so that is the kind of company we have you can get experience which makes it difficult to leave because you can get experience in the agency
- But you could leave to try something else not necessarily related to advertising like maybe you want to be the client
- For me proximity is a big issue, I live in Pretoria and drive to Joburg everyday. If I was to get a job in Pretoria I would definitely consider it.

**5.4.4 Have any of you considered leaving the company in the last year or so?**

- Unanimous “yes” (yes, yes, yes, yes)
- When we were going through retrenchments. Not in the last 12 months but in the last 6 months, you start thinking actually maybe I should start

looking. You feel (what happens to you). I feel unstable, insecure, all of those emotions – feeling vulnerable



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Facilitator: so you have recently gone through a retrenchment process?

- Not once twice.
- But now things seem to be stabilising we are obviously hoping the next year will be better

Facilitator: And apart from the retrenchment, did any of you consider leaving for any other reasons?

- I have. It was just really a personal problem that I was really, really going through. And I felt I was not coping and I could ....I really thought it would be better to take time off but my boss did not agree with that instead I took time out.
- I got approached about 6 months ago by another agency, which from the outside I thought was similar to this - vibey, lots of young people, opportunities. I was not looking at the time, they called me, and I thought I had nothing to lose. I had already accepted everything, signed the contract and everything but when I thought about it, I was not ready to leave. That is not what I wanted.

Facilitator: And why was that?



- I got scared. I think for myself here they are achievable; I am being supported and assisted by the company to achieve those goals. Why am I leaving really? I am comfortable with the salary I am on, I love the environment, I know everybody here and I am achieving my goals.
- I think many people go because of personal conflict with a colleague or management. And I find that in most cases that is the reason people start looking for something else. The salary is the same and pretty much everything is the same, you just decide to go because you are not coping with the people around you, it could be..., then you decide you know what its not worth doing this anymore. You have just got to go if you feel you are not being .... Especially someone in management. That can be a reason to go

#### ***5.4.5 Do you think The Agency has transformed over the past 10 years?***

- Unanimous “no”
- No, not at all!

Facilitator: why do you say that?

- Because I am the same age as everybody else that I work with and two of them are group account directors and I am still an account director yet I have 10 or 11 years experience



Facilitator: and are the:

- Yes. So this for me is a sore point and I have been here 5yrs, I think I have proved myself and also I have not been at another company more than about 2½ years, besides that 5yrs is a long time so I either need to make a break or get what I want so yep
- We had one black woman on exco, if she was still here she would likely be on exco, there are no other females at director level, she was the only one – no white, Indian, whatever so it just goes to show that we have not really transformed.
- Even middle management – when you think about middle management is white – there are a lot of females but they are all white. I think there might be one black lady but everyone else is white.
- And there were these apparent shares that were spoken about and were handed out to people. We had an announcement but we do not know what the criteria is, who got these shares or anything like that so I am thinking I am black I have been here for a long time why did not anybody speak to me about it. I do not know where these shares are, you know what I mean? What happened to them? I do not have information about them I think that is strange. They are just spoken about in vague terms, BEE shares.

***5.4.6 Has the increase in black managers and Board members impacted on the organisation's culture?***

- No (no, no)



- No I have noticed t senior management, do not last that long and I have never really understood why and, as of now there is not one black woman on the board

Facilitator: there is a black man right?

- Yes there is a black man and the other is a non-executive chairman so that is two
- I think, from my own observations, that the Black leadership dissolves into white leadership and the white leadership sort of act transformed. Like when you talk to them you get the sense that they are transformed, that they understand black people, understand black culture, black sports but I think it always goes back to where that white person still comes out in spite of the situation. When it comes to really making those decisions, making it happen, it either goes that way and it will not be accommodating for everyone.

Facilitator: Do you have any examples of the sort of decisions that you expected someone would drive in a particular direction and then...?

- We recently had a new executive creative director who came from outside and personally I thought there were 2 directors – 1 black, 1 Indian – senior people that I think could have been given that opportunity. 1 of them has been here 9 years and they have both left. My perception is that they were senior enough to rise to that position.



- I have observed that [redacted] came into the agency, black, young person; understand that he was visionary to drive the agency in a certain way. But I mean at the end of the day I could see that he was being stifled now because he was forced to report to a white person as much as he wanted to lead the agency in a particular way at the end of the day.... (he did not have much of a voice)

**5.4.7 Have black managers improved working conditions for you? Do you think it is just The Agency - it is just the way The Agency has always been?**

- I think its just advertising
- I mean our bosses are very flexible, you can rock up at 9 no-one asks why you are late, long lunches, leave at 3 when we can. Look we do work overtime without pay, it is very flexible but that is just advertising

Facilitator: working with your colleagues, do you find there is still, like in many organisations, that racial segregation when you come to socialise or when you work in teams?

- Of course. Very much there
- Its still there

Facilitator: Does management try and get you to all play nicely together



- The one thing I my observation it that communicators are very bad at communicating, it is seldom that you find leadership talking in that sense mostly because there are no formal structures. Leadership cannot encourage everyone when there is not a platform basically they only talk when they have to. Then they talk about shares, they talk about whatever the hot topic is at that time. But you cannot see the leadership culture being embedded, being inculcated to every body else in terms of how do they want everybody else to interact what is the culture from that sense from a leadership point of view. There is not that much visibility that is what I have seen and there is not much talking in terms of what is expected as far as I can see. Leadership is not talking. I do not see visions and missions communicated like at ABSA you would see the values everywhere. I know we have brave heart where everyone is – I am too new to understand the concept, it is not that much embedded in everyone that we have one message, one goal, this united front.
- I was just going to ask – do you think that perhaps management does not see that there is a leadership issue?
- I do not think that they see it. That is why they do not do, why they are not doing what you are saying. They do not see it (the need) - yes

Facilitator: do you think that would be different if there were more black managers at that level. Do you think that they would be able to pick up that there is a need for someone to pay attention?



- Maybe. And maybe we are saying as well as people. Are we giving them feedback that there is no communication? I will give you an example. There are times where I felt I could have been warned in advance and I am pretty sure that somebody knew about it but because there are not platforms where you are told that this is the situation it hits you at the 11<sup>th</sup> hour that you are part of this big thing and you never knew about it before. I feel in my experience even when things are tough you do not bury your head in the sand, you go back to tell people guys its bad it could turn out this way or that way and everybody is sort of on the same page before you actually break the news at the moment you need to type thing. I just felt lost, I felt like communication is not happening the way it is supposed to.

Facilitator: do you think your white counter parts feel the same way, that they experience the culture in the same way you do?

- I have never discussed it with them so I do not know
- I think its different for white people considering The Agency carries a white culture – if we are talking about culture
- They have got different issues, ours are grassroots issues
- That is why we are saying it is not a transformed agency because it is still a white agency.
- You feel you have to work ten times harder (just to keep your job). You still find that some of the white colleagues, feel you are just not good enough because you are black as much as you are black and that really irritates me



because as much as I am able to do my job and at the same time I can still be able to.



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Facilitator: but what are the sorts of issues – you were saying that your kinds of issues are grassroots issues. What are those grassroots issues?

- I feel like I do not have the same opportunities as white counterparts at the same level as I do. I feel that they are exposed to more opportunity and I only get to find out about it much later and when I raise the issue of why cannot I do this in order for me to achieve that, it always goes back to one thing – budget
- And I think at my level as well, where I operate, my superior would come back with all this information and never discuss it with me and would discuss it with the other white counterparts, some of whom are at a lower level. I should be the first person he shares this information with but he is more free to discuss what was discussed at exco meetings with his white counterparts, white employees, because, I do not know they interact easier or whatever. He needs a platform to discuss it with me but the information is delayed and I only get it a week later or whenever we have a meeting
- My issue even goes deeper than that because my manager is black


Facilitator: so you are saying your black manager gives your white counterparts...



