



TOWARDS GUIDELINES FOR EFFECTIVE DIVERSITY MANAGEMENT IN SOUTH AFRICAN ORGANISATIONS

By

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Submitted in partial fulfilment of the requirements for the degree

**MAGISTER COMMERCII
INDUSTRIAL PSYCHOLOGY**

in the

FACULTY OF ECONOMIC AND MANAGEMENT SCIENCES

at the

UNIVERSITY OF PRETORIA

SUPERVISOR: PROFESSOR K.J. STANZ

5 December 2011

DECLARATION OF ORIGINAL AUTHORSHIP

I, *Jan-Adriaan de Beer*, declare that “*Towards guidelines for effective diversity management in South African organisations*” is my own work. All the resources I used for this study are sited and referred to in the reference list by means of a comprehensive referencing system. I declare that the content of this thesis has never before been used for any qualification at any tertiary institute.

Jan-Adriaan de Beer

5 December 2011

ACKNOWLEDGEMENTS

I would like to express my deepest gratitude to the following individuals for their invaluable contribution to the completion of this study:

- My Saviour and Lord who has blessed me with the means and opportunities to study.
- My wonderful wife who has supported me throughout my endeavours and who has sacrificed much towards my goals.
- My employer, for accommodating me without hesitation at every request for leave.
- My in-laws, for their interest in our wellbeing, and tremendous support throughout the course of my research.
- My study leader, Prof. Stanz for his guidance and availability, at short notice mostly.
- To the skilled individuals who took on the enormous task of language and document editing.
- Lastly, a special word of thanks to my incredible parents without whose love, encouragement, guidance and steadfast support this research would not have been possible.

ABSTRACT

In the current day and age, South African organisations are faced with many unique challenges in striving to manage an increasingly diverse workforce. The purpose of this study was to develop guidelines for effective diversity management in South African organisations.

In order to understand what effective diversity management means in South African organisations as well as the various contextual factors at play, a qualitative approach to the research was utilized through the core methodology of Grounded Theory. In the first stage of the research, relevant literature on the subject was scrutinized. This included an overview of the conceptualization of workforce diversity, theoretical models for the management of diversity, barriers to effective diversity management and best practice methodology in the field of diversity management. After identifying key points from the literature relevant to the study, a semi-structured in depth interview schedule was developed and the elements from literature used to guide the discussions with participants during the data collection phase. Purposive sampling was used to identify participants and criteria defined by which participants were selected. Participants were approached for the purposes of obtaining their inputs to the study in their capacity as subject matter experts within the field of diversity management. Interviews were conducted until a point of data saturation was reached. Data was analyzed according to coding methodology and with the use of a systematic coding tool, ATLAS.ti.

Three main themes were identified from the data, namely *Diversity philosophy*, *Contextual factors influencing diversity* and *Diversity actions*. During the discussion of results, findings were compared with the most prominent elements identified from literature. Subsequently, the researcher was able to identify guidelines for effective diversity management in South African organisations.

The aim of the guidelines is to assist diversity practitioners in South African organisations in understanding effective diversity management, prioritizing diversity initiatives and making decisions that will enhance the effect of diversity on the business.

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CHAPTER 1

1 GENERAL INTRODUCTION

1.1 BACKGROUND TO THE RESEARCH

Managers in public and private organisations are searching for guidelines to deal with increasing workforce diversity more effectively. In research conducted by Cox (1991), it was established that organisations may develop a competitive advantage with regards to problem solving, creativity and adaptation to change by making the most of the possible advantages of a diverse workforce. Effective diversity management has become essential to organisational success.

Rosado (2006) argues that managing diversity is not a new concept. Various empires have managed diversity most effectively in their historic colonisation efforts. Although they considered their efforts to be effective, the majority group had used diversity management to enforce the exclusion of groups that look, sound and think differently than the power of the day. In contrast, present times present a different requirement for effective diversity management – one of inclusion. This requirement necessitates current day diversity practitioners to strive towards maximizing the benefits of workforce diversity, while at the same time minimizing costs. In a study conducted by Cedric Herring (2006), using data from a survey that involved 251 U.S. for-profit businesses, it was found that organisations with higher racial diversity reported better financial performance. It can thus be said that diversity is a potential source of competitive advantage, and the effective management of diversity will benefit business in return.

From the abovementioned, the answer to the question whether diversity requires management or not, is evident. Diversity practitioners are now faced with the challenge of determining how to approach it. The poet Audre Lorde (in West, 1993:63) states that diversity initiatives fail because “we have no patterns for relating across our human differences as equals”. The study of diversity management has been striving to find solutions for Lorde’s argument by yielding patterns, researched models and theory

through which diversity practitioners might better understand and manage the consequences of the differences and similarities of individuals in the workplace.

There is a large amount of theory available on diversity and it can be said that diversity initiatives are in essence a process of implementing change. It is therefore important to understand the elements that constitute successful diversity management in specific contexts, in order to gain an idea of which particular model and pattern to use when facing diversity management issues. When decisions on how to approach diversity are based on theory and research conducted in the field, it is also important that the research which feeds into the topic at hand connects with practice (Hayles and Russell, 1997).

1.2 MOTIVATION FOR THE STUDY

The motivating factor of this study pertains not so much to a particular problem, as to a need to understand the state of current diversity management practice in South African organisations. The purpose is twofold. Firstly, the importance of effective diversity management in South Africa within the current day and age cannot be overemphasized. There is a need to understand the approach of South African organisations towards diversity management and to gauge the attitudes, actions and decisions of managers who are responsible for the field and subsequently the climate in their organisations. Awareness of the manner in which South African organisations define and approach diversity success is important in understanding these organisations' level of diversity maturity in the South African diversity landscape. Furthermore, there is a need to understand which elements can currently be attributed to effective diversity management within South African organisations.

Secondly, when reviewing diversity management practice, it can be assumed that most organisations base their methods, processes and decisions in terms of diversity management on theory that derives its rigour from research in the field. Seeing that cultures and industries differ, theory derived from research needs to be contextualized so that the actions taken to manage diversity are relevant. Due to differing contexts of practice, existing generic diversity management theory and frameworks run the risk of providing irrelevant and misleading guidelines to South African organisations that strive to

effectively manage and utilize the growing diverse workforce and challenges pertaining to it. To guide South African organisations in effectively managing diversity, it is imperative that the theory upon which practice is based is constantly revisited and reconsidered. This will ensure that diversity management initiatives remain relevant to changing contexts.

The problem statement for this study is:

There is a need to understand how diversity management can best be practiced in the current South African organisation. At present, most guidelines for effective diversity management are derived from international theory as opposed to practical input from corporate South Africa. Consequently diversity practitioners do not have sufficient reference for the successful application of diversity initiatives within the current South African context.

1.3 PURPOSE OF THE RESEARCH

The purpose of the research is to identify important guidelines for effective diversity management in South Africa. On a secondary level, the study may create awareness of the key foci of diversity management for South African organisations while also highlighting theoretical guidelines and best practices from literature relevant to the research context. In the researcher's opinion, the abovementioned will provide diversity practitioners with valuable information where prioritization of actions and decision-making are concerned. It will also give an indication of the international guidelines used for effective diversity management and that are therefore currently relevant in South Africa.

1.4 RESEARCH OBJECTIVES

The research aims to meet the following objectives:

- To identify guidelines for effective diversity management in South African organisations;

- To identify international approaches, focus points and practices from literature for effective diversity management;
- To explore effective diversity management for the current S.A. organisation;
- To explore current challenges faced in diversity management in S.A. organisations.

1.5 RELEVANCE OF THE PROPOSED STUDY

Although workforce diversity and affirmative action are universal issues faced by most organisations internationally, the history and challenges faced in South Africa add particular significance in this regard. The apartheid policy has given South Africa the legacy of a country with one of the highest levels of societal inequality in the world. The ANC, when it came into power, implemented affirmative action and employment equity to bring about transformation and equality. This unfortunately added racial, religious and cultural discrimination in the workplace to the issue (Zulu and Parumasur, 2009).

Diversity practitioners are left with the daunting task of creating an environment where differences are valued, where people who look, think or talk differently can work together productively (Nieuwmeijer, 2001). Additional to this, there is also the challenge of effectively designing management procedures and practices in a manner that is conducive to diversity.

As a result, understanding and presenting the key focus points and practices related to diversity management within the current South African context is likely to provide clarity on the relevance of existing theoretical guidelines for diversity management. Furthermore, developing relevant guidelines for diversity management in this regard should contribute to the impact of diversity management in organisations as diversity practitioners will be able to focus their energy on relevant efforts.

1.6 DELIMITATIONS AND ASSUMPTIONS

The study was limited to South African organisations. Although the findings may be applicable to other organisations, information will only be gathered within this context. The information gathered will not be limited in terms of industry or size.

The following assumptions were made:

- The successes of participating organisations in the field of diversity management are a product of the expertise of the senior HR representatives.
- The views of the participants constitute effective diversity management due to their proven success in this regard.
- Organisations that perform well in BBBEE contribution are diversity oriented.

1.7 CHAPTER OUTLINE

The following chapters are included in the research:

- Chapter Two: Diversity
- Chapter Three: Frameworks for Diversity Management
- Chapter Four: Research Methodology
- Chapter Five: Data Analysis: Open and Axial Coding
- Chapter Six: Discussion of Research Findings
- Chapter Seven: Summary, Guidelines, Recommendations and Limitations

1.8 DEFINITION OF KEY TERMS

Table 1.1: Definition of key terms

Abbreviation	Meaning
Diversity	The various similarities and differences in groups of people united towards a common

	organisational goal, on an individual and subgroup level. These differences and similarities can be present in varying degrees and manifest in aspects such as age, gender, and race, culture, ideas, perspectives and preferences. On another level however, the term diversity refers to an organisational culture of inclusion where differences are valued and accepted.
Diversity practitioner	An individual responsible or working with matters pertaining to diversity management in an organisation.
Best practices	Guidelines for effective diversity management based on benchmarking studies conducted.
Diversity model	Theoretical framework for the understanding and/or management of workplace diversity.
Effective diversity management	Management of diversity to the advantage of the organisation.

1.9 SUMMARY

The study aims to achieve greater insight into the state of diversity management in South African organisations. In examining the perspectives of diversity experts active in the field, it is hoped that the outcome of the study will present South African diversity practitioners with useful guidelines for effective management of diversity today. This can possibly form the basis for a theoretical model of success factors for effective diversity management within South African organisations.

CHAPTER 2

2 DIVERSITY

2.1 INTRODUCTION

Diversity, along with the various interpersonal and inter-group issues that accompany it, has existed in the core of South Africa's history for as long as the country has existed. When looking at the current emphasis on differences in public sources such as the media, it is evident that various ideologies, systems and societal beliefs ingrained in the current society by South Africa's past remain alive and well at present. Managing these factors poses a significant challenge for South African organisations. Thomas (2006), states that diversity can either be a source of everlasting disputes or conflict, or a source of positive prospects with endless possibilities. He also emphasises that the more adept a nation becomes at exercising good judgement in all domains of society on the matter of diversity, the brighter their future will be.

South African organisations in particular present a unique case with a myriad of previously uncharted workforce diversity challenges. In general, the country is at a critical stage of development as a post apartheid nation where the road to cultural equality, as one domain of diversity, seems more elusive than ever. Ortlepp, Bennet and Rigby (in De Beer and Radley, 2000) point out that all South African organisations have been facing the ongoing challenge of managing a workforce comprised of individuals from diverse cultures. As the tipping point of the matter is controlled by the individuals in significant positions in the political, societal and organisational spheres, these leaders have a great responsibility for taking the needed action at the right time (Thomas, 2006). Focusing on the South African organisational context, it is evident that leaders have their work cut out to take positive and lasting action in transforming vast differences of individuals into a strategic advantage.

As the nation seems to be shifting towards a non-racial society, organisations play a huge role in facilitating the change. The field of diversity management has a great responsibility to not only address inequality in the workplace, but also to drive for the transformation of the nation's mindset in certain respects. Human (1996) and Manning (1991) state that

those responsible for diversity management will inevitably have to manage resistance, resentment and aggression in certain groups of employees, at the same time considering the fears and uncertainties in others. While the broader objective of diversity management is mostly realised, the challenge remains to determine the immediate action required by diversity practitioners.

The literature review subsequently aims to provide an overview of key elements of employee diversity management in terms of the purpose of the study. The discussion of workforce diversity should be seen in the context of laying the foundation for the discussion of managing diversity and the frameworks for managing diversity.

2.2 DEFINING DIVERSITY IN THE WORKPLACE

Terms such as diversity, workforce diversity and management of diversity are imbued with many differing connotations. Some definitions focus on specific groups, whereas others take a broader stance. Some definitions place the emphasis on power disparities, while others fail to touch on power related matters (Hays-Thomas in Agars and Kottke, 2002). A definition of workforce diversity is expected to be clear cut, but instead it is a surprisingly complex matter with various intricacies in interpretation. It seems that a feasible definition can only be derived from understanding the various domains of workforce diversity. To understand diversity, we must understand the dimensions of diversity we're interested in and determine the extent of differences and similarities found within diversity. As the focus of the study is on the management aspects of diversity and not on the various kinds and classifications of diversity, less emphasis will be placed on the latter during the literature review.

For the purposes of this study, the following operational definition of workforce diversity is presented. Workforce diversity can be defined as: the various similarities and differences in groups of people united towards a common organisational goal, on an individual and subgroup level. These differences and similarities can be present in varying degrees and manifest in aspects such as age, gender, race, culture, ideas, perspectives and preferences. On another level however, the term 'diversity' refers to creating an organisational culture of inclusion where differences are valued and accepted.

Cox (in Stockdale and Crosby, 2004:9) describes cultural diversity as “the representation, in one social system, of people with distinctly different group affiliations of cultural significance”. He thus places the emphasis on the very specific differences between individuals based on nationality, gender and ethnic background and he does so from the premise that these aspects are at the core of our identity (Hays-Thomas in Stockdale and Crosby, 2004). In the typical South African organisation, employees are confronted with cultural diversity as it is defined above, on a daily basis. Individuals experience social and cultural diversity differently, and it can lead to both negative and positive outcomes.

The benefits of diverse work groups often cited by researchers and theorists alike include increasingly positive relationships, heightened creativity and increased effectiveness in problem-solving, broader market-intelligence and globalisation (Lauring and Jonasson, 2004). Proponents for diversity also contend that differences among group members will result in a variety of ideas, a wider knowledgebase, varied perspectives and skills and these can improve the problem-solving capabilities within the organisation as well as improve work performance. According to Bonn (2005) diversity related to jobs results in a greater array of possible solutions and Pelled (1996:16) is of the opinion that job-related diversity utilises experiences, skills and perspectives that are applicable to the cognitive task at work.

Prospective costs associated with heterogeneity or diversity have also been identified by organisational theorists. Diversity can be menacing and it can maintain prejudice and stereotyping, as well as “internal dissonance and anxiety” (Johnson and Johnson, 2000:454). Some authors warn that the relationship between cultural/racial diversity and work performance is more complex than either of the arguments of “better performance or poorer performance” (Richard, et al. 2004:263).

The experience of social and cultural diversity centres on the social identity theory first postulated by Tajfel and Turner in 1979. The theory has since been extended by Turner and his colleagues through the self categorization theory. This theory describes how self categorization results in the creation of social prototypes that then partly define the individual personality and also define the interaction with individuals who are perceived to be different.

The relevance of self categorisation for group behaviour in organisations with a diverse workforce is that individuals categorise themselves as part of a social or cultural group with which they strongly identify. A social group as it is referred to in the context of this study includes age, generation, gender, physical ableness, ethnicity and race. The identification with one or more of these groups result in the establishment of in- and out-groups and the assimilation of the characteristics of the perceived in-group develops into a depersonalisation of the individual's self-concept. The transformation of the self is a process underlying inter-group behaviour because it aligns the individual's self-concept with the perceived characteristics of the contextually relevant prototype and produces stereotyping, normative behaviour, ethnocentrism, cohesion in terms of the in-group, positive in-group attitudes and the corresponding negative out-group attitudes, shared norms, collective behaviour and mutual influence (Hambrick, Li, Xin and Tsui, 2001).

These complexities of intergroup behaviour have to be understood and managed if harmony is to be created. Crisp and Turner (2011) are of the opinion that the social interaction of diverse groups can endanger cohesion, resulting in poor intergroup relationships, individual stress, and marginalisation. If, however, diversity can be managed and experienced in a way that contests stereotypical expectations, the experience will have positive cognitive consequences that influence multiple domains of human action and interaction. In organisational context performance management, remuneration, recruitment and selection, training and development for example will have to be executed in a way that challenges the perceptions of discrimination and inequality that may result from interaction of different social and cultural diversities (Crisp and Turner, 2011).

Another aspect of this paradigm or definition focuses on the notion that not all facets of diversity can be regarded as equal, as all differences are not treated equally. This paradigm endeavours to address power imbalances between various groups and the consequences thereof (Hays-Thomas in Stockdale and Crosby, 2004). Hays-Thomas quotes Linnehan and Konrad (1999) for a definition of power as "the influence of one person over others, stemming from an individual characteristic, an interpersonal relationship, a position in an organisation, or from membership in a societal group".

Linnehan and Konrad (1999) are of the opinion that employees who are members of powerful groups in organisations are credited with privileges that they have not earned due to their identity group membership(s). The equalisation of power is more likely to occur when less powerful groups are able to convince more powerful groups that their interests are linked. These researchers also argue that it is important to reduce intergroup inequality in a diverse workforce for the following three reasons:

Intergroup inequality wears away the quality of intergroup relations and it also affirms the processes of social categorisation by which less powerful groups may be stigmatised. A third reason is that intergroup inequality provokes resistance and therefore a culture of resistance in less powerful groups, when they are set in opposition to more powerful groups. The facet of power or powerlessness is thus added to the description of diversity (Linnehan and Konrad, 1999).

Roosevelt Thomas' definition (2006) of diversity forms part of a more recent tendency by consultants and authors to define diversity in broader terms. He contributes to the conceptualization of diversity by stating that diversity per se is not the only matter to be considered, but also *how* diverse subjects are. He precedes this explanation by the following definition of diversity: "Diversity is the differences and similarities that exist among the elements of a specific mixture. It does not refer solely to differentiating characteristics, or to characteristics that are easily observable. Diversity is both dynamic and interactive - it cannot be predicted from external appearances" (p91).

This broader conceptualization of diversity tends to advocate inclusiveness and serves as a reminder that diversity does not only imply the enforcement of affirmative action as prescribed by law, but also entails other motivations for attending to diversity, such as benefiting from the value of different perspectives in the workplace (Hays-Thomas in Stockdale and Crosby, 2004).

2.3 THE RELATIONSHIP BETWEEN AFFIRMATIVE ACTION AND EMPLOYMENT EQUITY

The concepts of affirmative action, employment equity and the management of diversity are often used erroneously as interchangeable concepts but they differ because their origins differ. The position of the processes in the management of the workforce also differs. Affirmative action is applied when employment equity is initiated to ensure a more representative workforce. Employment equity is usually the goal of the process and the management of the diverse workforce refers to the strategies that managers apply to achieve mutual trust, respect and cooperation amongst employees with different diversities (Heinecken, 2009).

2.3.1 Affirmative action

Affirmative action in the U.S.A. resulted from deeply entrenched patterns of racial discrimination. The aim was to improve the representation of disadvantaged groups, in this case African-Americans, who were underrepresented relative to the relevant labour markets. It was meant as a benefit for society, not organisations (Thomas, 2006:53).

In South Africa the implementation of affirmative action was seen as a way to correct past imbalances and to prevent future discrimination. According to De Beer and Radley (2000) an important difference between the situation in the U.S.A. and South Africa lies in the impact of affirmative action. In South Africa the previously disadvantaged groups constitute the numerical majority of the potential workforce and when members of these groups are employed through affirmative action it results in a total transformation of the workforce.

Affirmative action in terms of employment may be termed “hiring by numbers” as a result of the focus placed on increasing the representation of the designated groups through hiring and to a lesser extent through training and development or promotion. One of the problems associated with affirmative action is that although it is intended to address inequalities in the workforce, compliance with this law does not emphasise integrating and retaining the so-called minorities that constitute the focal point of its implementation. Affirmative action, in other words, does not guarantee members of designated groups

equitable career development opportunities and rewards for the contributions they made (Thomas, 2006:54).

In the South African situation affirmative action is enforced by law to rectify the appointment imbalances of the past. Managers do not seem to apply affirmative action voluntarily and it therefore has to be enforced. Unfortunately a large number of organisations believe that if they have applied affirmative action and have reached their targets, they have managed diversity effectively. They also seem to believe that they have ensured employment equity. In the words of Roosevelt Thomas Jr.: “Diversity is not a magic pill that will solve the organisation’s market problems. Diversity is inherently neither good nor bad...if anything is inherently good, it is the craft of managing diversity.” (Thomas, 2006:56).

2.3.2 Employment equity

Employment equity refers to the attempts by the government and organisations to increase equity in the workforce. It therefore includes targets for hiring and promotion and it sets measures intended to remove discriminatory barriers in employment and promotion policies and practices so as to accommodate diversity within the workforce (Heinecken, 2009).

Employment equity is generally viewed by HR practitioners and policy makers as an organisational change strategy that is designed to improve the numerical representation and distribution of marginalised groups, as its outcome is measurable (Gonzalez, 2010).

Employment equity builds on the application of affirmative action in order to reach the set targets of employment of persons from previously disadvantaged groups. Reaching the set targets does not mean, however, that people manage to cooperate harmoniously and therefore employment equity also implies that diverse employees should be integrated into the workforce so as to establish cohesion. This can only be achieved through the management of the diverse workforce.

2.4 DIVERSITY MANAGEMENT IN ORGANISATIONS

The manner in which diversity is managed in an organisation is likely to be influenced by its definition of diversity. From the various sources of literature diversity seems to be widely regarded as a product of affirmative action principles within organisations. As previously demonstrated, this is an erroneous assumption, as diversity does not refer to employment equity or affirmative action alone. Organisations who view diversity management as a process to only ensure representation of various groups of people are likely not to reap the potential benefits of a diverse workforce (Thomas, 1996).

When looking at various theoretical models for the management of diversity, it is evident that effective diversity management is regarded as a process that creates a state of full integration (Agars and Kottke, 2002), or where multiple aspects of the organisation are managed in such a way that diversity is maintained or advanced. Managing diversity requires the nurturing of an organisational climate where the value of differences are recognized, managed and promoted. If done correctly, this should inadvertently result in an organisational culture that is open and encouraging towards diversity (Fouche, De Jager and Crafford, 2004).

2.4.1 Effective diversity management

Hayles and Russell (1997:16) state that there are common qualities shared by organisations that show progress where effective diversity management initiatives are concerned:

- “They emphasize the broad definition of diversity: all the ways in which we differ;
- They seamlessly integrate diversity management principles into all aspects of the organisation including:
 - The design of structures that support diversity (structural diversity);
 - The design of systems that support diversity (systematic diversity);
 - Marketing efforts that consistently focus on creating, understanding and serving diverse market segments (market diversity);

- Thoughtful management of the dynamics of global diversity: methods of doing business in other countries; factors influencing employment in other countries; and preparation of employees who will work in other countries.”

Effective diversity management will ultimately benefit the organisation in various ways (Cox, 1993, 2001). As per definition, effective diversity management can be seen as initiatives in this regard that help organisations to achieve its mission. Ways in which diversity could benefit organisations include the following (Knouse and Smith, 2008):

- Creating a competitive advantage for the organisation: Diversity brings different perspectives and knowledge to the organisation. It also nurtures flexibility, energy and proactive climates in organisations;
- Becoming more knowledgeable of diverse customers of the organisation: Greater diversity means greater opportunity to cater to a broader client base demographically;
- Improved productivity on complex tasks: When diversity is effectively utilized, various skills, knowledge and perspectives could enable the organisation to function more efficiently;
- Increasing problem solving through knowledge resources: When diversity is effectively utilized, various skills, knowledge and perspectives heighten the organisation’s problem solving capacity;
- Supporting innovative strategies: Innovation is supported and nurtured through effective diversity management.

From the benefits discussed we can infer that diversity management not only refers to creating a culture whereby the differences between people are recognized, understood and accepted, but it lies at the core of the way the organisation is managed. Diversity has to be integrated into processes in order to be successful. In order to classify the key diversity management practices, this study focuses on identifying overlapping elements in theoretical models as well as other theoretical frameworks. Many researchers have endeavoured to create structures, otherwise known as models, to guide diversity practitioners in relevant actions pertaining to diversity management.

2.4.2 The application of diversity management through human resource practices

As workforce diversity is an issue that derives its existence from employees who differ within the organisation, it is likely that the Human Resource function of an organisation will take ownership of diversity management initiatives. Shen et al. (2009) state that the Human Resource Management (HRM) function of organisations has evolved over the course of history to such an extent that it has become the overseer of all people management processes.

Although there are various views about the essence of Human Resource Management and therefore numerous approaches to achieving HRM objectives (Boselie, Dietz and Boon, 2005:239), it is widely accepted that the key practices of HRM which are aligned to diversity management include recruitment and selection, training and development, performance management and remuneration (Shen and Edwards, 2006). The application of diversity management is likely to mostly manifest in the decisions made with regards to an organisation's approach to these areas.

2.4.2.1 Recruitment and selection

Diversity management is widely considered as the equal opportunity of all persons to be employed by the organisation (Shen et al., 2009). In South Africa in particular, recruitment practices focussed on reserving certain skilled positions for whites before the amendments to the Industrial Conciliation Act (ICA) in 1979. However, the number of individuals representing minority groups within the management of South African organisations has increased significantly over the last thirty years (Horwitz et al. in Shen et al., 2009). Despite the fact that equal employment legislation has been introduced to promote the hiring of minorities, Shen et al. (2009) is of the opinion that discrimination is still widely exercised through the recruitment practices of organisations. Aspects such as inadequate career planning and developmental opportunities for affirmative action candidates are additional system challenges that need to be addressed to enable maturity in the recruitment practices of organisations from a diversity management point of view (Shen et al., 2009).

2.4.2.2 Training and development

Goodman (in Shen et al., 2009) states that many organisations at the forefront of their various industries have failed in training, retaining and promoting minority groups and women. It is evident that the manner in which training and development is approached within organisations have a great impact on diversity aspects such as developing competencies of designated groups. This holds true in areas such as organisational endeavours to increase the representation of minority groups in higher organisational levels as well as organisational development with respect to diversity acceptance.

2.4.2.3 Performance appraisal

Diversity management is exercised by many organisations through their performance appraisal systems, and many monitor diversity related aspects through the appraisal process (Kramar in Shen et al., 2009). However, the performance appraisal process provides opportunity for discrimination, and should be managed by keeping diversity management principles in mind (Shen et al., 2009).

2.4.2.4 Remuneration

Another HRM function that presents widespread opportunity for discrimination is remuneration. Shen et al. (2009) presents various examples of remuneration inequality in relation to group differences. Furthermore, compensation for the achievement of diversity goals could be leveraged by organisations as incentive to promote effective diversity management. Despite this fact, not many organisations provide this incentive (Allen et al. in Shen et al., 2009).

2.5 SUMMARY

This chapter aimed to explore and discuss the concept of diversity. Various definitions of diversity were presented and the key characteristics of effective diversity management were examined. It is pivotal to grasp exactly what diversity entails and how the dynamics thereof can transpire in the workplace prior to investigating how it can be effectively

managed to the benefit of the organisation. Therefore, this chapter provided an introductory understanding of the key concepts of diversity as well as glance into the meaning of effective diversity management. Chapter 3 will consequently provide an overview of previously identified frameworks for managing diversity.

CHAPTER 3

3 FRAMEWORKS FOR DIVERSITY MANAGEMENT

3.1 INTRODUCTION

There are various frameworks that serve as guidelines for managing diversity. These frameworks are mostly presented formally as theoretical models, but are also represented through more informal sources such as best practice literature. The following section will aim to provide an overview of the various frameworks for diversity management in various forms and contexts as they are available for use by diversity practitioners. For the purposes of the study it is logically deduced that the frameworks that are presented were designed to provide insight into effective, relevant and timeous diversity management practice.

3.2 INTERNATIONAL DIVERSITY MANAGEMENT MODELS

Stockdale and Crosby (2004:70) have set out to compile a taxonomy of the most prominent diversity management models in the last two decades. Theoretical models for the management of diversity are in essence built on critical and foundational elements related to the field, thus providing quality inputs for the purposes of this study.

Models and theories are useful in the sense that they provide rationales for the existence of certain relationships and the absence of others, and ultimately represent systems that resemble the nature of organisations in which the phenomena that are studied exist. They also afford researchers guidelines for research and practice that contribute to the field of organisational psychology and in that sense present useful solutions to problematic situations in organisations (Agars and Kottke, in Stockdale and Crosby, 2004:4)

In the models discussed in Stockdale and Crosby (2004), the researchers have studied various elements of diversity in organisations. Different levels of analysis (individual, group, organisational) were taken into consideration as well as differing methods of

research in order to arrive at the presented conclusions. Furthermore, the models are founded on different premises with regards to the definition of diversity and outcomes. In the following segment, the focus of various diversity management models will be addressed as an indication of best practice elements together with the detail of the models as explanatory information.

Interesting to note is that the earlier models of diversity management seem to focus on a description of the reactions of employees to the changing demographics of the workforce as a common theme. Subsequent models are more concerned with the processes by which a diverse workforce is achieved.

3.2.1 Gary Powell's group reactions model

True to the common theme of earlier models, this model also addresses the group reactions to the changing demographics of the workforce. In one of the first models on the management of diversity, Powell (in Agars and Kottke 2006:58) outlines three different approaches that organisations can take towards equal employment opportunity matters. He describes these approaches as either “proactive reactive or benignly neglectful.”

His model outlines the proactive approach as the best approach in achieving the desired outcome. In essence, he states that some organisations strive to be proactive in equity issues by nature of recognizing the significance of a multicultural workforce, and they therefore act independently from external legislative influences to ensure that employment equity standards are enforced in recruitment practices. Other organisations only comply with equity measures because these are enforced by law, and a third group chooses not to act at all, thereby facing the possibility of lawsuits, loss of goodwill from the public and boycotts.

3.2.2 Taylor Cox's three stages model

Cox (in Agars and Kottke, 2006:58) also defined three types of organisations, namely monolithic, pluralistic and multicultural, on the basis of acceptance of stages of workforce diversity and the valuing of diversity as it is reflected in organisational climate. Cox (in Agars and Kottke, 2006:58) explains that it is possible to differentiate between these

stages by evaluating the way in which minority groups and women are brought into the organisational culture, the extent to which they are part of the organisational structure, the extent to which intolerance and bias are prevalent, and the pervasiveness of conflict between different groups.

An organisation is described as monolithic if it accepts women and minorities in the workforce with the proviso that they adapt to the culture of the majority. Cox (in Agars and Kottke, 2006:58) sees a pluralistic organisation as accepting that women and minorities do add value to the organisation, but the organisation's structure does not change. These organisations will typically promote token individuals and afford them high visibility in order to prove that they are accepting of diversity.

The multicultural stage is described by Cox (in Agars and Kottke, 2006:58) as the scenario where organisational climate reaches maturity. When an organisation is truly and ideally multicultural, it has taken action in adapting its structure to concede the importance of utilizing the full benefit of its diverse workforce. Furthermore, women and minorities add value and are valued by the organisation. Minimal or no levels of prejudice and intergroup conflict represent multicultural organisations according to Cox (in Agars and Kottke, 2006:58).

3.2.3 Roosevelt Thomas's three reactions to change model (1991, 1996)

Similarly to Powell's model, Roosevelt Thomas also differentiates between three types of organisations on the basis of their responses to change in workforce demographics. These types are characterized by the elements of focus in terms of diversity and by the actions resulting from the focus. Thomas defines the types as affirmative action, valuing differences and managing diversity (Agars and Kottke, in Stockdale and Crosby, 2004:59). Where affirmative action places the focus on outward representation of minority groups and women in the workplace, valuing diversity places the emphasis on growing understanding and acceptance of differences amongst staff members.

Roosevelt Thomas once described how he would like the people in an organisation and the organisations themselves to think about diversity (Kreitz, 2008):

“As a rule, I tell people to practice “foxhole diversity.” Let’s pretend the enemy is all around and I’ve got to find people to be in the foxhole with me. I don’t have to ask too many questions. Does the candidate have all of his or her faculties? Does the person have a gun? Can they shoot? That’s about it. I don’t care where they went to school, their religion or their sexual preferences. Can they do the job?”

Thomas (Agars and Kottke, in Stockdale and Crosby, 2004:59) is of the opinion that organisations are not yet taking full advantage of the potential of workforce diversity. He argues that organisations have to strive towards changing the heart of the organisational culture to one that continually supports the collaborative initiatives of a diverse workforce.

The actions that he isolates and that depict organisations that operate in the affirmative action paradigm are: including a larger number of minorities and women; a denial of differences; assimilation of women and minorities into the majority culture; suppression of the differences with the aim of reaching the overall goals of the organisation; and the isolation of employees who differ from the mainstream workforce into special departments or functional units, geographical operations or projects.

Accommodating actions reflecting organisations’ attitudes towards workforce diversity are tolerance and the building of relationships. These organisations take an approach of valuing differences.

If an organisation manages to foster mutual adaptation, Thomas (Agars and Kottke, in Stockdale and Crosby, 2004:59) believes the organisation represents acceptance and manages the diversity of the workforce.

3.2.4 Robert Golembiewski’s organisational reaction model (1995)

Golembiewski (1995) describes the manner in which organisations react to a changing workforce demographic in five different approaches, namely: diversity under duress, equal opportunity, augmented affirmative action, valuing differences and managing diversity. In similar fashion to previously discussed models, Golembiewski (1995) arrives at an ideal scenario where organisations embody a fully mature approach to diversity management – one in which once again policies, structures and reward systems are changed to promote

the development of the acceptance of differences amongst employees and the attainment of organisational objectives as such.

