

## CHAPTER 3

## LITERATURE REVIEW

## 3.1 INTRODUCTION

In this chapter the concepts of culture and organizational culture will be theoretically explored. Culture and organizational culture will be defined and their influence on behaviour in general and on the organizational setting will be discussed. Attention will be given to the concept of ethnicity and its influence on the industrial setting and work relationships in South Africa. Attention will also be paid to the definitions of values and organizational values. Especially the structure and influence of corporate values will be discussed in depth. The development of work values, a cross-cultural perspective on work, and the relation between values, attitudes, and behaviour will also be theoretically investigated. Recent research on work related values and attitudes will be discussed as well as the different methods of measurements applied to the assessment of values.

## 3.2 THE CULTURE CONCEPT

Culture is a broad social phenomenon. It is evolutionary in nature and develops in response to circumstances in a particular society. It effects broader dimensions of social life, like institutions, organizations and social movements and ensures stability in and continuity of a given society. It gives meaning to life and enables groups and

individuals to create a distinctive world. It also facilitates an individual's growth in self-actualization. It is a problem-solving social phenomenon and helps groups and individuals to cope with problems and stress in a particular environment (Harris and Moran, 1979, p 10). Harris *et al* (1979, p 10) suggest that peoples of diverse cultures at different stages of social and technological development, should borrow from each other's culture to enrich their own culture in order to promote a better understanding between them.

### 3.2.1 DEFINITIONS OF CULTURE

Several definitions rooted in the above conceptual foundations may be proffered. Sargent and Williamson (1966) believe that culture "is an unique set of solutions to biological and social needs in general". Allport (1968) refers to culture as "that which gives ready-made answers to the problems of life". According to Allport these ready-made answers to questions of group relations are usually ethnocentric in character. Malinowski (1944, p 1) sees culture as "that integral whole consisting of implements and consumer goods, of constitutional charters, of human ideas and crafts, beliefs and customs, a vast apparatus, partly material and partly spiritual, by which man is able to cope with concrete problems that face him". Doob (1988) views culture as consisting "of all the human made products associated with a society ... culture provides us with a framework to guide as we solve every day problems". Doob distinguishes two types of cultural products - material and non-material. Non-material products manifest in beliefs, values, norms and

agreement on decision making and problem solving according to how they're accustomed to the way things are done.

technology and form the foundation of culture. These non-material products are essential to the development of culture and for interpersonal behaviour. In collaboration with Kroeber, Kluckhohn defines culture "as consisting of patterns explicit and implicit, of and for behaviour, acquired and transmitted by symbols, constituting the distinctive achievement of human groups, including their embodiment in artifacts; the essential core of culture consists of traditional ideas and especially their attached values; culture systems may on the one hand be considered products of action, on the other as conditioning elements of further action" (1959, p 921). To Segall (1979, p 17) culture denotes "all the symbolic behavior, especially language, that makes possible the transmission of wisdom in the form of techniques for coping with the environment from generation to generation". Kroeber (1948, p 8) sees culture "as the mass of learned and transmitted motor reactions, techniques, ideas, values, and the behavior they induce".

Deal and Kennedy (1982, p 4) quoting Webster's New Collegiate Dictionary, define culture as "the integrated pattern of human behavior that includes thought, speech, action, and artifacts and depends on man's capacity for learning and transmitting knowledge to succeeding generations". Killmann, Saxton, Serpa and Associates (1985, p 5) view culture as "the shared philosophies, ideologies, values, assumptions, beliefs, expectations, attitudes and norms that knit a community together". Cultural groups utilise these interrelated psychological qualities to reach agreement on decision making and problem solving according to how they're accustomed to the way things are done.

Hofstede (1980a, p 14) offers a unique definition describing culture as "mental programming of the mind which distinguishes the members of one human group from another". Hofstede views these mental programmes as intangibles and he describes them as constructs. These mental programmes are of stable quality and do not change over time. As mental programmes determine behaviour, the stable quality implies that the same person usually shows the same behaviour in similar situations. According to Hofstede, these mental programmes are partly unique, partly shared by others. He distinguishes three broad dimensions on the level of uniqueness in mental programmes viz. the universal, the collective and the individual. The universal is the most basic, being shared by all mankind. An example of the universal dimension is the 'biological operating system' of the human body. The whole area of subjective human culture, shared by people belonging to a certain group or category, belongs to and constitutes the collective dimension of mental programming. Subjective human culture includes the group's perception of general human activities, the physical distance being kept from others to feel comfortable (Hofstede, 1980a, p 15). The individual dimension of human programming implies the level of the individual personality. Programming differs from person to person. Therefore the individual dimension is responsible for the rich variety of alternative behaviours on the collective level (Hofstede, 1980a, p 16).

Culture is not only characteristic of individuals but also of collectives or groups of people such as tribes, ethnic groups, nations, or national minorities. Members of a collective were usually

conditioned by the same life experiences and education. This differential conditioning results in members of different ethnic and minority groups, geographical regions and nations having different perceptions of the same reality and the mental programmes also differ from group to group. These collective mental programmes are stable in character and exist in the minds of members of a collective. But these mental programmes also give form to the institutions found in a society, like family structures, educational systems, religious organizations, forms of government, law and legal institutions, literature, technology and scientific theories (Hofstede, 1980b, p 43).