- How it operates head in the other unit is at the same level as her in a different team, gives opportunities to her team but my black manager does not do that but she is able to

Facilitator: Why do you think that is? Is it a trust issue that she does not think you are capable?

- (lots of discussion)
- No she does not have the power / voice to say that
- I do not think that is the case – one she is vocal, two she can walk into the CEO's office anytime.
- Okay so basically they will give her anything she wants? I do not know what is going on but she can ask for something and she will get it, they will not sideline her
- I think there is a tendency of not fighting for our staff as leadership; I have seen it with most black female leaders. We sort of, and maybe I am generalising, where the other boss would fight for their people you sort of say 'they are fine where they are'. You do not want to put your employees on a pedestal and say that they are working hard.
- I think also its I have been fighting for so long – I have had to fight to get to where I am today why do I need to fight for all these other things. I fight my whole life
- I think some of them, when you get to push what you want, I am talking about the female leadership, when you get to push for what you want they

somehow feel th  okay I do not know why they feel threatened because you are below them and you are pushing to get what, or to get where you want to get career wise what I find ridiculous is that they feel threatened

Facilitator: Is this for white managers or black managers

- Black
- I think for both because I am finding that where I am sitting at the moment I have a white manager. I am not given the opportunity to spread my wings and fly. Like my manager is so protective over whatever she is doing that she is not giving me the space to do what I do and show my capabilities. So from my point of view I think black and white they tend to get insecure and think okay this one in 6 months time I want to take her job
- But what disappoints me the most is that, from a colour perspective, you would think that you are in a senior position so that you can pave the way for other black sisters who are beneath you so you can make it, not easier, but afford them the opportunities that they never had. I am in a position where you know I am qualified, you know I am capable but you are just standing in my way – why? Why? It angers me from a personal level and a professional level



**5.4.8 Are you more comfortable working for the company now than before the black managers were appointed?**

As the focus group had indicated that transformation was limited this question was no longer relevant. Instead the facilitator asked the question below to gauge what previous experience the participants had of a black managers.

**Facilitator: do any of you come from another environment, before The Agency, where the black leaders or black bosses even if they were not at the top – empowered their staff particularly their black staff, particularly the women. Did any of you come from that sort of environment? Could you share your story with us?**

- My first advertising agency experience I had a black woman and she was an account manager but she really held my hand and walked me through everything my first, she helped me and did everything the way that is what I got from her and after she left and then I actually got a black male boss who was even better than she was. He was more senior, I guess he could give me more like a different kind of knowledge because he was more senior than she was. So yah in that agency whatever say 2 years of my life was a really good experience with black manager.

Facilitator: do you think it was the culture of the agency that allowed them to do that or do you think they were particularly good leaders or a combination of both?



- I think it was the culture of the agency was umm, I feel that they were, that they really wanted to grow people they really were interested in growing the team and some people they were really open and trained and studied and all those kind of things, really good.

Facilitator: Some one else also said they were from such an environment

- Yes not my previous one but where I worked before. It was an agency that was led by black people actually and I also feel that the culture of the agency and the way the leaders made sure their people including the white counterparts were treated was fair and it made us feel all equal. My superior held my hand as well and guided me and showed me even out of the industry and yah that is where I felt there was more to the advertising industry because it gave me confidence to continue and explore and see what is out there.

Facilitator: I want to ask a hypothetical question. If a group of black professional came in this afternoon and bought the agency. You all get to work on Monday and you have a whole new management that is predominantly black – lets not get rid of all the whites, do you think the culture of the organisation – what do you think would happen?

- I would say that it is not something that would change overnight
- It is still something that will not change overnight. I still go back to my 'you communicate there is a culture you decide on – it is like getting married. You marry someone from a different culture and there is due diligence – what



language are we go lised, we try growing the company, we want everyone to be equal, we want so even the person at grassroots is aware of the direction the company is going management actually wants to hear what they are about what they want so it has to be open. You have to open lines of communication, bottom up; top down so that everyone is aware of where the company wants to go black people can run the agency but still not talk. The fact that they are black does not mean that they will transform the company so

- Depends on their vision, they may not succeed. They can come here and not make a difference
- It depends on that walk in the corridor. Leadership that will change the whole organisation. It depends what they are saying, what they are doing but yah make everyone follow but if they come in and act as white people, it will not help us. It is about what we want to achieve. Are we bring in black leadership just for the sake of changing it do they have a vision, do they want integration, do they want people to be one, do they want unity. Objectives, make sure that everyone buys into them
- We actually worked for an agency that was blacked owned, one of the first and it was fun. It fun open-door police literally you could walk into the MD's office anytime talk, do whatever, it was fun. We played when we played but we worked, we worked hard and they were very successful at that time. I mean agencies go through life cycles so like you say it depends on what type of black person it is



- I think leadership is talking, and what I see around here is people who talk to leadership because they have been here a long time and they have the relationships I do not see leadership making an effort to get through to anyone. It is a situation where communicating successes on an email, they will copy the CEO because they know him on a first name basis, John this and this happened so its people with longstanding relationships it makes it easier for them to communicate as senior management because they knew John before he was whatever. Or they interacted with John before he was wherever you know what I mean and for someone that has just joined the agency and has never had the opportunity to meet John and you know you do not have those lines of communications. Its easy for them to say integrate, talk to these people
- They need to open up that channel
- Credit to them especially to management, they think they are communicating and I think that is why they do not give it... yes they are communicating but maybe they are not communicating enough there is no platform because they have had something like a ... before but its not something that can really you know there are other issues that you cannot just send an email and announce there are issues that you can do that I do not know. I do not know how its going to help
- If you look at the structure of the agency itself. How it is now, there is no interaction between middle management, communication takes place at that other end of the food chain and across the board I would feel that it



would be appropriate meetings they could discuss things at that level. Account directors should have a platform where they sit around the desk as and have these discussions and interact but those platforms are not there. Exco meetings at that level and they discuss whatever they do and if you are lucky you will get feedback and they will tell you what was discussed there if not it does not happen so that is where it ends hence at business unit level you do not even have interaction to know who is who, who is doing what throughout the agency there is no communication taking place at that level that is my feeling





## 6 Discussion of res

The purpose of this research was to answer the following questions:

- a) Do black leaders have a positive influence on the culture of the organisations they lead?
- b) Has the influence of black leaders and executive managers led to improved retention of black talent?

To answer these questions the following elements were explored:

- i) How the leadership profile of the company has changed following the introduction of the Employment Equity Act in 1998
- ii) The impact this change has had on the seven characteristics of the organisations culture, defined by Robbins and Judge (2007), over the same period.
- iii) Whether the changes in the organisational culture have influenced voluntary turnover amongst black employees.

### 6.1 Introduction to the discussion

To set the context primary data on the demographics of The Agency, over the past three years, was sought and analysed to ascertain how much the staff profile, with an emphasis on top and senior management, has changed. The period reviewed was limited to three years (2006, 2007 and 2008) as the company does not have records for earlier years.

An exploratory group interview was used to gather secondary data. The secondary data provided an indication of the existing culture in the company and how it has changed over recent years. The discussion was used to gauge the role, if any, that black management has played in changing the culture of the workplace to accommodate minority groups. The participants were also asked whether or not the increasing number of black managers had had an impact on their plans to remain in the employ of The Agency.

## **6.2 A changing leadership identity**

The data presented by The Agency suggests that, although the proportion of black managers has increased the absolute number of black top and senior managers remains small.

According to data provided the number of black top managers remained unchanged, at four, during the three years under review. The number of white top managers decreased from 14 to four over the same three years. As a result of the high turnover of white top managers the percentage of black top managers increased from 22.2% in 2006 to 50% by 2008. At the senior management level the number of black managers decreased from five to four but the percentage representation increased from 11.4% to 22.2%. Again the apparent increase in black managers can be attributed to a large decrease in the number of white senior managers (from 39 to 14) rather than an increase in black managers.