3.2.5 Taylor Cox's practical process model

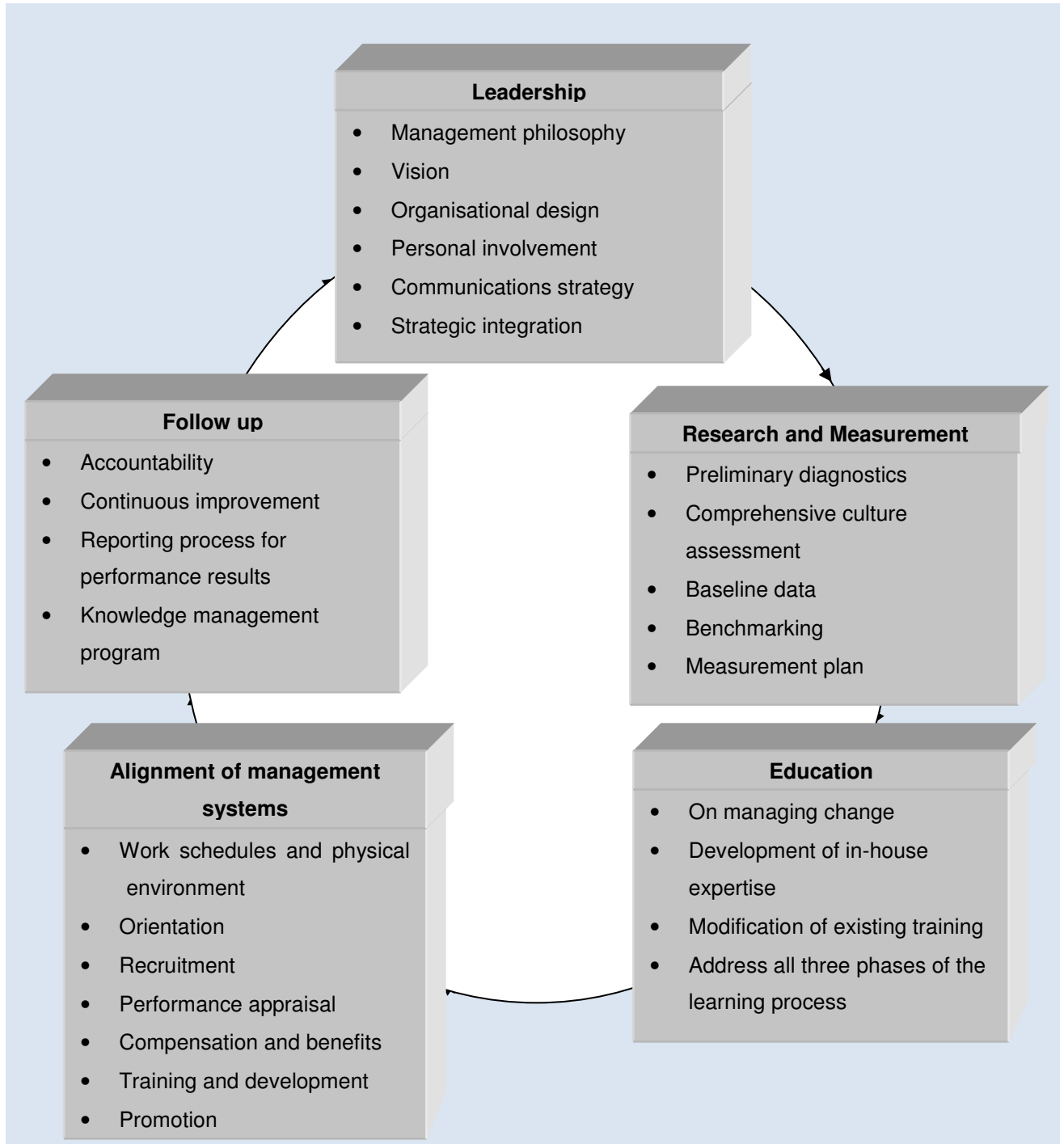
As duly noted in Agars and Kottke (2002), the models previously presented describe the ideal environment or state of diversity management, but provide little information on the change process and actions suggested to get to the desired state. Cox's revised model of 2001 strives to address the practical process aspects of becoming a multicultural organisation, as discussed in his initial model. He identifies five components in which organisations have to grow systematically in order to become multicultural: Leadership, Research and Measurement, Education, Alignment of Management Systems and Follow-up.

As the revised model indicates in figure 3.1, each component contains various actions by which organisations should evaluate the effectiveness of diversity management. When referring to leadership, Cox (2001) describes broader aspects of incorporating diversity into vision and strategy while also touching on specific issues such as communication from leadership and personal involvement. Furthermore, he points out that the measurement of diversity through research is a key component to diversity success. Organisations should apply a measurement plan in order to assess diversity competence. He also emphasises that educational activities within organisations should accommodate the organisation's diversity vision in order to facilitate successful diversity management. In-house education should focus on managing the change that comes with changing a workforce and the development of expertise. The management of diversity should also be reflected in the modification of existing training programs.

The fourth component, in which diversity has to be advanced, is in the alignment of management systems, according to Cox (2001). This refers to the adaptation of work environment, recruitment, orientation, performance management, remuneration, training and promotion to incorporate diversity into the working of the organisation. Lastly, Cox (2001) argues that follow up is also a key component of a multicultural organisation. Organisations that follow up on diversity management invest in accountability and continuous improvement in this regard. Ensuring proper reporting structures and

processes to enable the organisation to strive towards advancing in diversity is essential to the management of diversity.

Fig 3.1 Taylor Cox's revised model: Model for work on diversity



3.2.6 Allen and Montgomery's model for creating diversity (2001)

The main focus of this model is to highlight the importance of managing the change process that comes with an increasingly diverse workforce. Building on Schein's (1992) adaptation of Lewin's model for organisational development and change of 1951, Allan and Montgomery argue that diversity management is essentially a change process aimed at diversity related aspects.

This model states that effective diversity management focuses on growing or creating diversity in an organisation. Primarily, diversity creation is an endeavour to drive a change process to loosen top management commitment and vision, redefining goals and management's symbolic communication and actions. When this is open for change, diversity is introduced into the organisation or grown through recruiting and outreach programs, co-op and internship programs, training and education and mentoring and career development, focussed on diversifying the workforce. System components such as policies and procedures, job descriptions and reward systems are put into place to refreeze the new state of functioning.

3.2.7 Agars and Kottke's model of full integration (2002)

Agars and Kottke (in Stockdale and Crosby, 2004) presents a model that identifies the characteristics indicative of an organisation that effectively manages diversity. Organisations that are effective in managing diversity are described as having progressed to a scenario where diversity is sustained by "policies, practice and culture" that have been developed by the organisation. Agars and Kottke (in Stockdale and Crosby, 2004) postulate that, in the venture to effectively manage diversity, organisation will go through three stages, namely issue identification, implementation of policies and practices and maintenance.

During the issue identification stage, organisations become aware of the need for diversity management. When the organisation has reached awareness, action must take place. This is usually driven by top management and is most likely to be successful if the value of diversity initiatives is understood. During the second stage, procedures, policies and social practices are put in place to sustain the integration of diversity. This stage is marked by

formal initiatives and is evident in the organisation's approach to various practices, e.g. recruitment and selection, leadership development. And lastly, a stage of stability is reached where the practices and policies previously implemented becomes ingrained in the organisational culture.

3.3 COMMONALITIES OF INTERNATIONAL DIVERSITY MODELS

In summary, international models on diversity management share the commonality of looking at the method or approach of organisations towards diversity management, and reactions towards the changing face of the workforce.

Powell's (1993) model speaks to the essence of organisations, outlining that the principles of employment equity should be inherent to the culture. Thomas (1991, 1996) reiterates this to an extent by placing the emphasis on the integration of diversity practices, principles and beliefs into the core of organisational culture as a measure of good or true diversity management. Golembiewski's (1995) ideas also resonate with this stream of thought.

When looking at the commonalities of the last mentioned models, it can be said that the management of diversity refers to a state where differences between individuals are regarded as an attribute and not a drawback. Furthermore, a state in which organisations are prepared to adapt systems, structures etc. to facilitate the added advantage of diversity is recognized. This refers to progression from one state to the next, from reactive to proactive.

3.4 OTHER FRAMEWORKS FOR DIVERSITY MANAGEMENT

3.4.1 Internal and external forces model proposed by Norris

Although Norris (2000) outlines a framework for the management of diversity as relevant to high education institutions in South Africa, it can be applied to the broader South African organisational context. He argues that the main drivers for demographic change are twofold within the current context. Firstly, there are internal demands from within

organisations that arise from influences from groups such as trade unions and stakeholders. Secondly, there are external forces such as legislation and compliance figures that place pressure on organisations to push for transformation. Although affirmative action is the main driving force behind the current diverse workforces of organisations, the diversity it creates has to be managed. Norris (2000) states that the key is to address the issue by strategic management. He presents six factors that should be included in the strategic management process:

- Organisational Culture
- Organisational / Environment change
- Total quality management
- Participative management / decision making
- Resource development

3.4.2 The Four Spaces model for managing diversity (De Beer and De Beer, 2009)

3.4.2.1 Contextualisation

This conceptual model is rooted in theories that are relevant for the management of diversity. It was developed within the context of Social Cognitive Theory; Big five Personality Theory; Social Identity Theory; Self-categorisation Theory; Uncertainty reduction theory; Inter-group Contact Theory, and general theories related to the management of diversity in organisations.

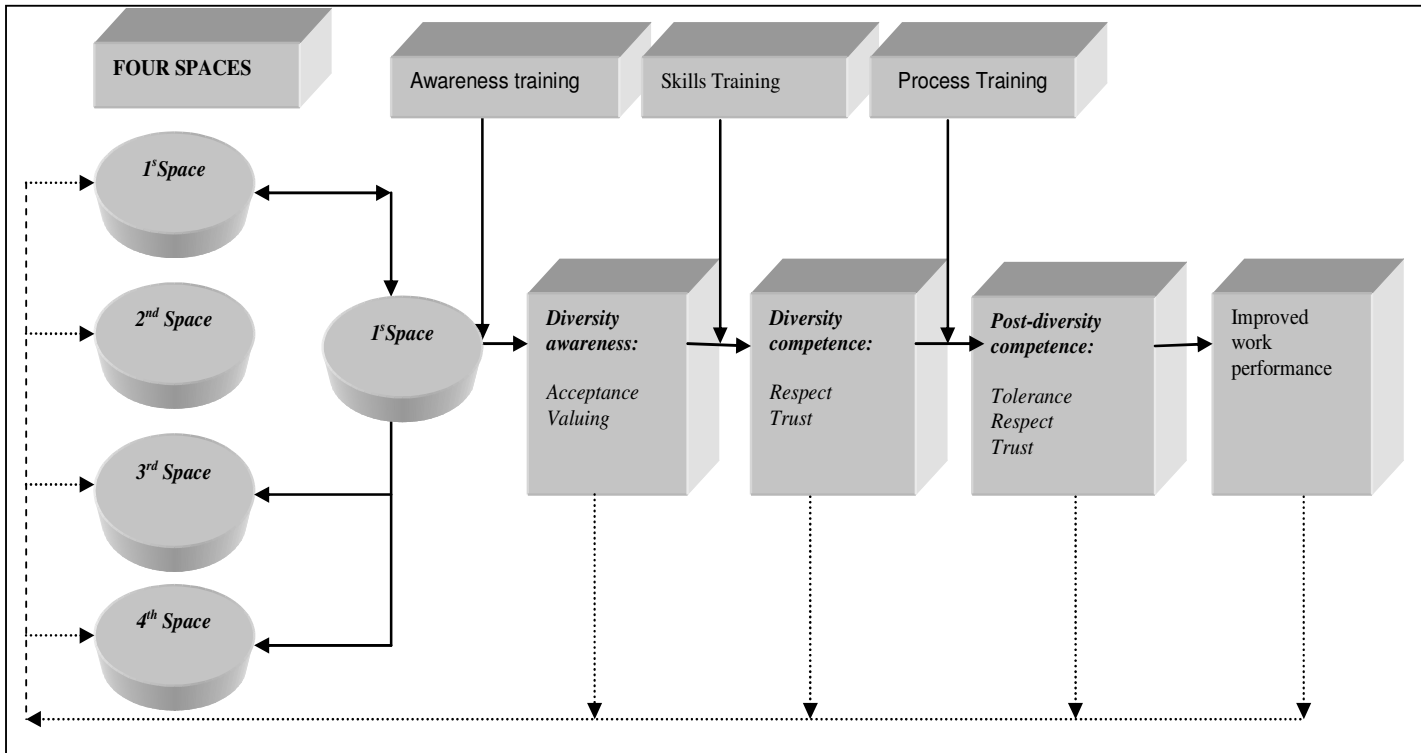
An important assumption of this framework is that the different spaces of the Four Spaces Model exist as both psychological physical and areas in which employees work and live.

3.4.2.2 The First Space

The First space can be termed an intrapersonal space. This is where human agency and personality coincide to influence and determine the motivation of individuals to act in

situations characterised by diversity and it also determines the actions emanating from the motivation.

Fig. 3.2: The Conceptual Four spaces model for improving work performance in diverse teams



The first space is based on theories of self-motivation, more specifically the social Cognitive theory of Human agency proposed by Bandura (2001:1). He describes human agency as characterised by i.a. intentionality and forethought. Personal agency also operates within a “broad network of socio-cultural influences”, according to Bandura, and it exerts determinative influence. Individuals generally adopt courses of action that are likely to result in positive outcomes and actions that may result in negative or punishing outcomes are avoided.

Employees therefore have the option of consciously embracing their diverse environment and value the diversity.

Ang, Van Dyne and Koh (2006) explain the reason for some individuals being more effective in dealing with situations of diversity than others. They examined the relationship between cultural intelligence and personality, drawing on the research of Caliguri (2000) and Ones and Viswesvaran (1997). Ang et al. uses a multifactorial concept of cultural intelligence that was conceptualised by Earley and Ang (2003) as well as the Big Five personality theory. These researchers clearly demonstrate that openness to experience is a crucial personality factor that relates to an individual's ability to function effectively in situations of cultural diversity.

3.4.2.3 The Second Space

The second space has its roots in social identity and related self-categorisation theories.

“Personal identity can be defined as an employee's own sense of who he is. It has two sources: an individual's unique history, experiences and perceptions, and membership of, and affiliation with various social groups” (Gilbert, 2003:1).

An individual's self-identity also has a social component and this involves a process of self-categorisation. Individuals see themselves as members of groups that they judge to be pertinent to their environment. The categories that individuals involve themselves with influence the way individuals think about, perceive, feel about and interact with members of these categories and it also often shape the way groups relate to other groups. Tajfel and Turner (1986) suggest that among the reasons individuals may have for affiliation with different groups may be self-enhancement, optimal distinctiveness (Brewer, 1991) and uncertainty reduction. Hogg et al. (2007) propose that individuals who experience uncertainty in terms of self-concept are more likely to identify with a specific group that would reduce the uncertainty.

This model also suggests that if members of a national culture perceive their culture to have strong cohesion, in other words to be an entitative culture, and if they have positive feelings about this culture that result in the perception of this as their in-group, they will be able to identify with that group. People who develop a distinct own cultural identity, of which they are proud, are usually not afraid to explore and learn about other cultures and may therefore be more comfortable in a diverse environment.

3.4.2.4 The Third Space

The Third Space is based on inter-group contact theory. Contact theory states that cross-cultural contact with other employees diminishes prejudice towards the other group (Pettigrew and Tropp, 2006). According to Pettigrew (2008:188) the improvement of intergroup attitudes by intergroup contact is a general phenomenon, and that “greater exposure to targets, in and of itself, can significantly enhance liking for those targets.” The relationship between exposure to other groups and increasing partiality to or liking of that group is the fact that the contact reduces uncertainty.

Miller, Smith and Mackie (2004) showed that inter-group contact facilitates the reduction of negative emotions towards the out-group, and improves positive emotions.

3.4.2.5 The Fourth Space

The Fourth space represents the shared place where all employees have to cooperate and collaborate in order to achieve the goals of the organisation.

Richard et al. (2004) maintain that there is a higher probability that employees of culturally homogeneous groups show a tendency to will tend to communicate with one another more often and also in a variety of ways. This may be attributed to the fact that they share a world-view and that they have a unified culture that results from in-group attachments and shared perceptions.

Behavioural change programmes should be instituted In the Fourth Space in order to develop mutual respect and trust among employees that will result in enhanced cooperation and an improvement in work performance. As regards content the activities and training in the Fourth Space encompass all the classic diversity management activities as propagated by many authors (Thomas, 2006; Janse van Rensburg, 2002; Thomas, 1991).

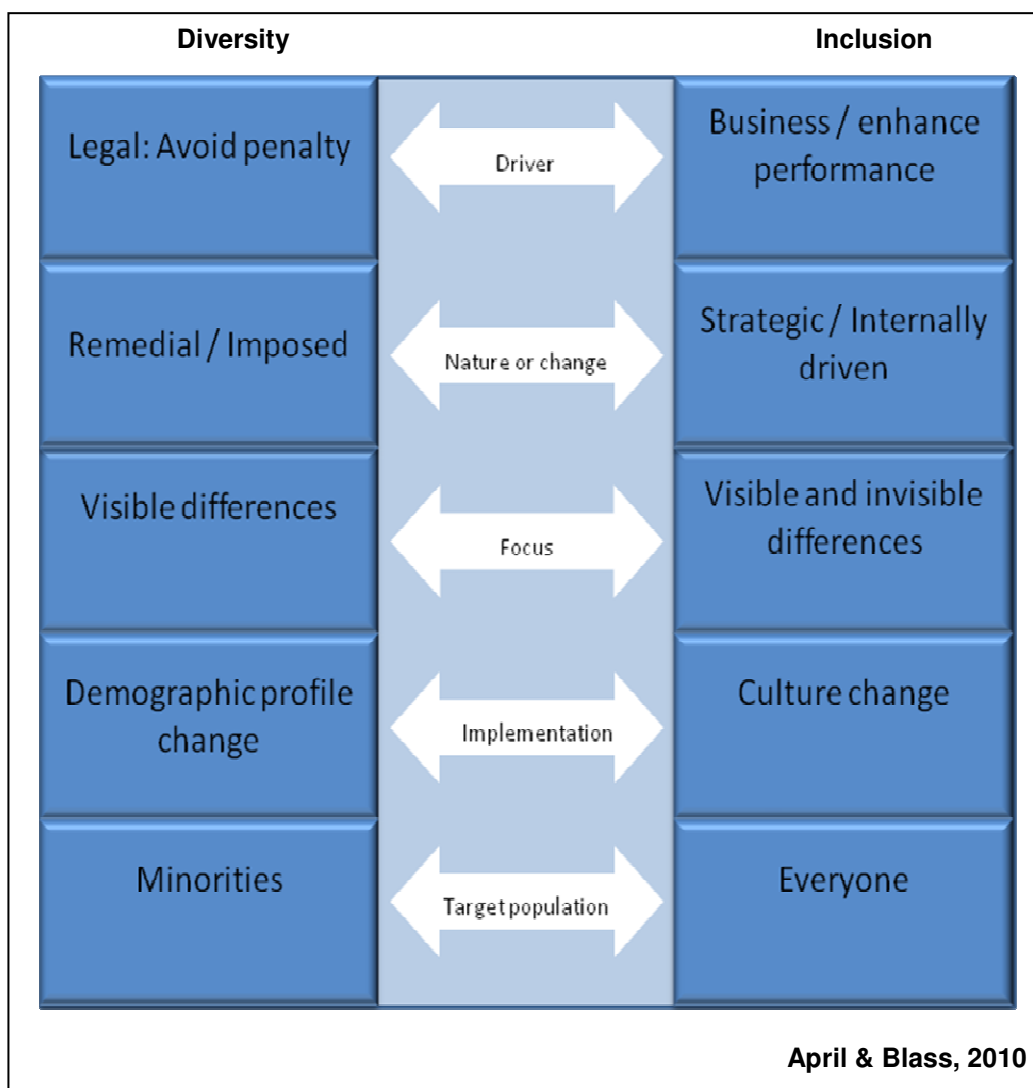
The Four Spaces model presents a holistic guideline on how to manage a culturally heterogeneous management team proactively, because it advances mutual tolerance, respect and trust in the group. It is an open-ended system where the activities and

variables in the different Spaces relate to each other and where and end-state of mutual respect and trust also again impacts on all the Spaces (refer Fig. 3.2). Successful application of the Four Spaces Model should lead to improved performance in a heterogenic workforce.

3.4.3 The Inclusion model

April and Shockley (2007) in April and Blass (2010) propose that the philosophical understanding of diversity and workplace practice have undergone significant shifts since the late 20th century. The focus moved from a legalistic approach where diversity was driven at a country level, to an individual level - that of valuing diversity. They argue that the next philosophical evolution will be towards inclusion. They cite a number of authors such as Pearpoint, Mor Barak and Burnett and Kettleborough who are engaged in the endeavour to shift the focus from diversity to inclusion.

Fig. 3.3: Comparing Diversity and Inclusion Philosophies



The shift from diversity to inclusion is presented in Fig. 3.3. This shift is intended to motivate leadership and management to provide top-level support and to make adequate resources available for diversity efforts that will include everyone and that will culminate in a competitive advantage for the organisation and consequently in an improved bottom-line.

Researchers Pless and Maak (in April and Blass, 2010:60) are of the opinion that an organisational culture of inclusion is founded on “reciprocal understanding, standpoint plurality and mutual enabling, trust and integrity.” Other theorists such as Miller (in April and Blass, 2010:60) agree and add that to build an inclusive organisation requires commitment to a fundamental change in organisational structure, culture, practices, procedures and systems. They feel that inclusion and diversity requires a complete culture change from the organisation.

The understanding of the inclusion philosophy as presented by April and Blass (2010) echoes the Four Spaces model in that it has expanded beyond the interpersonal level to include behavioural manifestations of the cognitive and emotional processes involved in the management of their own stereotypes and prejudices by the individual. This mirrors Bandura’s human agency theory and also the social identity and self-categorisation theories (see 3.4.2).

Although the move from diversity to inclusion seems to be widely represented in practitioner literature (Roberson, 2004) there seems to be a limited understanding of whether it points to a tangible change in organisational actions and outcomes, or merely a change of phrasing to reduce backlash against the organisational change (Linnehan and Konrad, 1999).

Research on the different organisational approaches to diversity management seems to indicate that there are practical differences in the focus of the terms diversity and inclusion. Cox (1991) and Thomas and Ely (1996) present arguments for distinguishing between the diversity management paradigms of organisations based on the degree to which diversity exists in the organisation and also the degree to which the organisation integrates this diversity into organisational structures, processes and strategies.

According to Roberson (2004:6), research suggests that focusing on the advantages of employing individuals with different diversities in organisations, the dynamics and consequences of exclusion are largely ignored. The inclusion of diverse individuals has been largely assumed because of the approach to managing of diversity as activities that relate to the employment and utilisation of personnel from different cultural and social backgrounds (Roberson, 2004:6).

Inclusion is defined by Mor Barak and Cherin (1998) as “the extent to which individuals can access information and resources, are involved in work groups, and have the ability to influence decision-making processes.” (Roberson, 2004:6).

3.5 DIVERSITY MANAGEMENT AND BEST PRACTICE PRINCIPLES

In a benchmarking study conducted by the United States Department of Commerce the following critical success factors were identified to evaluate best practice in diversity management (US department of commerce, 2001:3):

- Leadership and management Commitment.
- Employee involvement;
- Strategic planning;
- Sustained investment;
- Diversity indicators;
- Accountability, measurement, and evaluation; and
- Linkage to organisational goals and objectives.

Best practices in the field of diversity management have also recently been identified in another benchmarking study undertaken by the International Personnel Management Association. The study defines best practice organisations as entities that “value people and cultivate an environment where cultural awareness, sensitivity, fairness and integrity prosper” (Reichenberg, 2001:2). The following practices were identified as leading in the field of diversity management (Reichenberg, 2001):

- Diversity is managed by use of a formal process outlined in procedures, rules and laws. Time and financial resources are invested into a programme that is strategic of nature, integrated with other processes, and continuously measured.
- Diversity endeavours are mainly decentralised as various departments assess their needs and develop their own solutions. However, diversity is still governed by a central entity that stipulates the requirements for the departments to adhere to. This allows ownership to increase on all levels of the organisation.
- Diversity training is given to the broader workforce as opposed to only managers, and it is also incorporated into mentoring efforts, leadership training and management by results programs.
- Affirmative action models are used, but also tailored in such a way that it will assist the organisation in comparing workforce data and demographics to benchmark and identify occupations that are under-utilized.
- Best practice organisations drive their departments to establish pertinent affirmative action goals and exert great effort to meet them by enforcing the requirements through mandates such as a legal perspective or an executive mandate.
- Best practice organisations also practice reviewing, guiding, assisting, monitoring and measuring diversity plan implementation and progress. It is mostly achieved by establishing a review committee assigned to this task.
- Recruitment, development and retention strategies are linked to organisational performance in organisations with effective diversity management programs. Individuals' development needs with regards to the competencies and skills required to progress in the organisation are identified and developed.
- Best practice organisations ensure that they emphasize accountability for the outcomes of diversity programs. Various metrics are used to determine the success of diversity programs with clear, measurable criteria.

3.6 CHALLENGES IN DIVERSITY MANAGEMENT

Various challenges to diversity management exist and are presented in literature. Some of the most prominent barriers and challenges to diversity will consequently be discussed.

3.6.1 Barriers to effective diversity management

Kreitner and Kinicki, (2001:53) describes the following barriers to effective implementation of diversity programs:

- *Inaccurate stereotypes and prejudices:* Diversity management efforts will be of lesser quality if diversity is seen as a disadvantage rather than an advantage.
- *Ethnocentrism:* The belief among groups or individuals that their culture is superior to the other cultures will create a situation where one culture is enforced on another.
- *Poor career planning:* Efforts to drive the career advancement of diverse employees are not sufficient.
- *An unsupportive and hostile working environment for diverse employees:* Minority groups are excluded from social and networking events.
- *Lack of political initiative or ability on the part of the diverse employees:* Diverse employees often do not advance as they do not possess sufficient knowledge on workplace politics.
- *Difficulty in balancing career and family matters:* Various demands in work and personal life make it especially hard for women to meet expectations.
- *Fears of discrimination:* Some underserved groups view affirmative action initiatives as reverse discrimination. This may limit the potential impact of diversity management initiatives.
- *Diversity is not an organisational priority:* Diversity initiatives may not be seen as adding value to the organisational objectives. This may impact on the vigour in which diversity initiatives are approached.
- *The need to revamp the organisation's performance appraisal and reward system:* If diversity targets and involvement is not specified as core outcomes and goals in individual performance contracts, it is likely not to be realised.
- *Resistance to change:* Diversity management is mostly comprised of change initiatives, and often times change is feared by individuals for various reasons. This also has to be managed by the organisation.

3.6.2 Current dilemmas faced in diversity management

Although diversity management has many benefits, it can also present various problems. In order to understand the actions for effective diversity management, the current challenges have to be investigated.

Human (1996) states that very few committed efforts to managing diversity are made, even though the urgency of the matter is realized. She states that the case is often one where either diversity interventions are not incorporated into the overall strategic and Human Resource processes, or there is a failure to recognize the extent to which affirmative action requires changes in organisational culture and management methods.

Knouse and Smith (2008) describe the following as problems faced within diversity management:

- Organisations only have a tolerance for politically correct views. A common misperception exists that diversity management is a politically correct reformation of affirmative action and is viewed with scepticism by many.
- Diverse employees are likely to demonstrate loyalty to the groups that they identify with rather than the team or organisation.
- There is greater potential for conflict among diverse employees and likelihood of conflict increases as diversity increases.
- In the same manner as conflict, miscommunication also increases as diversity increases. Language may specifically be used by individuals from varying backgrounds to exclude others.
- Individuals tend to identify with others that are similar to them, and build networks in this regard. Individuals with different backgrounds are often excluded from these networks.
- Diversity brings about an increased number of differing values which in turn impacts negatively on cooperation amongst employees.
- Group cohesion is impacted negatively when there are few similarities between group members.

3.7 SUMMARY

Chapter 3 presented and discussed a number of frameworks for the management of diversity. Frameworks discussed are mostly from international diversity management context. Firstly, the most prominent theoretical models from the past two decades were discussed. The commonalities of the various frameworks were also identified and discussed. I then proceeded to examine other frameworks for effective diversity management such as best practice principles. Lastly, the barriers to effective diversity management and possible challenges in an organisational context were identified from literature and discussed. This review of literature formed the basis of the development of the interview schedule used for data collection. The findings of the study were also compared to the elements of effective diversity management from literature in order to have been able to develop guidelines for diversity practitioners in this regard.

CHAPTER 4

4 RESEARCH METHODOLOGY

4.1 INTRODUCTION

The following section describes the scientific methodology of the research. As the study does not aim to measure specific constructs, but rather to explore diversity management practice, the most appropriate approach was one that would present an in-depth feedback.

Discussion points in this chapter include the research approach as well as the research design. In addition, the chapter will discuss the methods of sampling of participants, data collection and analysis.

4.2 THE RESEARCH APPROACH

The research approach appropriate to the desired outcome will be the qualitative approach. According to Denzin and Lincoln (2008) qualitative research focuses on the socially constructed nature of reality, the intimate relationships between the researcher and what is studied and the situational constraints that shape enquiry. The study will also be of an exploratory nature as it will aim to understand the decisions and actions of the participants and will attempt to gauge their opinions and attitudes.

4.3 THE RESEARCH DESIGN

Hofstee (2006) defines a research design as:

- “The way you choose to design your study or how you went about coming to a conclusion;
- The general techniques used within the research”

The design therefore includes the research structure, the approach and the methods used to gather and examine the information relevant to the study.

The research enquiry took place in two stages. In the first stage of the research, a literature review of the most prominent diversity management models as well as best practice principles will be conducted to identify a schedule for the structured diversity interview to be used. The diversity interview schedule was consequently derived from the information identified in the literature review.

In the second stage of the research, the diversity interview was presented to experts within the field of diversity management to ascertain, on a qualitative basis, their understanding regarding the interview elements and beyond.

4.4 RESEARCH PARADIGM / PHILOSOPHY

A research paradigm can be defined as “a set of interrelated assumptions about the social world which provides a philosophical and conceptual framework for the organized study of that world” (Filstead in Ponterotto, 2005:127-128).

The study will be approached from the Constructivist - Interpretivist paradigm. Denzin and Lincoln (2008) refer to qualitative methods as:

“A broad class of empirical procedures designed to describe and interpret the experiences of research participants in a context-specific setting”.

The Interpretivist paradigm propagates the idea that reality is not a singular, universal unit and that meaning can differ for individuals. When conducting research from an Interpretivist paradigm, the researcher aims to extrapolate meaning from the participant by stimulating the content through researcher-participant interaction and conversation. This paradigm involves interpretation of the detail by the researcher (Ponterotto, 2005). Kant’s contributions to the field speaks most directly to the core of this by arguing that reality cannot be objective as the experience, understanding and labelling of that reality is unique

to the research participants' subjective interpretation (Sciarra in Ponterotto, 2005). This paradigm assumes a qualitative methodological research approach, and more specifically in the case of this study a qualitative approach to in-depth content analysis. (Henning, Van Rensburg and Smit, 2004). Within Constructivism-Interpretivism, the objective is to understand the "lived experiences" from the perspective of the participant (Schwandt in Ponterotto, 2005). Dilthey regarded lived experiences as an empirical approach for researching the human sciences (Herman in Ponterotto, 2005).

A brief summary of the characteristics of this paradigm will subsequently be discussed according to the related ontology, epistemology and axiology:

Ontology: As Silverman (2010) describes it, the manner in which we think about research is influenced by what we believe about the nature of social phenomena. This is also known as Ontology. The Ontology of the Constructivist-Interpretivist paradigm outlines that there are various, subjective realities that are all equally valid and is bound to differ because of differing social and historical contexts (Ponterotto and Grieger, 2007). The study focuses on gathering and understanding diversity management from the differing perspectives of the participants. As the context of organisations and industries differ, the participants' viewpoints differ in matters such as definitions of key concepts and current important focus points for diversity management.

Epistemology: The epistemology of the study refers to the relevant ways to investigate social phenomena as per the ontology (Silverman, 2010). Within Constructivism-Interpretivism, the research is based on researcher-participant interaction, with the specific meaning of the participants' lived experience being discovered by explorative questioning on the part of the researcher (Ponterotto and Grieger, 2007). Open interviews and clarifying questions was asked to ensure richness and depth of data. The researcher has applied subjective interpretation in the identification of themes and the analysis of the participants' inputs.

Axiology: Axiology refers to the role that values play in the research process as well as its appropriateness (Babbie, 2007). Within the Constructivism-Interpretivism paradigm, the researcher's values are inevitably integrated in the interpretation of information (Ponterotto and Grieger, 2007). The researcher has applied subjective interpretation in the

identification of themes and the analysis of the participants' inputs and will subsequently be discussed at length.

4.5 INQUIRY STRATEGY

4.5.1 Qualitative research

Babbie and Mouton (2001:53) describe qualitative research as: “that generic approach in social research according to which research takes its departure point as the insider perspective on social action. The goal of the research is defined as describing and understanding rather than explanation and prediction of human behaviour.”

The main difference between qualitative research and quantitative research is that qualitative research is not based on statistical analysis or quantification (Strauss and Corbin, 1990), but rather on an in-depth exploration of a subject by which the researcher is not does not exercise control over variables in order to be able to observe the natural development of behaviours and actions (Henning, Van Rensburg and Smit, 2004:3).

In order to achieve the objectives of the study, understanding and exploring various aspects of diversity management in South Africa organisations are critical. It is evident that a qualitative methodology would enable the researcher to achieve these objectives.

The study is of an exploratory nature and utilized the Grounded Theory approach. A discussion of the two concepts follows.