Significantly during the period 2008-2010, the number of black senior managers dropped from two to zero. The employment equity target for each level is 30%. This target was surpassed for the top management level but not achieved at senior management level.



The responses provided by the group indicate that the reduction in the number of white managers has not met their expectations of racial transformation. The views expressed by the group echo that presented by Zulu and Parumasur (2009) that employing individuals from the designated population groups to conform to the Employment Equity Act is insufficient. Certainly the absence of female black senior managers confirms the feedback provided by the group in terms of a lack of gender transformation at a leadership level.

### **6.3 The Agency's current organisational culture**

The opening questions of the focus group interview were structured so as to achieve two objectives. Firstly to break the ice and get the conversation going but more significantly to get a sense of how the participants viewed the current culture. The questions, listed below, were not exhaustive as the purpose of the research was not to measure the organisations culture but rather to gauge how it has changed over recent years. Responses to later questions also provided further indication of the culture at The Agency.



- If someone you work for (The Agency), would you encourage them to take the offer? Why?
- What is it about The Agency that you think (does not) makes it a good place to work?
- Apart from an offer of better pay, what would make you leave the company?
- Have any of you ever considered leaving the company in the last year or so?

The responses provided by group were weighed against the seven characteristics of organisational culture as identified by Robbins and Judge (2007) to provide an indication of The Agency’s current culture.

Table 6. Seven characteristics of organisational culture (Robbins and Judge, 2007)


<b>Characteristic</b>	<b>The degree to which...</b>	<b>The Agency</b>
Innovation and risk-taking	Employees are encouraged to be innovative and take risks	Encourages staff to take advantage of opportunities
Attention to detail	Employees are expected to exhibit precision, analysis and attention to details	<i>Not addressed</i>



Characteristic	The degree to which...	The Agency
Outcome orientation	Management focuses on results or outcomes rather than on the techniques and processes	Results-focused
People orientation	Management decisions take into consideration the effect of outcomes on people	Very people focused
Team orientation	Work activities are organised around teams rather than individuals	Structured in teams
Aggressiveness	People are aggressive and competitive rather than easygoing	<i>Not addressed</i>
Stability	Organisational activities emphasise maintaining the status quo in contrast to growth	Destabilised by recent retrenchments

### **6.3.1 Innovation and risk-taking**

The first responses indicated that The Agency is an open-minded company with a flexible culture. The respondents agreed that the culture supports personal growth and encourages staff to take advantage of new opportunities. "If you want

to further your studies  UNIVERSITEIT VAN PRETORIA  
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YUNIBESITHI YA PRETORIA / for you” indicated one respondent. “It is an environment that... does not stop you from doing what you set out to do” added a second respondent.

Although the question did not speak directly to innovation and risk-taking, this points to a company that encourages rather than dissuades staff from taking advantage of new opportunities.

### **6.3.2 Attention to detail**

The questions posed to the focus group did not address the element of attention to detail.

### **6.3.3 Outcome orientation**

Responses indicate an organisation focused on results rather than rules. “We play hard but we also work hard, you can rock-up late, have long lunches but we work overtime (when required)” was one of the responses given. The sense was that this is not unique to The Agency but rather the *modus operandi* in the advertising industry.

### **6.3.4 People orientation**

The first four questions elicited very positive responses about working at The Agency, indicating a very people-oriented culture. Respondents used words such as *accommodating, open-minded, flexible, caring* and *truly amazing* to describe



the work environment. o (racial) transformation elicited a very different response. The sense from the group was that culture at The Agency remained 'white' and that the needs of black employees were not fully understood and therefore not addressed.

### **6.3.5 Team orientation**

The approach to work is team oriented, with an operational structure built around functional teams, called clusters, each focused on a large client or particular industry.

### **6.3.6 Aggressiveness**

None of the questions addressed the element of how aggressive the company is.

### **6.3.7 Stability**

The Agency has been through two rounds of retrenchments in the past year creating a sense of instability. Respondents described the fear, insecurity and sense of vulnerability that existed as a result. Although not explicitly stated, several respondents intimated that they were leaving their options open but did not show signs of actively looking to change employer. Some were optimistic that the worst was over and a positive period lies ahead.

## 6.4 Transformation



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A participant in the focus group interview asked the pertinent question “do you think that perhaps management does not see that there is a leadership issue?” This question came on the back of discussion around the lack of communication by management and as a result a lack of sense of what the culture of the company is and what is expected of staff.

The model presented by Cummings and Worley (2005) provides a list of activities (figure 1) that contribute to effective change management. This model was used as a guide to assess, using the responses provided by the focus group, the extent to which management is managing change through the management of expectations, by creating a vision and managing the transition within this environment.

### **6.4.1 *Managing expectations***

Although the group had initially expressed positive feelings towards the company, this changed when the matter of transformation was brought up. While earlier discussions portrayed a company that went out of its way to accommodate staff yet when transformation was discussed it appeared that race remains an issue in the company. The participants were unanimous in their view that the company has not transformed over recent years, mentioning in particular the lack of gender transformation.





Probed as to why they formed, one respondent said “the white leadership act transformed. Like when you talk to them you get the sense that they are transformed, that they understand black people, understand black culture but I think it always go back to where that white person still comes out in spite of the situation. When it comes to really making those decisions, making it happen, it will not be accommodating for everyone.”

Prompted for examples of decisions that supported this view, the example of the apparent promotion of white staff over black staff was presented. Members of the group indicated that none of the Directors are female and that most of the females in middle management are white.

A sense of having been excluded from the Black Empowerment share scheme created a feeling of not all staff being on an equal footing. “There were these apparent shares that were spoken about and were handed out to be people. We had an announcement but we do not know what the criteria is, who got these shares or anything like that so I am thinking I am black, I have been here for a long time, why did nobody speak to me about it? I do not know where these shares are. What happened to them?” complained a member of the focus group.

Overall the sense from the discussions was that the expectations of the participants were not being met, or managed, by the leadership.

#### **6.4.2 Creating a vision**



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There was a very clear sense from the group that the vision was not well communicated and driven by management. “Maybe I have been in corporate too long but I do not see visions and missions communicated” was the comment of one staff member who recently joined the agency.

#### **6.4.3 Managing the transition**

A valid point was made by one of the group who pointed out that The Agency lacked formal structures for management to communicate with staff. The executive committee (exco) exists as a structure for top management to engage but there is no equivalent structure that enables interaction between middle managers. Furthermore, there is no feedback mechanism between the executive and middle managers. As a result, staff relies on informal channels to communicate. “My superior would come back (from executive meetings) with all this information and never discuss it with me and would discuss it with the other white counterparts, some of whom are at a lower level. He is more free (sic) to discuss what was discussed at exco meetings with his white counterparts. He needs a platform to discuss it with me”.

In summary the lack of formal communication channels not only inhibits management’s ability to manage the flow of information but likely also impacts negatively on the company’s ability to create and drive a vision for staff members. The comment by one of the participants that management may not be aware of



the issues is likely a consequence of the limited communication platforms. As a consequence management's ability to develop political support amongst internal stakeholders and manage transition is severely curtailed (Cummings and Worley, 2005).

## **6.5 A changing culture**

The group's response to the question of whether or not the culture had stayed the same or changed with the New South Africa as more black managers came in was ambiguous. In part this may be because the impact of black managers recruited into the agency has not been felt.

"I have noticed that the black managers, people in senior management, do not last that long and I have never really understood why". Another respondent noted that "black leadership appeared to dissolve into white leadership".

The story of a black senior manager who had recently joined the company was cited, describing how he had tried to make a difference but because he reported to a white manager his efforts appeared to be stymied by his seniors. In their study, Mohamed and Roberts (2008) found that black individuals were effectively excluded from decision-making positions as seems to have been the case in this instance.



The members of staff organisational culture was still 'white' and that their white colleagues were likely to have different challenges from theirs. As an example the group felt that they had to work harder to prove themselves and that they did not have the same level of access to growth opportunities as did their white counterparts. One interviewee complained that "when I ask why I cannot do this in order to achieve that, it always comes down to one thing – budget". This view supports that presented by Vallabh and Donald (2001) that black managers do not feel they are trusted or recognised for their work or values.

Even though the racial profile of the organisation has evolved in line with legislative requirements there is not a parallel change in its culture implying that it is complying but not transforming (Zulu and Parumasur, 2009).

### **6.5.1 Barriers to change**

Interestingly this experience was not limited to white managers. One of the group members shared that her manager, a black woman, does not afford her cluster team members the same opportunities that other cluster heads give their team members, despite having the authority to do so. This raised questions around why a black woman, who has the mandate to empower her team, does not do so.

Some of the opinions voiced by participants included:

*"She does not have the power or voice to say that"*



*"I think there is a feeling of I have had to fight to get to where I am today why do I need to fight for all these other things?"*

*"From my point of view I think both black and white (managers) tend to get insecure."*

*"I think there is a feeling of I have had to fight to get to where I am today why do I need to fight for all these other things?"*

The discussion raises the question of how much space black professionals have within companies and the decision-making structures to drive change and how much support they get. The author would argue that while the individual manager is the conduit of driving change, the company and top management in particular also have a critical role to play in enabling change by supporting agents of change. Without which any attempts at change management are unlikely to succeed.

### **6.5.2 Understanding psychological contracts**

It was clear that management in general is not meeting the expectations of this group of employees. In an attempt to gauge what informed and shaped these expectations the facilitator asked the group of their previous experiences of empowerment. Two of the participants described previous experiences with managers who had supported and mentored them, affording them the opportunity to grow and develop in their careers. The stories relayed by the two suggest that their expectations of transformation within The Agency are informed by previous

experience; in turn the  
have with The Agency.



psychological contracts they

The importance of understanding what employees consider as a breach of the psychological contract is emphasised by Robbins and Judge (2007). The responses of the group intimate that managements understanding of the beliefs that inform the psychological contracts the employees have with their employer (O'Donohue *et al.*, 2007), is limited.

The contrast between the initial enthusiasm expressed about The Agency as an employer and the response to questions about transformation implies that three of the four elements that need to be considered to understand organisational culture - artefacts, norms and values, (Robbins and Judge, 2007; Cummings and Worley, 2005) are well appreciated. The gap in understanding the sub-cultures results from a lack of their basic assumptions.

## **6.6 Have changes in the organisational culture influenced the retention of black talent?**

Apart from the uncertainty created by the recent job losses the respondents listed only personal reasons for possibly leaving The Agency. The potential reasons given included pursuing growth potentials beyond what the company can offer, personal problems and job opportunities closer to home. The predominant focus on personal reasons for voluntary turnover as opposed to workplace related



reasons further points encourages the retention of black staff members. However, in view of comments that transformation in recent years has been limited, it is difficult to say whether this is a factor of recent changes to the racial composition of The Agency or if it has always been an inclusive workplace environment.

One of the participants was of the view that “many people go because of personal conflict with a colleague or management. And I find that in most cases that is the reason people start looking for something else”. Notably none of the participants indicated that they were at a point of resigning due to personal conflict within the workplace. The one person who did share that she was experiencing problems with her immediate manager also indicated that she would be meeting with her manager that afternoon to discuss her issues, further evidence of the people-focused culture of the company.

## **6.7 Conclusion to the discussion of results**

This research sought to answer two questions. The first of which was whether black leaders have a positive influence on the culture of the organisations they lead? Clearly The Agency is complying with the requirements of the Employment Equity Act of 1998 with the percentage of black top managers increasing from 22.2% in 2006 to 50% by 2008 and that of black senior managers from 11.4% to 22.2% during the same period. The experience of the current organisational culture is positive yet staff interviewed for this research project argues that the



company has not tra the influence of black employees at top and senior management level on the organisational culture has not been felt.

The second question sought to explore the relationship between the influence of black leaders and executive managers and the retention of black talent. Despite the perceived lack of transformation none of the participants expressed any intention, at this juncture, to leave the company. But given the lack of influence on the organisation's culture by black managers it is not possible to link this to the influence of the changing leadership profile of The Agency.



## 7 Conclusion

This research sought to respond to two questions:

- a. Do black leaders have a positive influence on the culture of the organisations they lead?
- b. Has the influence of black leaders and executive managers led to improved retention of black talent?

### 7.1 The influence of black leaders on organisational culture

The results of the focus group interview indicate that, despite the increased percentage of black top and senior managers, their influence on the organisational culture has not been felt by black employees. Despite this the participants agreed that The Agency is a great place to work. This apparent disjuncture in views of the organisation makes sense if juxtaposed against the following four elements of organisational culture (Robbins and Judge, 2007; Cummings and Worley, 2005):

- a. Artefacts – observable behaviours of members,
- b. Norms – unwritten rules that guide behaviour,
- c. Values – basic convictions that inform whether a certain behaviour is good or bad,
- d. Basic assumptions – inform how members should perceive, think and feel about things.



While the artefacts, not the assumptions, are well known and have generated an inclusive and supportive organisational culture, there appears to be a lack of understanding of the basic assumptions of the black employees.

The participants suggest that one reason for this gap in understanding assumptions, and consequently a perceived lack of transformation, is the absence of formal communication structures in the company. As a result staff members do not know what the vision for the organisation is and what is expected of them. In turn the executive does not know what the expectations of the staff are.

A symptom of the lack of two-way communication channels is the absence of a common view of the organisation's culture. Participants in the all-black group interview thought that their white colleagues would likely have a different view of the organisation and face different challenges to those faced by them. Cummings and Worley (2005) present three views on organisational culture:



- Integrated view: culture as a set of beliefs about an organisation and its environment,
- Differentiated view: culture as a culmination of sub-cultures that exist in an organisation
- Fragmented view: culture as ambiguous and constantly evolving

An interpretation of the group's feedback points to a differentiated view of the organisational culture within The Agency. Broadly speaking the culture consists of a black sub-culture co-existing alongside a white sub-culture. Further research is required to understand the differences between the two sub-cultures.

A critical role of the leadership is to identify the organisations weaknesses and embed a new culture designed to address them (Schein, 2004). To be successful at this, the leader(s) needs to understand and appreciate the existence of sub-cultures within the organisation and the beliefs that inform their expectations of the employer. But another consequence of the lack of formal communication structures is that leadership is unable to drive a vision and motivate for change, develop political support or manage transition; activities that Cummings and Worley (2005) suggest are central to effective change management.

Robbins and Judge (2007) define leadership as the ability to influence a group towards the achievement of a vision or set of goals. On the other hand Anderson and Ackerman (2008) in their unpublished article 'Awake at the wheel: Moving



beyond change management' argue a challenge of transformational is that the end state is unknown at the beginning of the process and is determined as new information is gathered. This view highlights the importance of open and effective communication channels in gathering information to inform the future direction of the business.

The second pertinent concern raised by the focus group is that black management 'seem to disappear' into the white leadership. This feedback implies that, inadvertently, the work environment at The Agency is not conducive for, or supportive of, transformation. Top and senior black managers in The Agency are not given the tools to implement change. Even those who have come into the company with a vision for transformation have not been given the space and support to carry through their intentions.

Further research would be required to establish the internal barriers black managers encounter in their attempts to transform the organisation. The research should explore potential barriers in the work environment as well as those inherent in the individual leaders themselves. Participants in the focus group spoke of the lack of gender transformation and the lack of support they often experienced from black female leaders. Some of the reasons they proposed included the reluctance of women leaders to stand up and fight for other (junior) women; insecurity relating to their positions and a general fatigue with always having to fight for the recognition of women. This conversation suggests that

some of the barriers



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and behaviour of the

leaders.

The work place barriers to change may include black managers being given positions that are inconsistent with their skills (Cummings and Worley, 2005) resulting in the failure to tap into the full potential (Vallabh and Donald, 2001); a lack of leadership commitment to transformation (Zulu and Parumasur, 2009).