4.5.2 Exploratory research

Schutt (2006:14) states that exploratory research "seeks to find out how people get along in the setting under question, what meanings they give to their actions, and what issues concern them. The goal is to learn 'what is going on here?' and to investigate social phenomena without explicit expectations". This is exactly the underpinning of the study, as the goal is to discover current perspectives on matters pertaining to effective diversity management in South Africa by asking questions without presupposing specific outcomes.

In another description of exploratory research, Vogt (1999:105) states that “exploratory research looks for patterns, ideas, or hypotheses, rather than research that tries to test or confirm hypothesis” (p.105). This definition further describes the nature of the research as the premise of the study is not to prove a specified hypothesis, but to gain expert perspectives on relevant subjects within the field of diversity.

4.5.3 Grounded Theory

Glaser and Strauss (1967) were some of the first to present the Grounded Theory approach in literature. In its original description Grounded Theory is described as a method to inductively create theory with the use of systematic analysis while still grounding the observations in data. In other words, discoveries made within qualitative research are provisionally validated through the systematic process of data analysis.

Since the origins of Grounded Theory, perspectives around the philosophy and consequently the application have diverged. Locke (2001) describes Glaser and Strauss’ initial approach to Grounded Theory as being focused on the understanding and exploration of a phenomenon through direct involvement with the “social world”, thus shunning away from any previous theoretical basis that might hinder the development of theory. However Charmaz (2006) is of the opinion that for academic investigation, demarcation of the domains of inquiry and interest is necessary. Within these broad domains, inquiry is still conducted freely and aims to capture whatever might emerge. In essence, this view of Grounded Theory enables the researcher to give some direction to the study without stifling the natural progression of the research. As I had to formulate the theoretical basis of diversity management in organisations through the literature study, the evolved approach of Grounded Theory resonated with the research objectives.

Furthermore, the research is aimed at exploring the field of diversity management within South African organisations in various respects. Thus, the objective was not to compare the practices of diversity specialists against a framework but to develop a theoretical approach for understanding the current influencing factors to effective diversity management in South African organisations. There also does not exist an adequate volume of literature regarding the practical application of principles for effective diversity

management in the current South African organisational context. Grounded Theory is particularly appropriate where no substantial theory is prevalent (Creswell, 2002). This being considered, Grounded Theory is evidently an appropriate method by which to conduct the inquiry.

Lastly, conventional content analysis as a sub-method of the Grounded Theory approach was used to explore the candidates' responses. Conventional content analysis allows the researcher to break the textual material into smaller fragments of data that is more manageable and relevant (Weber, 1990). This is described in more detail in the data analysis section (par. 4.8).

4.5.4 Use of the literature study in shaping the interview schedule

In conducting the literature study, focus was directed at identifying aspects from previous research and theory relating to success factors for diversity management, theoretical frameworks for diversity management, challenges to diversity management, various definitions for diversity and how diversity is incorporated in management practices and organisational structures.

The literature review was a fundamental part of the research process as the information from the literature formed the basis for the interview schedule that was used during the data collection phase of the study. Although this process did not exclude any information that might have been derived from the interviews outside of the scope of the literature study, it served as the foundation for the discussion.

Even taking into consideration that the researcher had previous knowledge of the field of diversity management through work-involvement as well as previous study on the subject, it would not have been possible to conduct the study without scrutinizing pre-existing theory that influences the data collection. While Grounded Theory purists would argue that scrutinizing the available literature before collecting the data could contaminate the analysis (Locke, 2001), using literature to identify suitable theoretical angles by which to

approach the research as well as incorporate relevant concepts in the area of study is an accepted approach to Grounded Theory (Boeije, 2010).

4.5.5 Interviews

Interviews were selected as primary method of data collection. The researcher's approach in this regard will be discussed in more detail in the "data collection" section. Within qualitative research, it is widely recognized that the data can be collected through the following methods (Marshall and Rossman, 2006):

- "Participating in the setting
- Observing directly
- Interviewing in depth
- Analyzing documents and material culture".

Semi-structured in-depth interviews were used to gather data on diversity management practice, because the aim was to obtain the views of experts in the field on current issues related to diversity and management practice. Thus, the required information could best be gauged by asking the participants to share their experiences, thoughts and approaches. Marshall and Rossman (2006) goes further to say that within qualitative research, it is likely that interviews will take on a conversational nature as the researcher will inevitably respond to what the participant is saying. The interviews were designed to have a specific structure, but allowed deviation from the structure through probing questions to follow up on participant answers where the researcher felt it necessary.

4.6 SAMPLING

The following section will discuss the approach to sampling within the research.

The study was conducted amongst a purposive sample of senior level managers within South African organisations in varying industries. The sample consisted of both female and male participants and who were all between the ages of 30 and 65 years of age. The

objective of the sampling process was to select participants who could be described as experienced or knowledgeable within the field of diversity management, who were at the time of the study exposed and involved in diversity practices within their respective organisations. The researcher strictly adhered to the set criteria for indentifying the purposive participants for the study (Henning, Van Rensburg and Smit, 2004:71).

The following minimum criteria were considered when selecting expert participants:

- HR Director or Head of Diversity in an organisation listed in the top 20 performers of the 2010 Financial Mail Empowerdex index's ranking with regards to equity and empowerment. Participants were included in the sample according to their availability and willingness to participate.
- A bachelor's degree or equivalent in Human Resource Management.
- Current knowledge of and extensive experience in diversity management practice.
- Successful implementation of diversity initiatives.
- Strategic decision-making authority with regards to diversity matters within the organisation.

As the study focuses on effective diversity management practice in S.A. organisations, a benchmark was identified to regulate the quality of data. In considering the sample selection method, it was recognized that the lived experiences of effective diversity management should come from organisations who have previously achieved measurable success in this regard.

Two measurements that track diversity effectiveness were identified to be the "Best Company to Work For" survey and the Financial Mail Empowerdex, both of which provide a ranking of companies according to their achievement on certain diversity constructs for 2010. The Empowerdex was chosen on the basis that it is directly focussed in part on diversity, transformation and empowerment progress. Although the Empowerdex focuses mainly on aspects relating to transformation, it was assumed for the purposes of the study that organisations that strive to achieve in transformation are inclined to manage other aspects of diversity such as culture change as well. Furthermore, after considering the

logistical requirements for reaching the sample, it was determined that the participants in the Financial Mail Empowerdex index would be the most accessible to the researcher.

In qualitative research, the main determinant of sample size relates to the amount of data gathered and not necessarily the amount of individuals one would like to participate in the study. Data collection should be conducted until an evident repetition of themes or data saturation has been reached. This is known as data saturation (Richie and Lewis, 2003). The researcher did not predetermine the amount of participants to be included in the study, but ceased the data collection process once the analysis indicated that data saturation had been reached. Consequently, a number of 6 participants were interviewed.

The demographical information of participants can be seen in Table 4.1 below:

Table 4.1: Biographical information of the participants

Participant	Date of interview	Designation	Gender	Ethnicity	Age group
1	2011/03/09	HR director	Male	White	40 - 49
2	2011/03/14	HR director	Male	White	60 - 70
3	2011/03/01	HR director	Female	Black	30 - 40
4	2011/03/14	Head of Transformation	Male	Black	30 - 40
5	2011/05/03	HR director	Male	White	50 - 65
6	2011/05/11	HR director	Male	White	40 - 50

4.7 DATA COLLECTION

The primary data that was collected was of a verbal nature. During the first stage of the research, secondary data collection involved the review of literature of the most relevant diversity management models, theoretical frameworks and best practice principles. A taxonomy of the abovementioned domains contributed to knowledge regarding elements of effective diversity management.

Secondly, the researcher formulated a semi-structured interview schedule from the literature whereby the sample's experiences and insights on the elements identified in the first stage of the research was gathered on a one on-one basis. The interview structure made use of mainly open ended questions. The main reason for selecting this type of data collection method was to ensure that the depth of participants' responses would not be

restricted by the manner in which the interview schedule content is presented (Richard and Morse, 2007).

The researcher collected the data by conducting one on one interviews with the participants. During the interviews, audio recordings were made to ensure that data was preserved for transcribing purposes. Data was securely stored on the researcher's personal computer with the use of password protection and transcription documents were labelled in an anonymous manner to ensure the confidentiality of the data.

The high quality of data was assured by setting up most of the interview schedule prior to interviewing and sending an electronic copy of the broad outlines of questions to be expected to the participants beforehand. The researcher also e-mailed a broad overview of the study to each participant to provide them with the opportunity to answer as directly as possible to the purpose of the questioning. At the initiation of the interviews, assurance of absolute confidentiality was given by the researcher so as to heighten the credibility of the responses and thanks were expressed for their willingness to participate in the study. Care was also taken to ensure that physical conditions of the interviews were comfortable and private.

The interviews averaged approximately one hour in duration each. The duration was determined by the envisaged content to be discussed.

The study was cross sectional in nature as the research was conducted in a relatively short period of time without manipulating the study environment. Cross sectional research serves to provide a snapshot of the detail around the circumstances of the participants at a specific time and thus does not reflect on the progression of a phenomenon over time (Saunders et al., 2007:594). Thus, the data collected represents the state of diversity management in South African organisations in a specific point in time.

4.8 DATA ANALYSIS METHODS

During the first stage of the research, the researcher conducted a literature review on the most important aspects surrounding effective diversity management and applied and informal content analysis method (Carley, 1992) to the text content to identify recurring

themes and sub themes to utilize in the second stage of the study. This was done by scrutinizing all prominent diversity management models as well as existing theoretical frameworks and best practice principles for elements and recurring themes relating to effective diversity management. Relevant themes were identified and subsequently included in the semi-structured interview to candidates for the second stage of the research.

In the second stage of the research, the data collected during the interview was analyzed by the use of ATLAS.ti, and recurring themes were identified from the interview content. The interview content was recorded in digital audio format and transcribed for input into ATLAS.ti. ATLAS.ti was chosen as the appropriate tool for conducting a content analysis as it allows for identification and structuring of themes in a time efficient and thorough manner (Babbie and Mouton, 2001).

ATLAS.ti, which is one of various qualitative analysis tools in the field of Computer Assisted Qualitative Data Analysis software. Babbie and Mouton (2001) states that ATLAS.ti is viewed as one of the most efficient and widely used qualitative data analysis software in South Africa. As ATLAS.ti enables its users to easily group and manipulate codes as well as to create a “network view” option that indicated the relationship between codes, it was selected for use during the data analysis phase.

During this stage of the analysis, the researcher determined the choice of themes and subthemes, coded the pieces of information, highlighted the relevant facts, simplified theories and approaches and transformed content to reduce data (Weber, 1990).

Follow up questions were asked during the interviews when the researcher felt the need to investigate the themes further. This attributed to added depth and richness of the data. As the coding process forms the core of the data analysis process, it will subsequently be discussed in more detail.

4.8.1 The coding process

As described by Charmaz (2006): “Coding is the pivotal link between collecting data and developing an emergent theory to explain these data.” Coding was conducted in various phases. As the questions of the interview questionnaire used in data collection were mostly based on the relevant themes identified from the literature, I had a broad idea of the themes that would ultimately be presented. However, coding was conducted with no specific predetermined frameworks whereby to categorize the codes. This resulted in an approach that was mostly deductive as no restrictions were placed on the codes in terms of amount, category or type.

The analysis process took place according to the eight steps as outlined by Carley (1992):

Table 4.2: The analysis process

1. Decide the level of analysis:	In initial coding, the decision was made to analyze the text to the smallest possible detail.
2. Decide how many concepts to code for:	The amount of codes was not pre-specified and proved to be a product of the thorough open coding process.
3. Decide whether to code for existence or frequency of a concept:	Once again, in order to ensure that no potentially important detail was missed, I coded for concepts by existence. Later in condensing process of condensing, codes of insufficient frequency and subsequently insignificance to the study were discarded.
4. Decide on how you will distinguish between concepts:	Throughout the coding process, the questions of “who, what, where, how, how many” were asked. This assisted me in identifying codes of various natures.
5. Develop rules for coding your texts:	As suggested by Charmaz (2006). The following guidelines were followed: <ul style="list-style-type: none"> • “Remain open

	<ul style="list-style-type: none"> • Stay close to the data • Keep your codes simple and precise • Construct short codes • Preserve actions • Compare data with data • Move quickly through the data” <p>Admittedly, I found it difficult to keep codes short as I attempted to capture the code dynamics within the titles.</p>
<p>6. Decide what to do with "irrelevant" information:</p>	<p>All data was coded during the initial coding phase from the assumption that no information is irrelevant. This was done in context of purposes of the study and to ensure richness of data.</p>
<p>7. Code the texts:</p>	<p>Coding was conducted as per the process described in this chapter.</p>
<p>8. Analyze the results:</p>	<p>The analysis of the results was ultimately facilitated by the axial coding process described in this chapter.</p>

4.8.2 Initial coding

In the initial coding phase, the researcher categorizes the data by breaking it down into segments of meaning. During the initial coding phase, the vast amount of transcribed text was examined. This was done by through a line by line approach and by ensuring that units of meaning were not taken out of context (Charmaz, 2006).

At first, the effort to keep the data in context and to protect the meaning of segments resulted in quotations that provided unnecessary background to the statements. As I became more adept in the coding process, more care was taken to hone in on the core meaning of the segments and disregard redundant detail. The initial coding process

yielded a total of 89 codes. These codes were subsequently condensed to 38 codes through a process of focused coding as the content was revisited and more clearly understood. Focus coding is described by Charmaz (2006) as the process of making decisions on the noteworthiness and frequency of the codes in order to evaluate the contributions that the codes will make to the analysis. In applying focused coding, the researcher looked for overlapping of themes, the relevance of the content to the research question and also the number of citations by participants. The following codes were identified from these processes:

Apartheid legacy and reflection on the past
Black expectation
Broad approach to managing diversity
Broader context of diversity challenges
Business case for managing diversity vs. moral case for managing diversity
Challenges to diversity management: direct responses
Competitive advantage through diversity
Conceptual / philosophical diversity challenges
Culture, heart and behaviour change
Current initiatives that are priorities: direct responses
Definition of diversity management
Distinguishing between managing diversity and employment equity
Diversity governance
Diversity measurement
Diversity policy
Diversity training initiatives as a facilitator of culture change
Employee involvement
Employment equity compliance and transformational targets
Fear
Importance of legislation in driving transformation
Incorporating diversity in performance measures
Incorporating diversity in recruitment and selection
Incorporating diversity in remuneration

Incorporating diversity in the strategic approach
Leadership influence on diversity success
Living transformational goals
Main contributing factors to effective diversity management: direct responses
Non racial society
Primary motive for managing diversity: direct responses
Respect, recognition and acceptance of differences
Rethinking previously disadvantaged
SA / international comparison
Setting goals and objectives
Skills shortage
Sustainability
Talent management: succession, retention and development
The diversity journey
White resentment, backlash and experience of affirmative action

4.8.3 Axial coding

Following the initial coding process, I progressed to further grouping codes through the axial coding process. Axial coding can be described as “reassembling the data one has fractured during initial coding to give coherence to the emerging analysis” (Charmaz, 2006). Codes were grouped by the process of exploring the core action and broader context of the code whilst trying to understand the relationships and commonalities of different codes. Through this process, 7 themes were identified from the data under which all codes were categorized:

- Factors enabling diversity
- Current diversity initiative priorities
- Incorporating diversity in management practices
- Factors constricting diversity
- Motives and rationale for managing diversity
- South African contextual factors influencing diversity

- Understanding of diversity

4.8.4 Selective coding

The final stage of the coding process is known as selective coding. Selective coding is referred to by Strauss and Corbin (1990) as the process of combining the categories identified in axial coding into a central theme. This is done by examining the relationships between categories and systematically grouping the relating categories to one another. In doing so, 3 main themes emerged from the results:

- Diversity philosophy
- Contextual factors
- Diversity action

The results of the selective coding process will be comprehensively discussed in Chapter 6.

4.9 ASSESSING AND DEMONSTRATING THE QUALITY AND RIGOUR OF THE PROPOSED RESEARCH DESIGN

This section will describe the criteria and techniques used by the researcher to assess and demonstrate the quality and rigour of the research efforts.

In qualitative research, the trustworthiness of research has been measured in previous studies by the notion of credibility, dependability and transferability (eg. Berg and Welanders Hansson, 2000).

Firstly, *credibility* is concerned with the focus of the research and refers to the extent to which data and analysis processes attend to the focus (Polit and Hungler, 1999). Elements such as the approach to selecting participants and gathering data, decisions on the scope of meaning units, the extent to which themes cover the available data and judgment of similarities and differences between data (Graneheim and Lundman, 2004) are scrutinized.

During the research, credibility was ensured by selecting the six specialists / participants from different industries and backgrounds, thus increasing the possibility of differing approaches to the research problem, and in turn resulting in richer data. In view of the complexity of the research problem and the high level of data quality aspired to, the proposed number of participants, proved to be sufficient to gain satisfactory feedback on the research problem. This however was not predetermined as I endeavored to continue with data collection until data saturation was achieved. Furthermore, the units of meaning were designed to keep the amount of meanings to an interview-element minimal, but still avoid fragmentation and consequently misinterpretation of data. The researcher ensured that no relevant data is excluded and irrelevant data included by constantly revisiting and adapting themes during the data analysis. The credibility of my judgment of differences and similarities between themes were proved by way of illustrating quotations from the transcribed text in the final presentation of results (Silverman, 2010).

Furthermore, credibility was also increased by continued involvement over a period of 9 months. Also, my conclusions regarding the findings as well as various detail of the research process was discussed throughout the process with a group of colleagues with current involvement in the field of Human Resource Management. This presented an opportunity to test my reasoning with peer groups and to gain different perspectives on the analysis of results.

Secondly, the research indicated *dependability*. According to Graneheim and Lundman (2004), dependability is “the degree to which data change over time and alterations are made in the researcher’s decisions during the analysis process”. Although data collection did not extend over a long time period, it is acknowledged that interview techniques might cause inconsistency in different sources of data as interviews are evolutionary by nature due to the give and take of information. To counter this effect, all data was collected within the period of 3 months, and a semi-structured interview technique used to delineate the discussions. Furthermore, the researcher endeavoured to keep track of changes in judgment on the similarities and differences in the interview content, and continuously revisited themes to apply decision-making consistently.

Lastly, *transferability* refers to ‘the extent to which the findings can be transferred to other settings or groups’ (Polit and Hungler, 1999:717). Graneheim and Lundman (2004) states that this can be achieved by “presenting a clear and distinct description of culture and context, selection and characteristics of participants, data collection and process of analysis.” To achieve transferability purposive sampling was used to increase the trustworthiness of the data. These elements have been addressed in the sections detailing the sampling and data collection methods as it presents a clear description of the participants as well as the analysis process followed.

Another aspect contributing to the rigour of the research is *confirmability* (Lincoln and Guba, 1985). This refers to the measure to which the findings of the research stems from the focus of inquiry and minimized researcher bias. This was ensured by storing all audio recordings and transcriptions of the interviews as well as a demonstration of the data analysis by way of the coding process through ATLAS.ti on a CD that is available for scrutiny at request.

Triangulation was also applied in order to ensure rigour in the research process. Triangulation can be described as a process that involves observing a particular matter from various perspectives and including differing techniques if need be. Current thinking on approaches to ensuring the quality of the research bring the perspective that triangulation is not necessarily best suited for qualitative research. This is mostly due to the viewpoint that where sufficient data has been gathered for the purposes of research, gathering more data through different methods will not further add value. (Boeije, 2010). With this in mind and given the nature of the research objectives of this study, namely to explore the current context of diversity management in South African organisations, the use of interviews as a singular tool for collecting data was adequate.

In applying the techniques discussed, the rigour of the research was ensured.

4.10 RESEARCH ETHICS

Saunders et al. (2007:181) describe the following ethical principles to be considered when conducting research and which have been applied in this study:

- "Voluntary nature of participation and the right to withdraw partially or completely from the process." This principle was communicated to the participants as one of the introductory statements to the interviews.
- "Maintenance of the confidentiality of data provided by individuals or identifiable participants and their anonymity." This principle was also communicated to the participants as one of the introductory statements to the interviews. As the information given during data collection was of an extremely sensitive nature, the data was stored electronically to a location accessible only to the researcher. Furthermore, care was taken to protect the participant details in reporting the findings.
- The "reaction of the participants to the way in which I seek to collect data, including embarrassment, discomfort, pain and harm" will be considered. Interviews were set up to be as convenient as possible for the participants in terms of location. The researcher took care to emphasize that the research is not evaluative of nature, thus lessening the performance strain on the participant.
- Care was taken with regards to the "effects on participants of the way, in which data is used, analysed and reported, in particular the avoidance of embarrassment, stress, discomfort, pain or harm." The researcher took care not to report the findings in such a way that could place the participants in bad light, and communicated the commitment to use the data only for the intended and revealed purpose. The researcher also committed to send the participants a copy of the research methodology section of the study, if required.
- "The behaviour and objectivity of the researcher" was checked continuously. The researcher at all times strived to acknowledge the value of the participants' inputs and show appreciation and respect for their time. Where objectivity is concerned, the researcher committed to non-leading questions during the interview and endeavoured not to communicate any form of approval or disregard for the inputs of the interviewees.

4.11 SUMMARY

This chapter presented a comprehensive discussion of the research methodology used during the study. This included the discussion of the research philosophy and paradigm

and the motivation for the use of Grounded Theory as a qualitative data analysis method. A detailed account was also given with regards to the various phases of the study. Lastly, the rigour of the study was demonstrated and ethical considerations discussed.

CHAPTER 5

5 DATA ANALYSIS: OPEN AND AXIAL CODING

5.1 INTRODUCTION

In this chapter the analysis conducted during the open and axial coding phases of the research will be presented. More specifically a synopsis of the 7 core themes of the current field of diversity management in South African organisations will be discussed.

Under each overarching theme, the core elements contributing to the themes will be illustrated with the use of direct quotations taken from participant responses as obtained by the semi-structured in-depth interviews during the data collection phase. Although various parts of the data capture the essence of the interpretation of the sub-themes only the most relevant and insightful quotations are included and discussed. Quotations are presented in table format.

5.2 PRESENTATION OF FINDINGS

As previously mentioned, 7 main themes emerged from the data. These themes represent a glimpse into the factors currently seen as critically influential to diversity management within South African organisations as well as the methods used to manage diversity effectively. These themes are derived from the perspectives of diversity experts.

The seven main emergent themes are:

1. Factors enabling diversity
2. Factors constricting diversity
3. Incorporating diversity in management practices
4. Understanding of diversity and broad approach
5. Motives and rationale for managing diversity
6. South African contextual factors influencing diversity
7. Current diversity priorities

The themes identified from the study will subsequently be discussed in more detail. Table 5.1 illustrates the interpretation of the symbols that define the relationships between the codes:

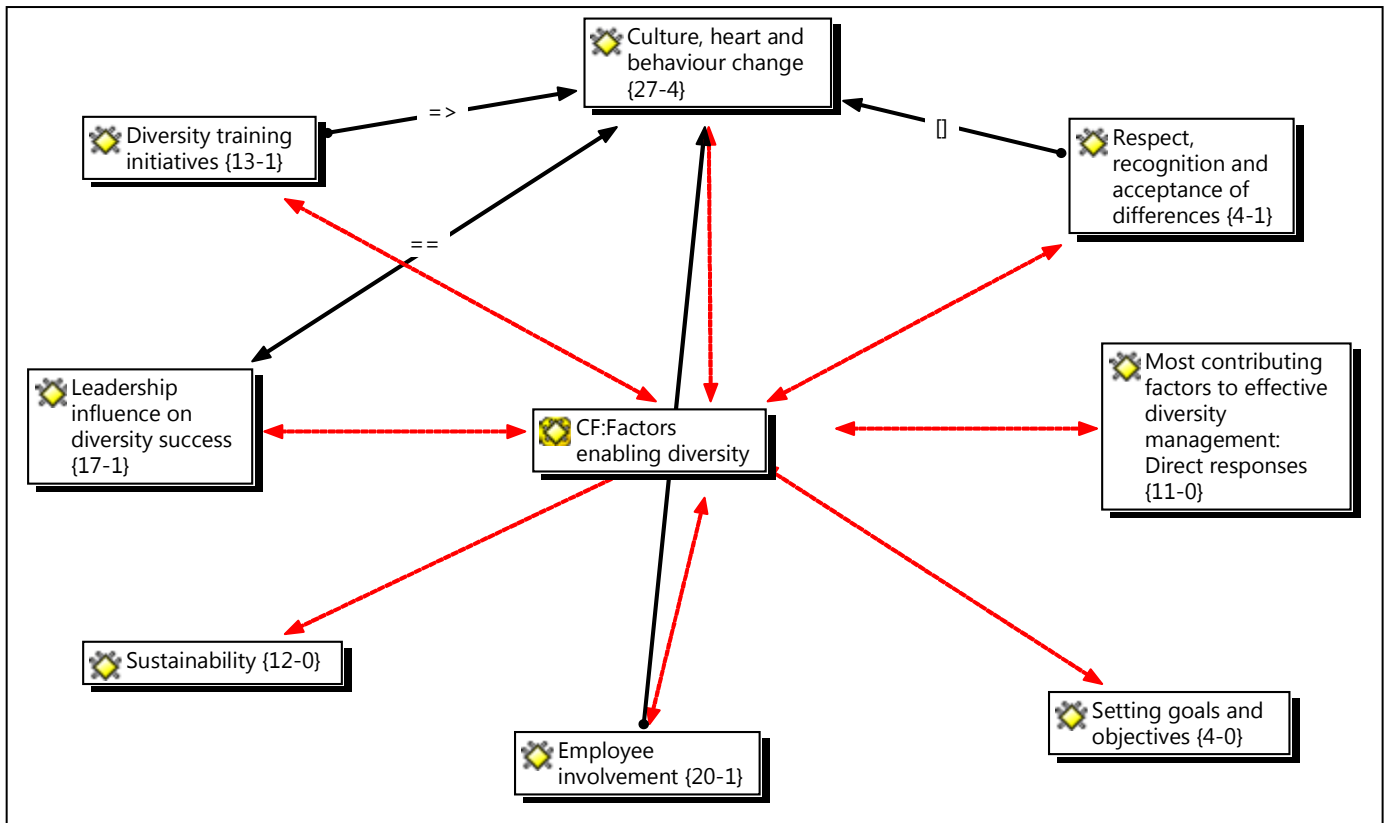
Table 5.1: Key to the interpretation of symbols

==	Is associated with
[]	Is part of
=>	Is cause of
<>	Contradicts
#	Is influenced by
* }	Is property of

5.2.1 Factors enabling diversity management

The first theme to emerge from the process of axial coding was that of the factors enabling diversity. This theme highlights all aspects conducive to diversity culture and implementation mentioned by the participants. Figure 5.2 gives a graphic representation of all sub themes and the relationships between the different aspects that enable diversity management.

Fig. 5.2: Factors enabling diversity



5.2.1.1 Culture, heart and behavior change {27}

When looking at the interviewee responses, it is evident that fostering an organisational culture and heart change that recognizes, strives for and celebrates diversity is pivotal to effective diversity management. This resonates with the sentiments of various authors such as Powell (1993) and Thomas (1991, 1996). Although employment equity and compliance to legislative requirements are regarded as key drivers that foster change in the face or appearance of organisations, all respondents emphasized the matter of taking diversity “from the head to the heart”. Of all themes acquired from the responses, this aspect was accentuated the most by all respondents.

Participant 1	I think another central theme that we have is - it’s about transferring it from the head to the heart and unless you genuinely buy the need and buy the objective, you don't get it done.
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Participant 2	The first one is obviously to get the hearts and minds around it in your workforce.
Participant 5	So whilst it would be really nice to claim that we're wonderful, we're the masters of diversity and all that sort of thing, I think it's in our DNA, it is a principle that we live. Not that we don't struggle with it, we'll get to that when we get to your later questions, but the fundamental belief in the correctness of true diversity is implicitly understood here. The culture of the business is very much brought up by that understanding.
Participant 1	...but it just - you know, you shift the perspective. So, it's kind of, it's about what you feel about it, if you were to make it a success.

The real challenge around creating meaningful change is however, influenced by the employees' individual context and creating true change is easier said than done.

Participant 1	I think we've got the normal challenges, but it's about connecting kind of the head and the heart. No one that you interviewed will say 'it's a terrible idea and we don't need to do it', and then the linking to the belief, and the reasons and the depth of all of that. That's where our challenge lies. And its...the lower you go in the business, the more real those issues get, so you're a manager whose husband can't find work 'cause he's a white male. She goes home to a certain attitude every single evening. You know, think she's not coming back with another attitude on Tuesday morning at 7. So, its understanding that and realising that...back to the journey, back to the process - what do you need to do.
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Transformation is viewed as a vehicle to facilitate change and in some responses the line between a culture that accepts differences in people and a culture that accepts the process of transformation, became blurred. Most respondents' descriptions of their view of culture, heart and behaviour change were linked to the concept of transformation as can be seen in the responses below. This is indicative of the viewpoint that it is the spirit of transformation (changing the demographic makeup of the workforce) that is to be ingrained in the organisational culture.

Participant 1	And I think that that's valid but we don't see it as an open ended journey, it's got to have milestones. It's got to have the attitude "if you can't measure it you can't manage it" still is very, very true. Particularly when you're talking about transferring a changed attitude into a changed behaviour as something as deep and complex as diversity in South Africa.
Participant 3	If you're trying to talk about transformation in the business, we can't just talk about it, we can't just manage it around programs, it has become core of who we are as an organisation. As a result, if you look at (company)'s philosophy, we talk about having the best people, we talk about partnership for life, and when we added middle of last year's what we call transformation, so to answer your question, absolutely it's become the centre of everything that we do. And I really like that because for me by elevating transformation to part of who we are as an organisation, we show everyone how serious we are about it. It's not something that's just done somewhere; it really has become the core of who we are as (company).
Participant 4	From a science that says, in our strategy there are two areas that we actually focus on more within Human resources which is transformation and culture.

From the participant responses, the most prominent reason why culture, heart and behaviour change does not happen is because it is not “felt enough”:

Participant 2	People don't change and this may be a principle that I should have mentioned up front, but people don't change if the pain of staying is less than the pain to change. So you must induce pain, so that people change. I don't know if that makes sense. But if you don't experience the pain - that's what happened in South Africa, is that the SABC never showed us what's happening in this country, so the white guy never had any pain with the current situation, why would he change? And some of our black colleagues which is still the situation, because the whites live very well in this country. They just think we're whiners, you know.
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However, true diversity management is viewed as fostering culture change. It is noteworthy to mention that despite the overlapping integration of the concepts of diversity and transformation in the general responses of participants, a clear cognitive distinction was also made between the two concepts.

Participant 2	<p>If we look at employment equity it is actually seen as the numbers, you know, to get representative in your organisation. But to get the hearts and minds around it, you have to have management of diversity so that people...you know, to work on stereotypes that they let go of their stereotypes and racism, you know to get their hearts around it. Into it, that would be for me managing the diversity to understand other people and cultures and the whole thing of respect - maybe that's something I should add. We have respect and respect for the individual and diversity in many of the company's values. So that is there to say, you know, we respect you as an individual, irrespective of colour and creed or gender. And the other one is Ubuntu to say you know, it's important that we build the community. So that's part of the values and maybe that's a way of vesting your sort of a culture to say we live our values, because we make a big thing of that.</p>
Participant 6	<p>R: If you say real diversity I see your reference to culture change, what do you mean by that?</p> <p>P: Yes, that's planning the culture's interaction and actually our goal is to for the company and we must embrace and use the different cultures and not divide. Culture, heart and behaviour change is seen as true diversity.</p>

Factors that influence culture in an organisation are the value drivers of fostering a culture of acceptance of others and promotion of diversity. These are discussed in the following section.

Participant 2	<p>Ja, I would say if you have a culture of respect then you can go a long way. You know if people respect one another irrespective of where you come from and if you can instil those values of respect and Ubuntu then</p>
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	I think we came a long way.
Participant 6	R: What are the values that you would describe as the core drivers behind diversity? P: You know, it's the values of integrity, trust, transparency honesty. Values required to make diversity work.

Facilitating this culture, heart and subsequently behaviour change within the workforce is mostly done through diversity training initiatives. Specific interventions designed and implemented by the respondents' organisations will be discussed in more detail under the "Diversity Training Initiatives" section. It is also believed that involving employees and reaching them at an individual level is crucial to achieving culture change. Bringing about culture change is furthermore fostered by educating employees on the country's history in order for them to understand the current situation.

There seems to be a perception that if there is enough representation of black employees, the organisation has progressed through diversity issues and there is a lesser or no need for interventions cultivating a culture, heart and behaviour change. This relates the underlying principle that interventions focused on changing culture and attitude are aimed at desensitising the workforce to the novelty of cultural diversity. It is not necessarily aimed at cultivating cooperation between people of different backgrounds once there are enough black people in the organisation. This implies that a heart and attitude change is only required in previously advantaged employees, i.e. whites.

Participant 2	Ja, I'm open if you would say we're naive, but that's where we are at the moment, and I think there's a critical tipping point, where there's enough black people that it becomes part of the culture.
Participant 4	Firstly we've got what you call a foundational program that's called (program name). Now (program name) goes at the foundation of your understanding of diversity, your analysis. It gives a background of what is happening in this country. We do that deliberately because wanting people not only to look at the philosophy of this is humanity, this is how humanity works and this is how people are being incarcerated. And this is how people come with different backgrounds. But we also wanting to

	<p>say blend that into how South Africa came to what it is today and why are we where we are today. And then there're different philosophies that are being discussed around from what people still think, to what different persons think and these types of things. There are different leaders that are being put up front that don't necessarily have the same school of thought. And people are being pushed to go and think about these things and understand those different types of schools of thought. And that's the foundational program really.</p>
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One respondent was of the view that culture change is achieved through engaging the employees in the diversity process on an individual level. This involves penetrating to the core of the individual's concerns with the transformation process and giving them an opportunity to express fears and be part of the solution. It is essential for gaining employee commitment and subsequently effecting attitude change in the individual.