## **7.2 The influence of black leaders on the retention of black talent**

Answering the second research question “Has the influence of black leaders and executive managers led to improved retention of black talent” is difficult to do as the influence of black leaders in general has been limited.

The focus group did concede that the matter of transformation may have more to do with the lack of formal structures and a recognition of what is required than the racial profile of top management. In other words recognition of the assumptions underlying the culture of the organisation can be achieved by any leader with the will and correct tools, irrespective of race. In particular the gap between the expectations and beliefs of employees and that of their employer can be addressed by instituting formal communication channels that allow management to drive the vision of the company and provide staff members with a mechanism to engage management.



### 7.3 In summary

The research did not reveal a relationship between the changing leadership profile and the retention of black talent for reasons discussed herein. However the importance of understanding the sub-cultures that may exist in an organisation and the assumptions they hold was apparent.

Defining what transformation means for the company and the expectations of its employees is critical to effective change management otherwise a gap in understanding work values, behaviours and the assumptions that inform them. This study indicated that the expectations of the employees were informed by prior experiences, imported into the current work environment. Vallabh and Donald (2001) suggest that a gap between the organisational culture and that of sub-groups can impact negatively on the attraction and retention of talent.

Efforts by The Agency to address employment equity and develop a positive organisational culture are evident. Nonetheless much work remains to be done to consolidate the current differentiated view of the organisations culture into an integrated view. In an unpublished article, Ackerman and Anderson (2008) argue that transformational change requires a radical shift in mindset by both the leaders and employees. The author suggests that such transformation is required at The Agency to move beyond conforming with legislation to transforming the business to ensure long-term sustainability through effective talent and diversity management (Wocke and Sutherland, 2008; Cummings and Worley, 2005).

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## 9 Appendices

### 9.1 Appendix one – Sample of the Demographic data Questionnaire

#### Demographic data

Name of company: \_\_\_\_\_

Date of focus group interview: \_\_\_\_\_

I consent to participating in this focus group interview

Participant's demographic data: (where applicable, circle your choice answer)

Age	
Gender	<input type="checkbox"/> Female <input type="checkbox"/> Male
Race	<input type="checkbox"/> African <input type="checkbox"/> Coloured <input type="checkbox"/> Indian
Number of years employed in the company	
Level within the company	
Have you seriously considered leaving the company in the past twelve months?	<input type="checkbox"/> Yes <input type="checkbox"/> No

## 9.2 Appendix two –



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Thank you for agreeing to participate in this research project. My name is Siobhan McCarthy and I am doing this research as part of my studies towards a Masters in Business Administration through the Gordon Institute of Business Science.

The tool we will be using for this research project is called focus groups. Before we get started I will explain how today's session will work and what I will be doing with the information after today. Please stop me if you have any questions.

The focus group is a discussion, as if you were sitting with a group of colleagues chatting. You are encouraged to share your views with the group. You may disagree with each other, add on something someone else has said or just make a comment.

We will be recording the session, firstly because I will not be able to remember what was said but also because the University requires that we submit the raw data together with the research report. I am going to ask that one person speaks at a time so that the recording is clear.

To keep the data confidential I am going to ask you, in a moment, to choose a name of your favourite celebrity – an actor, singer, model or even a cartoon



character. I am going to use these names to address each other. name on your name tag

The subject of the research is how the changing leadership profile has impacted on the retention of black professionals. So in other words how has transformation at a management and board level impacted on the voluntary turnover of black talent?

Does anyone have any questions?

Before we get started I am going to ask you to complete a simple questionnaire. The purpose of the questionnaire is just to get demographic information on the group so we can explore trends and common patterns.

[Allow group to complete questionnaire]

Let's get started.

9. If someone you knew was offered a job here, would you encourage them to take the offer?

10. What is it about [name of company] that you think (does not) makes it a good place to work?



11. Apart from an offer  u leave the company?

12. Have you seriously considered leaving the company in the past 12 months? If yes, why?

13. How do you think [name of company] has transformed over the past 10 years?

14. How has the increased in black managers and board impacted on any of the following elements of the organisation's culture?

<b>Characteristic</b>	<b>The degree to which...</b>
Innovation and risk-taking	Employees are encouraged to be innovative and take risks
Attention to detail	Employees are expected to exhibit precision, analysis and attention to details
Outcome orientation	Management focuses on results or outcomes rather than on the techniques and processes
People orientation	Management decisions take into consideration the effect of outcomes on people
Team orientation	Work activities are organised around teams rather than individuals



Aggressiveness	aggressive and competitive rather than easygoing
Stability	Organisational activities emphasise maintaining the status quo in contrast to growth

15. Have black managers improved working conditions for you? Do you think your white colleagues would say the same?

16. Are you more or less or equally likely to leave the company now than before the black managers were appointed?





### 9.3 Appendix three – demographic profile of employees at The Agency (2006 – 2008)

#### 9.3.1 Demographic profile for 2006

Occupational Levels	Male				Female				Foreign Nationals		TOTAL
	A	C	I	W	A	C	I	W	Male	Female	
Top management	2		1	13	1			1			18
Senior management	1	2		21	1		1	18			44
Professionally qualified and experienced specialists and mid-management	2	1	1	22	5	1		27	1		60
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	42	13	6	73	28	18	13	138			331
Semi-skilled and discretionary decision making	4			2	4		3		1	1	15
Unskilled and defined decision making	26	3			15	4		2			50
<b>TOTAL PERMANENT</b>	<b>77</b>	<b>19</b>	<b>8</b>	<b>131</b>	<b>54</b>	<b>23</b>		<b>186</b>	<b>2</b>	<b>1</b>	<b>518</b>
Non – permanent employees											
<b>GRAND TOTAL</b>	<b>77</b>	<b>19</b>	<b>8</b>	<b>131</b>	<b>54</b>	<b>23</b>	<b>17</b>	<b>186</b>	<b>2</b>	<b>1</b>	<b>518</b>



### 9.3.2 Demographic profile for 2007

Occupational Levels	Male				Female				Foreign Nationals		TOTAL
	A	C	I	W	A	C	I	W	Male	Female	
Top management	1		1	3	2						7
Senior management		1	2	14				2			19
Professionally qualified and experienced specialists and mid-management	5	3	2	37	4	4	6	51			112
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	34	11	6	69	24	15	1	90			250
Semi-skilled and discretionary decision making	18	2		2	17	14	9	35		1	98
Unskilled and defined decision making	22	3			13	4		2			44
<b>TOTAL PERMANENT</b>	<b>80</b>	<b>20</b>	<b>11</b>	<b>125</b>	<b>60</b>	<b>37</b>	<b>16</b>	<b>180</b>		<b>1</b>	<b>530</b>
Non – permanent employees											
<b>GRAND TOTAL</b>	<b>80</b>	<b>20</b>	<b>11</b>	<b>125</b>	<b>60</b>	<b>37</b>	<b>16</b>	<b>180</b>		<b>1</b>	<b>530</b>



### 9.3.3 Demographic profile for 2008

Occupational Levels	Male				Female				Foreign Nationals		TOTAL
	A	C	I	W	A	C	I	W	Male	Female	
Top management	1		1	4	2						8
Senior management	1	1	2	13				1			18
Professionally qualified and experienced specialists and mid-management	6	2	1	33	3	7	3	58			113
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	29	13	9	77	30	17	6	114			295
Semi-skilled and discretionary decision making	22	4	2	7	28	10	4	33			110
Unskilled and defined decision making	26	3	1		14	5		2			51
<b>TOTAL PERMANENT</b>	<b>85</b>	<b>23</b>	<b>16</b>	<b>134</b>	<b>77</b>	<b>39</b>	<b>13</b>	<b>208</b>			<b>595</b>
Non – permanent employees											
<b>GRAND TOTAL</b>	<b>85</b>	<b>23</b>	<b>16</b>	<b>134</b>	<b>77</b>	<b>39</b>	<b>13</b>	<b>208</b>			<b>595</b>



## 9.4 Appendix four - Transcript of the focus group interview

Held at The Agency on 11 September 2009

### Brief introductions

Facilitator: Thank you for agreeing to participate in this research project. My name is Siobhan. The tool I am using for my research project is called a focus group. Before we get started I need to explain to you how we are going to run the focus group today. Feel free to stop me if you have any questions.