<p>Participant 3</p>	<p>But really for me diversity management is the umbrella over it all and I truly believe you can't begin to try and manage diversity without connecting with the person because any kind of shift it becomes personal. It's a heart one more than a head one, let me put it that way.</p>
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It is interesting to note that taking into consideration the current importance of employment equity targets in South Africa, there is a shared consensus amongst respondents that compliance with targets should not be sought to the detriment of the organisation's culture.

<p>Participant 1</p>	<p>Unless you see through the Empowerdex process, not the Empowerdex but any rating process and see that as a result OF not BECAUSE of, you're really, really filing up - because you'll push the numbers, you'll mess with the culture and you'll almost negatively have moved in the wrong direction in terms of changing behaviour.</p>
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Another notable aspect for fostering a culture that values and promotes diversity is the extent to which it is an intrinsic belief for the top management of the organisation.

<p>Participant 5</p>	<p>And my boss, he's probably the best boss I've ever grafted for in my entire life. I mean he's a most magnificent man. And his style of management is so different from any other boss I've ever worked for. He's not the oke that walks in and says: "This is what we're going to do, what do you think...no...ja, no that's good." He'll sit and say nothing for an hour in a meeting and then he'll say "okay I've listened to everybody, have you thought of this this this and this" He's that kind of guy. And I mean he's an incredibly impressive human being. You know I think he had 4 years on Robben Island, he's probably in the top 5 or 6 okes in the ANC in this country, so he's a meneer you know. And yet he is a humble, regular guy. We go down to (restaurant) and have lunch together - he's that kind of guy. And so often when we get into the subject of diversity he's got an incredible take on it you know. Now if you've got a boss like that, it has to kind of filter through the business. If you've got a boss that says, 'We do BEE because that's what we are asked to do', it gives a completely different flavour to the culture within the business. So we're very blessed to have that oke. If he moved on and we got some other oke who wasn't quite so aware and alert as he is, that would probably change everything.</p>
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5.2.1.2 Diversity training initiatives as a facilitator of culture change {13}

It was identified in the preceding discussion that diversity training initiatives form the foundation for creating a culture of diversity acceptance. It is coded and discussed separately in order to provide for investigation into the nature of these initiatives.

All of the respondents' organisations are engaging in or have at some point engaged in diversity training interventions.

A number of the diversity initiatives mentioned by respondents when talking about effective interventions have a link to programs that help employees identify and understand the differences between them and their colleagues on an emotional level rather than an intellectual level.

Many of the programs are aimed at top management and entail experiencing specific events designed to build the ability to empathise. These interventions can be described as being ‘out of the box’. Participant 2 in particular felt that the need for diversity training has to be gauged and a decision has to be made on whether these initiatives are still necessary. He mentions the criterion of assessing whether the organisation’s “culture has progressed far enough”. This principle is shared by Participant 6. Both these organisations describe themselves as being at an advanced stage in the incorporation of diversity into their organisational culture.

<p>Participant 1</p>	<p>You know, we had an exco last week and we got into it and the CEO had taken all the chairs out and put wheelchairs in. We spent 8 hours in a wheelchair. We had to get to the toilets, we had to get coffee. We had to do everything in the wheelchair, and I don't think we were any less effective than what we normally are, I think we were more effective and we had some laughs in terms of the complete incompetence of managing in a wheelchair, but it just - you know, you shift the perspective.</p>
<p>Participant 2</p>	<p>The (program name) programme, I don't know if you've heard of it, it was very sort of intensive, it cost us millions, but what we did, we took all our people, our senior people, through this year, the two day facilitated programme, black and white, and we put them opposite one another and they had to sort of speak their mind of the other and get everything off their chest, and then we did a - what we call - the emersion. We put people on a taxi, and then they had to find an address in Soweto, and they had to sleep there and they had to go to a bus stop and make friends with someone who would be willing to invite them for tea at their home, and you know, I slept in Qua Mashu with a couple, wonderful couple and I had to catch the train the next morning at half past five to go to Durban station. You know we were in pairs. And I must say that was really a very powerful experience. It was actually great, they are wonderful people. The people were friendly, and as a way to sort of "shatter" what's a good English word, all the stereotypes and fears and stuff we have. So, ja, that worked, but I did feel it had a time and I was</p>

	<p>actually instrumental in stopping it, terminating it, rightly or wrongly, but I do believe that there is a time that now we must move on. That is a debate. We don't have....we have here and there diversity sessions and so on, but we can't really focus a lot on that. We believe our culture is open enough so that people can address...but, you know, I can't say we're doing the right thing. Maybe it's irresponsible.</p>
<p>Participant 5</p>	<p>R: Do you ever have some sort of diversity initiative training to educate about diversity or that type of thing?</p> <p>P: Amongst our management?</p> <p>R: Yeah at any level, wherever there's a need?</p> <p>P: No don't think so.</p> <p>R: It's probably because there's not much of a need?</p> <p>P: No there is a need. There's a huge...no when I say we haven't done....we haven't done it formally, so we haven't run courses. There's a lot of the gospel being preached by our management and so on at our insistence, plus (CEO) and I go around the country twice a year and we do a big road show to all our employees in all businesses. And a lot of that turns around the whole idea of equal opportunity for all when it comes to this group. We'll look at you as a person, not as a woman or a man or a black or a white or whatever. But no, we don't do actual diversity training. Although there has been some done and I used to do quite a lot at (subsidiary), I'm not sure whether they still do it there. But I don't promote it from this centre.</p>

Other diversity training interventions include baseline sessions where employees are trained on aspects relating to the nature of diversity and their role in it. Although available to the whole organisation, how the programs are run depends on what the specific needs are in terms of diversity training. Two participants were of the opinion that management should be trained, with the mandate to cascade the information down in the organisation. Participant 4's organisation makes the training available to all employees directly. External service providers are used to facilitate training.

<p>Participant 3</p>	<p>Yes, we worked with a company called The Human Capital Engine and we run it through three sessions over six months. Three full day sessions so it is quite an in depth process which as I say you've got different actions. So that's one element, the other element, what we do through the (company) academy is we're actually just finalizing a one day high level diversity management program. Just, it gave us one thing to work with managers but managers have to work with the rest of the employees and so on, trying to create similar context so everyone understands what diversity, what does it mean for (company) and what is your role in that.</p>
<p>Participant 4</p>	<p>The OD part really handles most of that. We have an OD function that deals much with that - we have interventions, we have...when I say interventions, these are programs that we have you know? Baseline programs that we talk about - what is diversity, how to understand diversity and what is the understanding of the business about diversity? And it's got background of, some parts about what are the issues around race relations, what are the issues around gender equity, what are the issues around generational gaps that we have. Economic impact of diversity and those types of things at a foundational level. And then there are even more kind of specific interventions as you go, perhaps even at a deeper level around what are the business approaches that are assisted by diversity. How does our diversity add value into a type of business interventions? And it includes change management. We also have a transformational aspect to diversity as well. We're doing it by what you call leading for deep green, which is also a program that started to arise at the top of the organisation and is a cultural kind of intervention.</p> <p>R: Is it required for everyone within the company to go through that program?</p> <p>P: It is required for everybody to go there however (program name) started from the top and is cascading down. We're now moving to middle management level and its being customized. And were covering the whole middle management in about three years time.</p>

Participant 6's organisation focused first on implementing training on transformation but can now shift focus to diversity training with specific reference to relationships between different groups within the organisation.

Participant 6	Yes, about four, five years ago it was a main objective to actually get to the level we are at now, but it's actually...I think what is important now is to get the real diversity going, to get the relationships and the interactions in the company, to work on that. And to do that we get the services of (Person x) from the University of Pretoria and she is starting to do workshops in our organisation to actually foster the whole issue of diversity and not just numbers.
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5.2.1.3 Employee involvement {20}

All participants reported that efforts are made to involve employees in the diversity management process. Taking into consideration that buy-in is needed throughout the organisation to change hearts and minds around diversity, this is a fundamental practice in diversity implementation.

Participant 3	So deal with the stuff that's in the law, the act and what is the reality of those things and take away the fear elements around all the things I've talked about, at the same time showing people how much they are part of, how important they are in making things happen and without them participating there's no point to the conversation.
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From the responses it would seem that employee involvement takes place in various forms. The most common form of employee involvement is through diversity or equity forums. Equity forums are established specifically with the purpose of creating a platform for all levels of employees to become involved in the diversity discussion and air their concerns. Participant 3 mentioned that in addition to their diversity forum, they have a branded structure / system that facilitate management-employee interaction. Diversity

forums are often used to identify diversity challenges and to provide feedback to management in this regard.

<p>Participant 2</p>	<p>Now the employee involvement...the next one would be that we have forums in all the segments and all the units have a diversity forum where we - it's not an HR driven thing - it's done by the employees themselves and I must say they're very active. That's going well. We've got a diversity manager who looks after the forums and our new HR director is very involved in the forums.</p>
<p>Participant 3</p>	<p>We have the normal things around - we have, what do you call them, transformation forums, which deals with, what is a selection of (company) employees across different levels, so from, for example I sit in the forum, from people on the board to cleaners, and it's a forum to deal with normal things like employment equity. This is a forum just to talk about diversity issues in business. That's in the formal sense, corporate wise, but what we try to encourage more, is within each business unit, that the managers are creating forums for people to talk. And link to our performance management system which we'd call, (company)...I shouldn't actually call it performance management because I think it's broader than that, but it's a process we call '(Company) Connect'. And really it sets up guidelines for you as a manager to start engaging with the employees. I think that engagement is critical for the success of the business. If you don't know the person you're talking to, the person you manage, and they don't know what's expected, and they're uncomfortable talking about fears, hopes, aspirations, ambitions, with they're manager, that you're doing is killing that person's spirit and they're not going to really contribute to the organisation. So '(Company) Connect', one of the things it tries to do is it, it formalizes, or creates structure rather, for the interaction between manager and employee. And outside of that we have the business unit forums and employees are then able to voice opinions and give feedback. And the normal thing around, we have internal magazines, we have our intranet, we're actually trying to...we have a conversation at the</p>

	moment on how do we tap into social media, to broaden connections.
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Surveys are also used as a tool to give employees the opportunity to voice their thoughts on diversity. Diversity questions usually form part of culture surveys and organisations can engage employees through this anonymous platform.

Participant 4	Once we've done this we also have a climate survey which is a staff survey, then we have in terms of what is happening in the business and how do we experience the business itself and we have a set of questions on diversity. And specifically to, we can see their statements that are made there, what type of questions have been asked and those type of things. Those are being measured to see what does staff feel, are we diverse enough? And do we promote diversity? Do we really understand and give people a chance to express themselves in the diversity dimension and those types of things and we measure over time.
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Standard organisational practices such as training initiatives and grievance procedures present the opportunity to involve the workforce in some way. Company-wide diversity training communicates the importance of creating awareness of diversity across all levels of the organisation. Furthermore, grievance procedures offer the opportunity for employees to take action if they feel discriminated against.

Participant 6	R: Do you involve employees in any way? P: Yes, you know with the workshops we have with Stella, and we plan to actually train the people because we do it in our management development programmes. Those people will actually try to take it to the rest of the organisation. We also have an employment equity forum which we deal with issues that are important and the whole. Empowerdex results obviously within the company.
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Participant 3	So what you don't want is to recruit, recruit, recruit and have all these programs but the management team that you require to help move the business forward is against what you're doing. That is why it's so key for me that the conversation around diversity, transformation is held openly and in a manner that doesn't exclude anybody.
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5.2.1.4 Leadership influence on diversity success {17}

This section focuses on understanding how leadership as a management process is approached in diversity oriented organisations.

It is evident from the responses that senior management plays an important role in diversity issues in many respects. With reference to diversity training, it is important that top management shows commitment towards attending training and views diversity as a priority. The consensus is that a diversity oriented culture originates with the values and philosophies of top management (with frequent reference to CEO's) and cascades down to lower levels of the organisation. In some organisations, the involvement of top management in diversity management structures, such as diversity committees, communicates commitment and the gravity of the subject to the rest of the organisation.

Participant 4	But I think in terms of changing behaviours, you've got to start from the top. And so ja, (program name) actually starts with that type of approach. That's - we start at the top with executives and they had to sit in initial work teams and understand starting from self mastery to how do we work as a group and what is it that we want to drive as a leadership philosophy within the group. And it's underpinned by strong values of accountability...accountability, very strongly, and respect, pushing beyond boundaries, those types of values that we have in the business. So our leadership philosophy really is, we are values driven and that you can see is very, very strong. So when integrity as a value that goes up all the time and accountability, this is what we mean by being values driven. So our leadership approach is really based on that.
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Participant 2	...maybe also to mention that in terms of how we manage it, we have a diversity committee, which is a board committee. And they meet, you know, same frequency as the board. They're a committee of the board and all the CEO's of the brands, that's now (sub company), (sub company), then (sub company) and (sub company) will attend that. The CEO's, just to show how serious they take it.
Participant 6	<p>R: What are the most important contributing factors to effective diversity management?</p> <p>P: Leadership. From a strategic point of view diversity must be driven and drivers must be measured and there must be proper communication of that in the organisation.</p>

It is imperative for the implementation of diversity that leadership not only supports diversity management verbally, but takes appropriate action.

Participant 1	<p>I think, just linking to some earlier comments, I think that anything around...you've got to really walk the talk in terms of the diversity management transformation, normalisation, whatever it is. We're fortunate, we've got a good embedded set of values and we talk about leadership living the values. And part of that is care, truth, participation, dignity which is a massive interwoven value in this and participation. And I think that is a strength. I think that we are led by someone who really does live the values, so there're no double standards. The moment you got a corridor chirp, you're finished, you're absolutely stuffed. Because that's the crack that all the doubting Thomas's have been waiting. 'Oh for a moment I thought he was serious - but that's okay, he is just as frustrated' and we don't have that, and I think that that's something that, back to the performance management, if you have it as a consistent leadership behaviour that this is the right thing to be doing for the right reasons, you can deal with performance from anyone, or lack thereof.</p>
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5.2.1.5 Main contributing factors to diversity management: Direct responses {11}

With the goal in mind of providing guidelines for effective diversity management to other diversity practitioners, the researcher posed the question: “In your opinion, what are the main contributing factors to effective diversity management?” to all interviewees. It was subsequently decided to include these responses under a separate theme so as to capture the summary of direct responses and the order of mention.

Participants had varying responses to the question. The only similarity in response, shared by three interviewees, was recognizing the importance of genuine personal commitment (as part of the management team) and believing intrinsically in diversity. This commitment should be supported by an understanding of what the goals are and why you are working towards them, with specific reference to bringing in equity candidates and driving for normalization. Other opinions on the main contributing factors to diversity management include:

- Driving for centralised and decentralised commitment, in other words to ensure commitment where diversity decisions are made and commitment where decisions have to be implemented;
- Hiring the right people (not just focusing on numbers), and the ability to identify them at entry point in organisation;
- Balancing legislative or regulatory requirements with business rationale and sustainability (business case);
- Giving diversity groups a chance for equity without repeating past mistakes;
- From a strategic point of view diversity must be driven and drivers must be measured and this must be properly communicated in the organisation.

Participant 1	I think that the synergistic commitment, centrally and decentrally.
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Participant 2	The first one is obviously to get the hearts and minds around it in your workforce. Secondly to be able to identify the right people. I mean we just don't go here for numbers and just appoint whoever - I think we must have the capacity and also the skills to be able to identify good candidates. You know, whatever race group and the other one is to be able to identify entry points in your organisation.
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The ability and resources to train people are also enabling factors to diversity management.

Participant 2	And then obviously the ability and the resources to train people within the organisation.
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Defining diversity for the organisation and fostering two-way communication to alleviate fear and uncertainty in employees by creating channels and forums where their voices can be heard seems to have particular impact on culture change. Creating context around actions in all communications to employees and being transparent and direct is critical.

Participant 3	To be effective? Ja, like I said earlier, I think the first thing is to define what diversity management actually means and also then once you've done that, communicate. Not only communicate in a one way forum but allow people to feed back what they're going through; create context around why things are being done. And this applies not only to diversity management but anytime you do something different, it creates context and I think if you don't create that context, people are not going to move forwards with you on the journey. And at the same time I think, be open around things, not don't worry, but things where you know this area we could do well, this area we're not going to do well and these are the reasons. Be transparent. It's easier said than done to be transparent. Because most organisations agree - let's just show our good face, like most people; show our good face because the things you struggle with you're going to kind of want to hide away. Just hide away. But it's just understanding, what does it mean in your lives, and talk to people, talk
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	<p>to your people, because what I found is that people have fears, people just don't know. There's a need for knowledge. Yes, most people read papers, most people listen to the radio, watch TV, but those things are often disconnected from their realities in the workplace. So I'm almost trying to get across big things - create forums, channels for people just to talk, and voice concerns and even voice suggestions of how things could be done. And in the communication you take away a huge element of fear. Whether you're talking about issues around sexual orientation, religion, gender, race, you start taking away (fear). Look, you're not going to remove it completely because people come to work and they go home, and what happens at home we have no control over. I think while they're in the work environment, we have the ability to influence somewhat. It's important that you think carefully what you want to say.</p>
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Balancing legislative or regulatory requirements with business rationale and sustainability is an important skill for organisations to have.

<p>Participant 4</p>	<p>I think, like I said, most important you need to balance your legislative or regulatory requirements with also your business rationale. It is one thing to try and comply with making sure that you're not unfair in treating people who are diverse, in making sure that you actually eradicate the injustices of what happened in the past looking at the workplace. And it's also important that you try a level the playing field after that and make sure that you promote equity for the diverse groups. That's very key. It's important. But you must also think about the sustainability of that what you are doing because sustainability to us - it becomes very important if it's weaved within what we do in the business and how we do business and why we do business. And therefore the compelling business case becomes very important for us in the bank.</p>
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Lastly, leadership also seems to be a most pivotal element to effective diversity management. From a strategic point of view diversity must be driven, drivers must be measured and this must be properly communicated in the organisation.

Participant 6	<p>R: What are the most important contributing factors to effective diversity management?</p> <p>P: Leadership. From a strategic point of view diversity must be driven and drivers must be measured and there must be proper communication of that in the organisation.</p>
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5.2.1.6 Respect, recognition and acceptance of differences {4}

The interpersonal values of respect, recognition and acceptance of differences promote diversity and should be at the heart of each individual's approach to diversity. Individuals should be granted the right to be who they are but to have common values in the work environment or shared space as described within the Four Spaces model for diversity management by De Beer and De Beer (2009). This does not mean that employees should try to become like one another or even be obliged to social interaction, but they should approach each other with a certain degree of understanding.

Participant 1	<p>It's the bits around the various circles that are outside of the common areas. Making oneself aware, accepting, you don't have to look - not about braaing on the weekend, but it's about respect in the workplace. And if you don't understand and are not aware, you can't respect.</p>
Participant 2	<p>Into it, that would be for me managing the diversity to understand other people and cultures and the whole thing of respect - maybe that's something I should add. We have respect and respect for the individual and diversity in many of the company's values. So, that is there to say you know, we respect you as an individual, irrespective of colour and creed or gender. And the other one is Ubuntu - to say, you know, it's important that we build the community. So that's part of the values and maybe that's a way of vesting your sort of a culture to say we live our values, because we make a big thing of that.</p>

5.2.1.7 *Setting goals and objectives {4}*

The goals that organisations set in order to achieve diversity are mostly related to targets for transformation.

Participant 3	We put together five or six transformational goals and every single one of them has a profit, or rather, revenue element linked to it so it's not like - I just want to be successful - we want to achieve for business so we put it step by step, I think it's important that you do that.
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Goals of a less tangible nature will typically reflect in the transformation philosophy of the organisation through values.

Participant 4	So I think starting from there, yes, we want to understand to say that the philosophy has got to follow that, and from there we've got what we call the ten transformation truths. So how do we look at transformation? We're saying that it must be a business imperative. We're saying that it must not be divisive. And everybody must be heard. We want to make sure that we have short term investment for long term gain, those types of things. And where is going to be our focus, we're still going to have to focus on the targets, where we see that were lagging behind and stuff like with promotion of certain groups within the workforce. We'll have targets to focus on achieving those numbers. We'll focus the depth of the groups being the disabled and women, also, and especially Africans, because we are thinly represented in terms of Africans within management levels.
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5.2.1.8 *Sustainability {12}*

Four of the six respondents shared the viewpoint that sustainability is an important principle to keep in mind when making decisions on various aspects of managing diversity.

One interviewee in particular described sustainability of the business as their primary driver and motivator for effectively transforming the workforce culture and group representation.

It seems that organisations should drive for transformation, but not to the detriment of the organisation, or to the growth and sustainability of the business. This is done by balancing the needs of the business with the required pace of transformation.

Participant 3	But the key thing is our focus on sustainable transformation. It's not about everything that is wrong now, it's about how do we make sure there's a future for (company) going forward. In all elements of transformation, transformation is a wonderful word you can dice it any way. Look at all angles, it's about how do we do it sustainably.
Participant 6	And I think that's much more important to create a sustainable environment for people from all cultures to work together than to just push numbers and to change the demographics.

However, transformation in itself adds to sustainability of the business as organisations lose face and consequently lose business in the current South African context if they do not comply with EE legislation.

Participant 3	No, for me, I think most people get it now, is that for the business to exist in a few years time, certain things have to happen. We have to grow in a certain direction. It doesn't mean by employing more black people or managing diversity we're not going to be profitable. By actually doing that you can be more profitable. And that's an interesting one always to have.
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Organisations also ensure sustainability in business by linking business goals to transformation targets. It seems that organisations are actively striving to combat the adverse effect of pushing numbers with pro-active planning.

Participant 3	<p>We put together five or six transformational goals and every single one of them has a profit or rather revenue element linked to it so it's not like - I just want to be successful - we want to achieve for business so we put it step by step, I think it's important that you do that. Because if you just say you want to transform, people start looking at you saying: "...so what, let's talk about business". When you start looking to the sustainability of the business and the future success of the business and start putting Rands and cents to achieve these goals, to achieve these goals we must do a b and c and link that back to transformation, then you have to be successful. The six transformational goals were built by the management team of the business so it was not a matter of saying "the CEO says" or "the HR director says". The people who were running the businesses were then saying we know we need to do this, these are the reasons why, this is how to fix our business on a daily thing.</p>
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The concept of sustainability recognizes that the organisation's success is a product of connecting to the environment and the organisation inevitably has to attend to the demands of the bigger context that is made up of inter-dependent relationships.

Participant 3	<p>And also, ja, back to the first comment I made about being a South African company: You know, one thing to be sustainable is to invest and be part of bigger communities. We don't stand alone as this block in Bedfordview, we're linked to everything that's found in Bedfordview, that's around the country, etc. etc. So, it's not a matter of saying we're just a piece of Lego on its own, we're part of a bigger social network and that I think is important. No one stands alone in this world and you must be able to feed that.</p>
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Sustainability and diversity ultimately link in the matter of skills transference from one generation to another. A common obstacle is that employees often retire without the opportunity to have mentored a successor and so the knowledge retires with the individual, which ultimately impacts on sustainability.

Participant 3	...and so that's a balance we've got to try and find, is try to, not necessarily meet both needs but be in a position where the right people are being promoted, in a position where the guys who've got the knowledge in the business are mentoring people, but without the fears that they're going to lose their jobs. I mean, that's not what it is about. It's more about making sure that we sustain the business. That knowledge doesn't retire. Cause in too many cases we've, no actually, a guy decides OK I'm retiring now and they've walked out with an immense amount of knowledge.
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Once organisations have driven to meet targets, the new focus becomes sustaining the change that they have already achieved. In doing this, the key focus should be on ensuring that diversity is understood and ingrained in the organisation's culture.

Participant 3	What I see if I talk to colleagues in the industries, there's a definite shift around, less emphasis in numbers, everyone's made their numbers and more around how do we sustain. Sustainability comes then with making sure the people that you work with understand what you mean with diversity.
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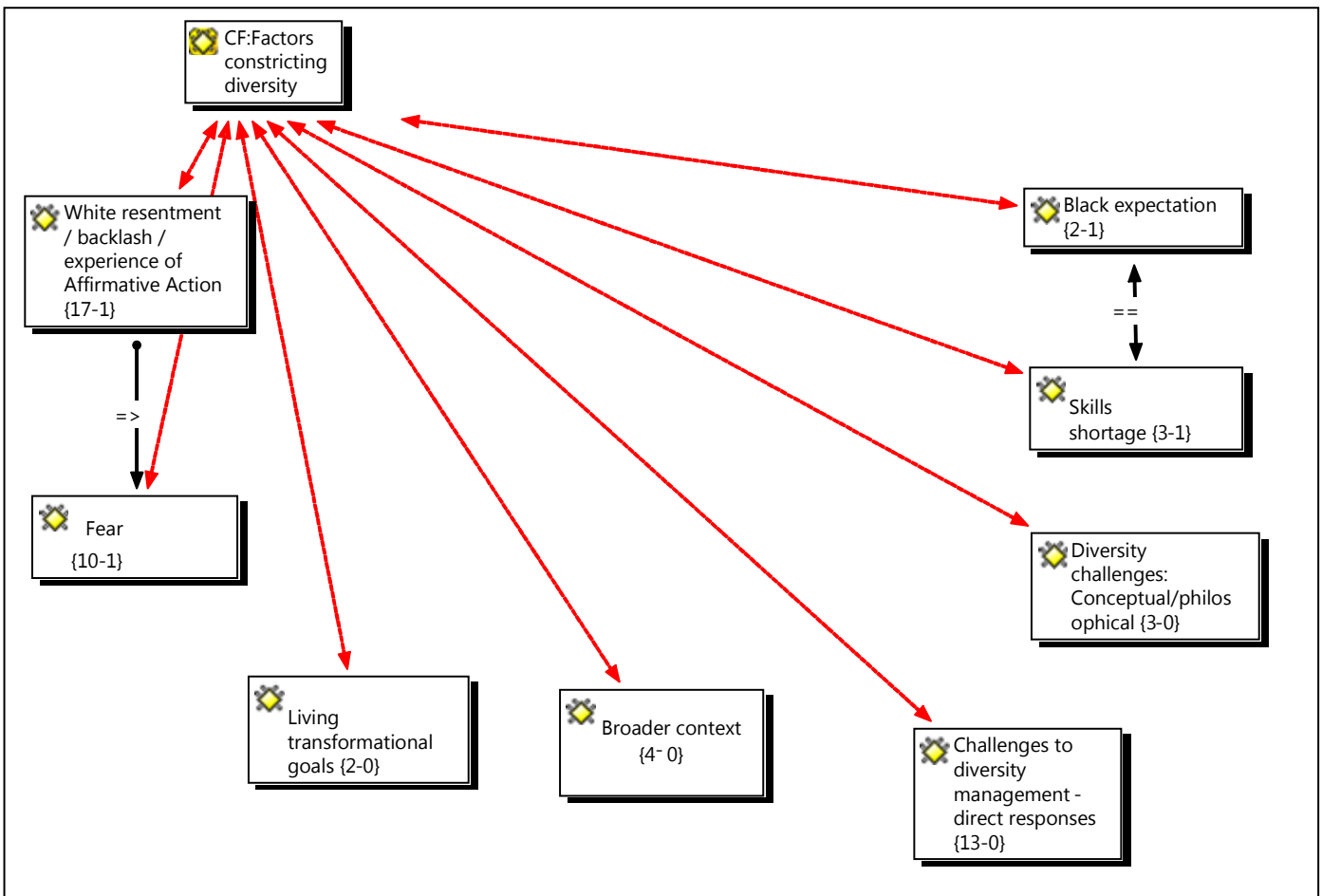
Instituting representation of previously disadvantaged candidates into a business without losing momentum is regarded as a process that takes time, and to create sustainability, this has to be done as smoothly as possible.

Participant 5	Business is business, let's face it hey. I mean, you can't buy a business on any criteria other than if you are serious about capitalism. The fundamentals must be there. Then you look at the others. And then you change it. If you believe strongly enough that it needs to be changed, and we believe strongly that it does need to be changed. But then you go back to what I was saying at the beginning. You take review then, you say to yourself, so how am I going too artificially now try and do this in a shorter time as possible? When am I going to slowly change this business so that in five years time I'll see a business that actually is now
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representative of the demographic but has not lost any of its momentum and capability and so on. And if you want my view, that's the way you do it. And that takes a much more subtle type of management than the former. It's easy to come and say: "Right, you, you and you, cheers. You, you and you, come". I mean I'm being stupid but you know what I'm saying.

5.2.2 Factors constricting diversity

Fig. 5.3: Factors constricting diversity



5.2.2.1 Black expectation {2}

Participants 1 and 3 made an interesting observation that black employees are becoming more demanding of quicker career progression. This could be a constricting factor for effective diversity management due to the fact that, although having the necessary qualifications, they often lack the required experience to perform well at the next level. Black employees are often accelerated too quickly and are not given enough support to perform. This reinforces the disillusionment about employment equity amongst white counterparts.

Participant 3	<p>In black people I've seen, again at different levels, where you get highly ambitious, often highly educated black people who have an assumption, because of those two elements, education and race, they automatically qualify for certain roles. And when you pause and say: "You don't have this and this experience", or: "You do have this", it'd be a case of: "When the hell are you going to give me the opportunity, it's my time". There's an assumption that purely because those two elements are there, or even if it isn't there - let's say they don't have an education, but purely because I'm black and the law says this you must automatically put me in the role, so you go from a balance of, guys we have a business to run. And if I put someone, anybody in the role, then they should have the experience, even with experience they must have the potential, and then I must make sure that we support them correctly. Otherwise we're all just setting ourselves up for failure. And it's a difficult one, if I think about me and the role that I'm in, the role I play, I hear both sides of the story. And more often from my black colleagues, where there's this need and I can understand the hunger to rise up and fly in the organisation when people aren't necessarily ready for it. But I do think, and I would encourage strongly that we must create channels to accelerate people and we must support them correctly.</p>
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5.2.2.2 Challenges to diversity management: Direct responses {13}

As in the case with determining the main contributory factors to effective diversity management, the theme of the most prominent challenges to diversity practitioners has been coded separately to allow the researcher to group the participants' direct responses when confronted with this question.

Connecting the knowledge of what it entails to manage diversity to a deep understanding on a "heart" level of the reasons for managing diversity seems to be a prominent challenge to organisations.

Participant 1	I think we've got the normal challenges, but it's about connecting kind of the head and the heart. No one that you interviewed will say: "It's a terrible idea and we don't need to do it", and then the linking to the belief, and the reasons and the depth of all of that. That's where our challenge lies.
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Another challenge is to find people from designated groups with critical or scarce skills. Organisations work around this challenge by creating developmental structures such as bursaries and graduate programmes to support black development.

Participant 2	Ja, I should say the first one is skills, critical skills, and to identify them, and to get them and to up-skill them. I know some people say there isn't a skills shortage if you really look, but we in the financial services - it's not so easy to get black CA's, black actuaries and we try to go the bursary route and we have an internal article situation to get CA's to qualify - to help us, especially with the eye on black development. We've got a bursary scheme and then we have, as I said, the graduate school, we call it, - that's to overcome the skills shortage.
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Discrimination in terms of remuneration on the basis of race and gender also seems to be a factor that organisations are hard at work to eradicate.

Participant 2	I would say maybe the discrepancy in pay is still something we might not have fully addressed, in terms of gender and race. I think we can still go a long way on disability management, you know, to get more disabled people in. There's really at (sub company) a big drive on that.
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Language can be a challenge in some entities where the habit of speaking Afrikaans in formal situations is still ingrained in employees.

Participant 2	We had sort of the language barrier, that people spoke mostly Afrikaans, when they're in meetings and so on. I think that changed, well (sub company)'s not with us anymore, but that could be here and there a question. Now if you say white fears, white resistance, maybe at lower levels you will still get that.
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In trying to bring about change, one participant found it challenging to package the interventions in such a way that it appeals to everyone in the organisation, with specific reference to the gap between the older and the younger generations. It would seem that the younger generation that has grown up in a context where diversity is a synonym to everyday life, does not understand the fuss that is made around diversity, whereas the older generation has a greater need for the diversity message.

Participant 3	One of the major challenges is, and alluded to it earlier on, is the generational gap that exists with the audience that you're trying to talk to. If I look at a period, it was somewhere last year; we had a lot of resignations in a particular cluster. And when I dug deeper in that, you've got managers who've been in the business fifteen, twenty years through various acquisitions who are now part of (company), who are managing, I'd say they're in their mid to late fifties, who are managing the super bright masters and science graduates who were born after I was in varsity type of thing you know, who don't relate to them on any
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	<p>level. So, the youngsters really don't care, the diversity issues are beyond them, it's part of the way they are and that's OK, where it's the managers who're still try to make diversity an issue. So one of the big things has been around bridging that gap. It's not always in every area, but there're some key areas where I think if you don't, again, set the context so that everyone's on the same page, you create problems. The biggest ones is creating the context and then removing the fear around the whole terms of diversity, transformation, employment equity etc.etc., because if you really, really look at it and read the act properly, it's not fearful at all, and that is something we should all embrace. I mean, I think it's quite joyful. It's talking about the future of where we want to go as a country.</p>
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Fear around the concepts of employment equity and transformation is also seen as a barrier to transformation. One participant is of the opinion that in order to remove fear, context has to be communicated and deeper understanding into the spirit of transformation must be cultivated in employees. The area where fear is most prevalent is where non EE employees fear for losing their jobs.

<p>Participant 3</p>	<p>But for me the big thing is around removing the fear around your personal circumstances. You're not going to be retrenched tomorrow. Actually if I look at the stats we've got in the business in the last financial year, we retrenched through general reasons of business. We retrenched more black people than white people in the business so some are saying because I bring in more black people I retrench more white people, it doesn't work like that. Retrenchment is a valid business reason and it's not race specific but we also acknowledge that we've got incredible skills and content walking around in people's heads that we haven't downloaded and we need to find a way of plugging it in. But it's a difficult one; it's not going to be perfect.</p>
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In two of the participant responses, middle management is a challenge to diversity, but for varying reasons. The first challenge lies in the limited promotion opportunity middle

managers have to senior management positions. This in turn impacts on their attitude and their idea of the value that they can add to the business. The second challenge is situated in the fact that as middle management will manage the bulk of the workforce, the attitudes and at times “old school thinking” of some middle managers influence the morale and attitude of the workforce towards diversity and EE negatively. The biggest contributor to this situation is that these managers are measured on business results and not on diversity indicators.

Participant 4	We've got a huge challenge at middle management level. Firstly in terms of the makeup of the organisation at middle and senior management. Now you must understand that in terms of opportunities that middle managers have towards senior management, for every one opportunity at senior management there's about ten people at middle management. So it's all a phenomenon of where people feel squashed in the middle. You are high enough not to be at the bottom but you are not high enough to be at the top and the time that they spend within this established kind of situation. And therefore it impacts on people's view of the kind of opportunities and progressional opportunities that they have within the business and the kind of value that they can add and stuff like that. So now you can tell now the heat is right there in the middle. Anyhow, that's our challenge.
Participant 6	I think the role of middle management. You know, we are about three hundred people that will manage the bulk of our employees and I think in certain areas of our business we still have old type of school thinking, and I think our biggest challenge is how to determine their morale - how do you replace some of them, because they determine how people relate to the company. That's what I would say is our biggest challenge.

Driving a culture of diversity acceptance amongst subsidiaries of a company is particularly challenging as they do not necessarily subscribe to the parent company culture. It is interesting to note that one participant uses an organisational restructuring process to change the diversity statistics within the company.

Participant 5	Ja well, it's changing the diversity arrangement in the subsidiaries that we have acquired as I said earlier. How do you envisage overcoming them? It is going to take time. We just have to work at it and work at it and work at it - so when we go through these sort of restructurings that presents an opportunity. We're about to go through some restructuring at the moment. So that's given us a big opportunity now to try and change the diversity statistics as we do that.
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5.2.2.3 Broader context {4}

In exploring the current challenges that organisations face in terms of managing diversity, interesting perspectives were given on the broader context of these challenges.

Individuals who leave the country because of fear for BEE implementation is a problem as the South African workforce is losing skilled labour resources. Furthermore, it seems that the challenges that organisations face are most likely a by-product of the root causes of skills shortage, such as an ineffective education system.

Participant 1	It's just a reality. You know, you got other massive challenges around education, and the fact that it's not a white exodus, it's a talent exodus, so a lot of really good black, Indian and coloured guys are leaving as well because SA...because we work hard, in general if you achieve here, you can achieve in most places because we deal with so many stuff on a daily basis, that you know, you're sort of attractive for other countries. But we are multinational, and we are quite into this, and the travels appeal as well. So I think those for me are the real challenges and the real effort.
Participant 6	Well I think it's not as simple as Empowerdex, I think I've said that before, and that we as a country have so many obstacles and our education system is so flawed that what we must do first is actually look at the root causes for the imbalances and make sure that that is in place.

5.2.2.4 Diversity challenges: Conceptual / philosophical {3}

The most prominent conceptual challenge of diversity seems to be that organisations tend to get caught up in trying to achieve the desired representative numbers. This is a challenge as the directive dynamic linked to employment equity legislation forces organisations into a negative frame of mind through fear of non-compliance and its consequences. Throughout all interview responses, it is evident that the challenge is to create a positive, pro-active mindset towards diversity.

Participant 2	I feel that the biggest problem with diversity management or managing your workforce in terms of diversity is that people focus on the numbers, you know that's because if its regulatory and it's a compliance issue. People see it as compliance and then you're immediately on the back foot as it were and you're reactive, whereas, if your mindset is that diversity is important for your organisation in terms of culture, it terms of innovation, a homogeneous group is totally different than a diverse group and we believe that diversity leads to creativity and sort of fun and that the fact that you can ...it's just a totally different dynamic.
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5.2.2.5 Fear {10}

Although this topic was previously touched on, it merits mention. Fear seems to be an obstacle to diversity implementation as it serves as a barrier to effectively changing the mindset of individuals. As the aspect of fear sub-lines some of the other challenges to diversity that have been discussed, the researcher thought it noteworthy to emphasize its impact.

Although the element of fear was only specifically highlighted by two participants, some comments were significant. Fear serves as a barrier to a diversity oriented mindset as the assumption is made that some groups are included and some are excluded.

Participant 3	The minute you raise the topic of diversity management the people's faces shut down completely. In my experience it's not that people don't want to engage but they fear the subject. And one of the key things around making the topic this fearful and making the people you talk to, the audience this fearful, the minute you start talking about anything that excludes others, I'm not going to engage with you at all.
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Race is a sensitive subject in South Africa. It has become taboo to directly highlight race related issues. This sensitivity causes people to avoid approaching diversity related problems head on.

Participant 3	I'm of the firm belief we won't get really honest about what diversity means probably for another generation or two, so my children will start having really the true conversation I think we still fear. When someone talks about races - you know? And that's a product of where we come from, that's okay.
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As mentioned earlier, in order to alleviate the stigma surrounding race and diversity, clear communication from management to the workforce and also opening the topic for discussion seem to be the starting point.

Participant 3	...and in the communication you take away a huge element of fear. Whether you're talking about issues around sexual orientation, religion, gender, race, you start taking away (fear). Look, you're not going to remove it completely because people come to work and they go home, and what happens at home we have no control over. I think while they're in the work environment, we have the ability to influence somewhat. It's important that you think carefully what you want to say.
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5.2.2.6 Living transformational goals {2}

Participant 3 pointed out that the implementation of transformational goals is a challenge. As these goals are designed through strategic processes by senior management, the challenge is to create buy-in from the rest of the organisation.

Participant 3	But the key is it's one thing to come up with transformational goals in a workshop or training session, our biggest challenge is to make sure it's lived and that it's reality. Because the goals are there, and our CEO talks about it all the time in any public forum we have, is the link between transformation and our reason to follow.
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5.2.2.7 Skills shortage {3}

For some of the respondents, finding EE candidates with highly specialized or critical skills poses a challenge. This is addressed by either affiliating with speciality organisations (i.e. the African Chartered Accountant Woman Organisation) or setting up developmental programs such as bursaries or internal training programs.

Participant 2	Ja, I should say the first one is skills, critical skills, and to identify them, and to get them and to up-skill them. I know some people say there isn't a skills shortage if you really look, but we in the financial services - it's not so easy to get black CA's, black actuaries and we try to go the bursary route and we have an internal article situation to get CA's to qualify - to help us, especially with the eye on black development. We've got a bursary scheme and then we have, as I said, the graduate school we call it, oh, that's to overcome the skills shortage.
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<p>Participant 4</p>	<p>In terms of recruitment also we look at specific organisations like the African Chartered Accountant Woman Organisation. We battled with chartered accountants, African woman chartered accountants, it's a scares skill and therefore we create relationships with these types of people and make sure that we can tap on their resources, understand their challenges and those types of things. So there're a lot of types of examples I can give you to say, our approach we look at where are we lacking, where are we underrepresented and start doing something about it. And that usually help us with, if you like, our managing diversity around that.</p>
<p>Participant 4</p>	<p>Our approach firstly is to say that, skills shortage period. South Africa has got huge problems with skills shortage. So the best way is to start with scarce skills. Diversity or no diversity you need those types of skills. And the next level is to say where are we having designated groups underrepresented. And therefore we start to push it that way. So as an example we never have, we laugh at this, we never have something that say this is a people with disability learnership. No. We've just got to have a learnership. Then we look at the representation of people with disabilities in that learnership. So that's how our psyche works. So where we are underrepresented we'll try and look at what are the solutions to make sure that designated groups are represented more in that area.</p>

5.2.2.8 White resentment / backlash / experience of affirmative action {17}

Including the matter of white backlash towards the implementation of transformation under the topic of fear was an initial consideration, as fear seems to be the underlying motivator. However, it became evident that fear towards the process does not only exist in the white demographic group, it impacts on other groups as well. As white backlash can have a significant impact on the implementation of diversity related initiatives, it was probed separately in the interviews and will consequently be discussed separately.

It seems that white resentment or backlash against employment equity is not a common challenge in organisations, although it does exist in some areas.

It appears that this is a greater challenge in the lower levels of the organisation. From management's point of view, the solution is to understand the specific context around cases where resentment is displayed and to assist the individual through interventions that promote awareness and acceptance. However, organisations need to acknowledge the sensitivity of the matter.

Participant 1	And its...the lower you go in the business, the more real those issues get, so you're a manager whose husband struggles cause he's a white male. She goes home to a certain attitude every single evening. You know, think she's not coming back with another attitude on Tuesday morning at 7. So, its understanding that and realising that...back to the journey, back to the process - what do you need to do. Do you need to be doing EQ development at a unit manager level so that she can better understand herself; you know that whole awareness leading to acceptance and all that.
Participant 1	And if individuals who happen to be white are resentful in the process, they're individuals - unpack it, understand it - are they frustrated because they're being missed because of candidates who don't have the same qualifications or are they just irritated because of the process. Have they forgotten the advantages that they had?

Where there is a backlash from white employees, it seems to be mostly because whites feel excluded from opportunities, they generally feel hopeless and uncertain as to the quality of life that employment equity legislation will allow them in South Africa. However, the respondents who raised this issue are of the opinion that in most cases, these fears are not entirely substantiated as the perception of lack of opportunities is not always a true reflection of the reality. They are of the opinion that many opportunities still exist for whites.

Participant 5	<p>So I've got a son, I don't know how old you are, my son is 33, he's been in London for the last 5 years getting a British passport which he has now done, so he's coming back to this country now. He comes back in July to work here, and we've had long discussions about this. His name is (name), and I say: "You know (name), really, you've got what it takes, doesn't matter what colour you are, you're going to make it. If you are an apologist or you're sitting back waiting for someone to hand you something because you deserve it, you're never going to make it, doesn't matter what colour you are. And that has to be the fundamental under which you operate, so now I've got four nephews, all white males obviously, they've gone, they won't come back and this argument falls on deaf ears, they're not interested, they just say: "We've got no chance, the deck is unevenly stacked". I said: "Well it that's what you believe the best thing is to go live in America or live in England. See if you'll do any better there than you'll do here". I really do believe that quite strongly.</p>
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Organisations can counteract white backlash by helping employees to understand that transformation is something to be proud of and by instilling a culture where excellence is rewarded despite race or gender.

Participant 6	<p>R: In your experience is there a backlash from white employees against the pace of employment equity in your organisation?</p> <p>P: Not a visible backlash, but you know I think from time to time people will privately make, like, comments around certain individuals but it's not something that we experience that is a problem. I think the reason for that is everybody is aware of our polls, everybody is aware that we're one of the most transformed companies in the industry and in the country, and we don't make excuses about that and actually boast it, so people are aware of that. So they also see that it's not only about race, that there are opportunities for other people as well, that we make sure that excellence is rewarded.</p>
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In some cases, the transference of skills from older white employees to younger black successors poses a challenge. This appears to be a product of white resistance towards employment equity and is based on fear of losing their value and consequently their employment. Once again, creating context and providing education on the nature and the implementation of employment equity is seen as a way to counter white backlash, however it is not always effective.

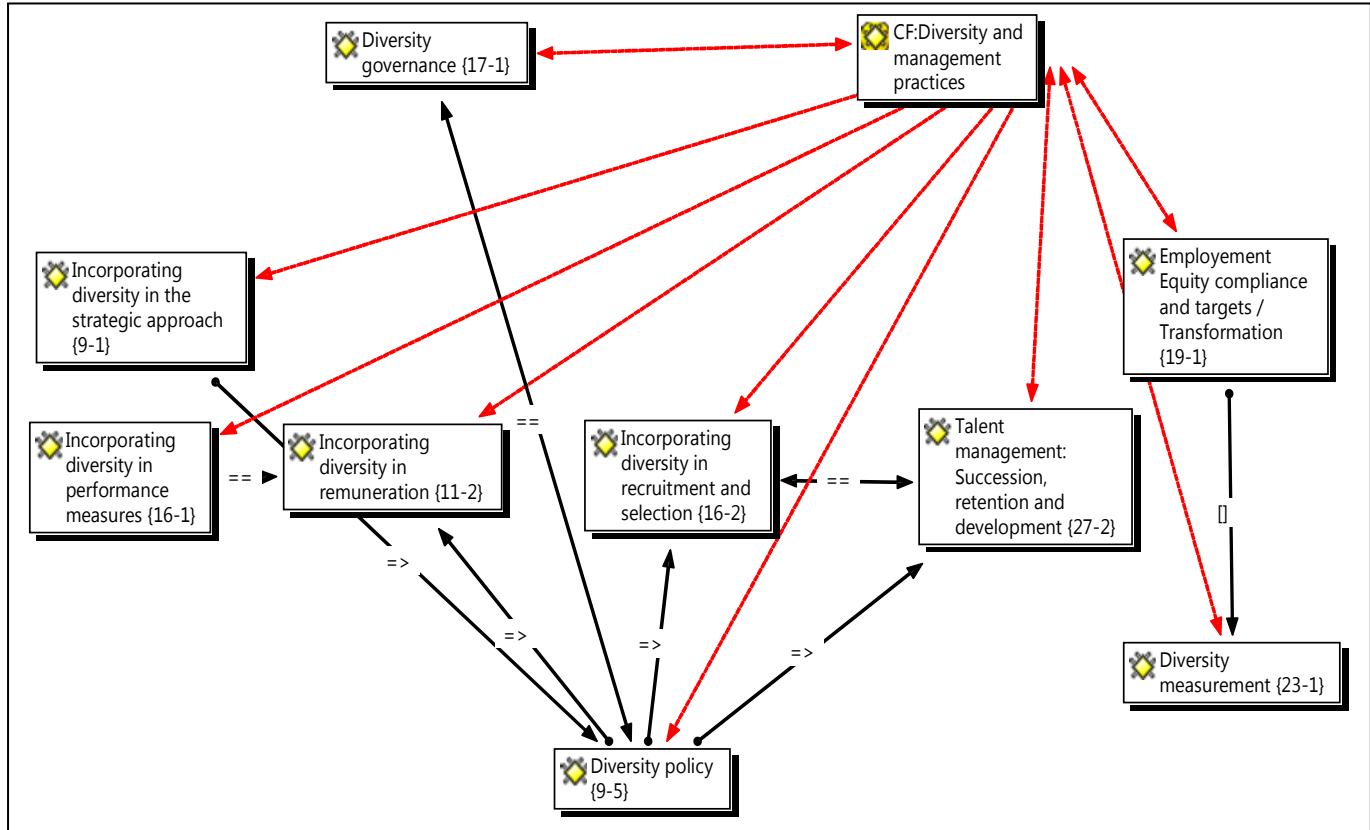
Participant 3	<p>The resistance in some pockets are actually quite frightening. The guys say: “But sure, you're going to give me this guy to mentor, he's going to learn all my skills, then what happens to me, you're going to retrench me”. That sort of language comes through. And it's about saying: “You know what guys, it's not about you losing your job, it's really about the sustainability of this business. When you get back to succession planning, you are going to retire in a couple of year’s time. We want to make sure that someone else can carry one doing it”. And that’s a big thing, and I've seen mentorship programs, graduate programs fail because again it goes back to creating context around what is a person’s role in all of this. Why has this been done? We can’t always get it right. With some people you try and create all the context in the world, but they've harboured this fear and they're not letting go of it. Because in their heads, what they've heard is employment equity is there to bring in black people so their white colleagues can be retrenched.</p>
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This challenge does not seem to resonate with all organisations and appears to be influenced by external factors e.g. the type of industry. For example, in the IT industry, the younger generation is passing skills on to the older generation.

Participant 6	<p>R: Skills transference - would you say that's not an obstacle because what I see is that there's a tendency specifically from older white males because of the fear of rejection?</p> <p>P: Our situation is a bit different. Technology has changed so rapidly and sometimes there's skills transfer from the younger ones, but in terms of leadership, I don't think there's an issue.</p>
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5.2.3 Incorporating diversity in management practices

Fig. 5.4: Diversity and management practices



Much of the discussion around diversity has taken place on a conceptual level, outlining philosophies, definitions and the latest thinking trends on diversity in South Africa. In this category however, the approach of organisations towards incorporating diversity in management practices is discussed. It is aimed at understanding how diversity manifests itself in management practices where there is a diversity-orientation and to identify the current dynamics at play in practicing diversity management.

Participants were asked to explain how their organisations incorporate diversity in the following areas of management.

5.2.3.1 Diversity governance {17}

Diversity governance addresses the question of how all aspects relating to diversity are controlled. Whether Diversity governance is centralised or decentralised depends largely on the context of the business. In bigger organisations, the responsibility to drive towards transformational goals and to implement these goals once achieved, is largely decentralised, meaning it is led by subdivisions, or subsidiaries. Top structures have limited input into these processes but will get involved if necessary in order to ensure that goals are achieved. This is mainly because of the unique environment and circumstances of each business that tend to disallow generic rules for managing diversity across all business units. Most respondents' organisations are functioning on a system that involves centralised governance or monitoring to some extent, but decentralised implementation with responsibility cascaded down from the top.

Participant 2	Ja, I mean the implementation is decentralised, but the governance is centralised from the HR director and she must report to this committee- the board committee where all the CEO's will attend. That is taken very seriously. So that's where we govern. Maybe one can say ultimately governed by the board. Regular reporting to the board.
Participant 3	Look, currently it's very much centralised. Cause we're really talking about the measurement of certain numbers goals etc. And I'm looking now from a corporate point of view. However, linked to what I said earlier on about while this isn't measurably linked to success, it is also the responsibility of the management team for that particular unit to measure their understandable subject and track their own numbers. And we always do a comparison just to make sure that we are doing the same things. From a (company) group point of view, I drive it on a central level and I do then cross check every now and again. But the expectation that, and again because the company of the organisation isn't, you know (company) is a holding company and we've got a number of very different business units with different personalities and all we need to do is give guidelines in terms of what they should be measuring. But they must take responsibility of how they're going to do that. Some

	people do it well, some people are struggling and it's okay.
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Participant 4 specifically distinguished between transformational goals and diversity initiatives related to Organisational Development. Transformation is planned, measured and controlled through one of Taylor Cox's models for diversity management. With OD interventions, implementation is done in joint partnership between the centre and business clusters. Responsibility for transformational aspects however, lies with business clusters and is monitored by the centre.

Participant 4	It's a bit of both, firstly we have two systems - we have an OD team that is tasked to understand and analyse firstly the philosophy around diversity and secondly how we apply the understanding of diversity within the business and work with interventions around that. Who implements. We partly implement from the centre but the business clusters are the ones that implement these types of programs so they will know what are the dynamics within that cluster, then they would partner with the centre and then they will make sure that the implementation happens there. And if there are issues as an example
	that has nothing to do with the interventions, that are not addressed by the interventions, issues such as: Is it about a leadership philosophy issue or is it a competence issue? And therefore you put it in terms of whether it's a training issue and stuff like that so the clusters are the ones that will know if that type of stuff is completed. We on the other hand from the transformational point of view have got the Taylor Cox model that we put there and they have to source out of that a plan of who's going to be doing what and then we monitor that. And that's how we put the governance plan together.

Another factor that seems to be a trend and a supporting measure for governing diversity is that of having designated committees that monitor diversity matters. Sub-divisions of the organisation report to the committee on transformational progress. It also appears that the greater the involvement of senior management in the diversity committee, the greater the opportunity to drive for change. The frequency of diversity committee meetings differs

according to the requirements of each organisation, and the committee may meet once a month or even quarterly in order to discuss operational requirements.

Diversity committees typically discuss and monitor aspects such as transformational goals, equity plans and remuneration parity and they also identify challenges to be overcome.

<p>Participant 2</p>	<p>...maybe also to mention that in terms of how we manage it, we have a diversity committee, which is a board committee. And they meet, you know, same frequency as the board. They're a committee of the board and all the CEO's of the brands that's now (sub company), (sub company), then (sub company) and (sub company) will attend that - the CEO's, just to show how serious they take it. So we have three non-executives on this committee, from the board, and then the executives and the HR director, or most of the HR heads of the brands and then they look at all the stats. Then they also looked at this report, the remuneration, the parity we have there. So that board committee, I must say, played a huge role, because this committee has got some clout. The people...you know in the beginning the CEO's didn't attend it but eventually they...you know, this is serious stuff - and I must say, that lifted the bar. You must have that clout.</p>
<p>Participant 2</p>	<p>R: How often does that diversity committee meet? P: I think the same frequency as the board meeting - is that quarterly? Ja, the board meeting is normally quarterly. R: What are the typical things that they would discuss? P: They will look at the numbers, all the numbers, so every company will come and present to the board. And I must say it's a very good exercise. Their diversity, their equity plan, and their numbers and their...ja, the plan and the objectives and everything, and the numbers, and then looking at the soft.....you know, the hurdles. What do they do about hurdles? (Sub company) typically would have language as a hurdle because most people speak Afrikaans. And then all the reports on equity in terms of remuneration, they were very...it was an intense</p>

	exercise, and also from their side to focus on that.
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5.2.3.2 Diversity measurement {23}

All respondents noted and reported the importance of measuring diversity. Most of the feedback centred on what is measured, how it is measured and when it is measured.

It seems that there are two main areas of diversity measurement that are currently important in the South African organisational context – measuring transformational progress by tracking EE representation, and measuring aspects relating to diversity oriented organisational culture.

In order to understand the progress made in this regard, milestones that have been set have to be measured. Measurement forms part of the diversity management cycle and acts as the key process for providing feedback to management on the state of diversity issues in the organisation.

Participant 1	But you got to keep prodding away at it, and you got to measure ongoing quarterly - where's your turnover, what type of turnover is it. Is new talent leaving quickly, all of that. Without going into sort of over analysing everything - if you don't study it and evaluate, you won't know where the oil tank is drifting off course.
Participant 3	Right now it's purely measuring the requirements for the different submissions. Whether we are measuring employment equity, whether we measure it as a flat company rate or across different management levels, we track that, we track gender variance; we track disability and disability variance. We also start to track attrition related to those elements I've talked about. So those are the hard things you can measure, those are the things we actually do. The other elements are more a case of watching trends when they pop up so we don't have hard measurements in those areas. It's really the ones that we have to report on and watch. The others, like I said, I'd love to go back and survey and check what's going on there. I think I'm hearing things in the corridor that

	I see because of my role, I talk to a lot of people but I'd also like some scientific proof behind that, that's my next step definitely.
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An interesting observation was made by Participant 6 in recognizing that the organisation's "health" in terms of diversity can't be based solely on the BBEE classification and the contribution of the organisation but should also be measured by employees' individual experience within the organisation

Participant 6	<p>R: So there are different managers with different areas of responsibility?</p> <p>P: And you see that's why I say if you're using Empowerdex as a measurement of diversity, because Empowerdex is actually numbers. So the real diversity you can't get by just looking at how much money is spent with black companies, you know, stake holding within the company and management control. I think real diversity comes from how a single employee experiences life in (company).</p>
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Organisations monitor the demographics of their workforce on a continual basis to ensure that employment equity targets are being reached. The frequency of measurement and reporting ranges from fortnightly to quarterly. Measurement is mainly done on group level so as to identify trends.

Participant 2	I would say we look at the numbers, constantly. I mean that is...we got a dashboard that every...for instance now (sub company), they've got a weekly exco. Okay, but then every second week they have their financial report. But in their financial report they must have their numbers there in terms...you know, their scorecard...you know their diversity score-card or equity score-card and then they will see how they're doing and obviously they will...ja, they report that regularly and (CEO) will have the scorecard on his computer anytime we can see how or what a segment is doing in terms of that.
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Participant 5	We do what we have to do, you know, BEE ratings and all of that. I mean, we have monthly reports. The okes do their monthly HR reports to me, I get...in terms of BEE ratings, we get that breakdown every month ja.
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The culture orientation of the organisation in terms of diversity is also measured on a continual basis. Although most respondents' organisations use climate surveys in this regard, or incorporate diversity questions into general culture surveys, informal measurement of the climate around diversity matters amongst the workforce is done through diversity meetings and feedback opportunities. Measurement is focused less on group activity, and more on the individual experience of diversity. Within the climate surveys, the individual values are compared against the values of the organisation. The norm seems to be to conduct a climate survey annually.

Participant 2	...but we have the softer issues also. You know, how your peers rate you and so on, so if your subordinates feel you...that's in our culture survey. So if you, if there's, that's very pertinent questions in the culture survey: "Do you experience discrimination, do you feel discriminated against", that type of thing. So that will come out and obviously if there's a low score in an area that will count, as it were against the management.
Participant 2	I think the culture survey is also a kind of measurement where you get the people's idea. If you get a more...softer idea...Ja, you're right - is there discrimination, do I feel fairly treated, especially when it comes to disability. You know, do you feel - and (sub company) is doing a lot on diversity management now. You know to get people with disabilities and to accommodate them. I mean the building is very friendly and so on. Okay, but you're right - that will come out and they report directly to the CEO. Regularly.

Surveys do not only measure feedback from the employees on their experience of diversity. It can be used to measure the level of correspondence between individual values

and company values along with questions that test the perception of diversity management application in organisations.

<p>Participant 4</p>	<p>We have Barrett? Survey that we do on an annual basis; we've been doing this for the past six years. And part of it is we have specific questions on diversity. And yes we still check on race relation issues and gender equity issues and those types of issues which are the original issues and the philosophical issues around diversity. So what happens is we are able to actually check the score on an ongoing basis. With Barrett we measure entropy, so the level of decent. What we also do is, actually I mixed the two, let's start with Barrett first because I'm right. In Barrett we measure entropy, the level of decent. So what we do is there are the personal values that are measured against your desired kind of values and also against what values we have in the business. And we try to measure also the match. So firstly the level of decent, those crude statements that are made to say, you know, how far do you disagree with those and we also measure the connectedness of your personal values versus the company values versus your desired things and over five years we have that kind of rich data. Once we've done this we also have a climate survey which is a staff survey, then we have in terms of what is happening in the business and how do we experience the business itself and we have a set of questions on diversity. And specifically too, we can see their statements that are made there, what type of questions have been asked and those type of things. Those are being measured to see what does staff feel, are we diverse enough? And do we promote diversity? Do we really understand and give people a chance to express themselves in the diversity dimension and those types of things and we measure over time.</p>
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Organisations also measure responses to measurement tools such as surveys and Employee Satisfaction Indexes by race and gender to discover trends in responses per race or culture group.

Participant 6	You know what we do annually with Empowerdex to make sure that we comply, but then we also have once a year Employee Satisfaction indices that actually indicate to us and then we distinguish between gender and race, and we actually try to find out where the niches are.
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5.2.3.3 Diversity policy {9}

Most respondents reported that their organisations have some form of formal policy that regulates the organisation’s approach to diversity matters. Most respondents mentioned the existence of an employment equity policy. It appears that in some cases, the employment equity policy touches not only on the organisation’s approach to transformational requirements, but also on the management of diversity.

Although respondents acknowledge the existence of policies that regulate diversity, it seems that not much emphasis is placed on policies and formal regulations to govern diversity. It appears that respondents prefer to emphasise and communicate the values inspiring diversity to the workforce in order to motivate a diversity orientation as opposed to instructions.

Participant 1	I mean, I had to present the targets yesterday for the group, but, I am not accountable for it. If (manager)’s hospitals division misses all of its targets, he'll stand up, he'll say: “All...blah blah”, he's got to make his targets. So you kind of...it’s embedded from the strategic through to the performance and then the measurements, so it’s not the policy - it’s a guiding thing, rather than a defining thing and why you must do so.
Participant 3	And I think, it’s important that you have the policies and guidelines but you create context as to why you're doing something - not just an operational execution of rules. No for me, I think most people get it now, is that for the business to exist in a few years time, certain things have to happen.
Participant 4	Absolutely, we have policies. I mean our transformation policy also includes partly how you manage diversity, ja.

<p>Participant 3</p>	<p>I wouldn't call them laws or policies, but what I've seen in companies I've worked for in the past there will be dedicated policy on employment equity and all the other elements of diversity. What I put together is really an overview and the principles on how we manage diversity at (company). Perhaps the next, and I've talked about the specific recruitment targets etc, but I think as a next step you almost need to take it down to a practical level to know what does it mean for people, which is part of our internal marketing campaign that we're launching on Friday. Which really says: "Okay guys, this is only a piece of paper. What does it mean to you, Joe employee? How do you make it real in your life?". I'm a bit wary around having thick policies but the more important thing is taking the message, translating it and making it real in people's lives. I think without making it real people aren't going to be part of the journey and make it effective. So it's not policy as such. Yes, sure I think there is merit in having policies, but it depends on the culture of the organisation.</p>
<p>Participant 6</p>	<p>We have a policy and we have an employment equity policy and we have a recruitment policy and we have a self-ability that actually take the laws of the country into consideration, but then we have values that actually are the real drivers of our diversity issue. Policy, but values are real drivers.</p>

Recruitment policies also contain links to diversity related issues as the recruitment process acts as a springboard for altering the demographics of the workforce.

<p>Participant 2</p>	<p>Obviously, you know, with recruitment it's important that you give everyone a fair chance, and the philosophy would be, and it's sort of not necessarily written in the policy, but if you have two people that are exactly the same, black and white, you'll most probably take the black person. So your default will always be to go and to appoint a black person, and if you can't, then to justify why. But we don't want the policy to say all people that we employ must be black. But I mean we're all very aware of equity and the drive and if you can.</p>
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Participant 5	<p>R: And then any specific formal policies, rules or special regulations to govern diversity?</p> <p>P: Ja, in our handbook it's specifically spelt exactly out what is expected, and those are almost taken verbatim from what the BEE thing says you know - you'll reflect the demographics and where you choose in between two people we will give preference to the person's colour and all that stuff.</p>
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5.2.3.4 Employment equity compliance and targets / transformation {19}

This section aims to explore the participants' approach towards employment equity targets.

Employment equity is viewed as the face of diversity. As all participants in the study are classified as top BEE contributors, all of them strongly emphasise achieving transformational targets. Although this is an important aspect of diversity management, the behavioural change aspect of diversity management should not be neglected. It is also mentioned that employment equity targets should not be chased to the detriment of the business and that the organisation should strive for a balance between these two factors.

Participant 4	<p>I think we can start with what we see as the face of diversity within the (company) - that is the makeup of our management structures, our teams, that's our transformational aspect. So there's the face of it. We look at how is our workforce makeup. And the reason why we say it's the face of it, it's also got a business slant to it because 62% of our workforce is women. Total. 33% is Africans in total and about let's say just under 60% is black people including coloured and Indian. So we've got a strong mix of designated groups. It differs by management level. At middle management we have about 78% black people and then you've got about just under 15% and then Africans is about 15% middle management and about 5% senior management.</p>
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Participant 1	<p>So, do you push the representivity to get the score? No, because you need to be sustainable. Those are the numbers, that's the people out there. You know, if you were only promoting and recruiting and ever dwindling pool of resources, it's not smart. You would never do that in a non-SA context. You know, if you were in a country without our history. You're actually recruiting more of these guys that there's less of on an annual basis.</p>
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When looking at diversity management in its totality, the biggest focus is currently on transformational actions. Transformation forms the main premise for the diversity orientation of management practices such as performance management (individuals are rated on achievement of equity targets), recruitment and development (targets are based on the percentage of designated groups required) and diversity goals.

Participant 3	<p>Without a doubt it's important to have metrics. In the sense of clear cut goals, saying right, this is what our organisation looks like now, this is what we're targeting in terms of employee numbers, and these are the targets, and lets be real, we've got targets like BEE, we've got targets around employment equity etc. It's what do we need to do as an organisation when we're hiring, to make sure we get to those targets.</p>
Participant 3	<p>So right, these are the areas where we need to prove certain things, when we hire a certain percentage let's say, for every ten people we hire, we need to make sure every six are black, or something like that. But have specific targets, I think it would be wrong to say that the population in time will just sort itself out. If you look particularly in our industry, where we look for specific types of IT skills sets, and this is at different levels I mean, if you look at junior middle management type people, you will get every colour of the rainbow you want, every shape, size in store, but start looking at senior, top management, there's a handful here and there. And we've got to say what are we going to do to help more people walk up the ladder?</p>

Participant 3	So what we did two years ago with specific focus on management level in the organisation, we put together employment equity targets at a group level and at each business unit. And there was money linked to overachievement and obviously you'll lose some advantage for underachievement.
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The ultimate goal towards which organisations are working is to have the workforce numbers representative of the population whilst still being effective in business.

Participant 4	I think, like I said, most important you need to balance your legislative or regulatory requirements with also your business rationale. It is one thing to try and comply with making sure that you're not unfair in treating people who are diverse, in making sure that you actually eradicate the injustices of what happened in the past looking at the workplace. And it's also important that you try and level the playing field after that and make sure that you promote equity for the diverse groups. That's very key. It's important.
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5.2.3.5 Incorporating diversity in performance measures {16}

For most participants, linking diversity to performance is a crucial component of managing diversity effectively. Financial incentives are linked to the achievement of transformational targets.

Participant 1	<p>P: We had a big drive for employing people with disabilities last year. It was a complete failure.</p> <p>R: Why?</p> <p>P: Because people weren't measured on it. No one will argue about the need, no one argued about the awareness, things are great, you know we're doing the housekeeping etc. But this year on the balance scorecard they got targets. You got to do it seriously, otherwise it's a nice...it's a should have.</p>
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Participant 1	We are going to take a group wide target on all of the things, so every single one of those items on the Empowerdex index thing - the spend, the management control is a central thing, the EE stats, the skills development within the EE stats, the disability stats, all of those are filtered through to targets of an operational level. We are not stupid, if they can't control it, we don't have a punitive or rewarding mechanism, but where they can, then we do.
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It seems that it is not uncommon for the workforce to perceive performance management systems as discriminatory along racial lines. However, in all of the participating organisations' performance management system designs, all employees are rated according to the same standards, regardless of race and gender.