The focus group is a discussion and I want you to just feel free, as if you were just having a conversation on a Friday afternoon about work, share your views, you are allowed to disagree with each other, you can add on something someone else has said or just make a comment. I will be recording the session, firstly because I will not be able to remember everything you have said but also because the university requires that we submit the raw data together with the research report. So if I can ask you to please, once the conversation gets started, to talk one at a time so that we are able to hear each person's comments. And as I have already said, to keep the data, information confidential I am not going to record your names. I will just..., if I make any notes I will just record any notes I'll use the names you have on your name tags.

As I have already said to you the subject of my research is about how the changing leadership profile has impacted on black professionals and retaining black professionals.

And I think that is about it, does anyone have any questions?

Okay before we get started I have already asked you all to complete the questionnaire. This is just to get demographic information on the group so that we



can quantify when I e: e to describe the group that I spoke to.

I forgot to introduce Pedro. Pedro is a marketing student he also collects my son, Simphiwe, from school, and takes him home for me. As well as Noemia, who is Roisin's daughter. You are not going to believe this but we only met today for the first time.

Pedro is going to help with taking notes and transcribing the data afterwards.

I do not have many questions, I am really looking for the discussion and any body can answer first – you do not strike me as a shy group!

Okay the first question.

If someone you knew was offered a job here, would you encourage them to take the job? And why?

- Okay first of all this agency is a very open-minded agency, it is got a culture of.., there are a lot of opportunities here. The culture is so that people are assisted with opportunities, whatever goals you want to achieve they are always willing to help. It is a vibey agency, its fun to be here.
- Can I add to that? If you want to further your studies they will encourage you and they'll pay for you.
- I think for me more than anything else it is the environment. From where I am coming from to come here, it is a total shift. And its more like open-minded like you said, they are more open to you – how do I put this? It is an environment that fits in with you type thing, with who you are. It does not stop you from doing what you set out to do whatever you want, whatever's important in your I life. I have found it to be quite flexible plus accommodating other things in my life



- You find that they are very supportive about its employees. Their well-being. They have an open-door-policy there is always someone to go to, to talk to. They are neutral they'll look at both sides of your problem; they will not just look at one side of the pancake. That is very, very important. If you are under a lot of stress – financial, whatever it is – there is always somebody there to talk to. Somebody who'll try and help you somehow
- I'd like to add something, especially on the support side of things. The support from management, from colleagues and from people that I work with, that for me is just truly amazing. (Overwhelming actually) Yes. Truly amazing because you can imagine someone like me who's a single mum, with 2 kids, still with a career and whatever it is just so flexible. They are really supportive so to be really honest with you I would not really move for anything else because that is what I need, flexibility
- And like I said they do not just look at your professional life. Even personally we got something like a helpline – it is called Heartmatters, 24 hours a day you can call the line if you do not feel like talking to your manager or HR, there is always somebody to listen to you with whatever problems you have got.

Facilitator: who mans the helpline?

- Its external
- The careways group
- If you wake up one day feeling suicidal....

Facilitator: I think we need one in Home Affairs! Or maybe I should call yours (laughter) Anything else?

- They encourage... have lots of fun, party hard, but we work hard and party even harder.



Facilitator: I think one of you said you would not leave if you had another offer but if you did have another offer, apart from more money, what would you leave the company for?

- Probably for experience, if you feel that you have reached your goal here and you need to spread your wings then that is when you also opt to leave
- I would not because I come from a very different background. I have never been in advertising I have been forever in HR, doing recruitment and I think the agency..., I feel I can still grow and add more to what I have got especially with the other departments they have got. I think I can still grow rather go to another agency
- And other thing in this agency I have seen that I always say I am going to grow and I have moved around a lot in the company, well within the department that I am in, I have moved around on different accounts because I wanted to get experience so that is the kind of company we have you can get experience which makes it difficult to leave because you can get experience in the agency
- But you could leave to try something else not necessarily related to advertising like maybe you want to be the client
- Yes then maybe..
- I think generally we all have different reasons why we want to change jobs I mean for me proximity a big issue, I live in Pretoria and drive to Joburg everyday. If I was to get a job in Pretoria I would definitely consider it. So it is various things but at the same time you are not looking, you are not out in the market trying to find another job but if that opportunity comes through I'll take it.

Facilitator: I can make you an offer – you can have my job and I can take your job here because I live in Joburg!



Facilitator: Have you ε the company in the last year or so?

- Unanimous “yes” (yes, yes, yes, yes)
- When we were going through retrenchments. Not in the last 12 months but in the last 6 months a lot of people I know – I’ll just speak generally, you start thinking actually maybe I should start looking. You feel horrified (you do not want it happen to you). I feel unstable, insecure, all of those emotions – feeling vulnerable

Facilitator: so you have recently gone through a retrenchment process?

- Not once twice.
- But now things seem to be stabilising we are obviously hoping the next year will be better

Facilitator: And apart from the retrenchment, did any of you consider leaving for any other reasons?

- I have. It was just really a personal problem that I was really, really going through. And I felt I was not coping and I could ....I really thought it would be better to take time off but my boss did not agree with that instead I took time out, for to be able to deal with whatever, and the support - that is what I meant, the support is overwhelming. At that point you know when you are at that point it was the best decision I could do. With the support I got I see that that is not the only way to handle it, that there are other ways I could do it while I was still here
- I got approached about 6 months ago by another agency, which from the outside I thought was similar to this - vibey, lots of young people, opportunities and I said I was not looking at the time, they called me, I thought I had nothing to lose. I went there, threw some ridiculous amount and they said they’d think about it. When they accepted the offer then I thought oh my God what did I just do? I had already accepted everything,



signed the contract. I thought about it, I was not ready to leave. That not what I wanted.



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Facilitator: And why was that?

- I got scared it thought to myself I have set goals for myself here they are achievable; I am being supported and assisted by the company to achieve those goals. Why am I leaving really? I am comfortable with the salary I am on, I love the environment, I know everybody here and I am achieving my goals. The grass is not always greener on the other side. And I spoke to a couple of people just to get advice and it was a 50/50 response but at the end of the day the decision was mine and I decided to stay. A decision I am very happy with.
- I think many people go because of personal conflict with a colleague or management. And I find that in most cases that is the reason people start looking for something else. The salary is the same and pretty much everything is the same, you just decide to go because you are not coping with the people around you, it could be...., then you decide you know what its not worth doing this anymore. You have just got to go if you feel you're not being .... Especially someone in management. That can be a reason to go

Facilitator: that sort of links to my next question. I have not asked everyone how long you have been here. Over the past, let's say 10 years so it covers all of you, do you think the company has transformed?

- Unanimous "no" (no, not at all!)

Facilitator: why do you say that?

- Because I am the same age as everybody else that I work with and two of them are group account directors and I am still an account director yet I have 10 or 11 years experience



Facilitator: and are the:

- Yes. So this for me is a sore point and I have been here 5yrs, I think I have proved myself and also I have not been at another company more than about 2½ years so if I feeling like the world is against me which is my own shit, besides that 5yrs is a long time so I either need to make a break or get what I want so yep
- We had one black woman on exco, if she was still here she'd likely be on exco, there are no other females at director level, she was the only one – no white, Indian, whatever so it just goes to show that we have not really transformed.
- And then there was talk about some...
- Even middle management – when you think about middle management its white (apologises to Pedro) – there are a lot of ladies, a lot of females but they are all white. I think there might be one black lady but everyone else is white. Even .... They are all white except 1 or 2 who are black if I am not mistaken
- And there were these apparent shares that were spoken about and were handed out to be people. We had an announcement but we do not know what the criteria is, who got these shares or anything like that so I am thinking I am black I have been here for a long time why did not anybody speak to me about it? I do not know where these shares are, you know what I mean? What happened to them? I do not have information about them I think that is strange. They are just spoken about in vague terms, BEE shares.