Participant 1	Performance management, we are quite robust. And we have the same standards and the same pressures and the same rewards. And I think that that's part of the success, if we are a success, because I think that it's the...when good performers feel that mediocre or poor performers aren't begin managed in the same way, they either leave or become mediocre themselves and that's part of our challenge because I think people tiptoe around performance, and it's like a perverse corporate example of the old sporting quota system. I think that we have learnt via feedback that we expect too much from new appointees too quickly, but that's the sickness of our culture across all gender and races issues. We just need to relax a little bit, and we put in place an on boarding programme that any new manager at a certain level gets a buddy who understood the culture. Just that we, we kind of remember that they've only been here three months before we start applying all sorts of ridiculous pressure.
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Participant 2	<p>Okay. Ja, yes, this is a tricky one for me where I can see we have problems. So if you, and I mean we do discuss it, but say you give a black person a lower rating, it is difficult to give a black person a lower rating, because that is seen as discrimination. So you have two guys, a white guy and a black guy and the black guy doesn't do well, so we give him a low rating. And then it's immediately seen as discrimination. And often you get that the colleagues, the black colleagues, will support the non-performer too. So, that is difficult. I must say that's a big challenge. For a white guy to give a black person a low rating, because you would be inclined to be politically correct and say...but we try to manage that and we did a lot of research and we saw that people actually did get lower ratings. And we went back and we did a lot of research why and what happened and so on and that's changed dramatically. But we did two things - we had a huge drive on disparity in remuneration and the differences in the performance management. It was a huge thing.</p>
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Because performance management requires quantifiable measures in order to function objectively, performance in the field of diversity is rated on the achievement of transformational targets.

Participant 2	<p>R: Do you include diversity measurements in your performance management?</p> <p>P: Ja, we do, but unfortunately it will also be in terms of numbers. So: "Did you manage the numbers, do you get to your targets?", which is a pity because it should be more of that, you should actually have in your management. But we have the softer issues also. You know, how your peers rate you and so on, so if your subordinates feel you...that's in our culture survey. So if you, if there's, that's very pertinent questions in the culture survey: "Do you experience discrimination, do you feel discriminated against?", that type of thing. So that will come out and obviously if there's a low score in an area that will count, as it were against the management.</p>
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Participant 2 suggested that performance management systems need to be based on the output that an individual delivers. This will contribute to eradicating subjective ratings from managers and will promote fairness of incentive distribution.

<p>Participant 2</p>	<p>The other one would be...I still feel, if we pay for performance...you know, if we have a situation where you paid for output in a sense, then there will be less discrimination, because that's you know, so...we do that in call centres and client service areas that you know that you can quantify it, and then you pay for output and then there's nothing because you're a woman or whatever. That to me is a fair process. Ja, not so practically implementable for some areas. We tried, we've got a committee and all the units can present it to say we call that (incentive scheme). That is to say you can actually determine and so we had a committee and then every unit had to come and present how they came to move towards this (incentive scheme) initiative.</p>
<p>Participant 3</p>	<p>So what we did two years ago with specific focus on management level in the organisation, we put together employment equity targets at a group level and at each business unit. And there was money linked to overachievement and obviously you'll lose some advantage for underachievement. I must say the first year of implementation didn't go down well. Not at all, I think we hadn't thought it through properly. We've done it again now, the cycle, but with more emphasis not just on shifting a percentage but looking at the layers in the organisation. It's not going to work to say: "Okay, I want 50% EE in that particular division". We've now got more detail to say - across each level, what are the shifts that need to happen? It's easier in some divisions than others. And it's been, I think what also failed in the first year is that we hadn't gone through process of the whole transformation program that we started. So it was out of context. I think what's happening now is that people are understanding why it's being done, how it's helped them as a business to become more effective. I heard the other day a manager said: "But you</p>

	know, this is all beyond my control”. I said: “It can't be beyond your control, you interview people every day, you recruit people every day, there's an area to control this”, so ja we've tried it and we're linking performance incentives to remuneration and diversity. I can't say we're hundred percent successful, not at all. It's one of those works in progress to tweak all the time.
Participant 5	Yeah, so in the KPA's for those who are able to influence that, they have a KPA which says we will subscribe to the requirements of, or we will BEE or drive EE drive diversity or whatever it is. So we got that ja.

5.2.3.6 Incorporating diversity in recruitment and selection {16}

The recruiting process forms part of the foundation of the transformational process. It presents the organisation with an opportunity to change the demographics of the workforce through new recruits and it is therefore an important part of the diversity process.

Participant 1	...and it might be no subversive parking, it might be just genuine parking because it's not top of the list, but if it's important to the business and we should be doing it, then it should be woven into everything, every single vacancy, is this a job that could be filled with a person with a disability - not all of them can. Theatre nurse, orthopaedic ward nurse, I mean they got to lift people up. Tricky, but there are many, many other opportunities.
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<p>Participant 3</p>	<p>Recruitment selection: Without a doubt it's important to have metrics. In the sense of clear cut goals, saying this is what our organisation looks like now, this is what we're targeting - its employee numbers and these are the targets. Let's be real, we've got targets like BEE, we've got targets around employment equity etc, is what do we need to do as an organisation when we're hiring, to make sure we get to those targets. I think it would be naive to say: "Ag, it will sort itself out". So I think the first thing for me as an organisation...level, define the words, gender, race, whatever it is, define those topics, what do you mean? But also keep it simple. The words we watch are gender, race and disability. So right, these are the areas where we need to prove certain things, when we hire a certain percentage, let's say, for every ten people we hire, we need to make sure every six are black, or something like that. But have specific targets, I think it would be wrong to say that the population in time will just sort itself out. Let me put it that way, yes, you should have specific programs to accelerate people. And again you've got to watch it carefully because there's a danger you can alienate a whole population. And say, right if we want to accelerate, we accelerate across groups, so across gender, across race, you bring everyone forward. At the same time increase proportionally what you're trying to sort out.</p>
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Identifying and employing individuals with scarce skills from designated groups pose a challenge to organisations. This is counteracted by setting up bursary schemes and graduate programs to support the development of potential employees. Organisations also make use of specialized agencies to ensure that the right individuals are appointed from a transformational point of view.

<p>Participant 4</p>	<p>Most important things are...we look at mostly where we are underrepresented when recruiting people. People with disabilities. What we do, specialized agencies, recruitment agencies that can help us with sourcing them plus placing them and things that are related with placing them. So, how do you make sure that you've got a disabled person - never think about when they walk into the workplace - what challenges are they going to face. So if you work with specialized agencies it helps us much. So this is one of the things that we do. In terms of recruitment also we look at specific organisations like the African Chartered Accountant Woman Organisation, we battled with chartered accountants, African woman chartered accountants, it's a scarce skill and therefore we create relationships with these types of people and make sure that we can tap their resources, understand their challenges and those types of things. So there's a lot of types of examples I can give you to say, our approach we look at where are we lacking, where are we underrepresented and start doing something about it. And that usually help us with, if you like, our managing diversity around that.</p>
<p>Participant 2</p>	<p>You know, whatever race group and the other one are to be able to identify entry points in your organisation. We feel strongly about that. So sort of natural entry points. Now it's not that relevant because you know the thing's sort of normalised but at a stage we said: "Okay, internal audit might be a very good way of getting someone in and learn to understand the organisation". At the (sub company) we've got a very active, very successful sort of management school or programme where we get young graduates in and we ...and at (sub company) we have the "class of" programme. We take the top how many people and every year they could be from any background or any degree or discipline and then we let them move within the organisation so that they can find a niche and a lot of our top people actually come from the "class of" programme. We're very successful.</p>

Participant 2	We did a lot of projections to see.... at a stage we didn't get enough black people through universities, but still with actuaries and so on, so there we must also identify opportunities to get potential timeously. Nowadays we'd go to universities and say let's give bursaries, so we've got a bursary scheme we give to people actuaries...scarce skills, to identify the scarce skills and to get involved timeously in the development.
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Recruitment policy and procedures also support diversity in that it creates opportunities for management to exercise control over the demographics. Often senior management will become involved in the appointment decision. In some organisations it will only be from a certain job level (Patterson C2) and in other organisations all appointments of non-designated groups have to be motivated and approved by senior management. It is not uncommon for senior management to reject a candidate from a non-designated group on this basis. For internal appointments, non-designated employees will be considered more often than in the case of external appointments. However, when two candidates from different contexts are similar in qualifications, experience and job fit, candidates from designated groups will be appointed.

Participant 5	It is important, and it is an issue. In the area of recruitment and selection, there are two ways that this happens. One is that I have a note out to every subsidiary saying that in all instances they will give first preference, skills being equal, to a person of colour, and a black person, an African person. Not Indian, not coloured, black. Male and female, not as important, I want black people employed. So that's a standing rule for all the subsidiaries that we have, backed up by my CEO. When we get
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	<p>up to the more sort of middle to senior management levels, he and I demand that we have first look at who it is that they have on their short list. And if there's no representation of diversity in there, we tell them to go back to the drawing board. And I've had, I can quote numerous examples in the past six months where we've actually blocked employment. (Name) at (subsidiary) has been looking for a marketing senior manager, but to become a director. He kept bringing white okes and I just said go away go away go away. "But I can't find them", I said I don't care, go and find them. If you can't find them I'll find you one. "Oh okay I'll go and look". There's a lot of that that comes our way.</p>
Participant 6	<p>Take recruitment and selection for example. Your state of intent must be to change the demographics of the organisation. So by doing that you must get the right entry levels into the organisation so there must be a proper plan to bring resources in, there must also be a recruitment policy in place that actually on the middle and senior management levels and on the professional levels you actually get the process in place to get diversity going. So what we had to do, we almost centralised approval, so if it's not a diversity candidate or a black candidate approval of a report will happen with me. So I can scrutinise the process and make sure that we have actually followed all avenues to make sure that there is no diversity candidate.</p>

In order to keep the recruitment process as unbiased as possible and to steer clear of stereotyping, some organisations try to include people from various backgrounds in interviews to assist with decision-making.

Participant 2	<p>Obviously, you know, with recruitment it's important that you give everyone a fair chance, and the philosophy would be, and it's sort of not necessarily written in the policy, but if you have two people that are exactly the same, black and white, you'll most probably take the black person, so your default will always be to go and to appoint a black person, and if you can't, then to justify why. But we don't want the policy</p>
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	<p>to say all people that we employ must be black. But I mean we're all very aware of equity and the drive and if you can. I mean it becomes so part of the culture that if you walk in and there's a group of.... a team only white and male, I mean you'll be a bit shocked. So ja, do we see discrimination? You know, we also try, I think, you know, a white guy...I'll never be in a situation where I would interview a person on my own as an old white guy. I will always see that I have, you know, a black colleague with me and it's just...you know, it's difficult. I think I have also stereotypes and baggage and I would...most probably my weak or blind spot could be that if I hear a black person speak good English, I automatically think it's a good person.</p>
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5.2.3.7 Incorporating diversity in remuneration {11}

The core indication that a diversity orientation is not incorporated in an organisation's remuneration structures is the presence of inequality of pay scales for different groups of individuals.

As levels of remuneration also communicate the value that the company attaches to a group or individual, it is a critical aspect of diversity management.

Participant 2	<p>I would like to come to remuneration, because that's critical. I mean you can be...you have everything, but if you discriminate there, then you have a problem.</p>
Participant 2	<p>R: Okay. Remuneration-wise? P: Ja, we did the same, there here, we had...we had huge, we had a disparity there. And we....women and black people, and that was now quite a while ago. So we had a task force to go through all that and to rectify that and we did manage, but it was a whole exercise, it was a whole process.</p>

Most respondents reported that their remuneration scales are not biased towards certain groups. However, the fact that black individuals with specialized skills are a scarce commodity forces organisations to pay more for them.

Participant 5	...joh, the skills shortage and the amount of money that you have to pay for school people of colour. There are fewer of them, so they're more costly - so you then got to make a decision which is often a strategic decision. In terms of your remuneration policy you need to say we're going to pay black guys more than what we're going to pay white guys and then you have a barney between a black guy and a white guy in the workplace because the one guy earns more than the other guy.
Participant 6	On remuneration, what it is - we do measure gaps, if there's on a racial basis we actually look at income gaps, but its slightly changing now because of the scarcity of certain groupings of skills the ratio of certain black individuals will be higher than the white counterparts, but then we just need to manage that process, but it's almost in balance now. Black plus skills shortage equals higher pay.

Additional incentives are also often given to black management such as share options and share schemes.

Participant 4	We do look at income differentials. And we do an analysis and assessment of income differentials and see by level, by gender, by race and occupational level and it gives us some type of analysis and we do something about it. We have specific incentives like share schemes and share options for black management, for black management schemes, those type of things, so ja, we do look at it.
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Discrimination according to race or gender can be countered by ensuring that remuneration is based solely on performance. With this system, measures are quantified and are thus the same for all across the board.

Participant 2	The other one would be...I still feel, if we pay for performance...you know, if we have a situation where you paid for output in a sense, then there will be less discrimination, because that's, you know, so, we do that in call centres and client service areas that you know that you can quantify it, and then you pay for output and then there's nothing because you're a woman or whatever. That to me is a fair process.
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5.2.3.8 Incorporating diversity in the strategic approach {9}

Most respondents, although not all, include diversity either directly or indirectly in their strategic approach. Only Participant 1 mentioned that transformation forms part of their six strategic pillars and is thus explicitly defined in the organisation's vision and mission.

Participant 1	Ja, one of our strategic pillars is accelerating transformation and we only have six strategic pillars so it gets a lot of weight.
Participant 2	Ja, no that is part of our workforce planning. Diversity is part of that.
Participant 6	In fact I think there must be almost a transformation statement in an organisation around all of these and it must be linked in with other vision statements of the company and to think you will run all of these separately as part of diversity or transformation is not going to work.

For others, transformation becomes a strategic matter because of its direct links to the impact on business.

Participant 4	From a science that says, in our strategy there are two areas that we actually focus on more within human resources which is transformation and culture. Yes, culture is very important, we believe that culture cannot be copied and therefore if you like, this distinguishes us from any other organisation. And the fact that (company) has driven accountability for so long and to see in our makeup that we are a federal type of model type organisation, federal still means that there is some kind of work that's done at the same time. We under (parent company) as an
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	<p>example are not different entities coming into one. We are one entity with a federal approach. The issue is driving decision-making at the lowest level as possible for people to develop accountability and literally increase the speed of doing things. Ja, so indeed it is factored into the strategic approach. The fact that if you like we are driving transformation right from the top means that things around diversity becomes very key because in driving those numbers we are driving the makeup of our teams. We are driving the makeup of our businesses, we are driving that, and the issues that are surrounding that are within the mix of managing this diverse teams - and managing the diverse issues that are coming out of these diverse teams are central to what we do. The fact that we've been doing Barrett for over so long and that we are looking at how functional or dysfunctional we are in terms of driving culture, is testimony to the fact that these are central and key. And I think that's any key measures around the culture that uses these types of measures that I'm talking about. So when you look at our strategy document you'll also see there's two, there is transformation and culture that are very key to driving our strategy.</p>
<p>Participant 3</p>	<p>Absolutely - the foundation of our strategic plan is our philosophy so we always look at what is the principle philosophy, what is the strategy for each of the philosophies - and then what are the operational things we're going to do? We really just take it down to each level. So around transformation it really...I wouldn't say it's the umbrella but when talking about anything, remember what I said earlier on is that we know we can't be profitable, we know that we can't start partnership for life if you don't take transformation seriously. So if you look in any literature especially the recent stuff around (company) there's a strong element of a language around diversity and the need to embrace difference and use difference to help the organisation move forward. But ja, like I said, it's very strong at the management and leadership level but the work now is in how do we make sure that there's a ripple effect in the rest of our organisation.</p>

Organisations that feel they have progressed far enough in terms of integrating diversity and transformation into their organisational fabric see no need to include transformation in their strategy.

<p>Participant 5</p>	<p>R: Strategic planning - is diversity in any way incorporated in your strategic goals?</p> <p>P: No, I don't think so. I'm just thinking that HR...you're talking about HR strategic goals? Yes, it's definitely in there. You talk about the company or the group strategic goals; I don't think it is in there. Human resource management in the group strategic goals, but I don't think there's one specifically about diversity.</p>
<p>Participant 6</p>	<p>R: Strategic planning actually links to leadership, your thoughts?</p> <p>P: Ja, it's not one of our strategic objectives anymore, it is almost part of our Business as usual.</p> <p>R: Has it been part of your strategic objectives previously?</p> <p>P: Yes, about four, five years ago it was a main objective to actually get to the level we are at now, but it's actually...I think what is important now is to get the real diversity going, to get the relationships and the interactions in the company, to work on that. And to do that we get the services of Prof. Stella Nkomo from the University of Pretoria and she is starting to do workshops in our organisation to actually foster the whole issue of diversity and not just numbers.</p>

5.2.3.9 Talent management: Succession, retention and development {27}

Succession planning, retention and development of the workforce form part of the organisation's approach to managing talent within the organisation. Although all of these can be seen as separate processes, they connect with and impact on each other. The diversity oriented organisation's approach towards these management practices will subsequently be discussed.

When looking at how diversity is managed through employee development, it appears that there are various approaches. Although it is generally advocated that development and growth opportunities should not be exclusive to a specific group, there are programs that are designed to accelerate employees from designated groups within the organisation. Participant 1 is of the opinion that training programs as well as recruitment practices should reflect the demographics of South Africa.

<p>Participant 1</p>	<p>One of our biggest challenges is nurturing talent, nurturing diversity talent. And nurturing white talent - we brought in a white trainee and it was a black guy sitting, we just brought in eight black trainees. When were we going to bring in the white trainee, why only now? If our numbers economically active are 68 or 69% of whatever it is and then 6% and 3% and 8% - that's what you got to do with the trainees, because that's normal, so it's about your entire sausage machine as well you know, you got to be stuffing all the normal sausages in the front of the machine otherwise you know you're swinging too far the other way, I think.</p>
<p>Participant 6</p>	<p>R: Okay. So succession planning is specifically focussed on developing guys from designated groups?</p> <p>P: Yes, that is why the pool for our succession planning comes from our amazing talent program and our business development plan or our management development plan which is 80% black. I think that's the direction. That leads to our leadership and management philosophy as well. I think we're quite fortunate that our board and our exco is quite diverse and we've transformed there in the sense that they actually drive the process much easier than other companies do, because they're passionate about it.</p>

It is often found that in order to ensure that black talent is sufficient in organisations, training programs or management programs are designed to nurture this talent. However there is apprehension around this practice as it is not uncommon for black talent to leave the organisation for better opportunities once the investment in development has already

been made. Employees from designated groups, once developed, are a sought-after commodity in the labour market.

<p>Participant 1</p>	<p>...the turnover - if you lose black talent, is it bad? Not necessarily, if you brought in raw talent, you've developed it and you haven't got a job for it you're going to lose it. But that's okay. You know, you should expect, because you can't satisfy the ambitions, so be okay with it. Don't be resentful: "After all I've done for you, you're going there". In another circumstance you get the phrase: "I can't stand in his way, he's a good guy, and I don't have an opportunity". So it's again, that normal conversation. The looking after the talent isn't normal; you do more because there's less. But if you lose it, don't be angry or pissed off because it's gone to a better job with more money that you could provide - that's the way it works.</p>
<p>Participant 4</p>	<p>Talent development, okay it follows the same approach, we're underrepresented at management levels, we're underrepresented on scarce skills, we're underrepresented on technical skills in the business and therefore in training and development we try and look for solutions to these type of things. And our approach as an example this time, we've seen with examples that we've had with specific academies like the values academy, that helps where you've got a shortage of that type of skill and you setup an academy for that which is literally going to teach a specific skill and a portable skill that we have. That helps us in those types of things. Again, ACA helps us with chartered accountants and those types of things. So our learning and development also seeks to look at where are the gaps, where do we lack, where are we underrepresented. Our approach now broadly is that we're building academies for job families. There's the finance job family, human resource job family, and from the technical side also in terms of banking, investing and those types of things, there are academies for that. And we believe that we'll deal with skills shortage in that way.</p>

Another interesting point raised by Participant 1 is that many whites who previously did not seek development opportunities are increasingly expressing the need to study to differentiate themselves and in many cases then leave the country for more secure prospects. Organisations should be wary of investing in these cases as it facilitates the exodus of skilled labour from South Africa.

<p>Participant 1</p>	<p>...and then we do have at a management level, if there are D's and E's in terms of developmental programmes, that are motivated...I think practically we lean more to ACI's then whites, particularly if (and I mean this is the practical reality) a lot of whites who never thought of studying all of a sudden want to study so they can leave. So you think: "No, I'm not going to facilitate that". The coloured woman that is doing great and whose husband is working and the 3 kids...you know teens, early teens, you're going nowhere...there's a program that can work. You don't even have to worry about the study contract, with the other guy, as soon as he can afford to buy out of it, he's off. So there is that, kind of practical thing, which does irritate...I got a letter last week, it is unfair, unreasonable etc...sorry for the guy, but I just happen to know he's been to Australia twice. The last time New Zealand because it's easier to get in there, I am not facilitating that because the culture knows that he's going, so what do you do?</p>
<p>Participant 3</p>	<p>Look along the same principles, for a long time what (company) had was that they had a bursary scheme that was only open to black employees. And I think for me, that's one of the things that I've actually stopped, and I've said the bursary scheme is open to all employees, but we've got to encourage more and more employees, black employees, disabled employees, women employees to be included in the bursary scheme. You can't just close it off to one group, that's the thing about managing diversity, opening up, but be clear about why you're doing so. So in terms of encouraging education, absolutely. Even with, again back to our conversation around '(Company) Connect'. Even in that conversation with employees talking to manager, there's a conversation around development we need to want. And we have a talent pool that</p>

	<p>we discuss at exco level we say these are the stars in the business, these are the reasons why, so each exco member must motivate their own people and in that questions are asked what do you do about business development? And what's really beautiful is that we have the (company) academy, which is run from HR which essentially is our education arm of the business. But it specifically targets our own employees so we don't sell (company) academy training externally, not yet anyway. But it's more around what do we do to develop employees. So we also need to make sure when thinking about people that are going to be future stars, what are we doing to support education, even the guys who are not going to be future stars, what are we doing to help them become future stars? We've taken the decision not to label people; it then starts to impact on the behaviour which is what we want.</p>
<p>Participant 2</p>	<p>...the other one is to be able to identify entry points in your organisation. We feel strongly about that. So sort of natural entry points. Now it's not that relevant because you know the thing's sort of normalised but at a stage we said: OK, internal audit might be a very good way of getting someone in and learn to understand the organisation. At the (sub company) we've got a very active, very successful sort of management school or programme where we get young graduates in and we...and at (sub company) we have the "class of" programme. We take the top how many people and every year they could be from any background or any degree or discipline and then we let them move within the organisation so that they can find a niche and a lot of our top people actually come from the "class of" programme. We're very successful.</p>

While some organisations afford equal opportunities for development to all races, other organisations specify percentages of representation in development programs.

<p>Participant 6</p>	<p>Ja, I think the measurement is very important. You have internal processes that actually...about 80% of ourwe have an amazing talent program and a management development program. 80% of those candidates that we select for those annual groups must be from</p>
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	<p>designated groups, 20% will be white, 80% will be black, and then there must a 50-50% ratio. So we also make sure that we double the spend on diversity candidates in the company budget. So if you say R10 000 per employee is the norm, we say every designated employee must get ten thousand so we try to achieve that.</p>
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Most organisations have formal succession planning programs aimed at identifying successors for key roles. Succession planning becomes a problem when designated employees who are developed for specific roles and opportunities do not advance fast enough. When they realise their increased marketability, they are prone to look for other opportunities.

<p>Participant 1</p>	<p>It's identifying the talent, doing enough for it, and then hoping to fill the aspirations. E-band we have found we haven't been able to translate as much from D-band to E-band internally as we would like, and the F-band the exco, and I think out of, nine, ten of us, three of us have successors. And that's probably more due to the fact that three of us have absolutely brilliant two IC's, rather than any really gifted succession planning process - and I think in a SA context succession planning is harder, because you know, I tell you that you're great, you've got loads of potential, they send you off, you do this couple of overseas courses or whatever, and you come back - you're available! Firstly you're far more aware of your marketability, you probably got some sort of salary adjustment just to try and keep you happy which also welcomes all sorts of other things and there's a skill shortage. And irrespective of colour you are suddenly available because of your awareness much more than you might have been beforehand. So, we can't not tell you that you are great and all those things, but...so I think that's the corporate struggle with the concept of active succession planning.</p>
<p>Participant 1</p>	<p>R: Do you identify a certain highflyers to develop for succession purposes? P: I think subconsciously we do, so if you've got a guy and he's good, and I think half of you says you got to continue to develop, because if</p>

	<p>you don't develop you're going to lose. The other half of you says if you continue to develop you're definitely. So I think that senior succession planning is very difficult in a tight skills pool. Cause people won't, if they're really good, and the other guy is not going everywhere, and they've done everything that they can do, well then they'll go and do something somewhere else.</p>
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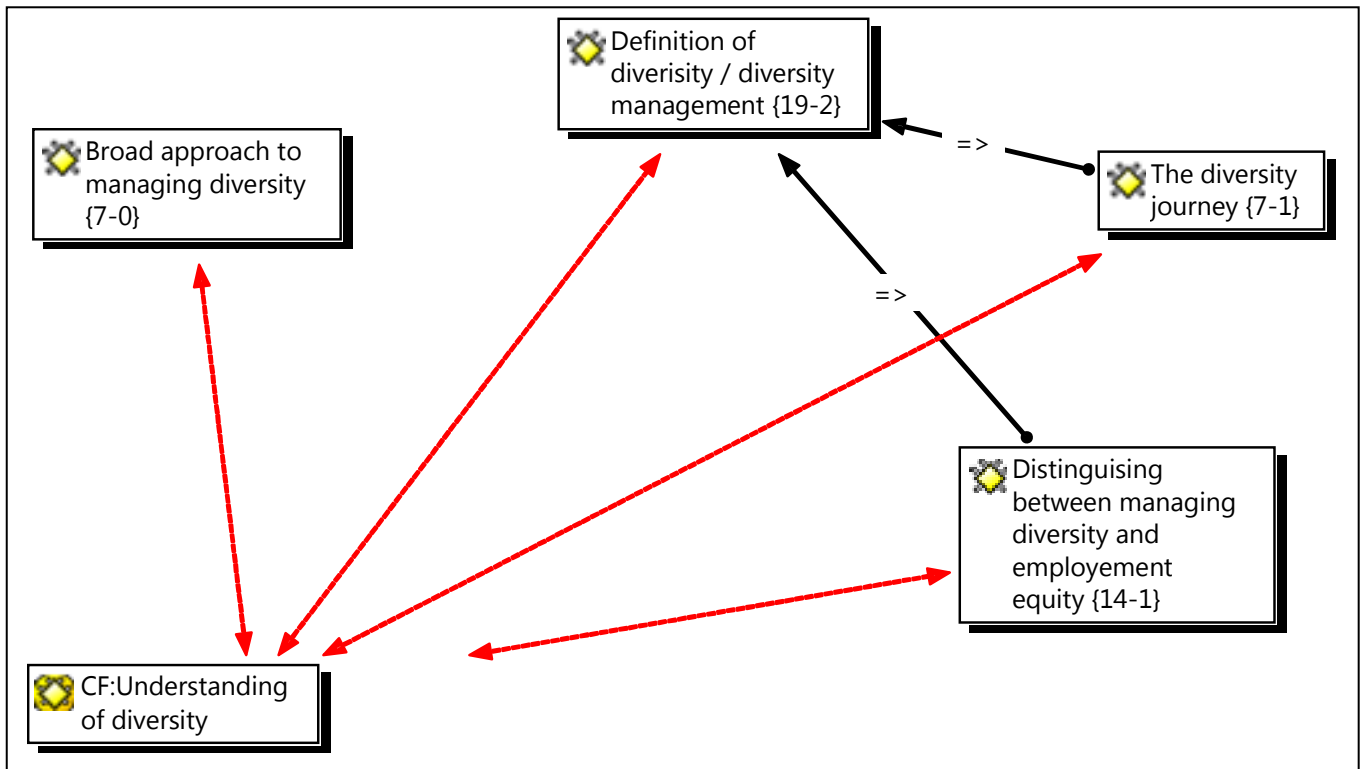
Other participants are of the opinion that acceleration of employees should be done across groups, but equity figures have to be kept in mind.

<p>Participant 3</p>	<p>And we've got to say what are we going to do to help more people walk up the ladder? Let me put it that way and yes, you should have specific programs to accelerate people. And again you've got to watch it carefully because there's a danger you can alienate a whole population. And say right if we want to accelerate, we accelerate across groups, so across gender, across race, you bring everyone forward. At the same time increase proportionally what you're trying to sort out.</p>
<p>Participant 2</p>	<p>Ja, no I must say we are not good with succession; we don't have a formal succession plan. At (company) we believe in an owner manager culture, and the HR is sort of deployed, now it's sort of centralising again a bit. So we said, we believe people that work for us are basically good and we must take that...if you take the bureaucratic rules and restrictions away, they will inherently do the sensible thing. So, our job is to take bureaucracy away and the whole succession plan. I always saw it as very bureaucratic - if you do this, you'll be that, and we say we're an entrepreneurial culture you're your own Pty (Ltd) and it's your responsibility to expand your job, but also to look for new opportunities, to look at your brand, to look at what do you contribute and that's a different mindset. Okay. So that led to that - we don't have formal career plans, we do a lot now on talent management. Right, so succession planning, obviously in most cases someone will look for their successors. Now that's part of your...that's what we would do...part of your performance management contract is you must look for the</p>

	<p>successor. If the bus runs over you, who's going to take over. And that is sort of a general rule, although it's accepted that it will be person of colour.</p>
<p>Participant 4</p>	<p>Absolutely, succession planning wise we even have our succession plan cut by race and gender and occupational level. Wanting to see the types of pools that we have that will support the succession, what type of makeup those pools are like. Invariably we've got a gap as we speak. Senior management is a huge gap. What we do is we say who is available in the next three to five years, who is available in the next one to two years, who's available immediately and on a contingency basis. By just doing that you can tell, that in the next coming five years we're replicating the same kind of complexion that we have. The makeup that we have in our senior management. That has taught us to do something about it.</p>

5.2.4 Understanding of diversity and broad approach

Fig. 5.5: Understanding of diversity



5.2.4.1 Broad approach to managing diversity {7}

In many instances during the data collection phase, participants elaborated on diversity from a conceptual point of view. These inputs could often not be specified as definitions of diversity or diversity management per se, although the detail presented an insight into their philosophy of, or their broad approach to diversity management.

An organisation's orientation or mindset towards diversity management can play an important role in the diversity management experience. When organisations approach diversity from a reactive point of view in which compliance is the focus, it can decrease motivation. Conversely, if diversity is approached from a proactive point of view with the focus on the creativity and energy through a diverse group of people, excitement is created.

Participant 2	If people see it as compliance then you're immediately on the back foot as it were and you're reactive; whereas, if your mindset is that diversity is important for your organisation in terms of culture, in terms of innovation, a homogeneous group is totally different than a diverse group and we believe that diversity leads to creativity and sort of fun and that the fact that you can...it's just a totally different dynamic. If that's you mindset and not the numbers then you don't feel you're complying.
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One participant questioned whether diversity could really be managed. The logic behind this reasoning being that ultimately, despite our differences, individuals will find commonality in each other in the fact that we are all human beings and are inherently the same.

Participant 4	We've got a serious debate within (company) whether we can manage diversity. We don't believe that you can really manage diversity. You can try but human beings in their own right and in their own makeup, it is really about understanding if you like the universal type of principles that says that you must understand that this is humanity. And if you get to a very narrow level of saying, do you as a white male think differently to
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	<p>me as a black male? If you dig deeper you might actually find that because of our interest now as we speak we actually don't think differently. Or there's more point of conversions that point of diversions. So is it desirable to manage that thing? Or are you at a better place rather to create a climate where the two of us can thrive in that climate? And that's a philosophical approach. In sort of trying to manage diversity what are you trying to force? Because today's definition of management itself is about what? Putting systems and processes in place in order to do that. Can you really manage diversity? Big question.</p>
<p>Participant 4</p>	<p>...either we also, you know, view diversity as something that you don't want to manage as such. But that you know we are diverse in different ways and if you cut it to the bone as individuals we are diverse. We are different people in our makeup. We are different from our siblings in the way that my outlook is to life. But I think once we know...so, managing diversity is not really something you want to drive, but rather recognising the diverse nature of our teams, our workforce and make sure that we hold onto the positive past of whatever our diverse backgrounds bring into the past. So if you like, that's a bit of philosophical path that we drive.</p>

When it comes to the process of diversity management, only one of the participants mentioned a theoretical model that they implement to drive their focus for diversity management.

<p>Participant 4</p>	<p>So that's our framework really and we use the Taylor Cox model as I said. And what we've done is to now take, we've got a plan that says on all these blocks what are the things that we've got to be focusing on this year as an example. From all these things we are doing and say, if this is what we have to be focusing on, how do we monitor, how do we make sure that these things are going to be happening? So ja, we can work on this one by one but I think that's the broad framework that we can share with you to show what we do.</p>
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5.2.4.2 Definition of diversity management {19}

Throughout participant definitions of diversity and diversity management, there seems to be a common feeling that diversity is often, especially in the South African context, minimized to issues relating only to race, whereas in reality it is a far broader issue. This is possibly partially due to the context of South Africa's history but it is also influenced by the strict legislative enforcement of transformation.

However, some of the participants try to specifically broaden the scope of understanding of what diversity means in their organisations. Generally, diversity is regarded as all the ways in which people differ from each other.

Participant 3	In my head and in my experience diversity is one big broad umbrella that deals with difference, anything that's different whether it's gender, race, religion. Anything that's different where things like employment equity and AA are just specifically race and gender and disability - and what we try to do is not to deemphasize but really try emphasize all of the elements and not just the race ones.
Participant 5	So I mean, it's a difficult question to answer - diversity, because of the nature of our history and because of the nature of our makeup in this country I think to some extent has been abused, the definition of the term, because there's been this inequality and imbalance in the way in which various sectors of the community have had a chance within the community - other than the business community. I mean diversity, if you look it up in the dictionary it's a very simple term, it's a very simple concept. It's the fact that you give every type of human being a chance to compete equally on a level playing field. There are a million definitions but I'm sure it'll be something along those lines. The interesting this is that it's invariably in this country converted into a colour issue. People lose sight of the gender issues, sexual orientation issues, I mean there are so many other diversity issues that impose themselves on the way people manage diversity. So it becomes a colour thing eventually so you have the BEE thing, the EE thing and all that sort

	of stuff. I mean we talk about diversity and managing diversity, it's the term we use in the firm.
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Another theme that presents itself throughout the answers to the question of how organisations define diversity and diversity management is respect. It seems that a key contributing factor to making diversity work is the understanding and acceptance of differences between people, in other words respecting that which is different from us in others.

Participant 2	Into it, that would be for me managing the diversity to understand other people and cultures and the whole thing of respect - maybe that's something I should add. We have respect for the individual and diversity in many of the company's values. So that is there to say we respect you as an individual, irrespective of colour and creed or gender. And the other one is Ubuntu to say it's important that we build the community. So that's part of the values and maybe that's a way of vesting your sort of a culture to say we live our values, because we make a big thing of that.
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It is also interesting to note that most of the participants were not able to commit to one specific formal definition of diversity. This alludes to the notion that diversity, its definition and subsequently how it is approached is not necessarily a universal concept, but is different for each organisation in its context, history and progression with diversity. As one participant put it:

Participant 3	I think the first thing basically is to say there's not a common definition what diversity management is. I've worked of different organisations in my life and each one has defined it differently, has tried to manage it differently and often there's a separation between employment equity, transformation and diversity management. And there are various reasons. But really for me diversity management is the umbrella over it all and I truly believe you can't begin to try and manage diversity without connecting with the person because any kind of shift - it becomes personal, it's a heart one more than a head one, let me put it that way.
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For some the focus and meaning of diversity lie more with employment equity and transformation.

Participant 4	Oh, I cannot really tell you how we actually define it. Like I say our diversity is - we view each other as - the concept of humanity that is built up of different groupings, so diversity for us means that people are different and there's an absolute recognition that difference does not mean that there's something wrong. Difference means that there is different way of thinking, different way of doing things. That's very different, background is different and we'd like to literally separate those differences. So that's really our probability if you like, to me it's an understanding more than a definition of your definition and we don't, like I said we shy away from trying to manage diversity, because by managing diversity we'd have to have a clearly defined way that we are going to impose on people to start saying that this is what we must do in order to manage diversity.
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When looking at the meaning of diversity management, it appears that the general feeling amongst participants is that the focus lies in using the differences within the workforce demographics to create success.

Participant 4	Either we also, you know, view diversity as something that you don't want to manage as such. But that you know we are diverse in different ways and if you cut it to the bone as individuals we are diverse. We are different people in our makeup. We are different from our siblings in the way that my outlook is to life. But I think once we know...so, managing diversity is not really something you want to drive, but rather recognising the diverse nature of our teams, our workforce and make sure that we hold onto the positive past of whatever our diverse backgrounds bring into the present.
Participant 6	But the most important thing around diversity to me is the ability of an organisation to create high performance teams by using multiple sources of resources. People from different backgrounds, people from different genders, people from different races, also people from different attitudes and personality types. So that's how I want to define diversity. I think that is how it should be done, but unfortunately, due to legislation, and due to the forced transformation currently in the country, diversity has become a numbers game, and not a mindset.

5.2.4.3 Distinguishing between diversity management and employment equity
{14}

Towards the end of the interviews, a direct question was posed to the participants of whether they see a difference between employment equity and managing diversity. Most of the participants implied the understanding of a distinction between the two concepts of their own accord at the beginning of the conversation before touching on the topic directly.

There seems to be an understanding throughout that managing diversity and employment equity differ in certain respects. In essence, the two concepts are intertwined, and employment equity is regarded as one element of diversity management.

One participant described diversity management as the overarching term under which employment equity will be one of the elements. However, the prevailing viewpoint seems to be that diversity and employment equity are contrasted to a certain extent, with EE

being the drive for transformation and compliance to numbers / targets, and diversity management, being the deeper focus on individual attitude and culture change.

Participant 6	<p>The difference between transformation and diversity is definitely there. Transformation is the hard numbers type of measurement and diversity is basically how employees, how leadership and employees in the company should work together.</p>
Participant 1	<p>R: In your view, are there any differences with regards to implementing employment equity and managing diversity?</p> <p>P: There should not be, because you can't be committed to managing diversity, and not by default, achieving employment equity targets. It's just impossible. If people think that it's possible, they are paying lip service to diversity management.</p>
Participant 2	<p>I feel that the biggest problem with diversity management or managing your workforce in terms of diversity is that people focus on the numbers, you know, that's because if its regulatory and it's a compliance issue, people see it as compliance and then you're immediately on the back foot as it were and you're reactive; whereas, if your mindset is that diversity is important for your organisation in terms of culture, it terms of innovation, a homogeneous group is totally different than a diverse group and we believe that diversity leads to creativity and sort of fun and that the fact that you can...it's just a totally different dynamic.</p>
Participant 3	<p>With employment equity you can be quite mechanical. You're plugging your numbers to get a result. Diversity you're then dealing with the emotional impact on the person and it's more than that and we've got to approach it differently. So definitely, employment equity is an element of diversity and one of the elements.</p>

Participant 5	<p>So it's an incredibly difficult area. So there is a difference in implementing employment equity and managing diversity, definitely. Whether we've got it right in this country, I can't say. I've got a view, but I can't say. I think it's the way we manage the legislation, the way we manage the process in this country that determines whether we got it right or not. But legislation is there, it needs to be properly interpreted and sensitively implemented in companies and I don't think a lot of people do that. And I'm not saying that we are brilliant at it, but I know there's a sense that I have that it has to happen.</p>
Participant 6	<p>R: In your view are there any differences with regards to implementing employment equity and managing diversity?</p> <p>P: Absolutely. I think employment equity is something that there is legislation about and there are certain targets, whereas management of diversity is not only about employment equity. It's about respecting each other and making sure that the employees, although they are from different backgrounds, are able to work towards the company's goal. And the whole diversity issue is more than EE. It's about creating a high performance culture in the organisation, it's about mobilising teams and making sure that you have the best combination within teams to actually do what you're supposed to do.</p>

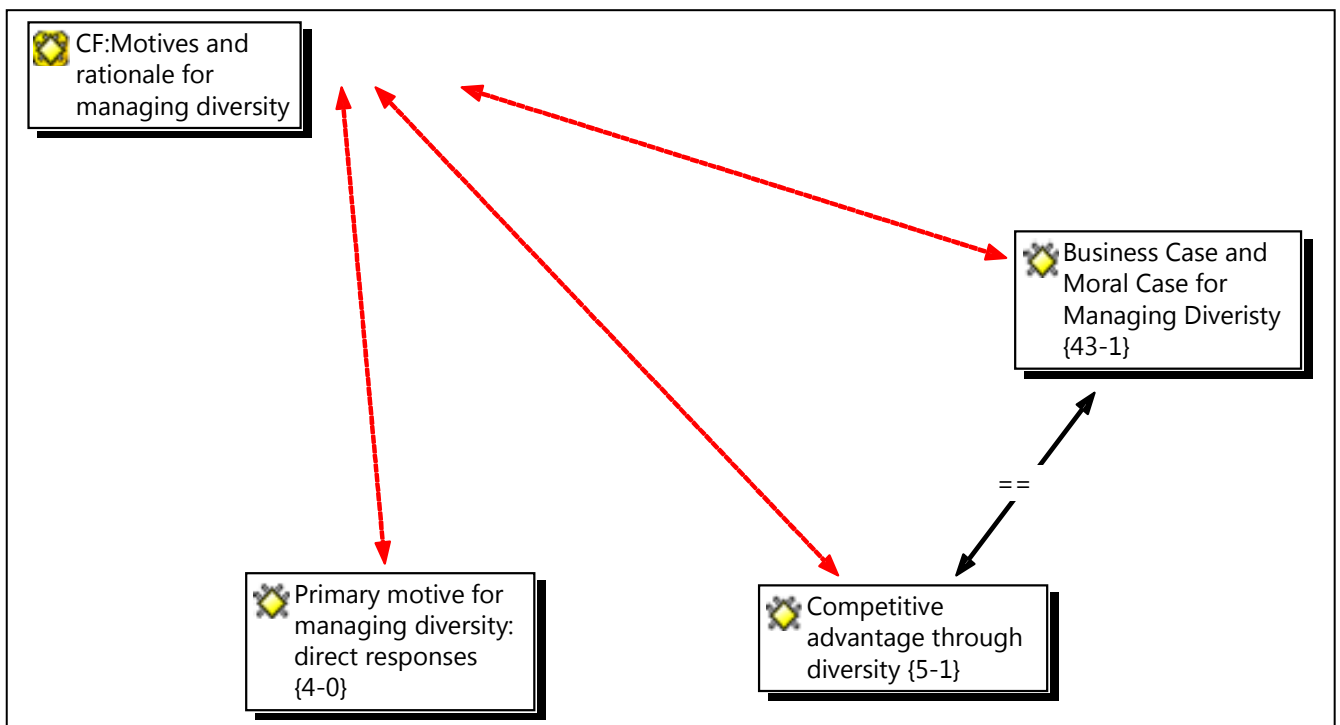
5.2.4.4 The diversity journey {7}

A common issue shared amongst participants is the notion that diversity management is an ongoing process. Most feel that they have achieved some measure of success thus far, but that the concept of diversity management is an ever changing landscape to which they will need to be adapt in order to advance. It is not viewed as a destination, but as a journey that will still continue for some time to come. However, it is important to approach the “journey” with specific goals and targets in order to ensure that progress is achieved.

Participant 1	I think that we have made some achievements along the way, I don't think that we're anywhere near the end of the journey and I think in your interviews you're probably likely to hear the clichés such as "journey", "process" "ongoing" etc. And I think that that's valid but we don't see it as an open ended journey, it's got to have milestones. It's got to have the attitude "if you can't measure it you can't manage it". It still is very, very true.
Participant 3	But I think you can never say: "I'm running a diversity program" and then that's it, it's an ongoing conversation. And it's a hard one, a bloody hard one.
Participant 5	As we progress and as we have progressed and as we become more successful, a lot of issues and a lot of problems have come with that, and I'll talk to that in a minute but, so it's not an easy path, I'm not saying that because we all believe this and because you're preaching to the converted here, don't worry about diversity it'll just look after itself - forget it.

5.2.5 Motives and rationale for managing diversity

Fig. 5.6: Motives and rationale for managing diversity



In order to understand what must be done to effectively manage diversity, it is important to understand why it has to be managed. In this category, the core motivations for managing diversity as seen from the respondents' perspectives will be unpacked.

5.2.5.1 Business case for managing diversity vs. moral case for managing diversity {43}

The question was posed to participants of whether they believe in a business case for managing diversity, and if so, how it pertains to their organisations. During these conversations, in many instances the matter of the moral case for managing diversity arose.

It is clear that most participants are of the opinion that both a business case and a moral case for managing diversity exist.

Participant 2	But just again, I mean, I agree with that business case because that's what most people will tell you. But first of all there's the moral one, secondly there's representing your market, and thirdly, it is just the fact that a diverse team or community are...or...this community is different from a homogeneous group.
Participant 2	R: If you would have to define your business case now first of all I think I should ask: Do you feel that you have a business case for managing diversity? Or is it more of a moral driver for you? P: No, no, both.

Participant 2	<p>Ja, listen now, I think we must distinguish - there are two drivers here. The one would be a moral one, and the one would be a business one. And I know people said you know it's a business imperative - if we don't represent the numbers then we can't get business, etc. etc. Nothing to do with compliance. But I do believe that you must also help your people to understand the moral aspect and that is where we come from, that people were treated unfairly and there are people who are, you know, just didn't have the opportunities because of all the education issues we had, and we have to understand that to get the playing fields level. So the moral one would sort of support the country approach, but the business one, you're right. I mean, that is a tricky one. I mean, that pushes the numbers up to...it makes it very difficult. But that would be the current definition, isn't it?</p>
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The most common core element of the business case for diversity is that in order to do business in South Africa, transformation has to be implemented. Although this is recognized by the participants, it is regarded as a narrow or even “cynical” view of the motivation for driving transformation.

Participant 6	<p>Yes, I don't think there's an official business case, the drive for diversity is mainly because for a company to do business in South Africa you need to be a certain type of contributor to transformation and that's why I say that the difference between transformation and diversity is definitely there. Transformation is the hard numbers type of measurement and diversity is basically how employees, how leadership and employees in the company should work together.</p>
Participant 3	<p>We really just take it down to each level. So around transformation it really, I wouldn't say it's the umbrella but when talking about anything, remember what I said earlier on is that we know we can't be profitable, we know that we can't start partnership for life if you don't take transformation seriously.</p>

The matter of sustainability also featured in the discussion around the business case for managing diversity. From the participant responses, sustainability lies in adapting to the changing business context in South Africa and in striving to be relevant.

Participant 1	...but moral versus business case - no, I think a business that wants to be sustainable and successful should know that this is something that it has to do for those reasons, and I guess therein maybe lies the business case in a few years time.
Participant 3	So if we get all the flowery stuff around doing the right thing, frankly, to exist in the business in five years time we have to open ourselves up to different networks and different channels. And we're never going to do that while being closed. If I look around the companies I know in the country, at least one or two, I know there's a closed element and I worry about what the future of those organisations look like because the potential employee base is changing face, it has changed quite dramatically. The face of people running businesses in the country has change. The face of government has changed. And as organisations we have to adapt - it's almost like a go with the flow type of thing. So that should be the actually at number one.

It appears that organisations are largely motivated towards transformation by building a workforce demographic that is reflective of the South African population in order to appeal to customers from all backgrounds.

Participant 4	And therefore the compelling business case becomes very important for us in the bank. To say are we just complying for compliance sake or does it really, think about it, does it really make sense that we need a diverse workforce? And to us it makes business sense because if we were to be relevant to the market that we're selling to, you really have to tap into that market and understand that market. And we believe that the best way of understanding that market is that we've got people who have got insight into that market and therefore the workforce by design has got to be reflective of that market. So irrespective of what the act says,
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	it's going to help us to be diverse.
Participant 2	Our business case would be that we want to represent the community we work in and / or market in our population. Ag, in our employees / workforce because obviously if you work with black people, surely you should have black people serving, or you know, Indian, whatever people there are. And the government is mostly black and we work a lot with the government. We have big contracts with government.
Participant 4	I believe there's a minefield of the new age thinking around diversity that really has got a business imperative in it, that really compels us whether we like it or not, to deal with diversity issues. To box people always and start thinking: "Okay, the target market has got to be people who earn so much, what is the disposable income?", because then if you haven't understood how people earn their money, you might miss the target very badly. If you look at the rural economy, you might pass an old man who you think is not worth looking at in terms of banking. But the guy's got about ten thousand cattle. That throws you back into your definition of asset. And that's a core banking issue. And therefore diversity becomes very important. Then it's about rural versus urban. It's no longer about black versus white, rich versus poor. It's about urban versus rural.

Although the participants recognized the importance of transformation for doing business, I got the impression that there was a shared wish amongst participants for a wider recognition amongst businesses of the "deeper" reason for transformation and a desire that the moral case for driving transformation would be genuinely felt and believed.

Participant 1	For me the moral drive almost implies guilt or blame, because you got the context of acknowledging the past where there is guilt and blame, but the reason why you're doing it has got to be more than just because we should - because that's not a deep reason. I mean, you take the dog for a walk because you should. You try not to forget Valentine's Day because you should, you know, cold front would appear on the 15th or maybe halfway through the 14th. Those are the shoulds, and that, I think...if the moral case is so deeply felt that it's because we have to,
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	because of the wrongs, then I'd go with the moral case, but I think that in a lot of the SA business context moral is, ja I mean we should do it, it's been rough, give the guys a bit of a chance and we must equalise etc, and that runs a risk of being surface.
Participant 1	I think that it's more around normalization unless you actually started off as an executive agreeing and acknowledging and being comfortable with the injustices of the past, you haven't got a starting point. And that's easier said than done because a lot of people say: "How long do we have to keep thinking of the past?" Well we have to keep thinking about it for a long time until it's normalized. It's not normalized. The coloured Indian debate that's raging the papers now shows exactly the complexity of the challenge and I mean people think your question talks to white resentment, it's not about white resentment, and it's about diversity and normalization. And if individuals who happen to be white are resentful in the process, they're individuals - unpack it, understand it - are they frustrated because they're being missed because of candidates who don't have the same qualifications or are they just irritated because of the process? Have they forgotten the advantages that they had? So I know, I think those are some of the issues.
Participant 2	But just again, I mean I agree with that business case because that's what most people will tell you. But first of all there's the moral one, secondly there's representing your market, and thirdly it is just the fact that a diverse team or community are...or...this community is different from a homogeneous group.

5.2.5.2 Competitive advantage through diversity {5}

According to literature on diversity it is often regarded as a source of competitive advantage due to the assumption that people of differing backgrounds bring different viewpoints and consequently more creative solutions to the table (Knouse and Smith, 2008). It seems that this is not necessarily the experience in organisations as participants had varying opinions on the matter. With reference to race, Participant 1 is of the opinion

that a competitive advantage is created not by the inherent fact that people are different, but in understanding more about the differences within the team as it opens up communication channels.

<p>Participant 1</p>	<p>R: In the literature, I found that there (when speaking about a business case) a lot of points to the aspect of the motivation of, because greater competitor advantage because various people bringing various perspectives in terms of problem solving. Do you agree with that?</p> <p>P: I find it a bit wishy-washy. We went on a cultural diversity awareness talk show which basically took us across the tribes that exists and what they've done along the way. South Africa moved a lot of guilt and gave a lot of information. As part of that sharing process, we communicate better at an executive level. But it's not because (person's name) is saying: "Well, from a Zulu perspective, how we deal with this - would be the following..." It's just because you are creating a more of commonness, an understanding, so I don't buy the different approaches. And it's more, you know, we all I think we're all like this - it's about making that as big as you and useful and not being worried about this. Having respect for all of that, and acknowledging its rightful existence and not having the baggage with it, but having a higher quality of interaction in the shared space. It's not about: "I'd love to see how you actually slaughter a cow", because you know, I like meat, but ours is all chopped up and pre-packed. Nothing to do with it. Last thing my wife would like in the world was to go to a braai before everything had been to the butcher. So for me it's about the quality of the interaction and acknowledging that there are differences.</p>
<p>Participant 4</p>	<p>You know we are fully understanding and aligning to the country's view that says that we mustn't disregard diversities. And it says united in our diversity which is quite phenomenal because it is by nature one of those positive aspects and align parts you know that makes us a whole - that is competitive like you say, and that you can actually grow from. From realising what other people are and who they are and how and why they do the things they do.</p>

Participant 4	So our experience has been that actually it is true that the moment you start having a diverse team, the moment you are drawn towards things that you actually never thought that they matter, you are drawn to things that you never thought that they could happen, it really helps. So, that's our experience. And it is our experience that it is actually only when you start trying to hone in on those diverse approaches that you can really begin to understand and improve on the way that you do business.
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5.2.5.3 Primary motive for managing diversity: Direct responses {4}

Once again, in order to ensure richness of data, direct responses were sought to determine what the primary motives for diversity management amongst participants are. This section is discussed apart from the organisations' business case for managing diversity so as to provide opportunity to hone in on the primary motives of organisations for managing diversity.

The themes of sustainability, social responsibility, and values surfaced once more in the responses. Another factor not previously discussed is that some organisations are forced by their business imperatives to manage diversity. This is specifically relevant in a context where acquisitions bring about the integration of different cultures and ultimately the need to manage the differences.

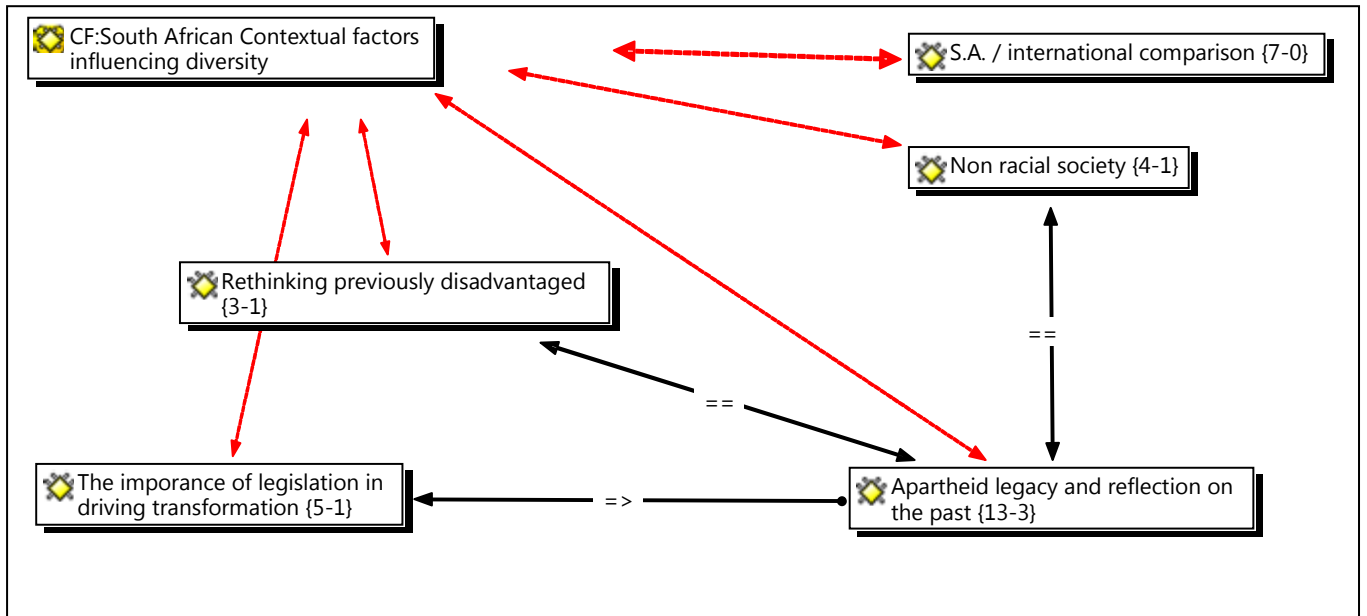
Participant 1	<p>R: So if you had to crystallise it, what would you say is your primary motive for managing diversity?</p> <p>P: I think sustainability.</p>
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Participant 3	<p>Look without a doubt the number one is the understanding that we are a South Africa company, operating in South Africa. I think just purely on that level there's an element of a social obligation to move the country forward. So that's one element. But at the same time realizing that to continue, to grow, to take to even higher level, we have got to do certain things, be more open, bring more diverse people into the organisations and by doing this, people with different outlooks on life, you tap into different ways of doing business, to different networks that allow you to do business and that link then to our future as a company. If you close yourself off and say we shall not manage diversity, we'll exist as a small entity; we limit the opportunity to grow as a business. So if we get all the flowery stuff around doing the right thing, frankly to exist in the business in five years time we have to open ourselves up to different networks and different channels. And we're never going to do that while being closed. If I look around the companies I know in the country, at least one or two I know there's a closed element and I worry about what the future of those organisations look like because the potential employee base is changing face, it has changed quite dramatically. The face of people running businesses in the country has change. The face of government has changed. And as organisations we have to adapt - it's almost like a go with the flow type of thing. So that should be the actually at number one. And also ja back to the first comment I made about being a South African company you know one thing is to be sustainable is to invest and be part of bigger communities. We don't stand alone as this block in Bedfordview, we're linked to everything that's found in Bedfordview, that's around the country. So it's not a matter of saying we're just a piece of Lego on its own, we're part of a bigger social network and that I think is important. No one stands alone in this world and you must be able to feed that.</p>
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<p>Participant 4</p>	<p>Respect for humanity - those are universal concepts like respecting each other and being accountable, those type of things that we ensure in our values - those are the type of things that we want to cut across. And ultimately the very thinking that says that in order for us to win at this game we've got to make sure that diversity is weaved into our culture of doing business. That's got to be primary to why we're doing it. And ultimately make sure that we can compete fairly competitive in the market that we're selling here.</p>
<p>Participant 5</p>	<p>What success has brought are acquisitions, so we bought an enormous number of companies. So we buy a demographic when we buy the company. And invariably that demographic is slanted one way or the other and invariably it's not the way we are. So that's one of the primary issues that we face. You can't buy a business. When you buy a business that you think is successful and have upsides, you don't go and buy dogs. And one of the reasons they are successful generally is that they're well run. And you buy them because you buy not only what it is that they do but you buy the expertise that sits within the business. So it would be self defeating to bring them on board and chuck them all out and get all the black guys to run the business. So we find ourselves in an incredible imbalance, in our subsidies.</p>

5.2.6 South African contextual factors influencing diversity

Fig. 5.7: South African contextual factors influencing diversity



It has been evident throughout the themes that South Africa's history has shaped the landscape in which organisations now manage diversity. This has also influenced current contextual factors that shape diversity practitioners' decision making. This code includes the participants' perceptions on South African contextual factors influencing diversity.

5.2.6.1 Apartheid legacy and reflection on the past

As was expected, South Africa's legacy of apartheid and the effects thereof are very much evident in organisations. All participants share the recognition of past imbalances and as a starting point recognize that the past yielded injustices that now have to be corrected in organisations. In order to manage diversity effectively, one has to understand and be aware of where we come from as a country.

<p>Participant 1</p>	<p>Normalising in a South African context - I think that's being honest about the past and being honest about the length of period of damage after that past. And as a white it's great to think you know you can still remember exactly where you were when Nelson Mandela was released. Everyone, you know, you know what you were doing. A lot of people saying they completely remember when Chris Hani was shot, where they exactly were, because they were crapping themselves because all that they thought was going to happen was now definitely not, and you know, and then the baked beans storage and all that sort of discussion. So, it's about begin honest about that and it's not easy sometimes and if you are a white male over the age of 45 there's a good chance you did the army. You talk about it? No, no-one talks about it, it didn't happen. If you are a black guy over the age of 45 there's a good chance that you were involved in, what was known as, terrorist activities. You know so do you talk about that? Do you? No, that's a conversation. We were terrified, we were shouted at, we were this and you know, I think it's around that sort of normalisation.</p>
<p>Participant 3</p>	<p>And I must say initially when you start opening up the conversation around diversity or transformation (blank face gesture), but people are also not understanding our shared history as a country. Some people would say: "But why do you start opening wounds and talking about SA's history" and I say: "If you don't understand where we're coming from how do we then move forward as a group and deal with these things" and the thing about it is since democracy, what is it 17, 18 years? And we're still having this conversation.</p>

Although this is a fundamental motivational factor it appears that this understanding is not enough to drive transformation in South African organisations. Consequently legislation plays a big role in providing guidelines on how to achieve normalization for those who do not identify enough with the "pain" of the past to implement transformation uncompromisingly.

<p>Participant 5</p>	<p>Prior to '94, because of the inequalities, they manifested themselves in a whole range of ways in the workplace. So you have a well educated white elite business, or you had, and a very poorly educated black mass in business. The only way we were ever going to achieve any kind of movement towards parity was by implementing some kind of legislation that was going to force people to do that. So I think on balance, it's inevitable. I think it's impractical to suggest that it would have been achieved in any other way, if you want diversity. If you want to continue to perpetuate the inequalities that existed previously, do nothing, and they will continue to perpetuate themselves.</p>
<p>Participant 6</p>	<p>So if you look at diversity in the workplace I think we as a country still have a long road to actually get to the point where we say that we have a diverse workforce. There are total imbalances in terms of racial compliments but also in terms of income and not that it is wrong that it is there, I think it should be there, but I think sometimes the history has not been rectified.</p>
<p>Participant 1</p>	<p>I think that it's more around normalization. Unless you actually started off as an executive agreeing and acknowledging and being comfortable with the injustices of the past, you haven't got a starting point. And that's easier said than done because a lot of people say: "How long do we have to keep thinking of the past?" Well we have to keep thinking about it for a long time until it's normalized. It's not normalized. The coloured Indian debate that's raging the papers now shows exactly the complexity of the challenge. I mean, people think your question talks to white resentment, it's not about white resentment, and it's about diversity and normalization. And if individuals who happen to be white are resentful in the process, they're individuals! Unpack it, understand it - are they frustrated because they're being missed because of candidates who don't have the same qualifications or are they just irritated because of the process? Have they forgotten the advantages that they had? So I know, I think those are some of the issues.</p>

Participant 2	There are people who just didn't have the opportunities because of all the education issues we had, and we have to understand that to get the playing fields level.
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5.2.6.2 Non racial society {4}

From the participants' experience, it is generally expected that South Africa will only truly start moving towards a non- racial society in two generations' time. Consequently it can be assumed that the emphasis on race within the workforce will lessen as integration of people with different backgrounds will have become ingrained practice. Diversity issues can then be dealt with more directly because the population will have been desensitized on the stigma of diversity.

Participant 2	Ja, it's a very good question. I actually, you know my hope was on the youth, but I think, even at varsity they're too indoctrinated so maybe my grandchildren will get there. I mean if you take when the Boer war was a hundred years ago and people still have an English Afrikaans issue and in Germany they say also that after the war and I mean that thing is far....it takes generations. You ask me how many? If I look at my grandchildren they don't know - my granddaughter, she's now four - four and a half, she talked about the brown...she knows the brown people don't do that. But her friends are ...she doesn't say black, brown. She's brown or something - and I mean there's no issue there. So hopefully, you know, they will but I... She's now five, so say she's now going to varsity, what is that now fifteen years from now, maybe two generations, or two decades. Listen, I wish I could give you the answer.
Participant 3	I'm of the firm belief we won't get really honest about what diversity means probably for another generation or two, so my children will start having really the true conversation. I think we're still fearful.

5.2.6.3 Rethinking previously disadvantaged {3}

The perception of who can be classified as “previously disadvantaged” is changing from the point of view of both black and white respondents. All individuals who have progressed through tertiary educational channels seem to be regarded as equal and this might suggest that the time for reconsideration of the term “previously disadvantaged” is drawing closer.

Participant 4	And when you say previously disadvantaged, I don't see most executives that work in (company) who are black and African; I don't see that their children are previously disadvantaged.
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As the term “previously disadvantaged” refers mainly to matters influenced by opportunity on a practical level, an interesting comment was made by one of the participants who referred to a conceptual level of disadvantage: In the context of South Africa, individuals who have lived without any exposure to the influence of other cultures could be considered “previously disadvantaged”.

Participant 2	And then they said: “But let's talk about previously disadvantaged”. So there was this black guy who said what he could see as previously disadvantaged is a guy who went to Fairland Laerskool and Linden Hoërskool and then RAU. You know, this is a guy who never had the opportunity to meet people from different races. He didn't have that to sort of expand his horizons - that opportunity, which is actually true.
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5.2.6.4 S.A. / international comparison {7}

It was noted that South Africa's diversity landscape is perceived to be more complex than that of other countries according to the experiences of the participants. The challenges of diversity are universal and are experienced in other countries as well. However, South Africa seems to be more adept at managing these issues due to our background.

The difference between South Africa’s approach to diversity and that of international organisations is evident. This seems to be a particular challenge for South African-based counterparts of multi-national organisations as decisions made in S.A. with diversity in mind are not always understood outside the borders.

Participant 1	Our pressures are our history and our measurement of it. I mean, the UK guys find it absolutely fascinating that we measure turnover, everything is race and gender everything. But now, there are moves in the UK to identify why there are so few women on boards of directors. We'll, that's going to run, because then it's going to go to minorities, it's going to go all the way. So it's ironic that we are already managing what other people have to manage now. I mean, the US has so many challenges in terms of diversity, representivity, that type of thing.
Participant 5	I think because although in America and Australia they like to think that they are that paragons of diversity, they are anything but. So they had great difficulty in understanding conceptually initially when we told them we had to sell 50% of the business to a black owned company. It was totally...it took us a long time to convince them, but in fact, if we wanted to continue to publish the laws of South Africa, which is effectively what we were doing, we better have a black partner; otherwise we were just going to lose the contracts. Once we got that, they also then battled to understand why it was important for us to have black people sitting in our executive. Because it's unnatural in a way. It's unnatural to make that demand if things were working properly.
Participant 1	We've got a lot of businesses in the UK and their managing diversity is restricted to having difficult conversations when people are late for work. That's hectic for them.

5.2.6.5 The importance of legislation in driving transformation {5}

When considering the mechanics of transforming the demographics of the South African workforce, it is apparent that South African legislation is considered to be one of the key drivers for this process. The importance of legislation is emphasized in the fact that there

are varying opinions on how transformation should be approached as well as insufficient motivation to enforce transformation if not prompted by legislation.

Participant 4	We are acutely aware that like I said from the transformation point of view, I'm also talking about legislation - that's a key driver. We are acutely aware that race is still a big part of, if you will, if you want to "manage diversity". When managing it, you know, there's legislative compliance, why we need to make sure that there's proper representation of designated groups at management levels - that's our drive, we do that.
Participant 5	Prior to '94, because of the inequalities, they manifested themselves in a whole range of ways in the workplace. So you have a well educated white elite business, or you had, and a very poorly educated black mass in business. The only way we were ever going to achieve any kind of movement towards parity was by implementing some kind of legislation that was going to force people to do that. So I think on balance, it's inevitable. I think it's impractical to suggest that it would have been achieved in any other way, if you want diversity. If you want to continue to perpetuate the inequalities that existed previously, do nothing, and they will continue to perpetuate themselves.

5.2.7 Current diversity initiative priorities

5.2.7.1 Current initiatives that are priorities: Direct responses {4}

In order to gain insight into the current priorities of organisations relating to diversity management, I once again sought direct responses from the respondents in this regard.

Although responses were varied, one theme presented itself continuously: Employees with disabilities currently seem to pose a unique challenge to organisations but for different reasons. In one organisation having facilities that are disabled friendly is a diversity issue. Organisations initiate projects to ensure that buildings are disabled friendly so as to avoid discrimination against people with disabilities.