Facilitator: My next question was going to be - Has the increase in black managers, and black board members – you do have black board members according to your website – if that has impacted on the culture. But if you are saying that you do not have any black managers then – the few black managers that have come in – have they played a role in transforming the culture?

- No (no, no)



- No I have noticed in senior management, do not last that long and I have never really understood why and, I do not know if the website has been updated – I have not looked in a long time but as of now there is not one black woman on the board (Facilitator: there is a black man?) yes there is a black man and the other is a non-executive chairman so that is two
- I think, from my own observations, that the way the Black leadership dissolves into white leadership and the white leadership sort of act – I do not know – for lack of a better word, act transformed. Like when you talk to them you get the sense that they are transformed, that they understand black people, understand black culture, black sports type thing but I think it always go back to where that white person still comes out in spite of the situation. In conversation you would get the sense that oh this person is cool. When it comes to really making those decisions, making it happen, it either goes that way and it will not be accommodating for everyone.

Facilitator: Do you have any examples of the sort of decisions that you expected someone would drive in a particular direction and then....

- We recently had a new executive creative director who came from outside and personally I thought there were 2 directors – 1 black, 1 Indian – senior people that I think could've been given that opportunity. 1 of them has been here, the other has been here 9 years and they have both left
- Were they interviewed?
- I have no idea. I just - my perception is that they were senior enough to rise to that position and they weren't. I do not know, I was not a fly on the wall so I do not know if but I am sure that that had something to do with why they are not here now
- From what I was told 1 specific person, who has left now, he was offered that specific position but he declined it when they introduced the whole ECD (executive creative director) thing



- Just to add onto what we observed that we got someone quite senior who came into the agency, black, young person, understand that he was visionary to drive the agency in a certain way. But I mean at the end of the day I could see that he was being stifled now because he was forced to report to a white person as much as he wanted to lead the agency in a particular way at the end of the day.... (he did not have much of a voice)

Facilitator: did he also leave?

- No he's still around. He's trying.

Facilitator: and your working conditions – the culture in terms of .... in the beginning you were all very excited about the culture and the vibe – has that stayed the same, has it always been there or did it change with the New South Africa, transformation, as more black managers came in? Do you think its just The Agency? It is just the way The Agency has always been?

- I think its just advertising
- I mean our bosses are very flexible, you can rock up at 9 no-one asks why you are late, long lunches leave at 3 when we can. Look we do work overtime without pay, we do have..., we do take long lunches, you can go have a manicure do your hair, it is very flexible but that is just advertising

Facilitator: working with your colleagues, do you find there is still, like in many organisations, that racial segregation when you come to socialise or when you work in teams?

- Of course. Very much there
- Its still there

Facilitator: Does management try and get you to all play nicely together

- The one thing I have picked up and its just my observation it that communicators are very bad at communicating in an environment like this



when you look : communicating more and we should integrate people more and we should have newsletters that are vibey and fresh and there should be communication that is going on and its seldom that you find leadership talking in that sense mostly because there are not formal structures your leadership can't encourage everyone when there is not a platform basically they only talk when they have to. Then they talk about shares, they talk about whatever the hot topic is at that time. But you can't see the leadership culture being embedded, being inculcated to every body else in terms of how do they want everybody else to interact what is the culture from that sense from a leadership point of view. There is not that much visibility that is what I have seen and there is not much talking in terms of what is expected as far as I can see and comparing from where I come from where you would find people talking about integrate – we want to see this, we want to see that its does not really come out from people who are not talking. Leadership is not talking. At times I do not see - as opposed to a corporate – maybe I have been in corporate too long but I do not see visions, and missions and communicated like at ABSA you would see the values everywhere. I know we have brave heart where everyone is – I am too knew to understand the concept, I know I have been through it before but its not that much embedded in everyone that we have one message, one goal, this united front. I do not know that is my opinion

- I was just going to ask – do you think that perhaps management does not see that there is a leadership issue?
- I do not think that they see it. That is why they do not do, why they are not doing what you are saying. They do not see it (the need) - yes

Facilitator: do you think that would be different if there were more black managers at that level. Do you think that they would be able to pick up that there is a need for someone to pay attention?



- Maybe. And ma aying as well as people.  
Are we giving them feedback that there is no communication there is no...  
are there those sort of platforms? I know we did that feedback thing (that  
staff survey) It does not have much information really. I'll give you an  
example. There are time where I felt I could've been warned in advance  
and I am pretty sure that somebody knew about it but because there are  
not platforms where you're told that this is the situation it hits you at the  
11<sup>th</sup> hour that you are part of this big thing and you never knew about it  
before you know type thing. I feel in my experience even when things are  
tough you do not bury your head in the sand, you go back to tell people  
guys its bad it could turn out this way or that way and everybody is sort of  
on the same page before you actually break the news at the moment you  
need to type thing. I just felt lost, I felt like communication is not happening  
the way it is supposed to. The one time we had a meeting for that heart  
matters thing and people were asking where's this thing communicated?  
The few people who were here when it was launched knew about it but  
communications in terms of this is what, for the new people because I was  
new invited to this meeting and yet I'd never been invited before. People  
were asking how do you know this? People were telling us you can do this  
– if you're on medication you can do this, people are on medication but  
they do not know about it because there is not proper communication  
because there is not a proper platform.

Facilitator: do you think your white counter parts feel the same way / they  
experience the culture in the same way you do?

- I think it is different for white people.
- I have never discussed it with them so I do not know
- I think its different for white people considering the agency carries a white  
culture – if we are talking about culture
- They have got different issues, ours are grassroots issues



- For us..., that is [redacted] formed agency because it is still a white agency.
- You feel you have to work ten times harder (just to keep your job). You still find that some of the white colleagues, feel you are just not good enough because you're black as much as you are black and that really irritates me because as much as you are black – yes I am capable to do my job and at the same time I can still be able to. It is just that some other times the way people want to find out information from you they kind of um.. give you that type of impression before they get what they want

Facilitator: but what are the sort of issues – you were saying that your kind of issues are grassroots issues. What are those grassroots issues?

- I feel like I do not have the same opportunities as white counterparts at the same level as I do. I feel that they are exposed to more opportunity and I only get to find out about it much later and when I raise the issue of why can't I do this in order for me to achieve that, it always goes back to one thing – budget
- And I think at my level as well, where I operate, its ..my superior would come back with all this information and never discuss it with me and would discuss it with the other white counterparts, some of whom are at a lower level. I am responsible for HR matters, I should know, I should be the first person he shares this information with but he's more free to discuss what was discussed at exco meetings with his white counterparts, white employees, because, I do not know they interact easier or whatever. He needs a platform to discuss it with me but the information is delayed and I only get it a week later or whenever we have a meeting
- My issue even goes deeper than that because my manager is black

Facilitator: so you're saying your black manager gives your white counterparts...



- How it operates head in the other unit is at the same level as her in a different team, gives opportunities to her team but my black manager does not do that but she is able to

Facilitator: Why do you think that is? Is it a trust issue that she does not think you are capable?