Participant 2	...is there discrimination, do I feel fairly treated, especially when it comes to disability. (Sub company) is doing a lot on diversity management now. You know to get people with disabilities and to accommodate them. I mean the building is very friendly and so on.
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The other aspect in which disability is a priority is mostly recruitment related - organisations are currently driven to find candidates with disabilities to meet EE targets.

Participant 4	Most important things are - we look at mostly where we are underrepresented when recruiting people. People with disabilities. What we do, specialized agencies, recruitment agencies that can help us with sourcing them plus placing them and things that are related with placing them. So, how do you make sure that you've got a disabled person - never think about when they walk into the workplace, what challenges are they going to face. So if you work with specialized agencies it helps us much. So this is one of the things that we do.
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A current initiative priority in diversity management is ensuring that talent is identified, developed and opportunities are afforded for individuals to grow. (Although the participant mentioning this factor did not specify it pertinently, it is assumed that in the context of diversity management the comment was made in reference to EE candidates) Furthermore, performance-based incentives seem to be important in order to eradicate diversity related discrimination in remuneration.

Participant 2	<p>Ja, I would say the big one for me is talent management. That's, you know, looking at the greater talent management to identify talent timeously and to develop the talent and to give them opportunities. You know, (sub company), they're busy with an initiative in liaison with Duke university. Others are beginning and talking about that, but I would say that is a big initiative - talent management. How do we identify timeously and develop that. The other one would be...I still feel, if we pay for performance...you know, if we have a situation where you paid for output in a sense, then there will be less discrimination, because that's you know, so...we do that in call centres and client service areas that you know that you can quantify it, and then you pay for output and then there's nothing because you're a woman or whatever. That to me is a fair process.</p>
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Lastly, other shared priorities relate to diversity education in order to change the organisation's approach towards and understanding of diversity on a fundamental level but also to communicate leadership's vision in terms of diversity.

Participant 3	<p>The initiatives that are important and one that will stay central and will always be important is creating a shared understanding of what diversity is - the elements of diversity. I think what we focused on last year, what I would like to call transformational leadership, is how do you as a manager engage with this topic and allow others to engage with you on this topic. And what is your role in looking at the different elements of diversity, from race to religion. And making those work for you.</p>
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Participant 4	<p>Firstly we've got what you call a foundational program that's called (program name). Now (program name) goes at the foundation of your understanding of diversity, your analysis. It gives a background of what happened in this country. We do that deliberately because wanting people not only to look at the philosophy of this is humanity, this is how humanity works and this is how people are being incarcerated. This is how people come with different backgrounds. But we also want to say blend that into how South Africa came to what it is today and why are we where we are today. And then there're different philosophies that are being discussed around from what still people think, to what different persons think and these types of things. There are different leaders that are being put up front that don't necessarily have the same school of thought. And people are being pushed to go and think about these things and understand those different types of schools of thought. And that's the foundational program really. And then on the other hand there's leading for deep green which as a diversity program also that not only touches promptly on culture but also on diversity in terms of a leadership philosophy and drive.</p>
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CHAPTER 6

6 DISCUSSION OF THE RESEARCH FINDINGS

6.1 INTRODUCTION

In Chapter 5, the research findings were discussed in terms of the codes identified throughout the open coding process as well as the themes identified in the coding process. This chapter proposes a conceptual framework for understanding effective diversity management in South African organisations. Although participants were interviewed for their personal views on effective diversity management and not in representation of their respective organisations, many of their personal views have translated into organisational practices due to their capacity and influence as diversity leaders. The presented framework therefore represents their views for the application of diversity principles in an organisational setting.

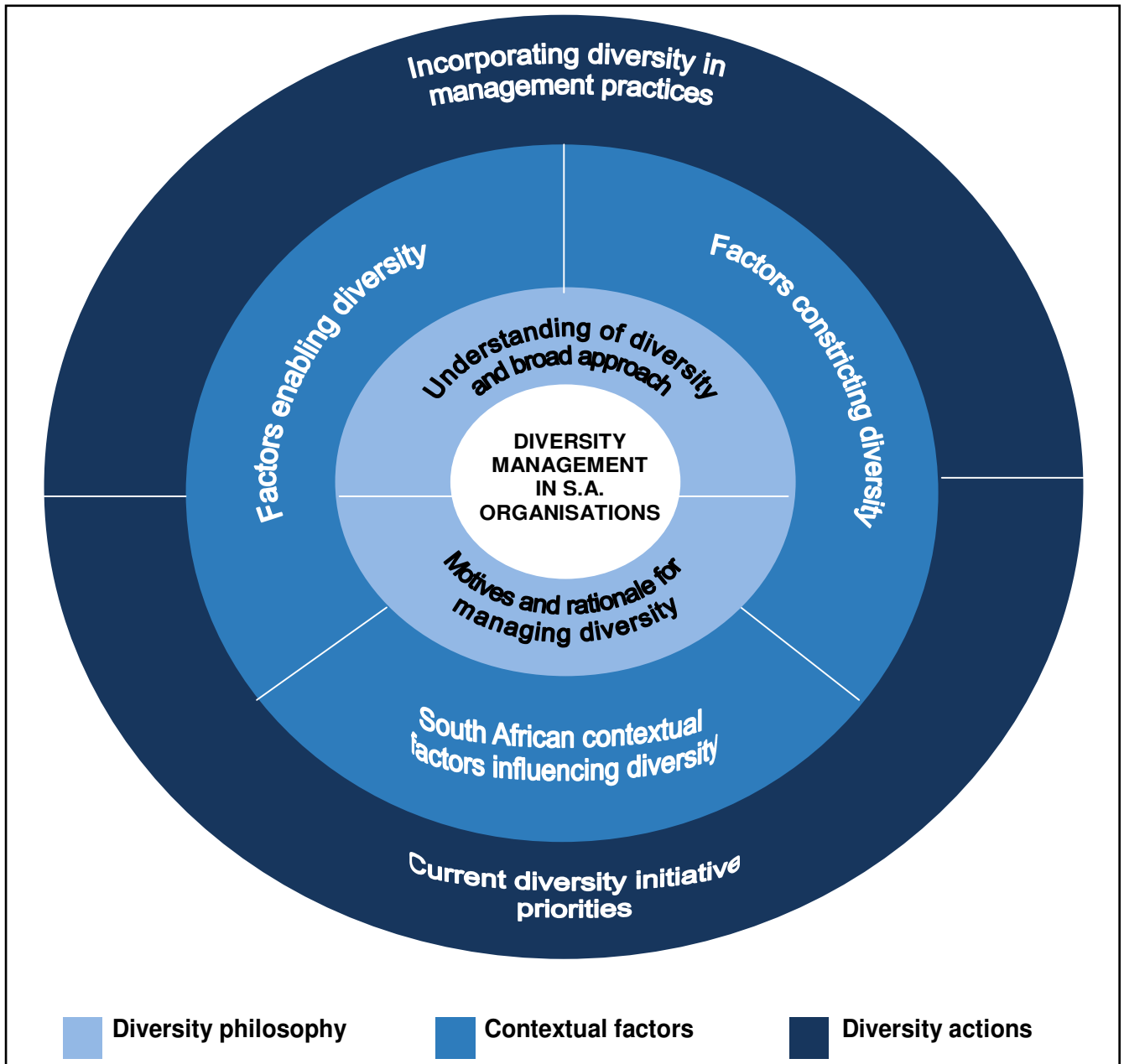
Furthermore, this chapter will integrate and align the findings with the literature discussed in chapters 2 and 3 and reflect on the findings from a broad, interpretive viewpoint.

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6.2 FRAMEWORK FOR UNDERSTANDING EFFECTIVE DIVERSITY MANAGEMENT IN SOUTH AFRICAN ORGANISATIONS

In order to illustrate the perspectives of the diversity experts on effective diversity management in the current South African context, the results of the study are illustrated and summarised in Figure 6.1. From these results the guidelines for the management of diversity will be derived and presented in Chapter 7.

Fig. 6.1: Framework for understanding effective diversity management in South African organisations



3 Themes were identified during the selective coding phase. As illustrated in figure 6.1, the dynamic and interaction of these themes can be cascaded into three different levels. The levels are indicated by the respective colours and are subsequently explained.

- *Diversity philosophy:* How diversity is conceptualized in an organisation served as the key determinant of actions taken in relation to diversity matters. As an example, if an organisation believes that South Africa's history of apartheid

caused imbalances that need to be corrected, the drive to implement employment equity will be strong. Furthermore, if an organisation defines diversity only as transformation, less emphasis will be placed on the integration of culture and on training initiatives to foster diversity awareness. An organisation's motives for managing diversity and understanding of diversity are the key elements of this level.

- *Contextual factors:* Secondly, contextual factors influence actions taken to manage diversity and the effectiveness of certain actions. External factors as well as intrinsic organisational factors are at play in this regard.
- *Diversity actions:* Lastly, an organisation's diversity philosophy and the internal and external contextual factors will ultimately influence how diversity is incorporated within management practices and determine the diversity initiatives that take priority.

6.3 DISCUSSION OF RESULTS AND THEORETICAL LINKS

6.3.1 Defining workforce diversity

At the core of an organisation's approach towards managing diversity lies the views and philosophies regarding diversity held by the individuals responsible for decision-making in this regard. During the literature review, as summarized by examination of various definitions of workforce diversity, the following definition was presented by the researcher:

“Workforce diversity is the various similarities and differences in groups of people united towards a common organisational goal, on an individual and subgroup level. These differences and similarities can be present in varying degrees and manifest in aspects such as age, gender, race, culture, ideas, perspectives and preferences. On another level however, the term diversity refers to creating an organisational culture of inclusion where differences are valued and accepted. On another level however, the term diversity refers to creating an organisational culture of inclusion where differences are valued and accepted.”

From the participant responses it was clear that there is no single definition of diversity that can be applied to all organisations across the board. However, common elements from responses prompt the deduction that workforce diversity is viewed as the way in which people differ. Hayles and Russell (1997:16) classify this definition as a broad view of diversity that is shared by organisations that show progression in effective diversity initiatives. However, this definition does not resonate with the more recent thinking that diversity refers not only to differences, but also to the varying degrees of similarities and differences between individuals and groups (Thomas, 2006).

As also described by Thomas (1996), organisations that view diversity management as a process to achieve representation of numbers will not reap the full benefits of diversity. All participants echoed this sentiment. The data suggests that although the greater part of diversity management within the participants' organisations centre around managing employment equity, true diversity centres around the principle of fostering a culture of inclusiveness, acceptance and respect. This notion is supported by literature (Hays-Thomas in Stockdale and Crosby, 2004).

6.3.2 Effective diversity management

For the purposes of the study, effective diversity management was defined as the management of diversity to the benefit of the organisation.

The effectiveness of diversity management is influenced by various factors that will subsequently be elucidated.

6.3.2.1 Integration into organisational culture

The data highlights various aspects that relate to effective diversity management in South African organisations. Firstly and most prominently represented in the responses, fostering an organisational culture and heart change that recognizes, strives for and celebrates diversity is pivotal to effective diversity management. In various diversity management models, this is the most advanced stage an organisation reaches in diversity maturity and a benchmark for true effective diversity management (Stockdale and Crosby, 2004).

6.3.2.2 Integration into management practices

Integrating diversity into management practices is seen as effective diversity management (Shen et al., 2009; Hayles and Russell, 1997; Cox in Agars and Kottke, 2002). Albeit to different extents, all participants demonstrated how management practices are designed to enable diversity in the organisation and therefore confirms the practical application of this statement as depicted in literature.

6.3.2.2.1 Recruitment and selection

Diversity management also encompasses the equal opportunity of all persons to be employed by the organisation. Effective diversity management structures are designed in such a way that they promote the employment of individuals from designated groups. (Shen et al., 2009). The participants utilize recruiting practices as the core element of workforce transformation and ensure that processes are streamlined in support of this. A high level of management control is exercised over selection decisions.

6.3.2.2.2 Training and development

Organisations incorporate various platforms focused on developing employees from designated groups. Goodman (in Shen et al., 2009) states that this process leads to representation of employees in higher organisational levels. The data suggests that in South African organisations, specific programs exist to identify and develop employees from designated groups. However, there is also a drive to ensure that individuals are not unfairly discriminated against and care is taken not to exclude minorities from developmental opportunities.

6.3.2.2.3 Performance appraisal

Compliance with equity standards and targets are strongly monitored within the participants' organisations with the use of performance management systems. Participants expressed that where no drive exists to hold stakeholders responsible for equity targets, results were often inadequate. The results confirm the sentiment of Shen et al. (2009) in that monitoring performance related to diversity matters is critical.

6.3.2.2.4 Remuneration

Discrimination by way of remuneration disparity is a challenge according to the participants but the data reported that organisations strive to eradicate bias in pay scales (Shen et al., 2009). Remuneration structures are generally not slanted towards the benefit of groups, however the reality of scarce skills within designated groups has to be acknowledged. This results in elevated costs to employ these individuals. Organisations revert to additional benefits in some cases. Thus effective diversity management in the South African context contradicts the recommendations from literature to a certain extent due to the contextual requirements within South Africa.

6.3.2.3 Diversity as a contributing factor in fostering competitive advantage

It has been widely recognized in literature that diversity is a source of competitive advantage. Whether this originates from aspects such as improved problem solving through varying perspectives (Cox, 1991), or the ability to serve more diverse market segments (Hayles and Russell, 1997), a diverse workforce is said to increase an organisation's ability to compete in the market. The data from this study and the practical reality in South African organisations contradict the findings of the mentioned authors to a certain extent. Participant responses demonstrate that a diverse workforce supports an organisation's ability to serve a more diverse market, and that the core value of diversity for South African organisations lie herein. However, the notion that greater workforce diversity brings about increased efficiency in problem-solving and therefore more creative solutions due to differing perspectives is not confirmed in the practical situation. As many organisations in South Africa are diverse and grapple with making diversity work for the business, organisations that are able to foster an understanding and acceptance of differences are likely to rise above competitors.

6.3.2.4 Best practice principles in diversity management.

Other aspects such as leadership and management commitment, employee involvement, strategic planning, accountability, measurement and evaluation, and linking diversity to organisational goals and objectives have also been indicators of effective diversity management practices (US department of commerce, 2001:3).

The participants in this study indicate various methods of measuring diversity and reiterate the critical nature of this practice to manage diversity effectively. Participants also declared that goals relate mostly to transformation aspects. Although the data shows that goal setting is practiced, this is not a great priority in most organisations. Most respondents, although not all, include diversity either directly or indirectly in their strategic approach.

Reichenberg (2001) also identified the best practices in the field of diversity management. Firstly, from his perspective, diversity should be approached through formal processes outlined in procedures, rules and laws. Although respondents acknowledge the existence of policies that regulate diversity, these are not the core regulators of diversity in South African organisations. It is preferred to communicate the values underlying diversity to the workforce in order to motivate for a diversity orientation as opposed to giving direct instruction.

Secondly, Reichenberg (2001) indicated that diversity endeavours should be mainly decentralised as various departments assess their needs and develop their own solutions. However, diversity is still governed by a central entity that stipulates the requirements for the departments to adhere to. This description paints the exact picture of the participant's view regarding the governance of diversity. This is shown to be dependent on the context of the business. In bigger organisations the responsibility to drive towards transformational goals and to implement these goals once achieved, is largely decentralised, meaning it is lead by subdivisions, or subsidiaries. However, the central management structure reserves final regulatory influence on diversity matters.

The whole workforce should be exposed to diversity training as opposed to management only, according to best practice theory (Reichenberg, 2001). The results of this study indicate that organisations do not implement diversity training initiatives if it feels it has progressed far enough with regards to transformation. However, where it is presented, it is available to all levels in the organisation. This is also indirectly true for organisations that choose to train only managers, but that present them with the mandate to retrain the rest of the organisation.

Reichenberg (2001) also states that organisations on the forefront of diversity management utilize affirmative action models and other instruments to monitor transformational progress and measure diversity related targets. The participants in this study indicate the utilization of not only measures to track diversity progress, but also to track employee perceptions regarding the implementation of diversity and to test the organisational's cultural climate in this regard. Diversity committees are deployed to monitor achievement of targets and to implement remedial actions where necessary.

6.4 SUMMARY

In this chapter, the participants' inputs were compared with the most prominent success factors for diversity management as identified in literature. It granted important insight into the practicality of measures for effective diversity management in South African organisations.

With this in mind, it can be said that the understanding and practice of effective literature on the subject. Although the approach of South African organisations towards management practices might differ from international practice due to the influence of different contextual factors, the core elements are the same.

In the following chapter, guidelines for effective diversity management in South African organisations will be presented.

CHAPTER 7

7 GUIDELINES, LIMITATIONS AND RECOMMENDATIONS

7.1 INTRODUCTION

This chapter will conclude with a brief overview of the study as well as the guidelines for the management of diversity as derived from chapters 2, 3, 5 and 6. Recommendations for further research and the application of the guidelines will be presented.

Furthermore consideration will be given to rigour and limitations of the study. The chapter will end with the reflections of this researcher on his own experiences throughout the research process.

7.2 OVERVIEW OF THE STUDY

The purpose of the study was to develop guidelines for the management of diversity in South African organisations. The various phases of the research were discussed during the course of the preceding chapters.

7.2.1 Overview of chapters

Chapter 1 provided an introduction to the research. This entailed a detailed discussion on aspects such as the background to the research, motivation for the study, purpose of the research. It also highlighted the research objectives. The purpose of the research was to develop guidelines for the effective management of diversity in South African organisations, with main research objectives being to explore the effective diversity management, challenges to diversity management.

Chapter 2 aimed to explore and discuss the concept of diversity. Various definitions of diversity were presented and the key characteristics of effective diversity management were examined. This was done in order to gain an understanding of the subject field

before commencing with further investigation into elements relating to management practice.

Chapter 3 presented and discussed a number of frameworks for the management of diversity and consequently provided the foundational discussion of diversity management practices. Theoretical frameworks, together with best practice literature, offered a discussion of the elements critical to effective diversity management and the characteristics of organisations that achieve success in this regard. The review of literature formed the basis of the development of the interview schedule used for data collection.

Chapter 4 presented an in-depth discussion of the research methodology used during the study. This included the discussion of the Constructivist-Interpretivist research philosophy and paradigm and provided a detailed motivation for Grounded Theory and qualitative methodology as the appropriate approach in achieving the research objectives. Data collection by way of semi-structured, in depth interviews was proved to be an appropriate method. Furthermore, the purposive sampling approach was illustrated and the participant size of 6 respondents was motivated. Data analysis, by use of ATLAS.ti as a qualitative data analysis tool, was discussed comprehensively at the hand of the various coding phases.

In Chapter 5, a detailed demonstration of the data analysis process was presented. This was done in order to understand and explore the participant viewpoints on the state of diversity management in South African organisations as well as their view of effective diversity management. Throughout the discussion, the findings were illustrated at the hand of direct quotations from participant interviews. The analysis process yielded a number of 38 codes of which were subsequently grouped into 7 themes. The discussion also included graphic presentation of the themes and the relationships between the sub-elements. The 7 themes identified during the axial coding phase are:

- Factors enabling diversity;
- Factors constricting diversity;
- Incorporating diversity in management practices;

- Understanding of diversity and broad approach;
- Motives and rationale for managing diversity;
- South African contextual factors influencing diversity;
- Current diversity priorities.

Chapter 6 presented a discussion of the research findings. The final restructuring of data through the selective coding process was presented in the form of a theoretical framework for the understanding of effective diversity management in South African organisations. The final core themes to emerge from the research are:

- Diversity philosophy;
- Contextual factors;
- Diversity actions.

Thereafter, information obtained from the participant inputs were compared the most prominent success factors for diversity management as identified in literature granted important insight into the practicality of measures for effective diversity management in South African organisations.

7.3 GUIDELINES FOR EFFECTIVE DIVERSITY MANAGEMENT IN SOUTH AFRICAN ORGANISATIONS

The purpose of the study is to provide guidelines for the effective management of diversity in South African organisations. This will subsequently be presented and discussed. Guidelines were compiled by means of integration of the research findings and success factors identified from the applicable literature sources. The guidelines therefore incorporate relevant elements from the findings that are also supported by literature.

During the course of the research, various conditions relating to the current state of diversity management in South Africa were explored. Consequently, much of the data that was gathered does not only refer to factors contributing to effective diversity management but it also provides an idea of various aspects influencing the organisation's ability to

manage diversity effectively. Many of these influencing factors referred to current challenges that are experienced when organisations aim to implement effective diversity management and also to broader contextual factors that have to be taken into consideration. Therefore, the guidelines will be discussed within the framework for understanding effective diversity management in South African organisations as presented in Chapter 5.

The following guidelines were compiled from chapters 2, 3, 5 and 6 for the effective management of diversity in South African organisations:

7.3.1 Diversity philosophy

- It is not pivotal that organisations publish a formal definition of diversity, however there should be a clear understanding as to what diversity means to the organisation.
- An organisation's definition of workforce diversity should take a broad view of all the ways in which individuals differ.
- In essence, effective diversity management implies that an organisation will consist of a fully integrated, multicultural workforce that performs well in achieving organisational goals. Organisations should therefore view diversity management as a drive for transformational targets, but place specific emphasis on the understanding that diversity is a phenomenon that affects employee behaviour on a personal, interpersonal and group level. Diversity management should be approached on a practical and psychological level.
- Taking the abovementioned guideline into consideration, clear distinction should be made between managing diversity and driving employment equity.
- Diversity should be regarded as an ongoing process with no specific end in mind (diversity journey). This does not imply the absence of goals, but the emphasis is on understanding the evolving nature of diversity related matters.
- The motive for effectively managing diversity should relate to a moral case for managing diversity (i.e. addressing the imbalances of the past) and a business case for managing diversity (i.e. sustainability and representing more diverse market segments).

7.3.2 Contextual factors influencing diversity

- When an organisation's culture values diversity it enables the effective management of diversity. Organisations should also strive to impact individuals on a "heart" level and in so doing promote meaningful behaviour change.
- An organisation's leadership orientation will influence the efficiency of diversity initiatives. Top management should have a strong and genuine personal commitment to diversity related interventions.
- Diversity practitioners should acknowledge the history related to apartheid and understand the effects thereof on South Africa's current social context.
- Diversity practitioners should take cognizance of all required legislation that drives employment equity and affirmative action.
- Organisations that have international business interests should have a strict commitment to transformational goals and should be able to provide a clear motivation to international counterparts for doing so.

7.3.3 Diversity actions

- Policies and guidelines for the governance of diversity should be clearly visible in organisations. This should not be used to dictatorially enforce diversity progress however, but there should be a serious attempt to foster values amongst the workforce that support diversity such as respect, tolerance and understanding.
- Organisations should engage in diversity training initiatives. The focus of these initiatives should be on creating awareness and understanding of others by appealing to individuals on an intellectual as well as on an emotional level. Diversity training should be available to all individuals in the organisation.
- Diversity governance should be decentralised with involvement from a central management structure only to effect action if necessary.
- Diversity should be governed by designated committees who track and report on the progress of diversity initiatives. Organisations should set clear, realistic and measurable goals for transformation.
- High impact diversity interventions that organisations should consider are:

- The design of recruitment policy and practices to promote transformation:
 - Ensure that the right people are hired for the promotion of diversity goals;
 - Ensure resource allocation to develop individuals from designated groups;
 - Ensure that legislation is adhered to whilst optimizing the business;
 - Be transparent in diversity actions and decisions and communicate with the workforce.
- Diversity goals should be measured. The organisation's progress towards values and culture that promote diversity as well as transformational goals should be tracked.
- Transformational goals should be linked to managers' performance contracts as key performance areas (KPA's) and should reflect in their monetary rewards.
- Recruitment strategies should promote diversity in the organisation. Where required skills are difficult to find in designated groups, organisations should invest in developmental efforts such as graduate and bursary programs.
- Senior management should be involved in selection decisions. Measures should be taken to prove unbiased selection decisions and non EE appointment decisions should be motivated to management.
- Developmental initiatives should focus on individuals from designated groups but developmental opportunities should never be exclusive to only these individuals.
- Organisations should involve all employees in diversity matters. This could entail creating forums where opinions can be shared, utilizing surveys for anonymous input and implementing systems that encourage management employee interaction.

In order to effectively manage diversity, barriers to the process should either be removed or the effects thereof minimized. Because it was not incorporated in the purpose of the study, the guidelines for effective management of diversity in South African organisations did not include pertinent reference to challenges that diversity practitioners are currently facing. However, as a relevant additional outcome of the study, the most prominent challenges identified from the results in chapters 3 and 5 are the following:

- Meeting of the expectations of black employees regarding opportunities for career growth without proper training for these employees, resulting in a negative impact on the business;
- Transferring the intellectual understanding of diversity to an intrinsic belief;
- Discrimination in terms of race, language and gender;
- Fear amongst the workforce for the process of transformation;
- The talent exodus of skilled labour from South Africa;
- Getting buy-in from the broader workforce on management determined transformational goals;
- The skills shortage of employees from designated groups;
- Skills transference from white to black employees.

Managers responsible for managing diversity will also have to address the mentioned challenges as part of their diversity management interventions.

7.4 LIMITATIONS

As in all research the results may have been influenced by some limitations in the research design. The following limitations were identified:

- The study covered too broad a spectrum of diversity related issues. Although the data was adequately analysed and interpreted with regards to the purpose of the study, the sheer volume and richness of data made it difficult to explore the issues in more depth.
- Although 6 participants (after saturation was achieved) were sufficient to attain the purpose of the study, it cannot be said that the themes identified are necessarily representative of the views of all diversity practitioners. This inhibits the generalization of the findings to all organisations in South Africa.
- The study did not take into consideration the contextual factors such as organisational structure, type of industry, organisation size, etc. These factors could have significantly influenced the meaning derived from participant

statements. In this respect, the guidelines for effective diversity management in South African organisations are less likely to be implementable across contexts as the influence of contextual factors on how diversity is managed was not clearly observed from the results.

- It is acknowledged a topic of this nature would have benefitted from greater diversity of respondents with regards to race and gender. Unfortunately, the sample group comprises mostly white males.

Recommendations to rectify or minimise the limitations are presented in Section 7.5.

7.5 RECOMMENDATIONS FOR FUTURE RESEARCH

The following recommendations are made pertaining to future research and the application of the guidelines:

- A longitudinal study should be undertaken to verify the content of the themes and to determine the relationship between the diversity guidelines and effective diversity management;
- The research should be repeated with a larger sample of participants to enable the researcher to generalise the findings to more sectors of South African organisations;
- A comparative study should be conducted with South African organisations, multi-national organisations and international organisations to benchmark successful strategies for managing diversity;
- The relationship between effective diversity management and competitiveness of South African organisations should be investigated;
- Further grounded theory research should be undertaken to better understand how affirmative action legislation impacts on attempts to foster a culture where diversity is valued.

7.6 REFLECTION ON THE QUALITY AND RIGOUR OF THE RESEARCH

The quality and rigour of the research was discussed comprehensively in Chapter 4, and all possible measures were taken to ensure credibility, transferability, dependability and confirmability. However, in reflecting on the research, some additional comments can be made:

- Although many insightful themes emerged from the results and it was assumed that the views of the participants as subject matter experts highlighted elements contributing to effective diversity management, the extent of efficacy of the developed guidelines could not be as clearly outlined as hoped. A stronger demonstration of the link between the axial coding and selective coding results might have contributed to clarity and the quality of the research;
- More local literature and research could have been incorporated in the literature review to strengthen the relevance of the study to the South African context;
- Due to the unanticipated breadth of the study, the outcome encompassed a very broad range of themes. The study might have benefited from combining themes that are closely related or removing some of the less significant themes. Furthermore, some of the extracts from data during the presentation of results were extremely long due to an attempt from the researcher not to omit context that might have been of importance. However it is acknowledged that shorter, point focussed quotations could have been more conducive to the clear illustration of the results;
- Another aspect that could have contributed to the clarity of the results is the sequencing of themes. By firstly presenting contextual and broader themes, a better background might have been provided for the understanding of more detailed themes;
- The results were grouped by using two different approaches: presenting themes derived from direct questions of significance posed to participants, and analysing the differences and similarities of data incidents. This caused an overlap in sub themes at times and caused incoherence;
- Greater focus on the discussion of the relationships between codes, as demonstrated in Table 5.1, could have contributed to the richness of the study.

7.7 PERSONAL RESEARCH EXPERIENCE

Qualitative research has proven to be a methodology that inevitably compels the researcher to exercise some measure of introspection. In commencing the research, the boundaries of and project progression seemed unclear. However, as I progressed through the various stages of the research, the study unfolded. I found it to be a very dynamic experience with elements developing as I learnt more on the aspects influencing and approaches to diversity management in South African organisations.

In reflecting on my personal research experience, I found the following realizations to be noteworthy. Some of these reflections relate to processes of the research and some to the content of the findings:

- It was interesting to note that there were more mentions of challenges to diversity than effective initiatives to promote effective diversity. In my opinion, this is an aspect that relates to the fact that diversity management is a fluid issue of which the nature will change constantly;
- More emphasis could have been placed on the identification and discussion of limitations;
- At times I found it difficult to resist the tendency to delve into discussion during the presentation of the results. Although this seemed natural, it should be acknowledged that more care should have been taken to more clearly differentiate between the presentation and discussion of results and ensure that the content of these chapters were appropriate to their purpose;
- Much of the uncertainty in the research process was experienced during the coding phase as the concepts were found to be intertwined and ambiguous at times. I found it helpful to clarify the code titles in such a way that it expressed the essence of the code;
- As the data collection phase progressed, it appeared to me that the depth of investigation I was hoping to achieve was unrealistic for the time available for each interview. The participants were very knowledgeable and experienced in the subject, and it was regrettable to have been able to spend only a maximum of one hour in discussion with them. Although it is not necessarily the case, I felt that had the breadth of the study been less and the depth of the study more, greater meaning and

contributions to the field could have been achieved. Many follow-up questions could not be asked as the time constraints unfortunately did not allow it;

- At times, I felt that the process of qualitative analysis provided an opportunity for over analysis. I had to actively remind myself not to over scrutinize data as one could over immerse oneself in seeking meaning due to the richness of responses;
- During the interpretation of results, it became evident to me that roughly 70% of the participant responses linked the current domain of diversity management to racial factors. This prompted me to consider South Africa's journey towards a non racial society. It is possible that the large emphasis placed on race within organisations is prohibiting South Africa to move towards a point where race is no longer an issue. With this in mind, I find it ironic that the measures instilled by legislation to promote equity in the workplace are in a way shedding more light on inequalities;
- Throughout the research, I found that many of the elements influencing diversity management are interwoven and thus difficult to separate and discuss without repetition. An example would be the matter of sustainability and white transference of skills to black. Both aspects are worthy of standalone discussions, although they are intertwined.

7.8 CONCLUDING NOTE

Diversity management has far reaching consequences. It affects the success of organisations and impacts individuals within organisations. If diversity is to be managed effectively within organisations, the contribution will be not only to the benefit of the organisation, but ultimately to the wellbeing of South Africa. This research represents an exploration of what diversity management means in South African organisations as well as guidelines for practitioners on how it should be approached.

“Diversity is not about how we differ.
Diversity is about embracing one another's uniqueness.”

~ *Ola Joseph* ~

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APPENDIXES

APPENDIX A: INTERVIEW SCHEDULE

1. You are renowned for managing your workforce diversity effectively in this organisation (source: Financial Mail Empowerdex 2010). Please share your experiences regarding this with us.
2. How does your organisation formally define diversity and subsequently diversity management?
3. What is your primary motive for managing diversity?
4. In your opinion, what are the most important contributing factors to effective diversity management if you have to summarize? Please motivate.
5. Please give your opinion on how diversity should be managed/approached through the following management systems and dimensions:
 - Recruitment and selection
 - Training and development
 - Performance Management
 - Remuneration
 - Succession Planning
 - Leadership (Management philosophy, strategy, etc.)
 - Research and measurement
 - Strategic planning
 - Employee involvement
 - Organisational goals and objectives
 - Governing policies / rules / laws

6. How, practically, do you govern diversity? Centralised, decentralised etc?
7. Would you say that you have a compelling business case for managing diversity? If no, why not, and if yes, please elaborate.
8. What are the current challenges faced in managing your organisation's diversity, and how do you envisage to overcome them?
9. In your experience, is there a backlash from white employees against the pace of employment equity in your organisation?
 - a. If no, why?
 - b. If yes, how do you address it?
10. In your view, are there differences with regard to implementing employment equity and managing diversity? If yes/no, why?
11. Is there anything that you would want to add to the information that you have provided during this interview?

APPENDIX B: LETTER OF CONSENT



UNIVERSITEIT VAN PRETORIA
UNIVERSITY OF PRETORIA
YUNIBESITHI YA PRETORIA

Faculty of Economic and
Management Sciences

Informed consent for participation in an academic research study

Dept. of Human Resource Management

TITLE OF THE STUDY

Towards guidelines for effective diversity management in S.A. organisations.

Research conducted by:

Mr. J.A. de Beer

Cell: 083 926 7673

Dear Respondent,

You are invited to participate in an academic research study conducted by Jan-Adriaan de Beer, a Masters student from the Department of Human Resource Management at the University of Pretoria.

The purpose of the study is to develop relevant guidelines for the effective management of diversity S.A. organisations. This study has a purely academic nature and NO commitment or indication of implementation, of any such programmes has been communicated to the researcher.

Please note the following:

- This study involves an anonymous in-depth interview. Your name will not appear on any published documentation and the information that you give will be treated as strictly confidential. You cannot be identified in person based on the answers you give.
- Your participation in this study is very important to us. You may, however, choose not to participate and you may also stop participating at any time without any negative consequences.

- The researcher will contact you, should you agree to partake in the study, to arrange a suitable date and time for an in-depth interview.
- The results of the study will be used for academic purposes only and may be published in an academic journal. We will provide you with a summary of our findings on request.
- Please contact my supervisor, Prof. Karel Stanz (012) 420 3074 if you have any questions or comments regarding the study.

Please sign the form to indicate that:

- You have read and understand the information provided above.
- You give your consent to participate in the study on a voluntary basis.

Respondent's signature

Date