- (lots of discussion)
- No she does not have the power / voice to say that
- I do not think that is the case – one she is vocal, two she can walk into the CEO's office anytime.
- Okay so basically they'll give her anything she wants? I do not know what's going on but she can ask for something and she'll get it, they'll not sideline her
- I think there is a tendency of not fighting for our staff as leadership; I have seen it with most black female leaders. We sort of, and maybe I am generalising, where the other boss would fight for their people you sort of say 'uh they are fine where they are'. You do not want to put your employees on a pedestal and say that they are working hard. Not given that voice
- I think also its I have been fighting for so long – I have had to fight to get to where I am today why do I need to fight for all these other things. I fight my whole life
- And then when you resign that is when they notice that maybe we should have actually sat down a long time ago and talked about the career path and all those things
- That is why I do not do counter offers
- I think some of them, when you get to push what you want, I am talking about the female leadership, when you get to push for what you want they somehow feel threatened. In such a way to say oh okay I do not know why they feel threatened because you are below them and you are pushing to



Facilitator: Is this for white managers or black managers

- Black
- I think for both because I am finding that where I am sitting at the moment I have a white manager. I am not given the opportunity to spread my wings and fly. Like my manager is so protective over whatever she's doing that she's not giving me the space to do what I do and show my capabilities. So from my point of view I think black and white they tend to get insecure and think okay this one in 6 months time I want to take her job
- But what disappoints me the most is that, from a colour perspective, you would think that you are in a senior position so that you can pave the way for other black sisters who are beneath you so you can make it, not easier, but afford them the opportunities that they never had. I am in a position where you know I am qualified, you know I am capable but you're just standing in my way – why? Why? It angers me from a personal level and a professional level

Facilitator: And have you had conversations with your boss?

- I am going to have it this afternoon
- The one I actually .. I find that the ones that are actually clueless, knows nothing about their job, those are the ones that are .....the opportunities so, that I really do not understand
- Because they talk more than they work
- I guess it is different for everyone. I swore when I left government that I am never going to be such a leader I am not going to manage people the way I was managed. If you talk to people that I manage you'll find that I have definitely not taken that route – I integrate with them, I communicate with them the way I am supposed to there is a difference between me and them and the way I was treated where I come from. I sort of step to their



level and you c: I am at the level I am. I really swore that I'd never be that person, I am never gonna be like that.

Facilitator: Does anybody else have people that they manage? Black or white? How do you think they would respond if I was having this conversation with them about you?

- I do have people that I manage

Facilitator: black or white?

Facilitator: How do you think they would respond

- I think they will respond well. I think on my side one they were gonna respond because I am from their environment too I am black, female before that I was reporting to a black man who gave me opportunities. I would like to treat people the way I want to be treated and give other people opportunity the way I'd like to be given opportunity as well so yah another thing is I had 2 people but another had to leave because we did not have enough budget and her contract had finished but if had a say I should have kept the one who left and let go the one who stayed behind

Facilitator: So the decision was made on the basis of whose contract came to an end?

- Yes and I think that as well was done intentionally because of race as well but yah if I had a say I should've kept the one who left because she knew her story

Facilitator: do any of you come from another environment, before The Agency, where the black leaders or black bosses even if they weren't at the top – empowered their staff particularly their black staff, particularly the women. Did any of you come from that sort of environment? Could you share your story with us?




- My first advisor was a black woman and she was an account manager but she really held my hand and walked me through everything my first, she helped me and did everything the way that is what I got from her and after she left and then I actually got a black male boss who was even better than she was. He was more senior, I guess he could give me more like a different kind of knowledge because he was more senior than she was. So yah in that agency whatever say 2 years of my life was a really good experience with black manager.

Facilitator: do you think it was the culture of the agency that allowed them to do that or do you think they were particularly good leaders or a combination of both?

- I think it was the culture of the agency. I just feel that the agency was umm, I feel that they were, that they really wanted to grow people they really were interested in growing the team and some people they were really open and trained and studied and all those kind of things, really good.

Facilitator: Some one else also said they were from such an environment


- Yes not my previous one but where I worked before. It was an agency that was led by black people actually and I also feel that the culture of the agency and the way the leaders made sure their people including the white counterparts were treated was fair and it made us feel all

equal. My st  UNIVERSITEIT VAN PRETORIA  
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YUNIBESITHI YA PRETORIA guided me and showed me even out of the industry and yah that is where I felt there was more to the advertising industry because it gave me confidence to continue and explore and see what's out there.

Facilitator: I want to ask a hypothetical question. If a group of black professional came in this afternoon and bought the agency. You all get to work on Monday and you have a whole new management that is predominantly black – lets not get rid of all the whites, do you think the culture of the organisation – what do you think would happen?

- I'd say that it is not something that would change overnight
- It is still something that will not change overnight. I still go back to my 'you communicate there is a culture you decide on – it is like getting married. You marry someone from a different culture and there is due diligence – what language are we going to speak, you want to be mobilised, we try growing the company, we want everyone to be equal, we want so even the person at grassroots is aware of the direction the company is going management actually wants to hear what they are about what they want so it has to be open. You have to open lines of communication, bottom up; top down so that everyone is aware of where the company wants to go black people can run the agency but still not talk. The fact that they are black does not mean that they'll transform the company so



- Depends on the  they can come here and not make a difference
- It depends on that walk in the corridor. Leadership that will change the whole organisation. It depends what they are saying, what they are doing but yah make everyone follow but if they come in and act as white people, it will not help us. It is about what we want to achieve. Are we bring in black leadership just for the sake of changing it do they have a vision, do they want integration, do they want people to be one, do they want unity. Objectives, make sure that everyone buys into them
- We actually worked for an agency that was blacked owned, one of the first and it was fun. It fun open-door police literally you could walk into the MD's office anytime talk, do whatever, it was fun. We played when we played but we worked, we worked hard and they were very successful at that time. I mean agencies go through life cycles so like you say it depends on what type of black person it is
- I think leadership just needs to be seen more, talking, and what I see around here is people who talk to leadership because they have been here a long time and they have the relationships I do not see leadership making an effort to get through to anyone. It is a situation where communicating successes on an email, they'll copy the CEO because they know him on a first name basis, John this and this happened so its people with longstanding relationships it makes it easier for them to communicate as senior management because they knew john before he was whatever. Or



they interacted · you know what I mean and for someone that has just joined the agency and has never had the opportunity to meet John and you know you do not have those lines of communications. Its easy for them to say integrate, talk to these people

- They need to open up that channel
- Credit to them especially to management, they think they are communicating and I think that is why they do not give it... yes they are communicating but maybe they are not communicating enough there is no platform because they have had something like a ... before but its not something that can really you know there are other issues that you cannot just send an email and announce there are issues that you can do that I do not know. I do not know how its going to help
- If you look at the structure of the agency itself. How it is now, there is no interaction between middle management, communication takes place at that other end of the food chain and across the board I would feel that it would be appropriate for unit managers to have meetings they could discuss things at that level. Account directors should have a platform where they sit around the desk as and have these discussions and interact but those platforms are not there. Exco meetings at that level and they discuss whatever they do and if you are lucky you'll get feedback and they'll tell you what was discussed there if not it does not happen so that is where it ends hence at business unit level you do not even have

interaction to know that it is not going to happen throughout the agency  
there is no communication taking place at that level that is my feeling



Facilitator: Do any of you in your goals, your visions, see yourself sitting on the board at some stage?

- Not me
- Maybe not here but somewhere else yes
- I just want to get a sense of how many of you think that, within The Agency, I need to get
- Considering the politics yes. But as a woman you want to grow and the way I feel is I am intelligent enough to get to that level. And the politics, yes they will be there but have input that would become valuable at some point. Yes you'll have to fight the politics, no-one said it would be easy so given the opportunity I would grab it.
- What position would we need to be in to be on exco?
- Well that is the problem – the structure itself does not
- ...director kind of position because no even the
- The structure itself does not support because even my MD does not sit at that level so that structure needs to be relooked to accommodate more levels so that when decisions are taken they are in a position where that person can come back and communicate they're just too many
- There are 2 MDs who are on exco one from Cape Town and one from .....
- And why not the others, it does not make sense



Facilitator: What about your senior management posts – cluster heads? Do any of you see yourselves getting those posts in the not so distant future?

- I will progress and I'll never say no

Facilitator: Thank you very much ladies