Krech, Crutchfield and Ballachey (1962, p 380) define culture as "the pattern of all those arrangements, material or behavioral, which has been adopted by a society as the traditional ways of solving the problems of its members. Culture includes all the institutionalized ways and the implicit cultural beliefs, norms, values and premises which underlie and govern conduct". According to Krech et al (1962, p 346) the model patterns of behaviour distinctive of a particular society and the beliefs, values, norms and premises which regulate behaviour, form the substance of a culture. Implicit in this definition lie two dimensions of culture, i.e. the explicit and the implicit dimensions. The explicit dimension comprises the directly observable, verbal and non-verbal behavioural patterns of a group of people or members of a society. The behaviour of a typical member of a collective lies in the domain of explicit culture.

dimension indicates the extent to which power in

Implicit culture encompasses the belief systems of a collective which consists of beliefs, values, norms, myths, legends, and superstitions (Krech et al, 1962, p 49). Belief systems influence action in standard behavioural events which are the behaviour patterns of a typical member of a culture in a situation standard in that culture (Krech et al, 1962, pp 351, 380).

### 3.2.2 DIMENSIONS OF CULTURE

Kluckhohn (1962, pp 317-318) points to the existence of universal categories of culture because different cultures have a variety of different answers to essentially the same societal problems. He therefore hypothesized the existence of a general framework underlying the more apparent and noticeable facts of cultural relativity. To Hofstede (1980a, p 44) this framework consists of "empirically verifiable, independent dimensions on which culture can be meaningfully ordered". Hofstede's (1980b, pp 42-63) definition of culture "as the collective mental programming of people in an environment" implicates members of the same cultural collective - a tribe, ethnic group, sociological minority, a nation - as being conditioned by the same cultural experiences. Culture refers to the same collective programming which members of the same cultural collective have in common. Hofstede (1980b, p 43) empirically determined four main dimensions on which members of different cultural groups differ, viz. power distance, uncertainty avoidance, masculinity vs femininity, and individualism vs collectivism. The power distance dimension indicates the extent to which power in

for as long

institutions and organizations in a society is evenly distributed. Power distance is reflected in the values of the more powerful and the less powerful members of a society. Less powerful members of a society advocate the equality principle and would like to see all people interdependent on each other. In the work environment less powerful people would expect their superiors to be accessible to subordinates and to consider subordinates as people like themselves. The less powerful especially view redistribution of power as the only authentic way to change a social system. More powerful members of a society hold the exact opposite convictions. They believe that their status and positions are protected by an order of inequality. The less powerful should be dependent on the more powerful. In the work environment the more powerful are usually inaccessible to subordinates (Hofstede, 1980b, p 46).

The uncertainty avoidance dimension is denotative of the extent to which a society feels threatened by unpredictable and ambiguous situations and the extent to which it tries to avoid these situations by adopting strict codes of behaviour, providing greater career stability, establishing more formal rules, not tolerating deviant ideas and behaviours, and fostering belief in the attainment of expertise. Societies with a strong inclination towards uncertainty avoidance are characterized by high levels of anxiety and aggressiveness creating a strong inner urge to work hard. Societies with a weak uncertainty avoidance view life's inherent uncertainty as a given and accepts this uncertainty more readily. Members of collectives

with weak uncertainty avoidance do not consider hard work a virtue. Daily life as well as the work situation should be governed by as few rules as possible. Strong uncertainty avoidance societies have a preference for rules, values and absolute truths. Conflict and competition are considered to be bad in the work situation as well as in life in general. Consensus is a virtue that has to be pursued. Nationalism is considered to be of supreme importance (Hofstede, 1980b, p 47).

The individualism - collectivism dimension refers to the extent in which a loosely knit social framework exists wherein people can take care of themselves. Thus in individualistic cultures a person is assumed to look primarily after his own interests. As individual initiative is highly regarded, the individualism dimension is reflected in the degree of economic evolution and modernity in a society. Highly individualistic societies consider value standards which can be universally applied. The convergency theory in comparative management assumes that management philosophy and practice will become more and more alike globally. However, industrial development along the lines of western type modernization is not going to suppress cultural variety. In fact the 1960's and 1970's witnessed new nations, after their political independence and an unsuccessful struggle for economic independence to ferociously affirm their unique cultural identities (Hofstede, 1980a, pp 44-45; Hofstede, 1980b, p 48). The fourth dimension of masculinity - femininity, indicates the extent to which dominant values in a society are masculine or feminine. A masculine



value system encompasses assertiveness, the acquisition of money and goods and the total rejection of a caring attitude toward fellow men. Societies with a strong masculine inclination place a high premium on performance, money and the utilisation of material things. Of utmost importance is to be perceived as being successful. In a feminine society, the emphasis is on people, their caring and nurturing, equality between the sexes and interdependence between members of a collective (Hofstede, 1980b, p 49). Parsons and Shills (1951, p 77) offer a multidimensional classification of culture claiming that all human behaviours are determined by five pattern variables, viz:

1. Affection versus affective neutrality.
2. Self-orientation versus collective-orientation.
3. Universalism versus particularism.
4. Ascription versus achievement.
5. Specificity versus diffuseness.

Parsons (1977, p 14), however, suggests that in societies undergoing culture change due to societal evolution and economic development, particularism and ascription are replaced by universalism and achievement respectively. Inkeles and Levinson (1969) in their study of national character and modal personality, identified three dimensions according to which cultures may be analysed and which tie in with Hofstede's dimensions:

1. The relation to authority.
2. Conceptions of the self, including the individual's concepts of masculinity/femininity.
3. Primary dilemmas and conflicts and the ways in which a society is accustomed to deal with them, including the expression and control of aggression.

According to Hofstede (1980a, p 47) these three dimensions are quite similar to the four empirically determined by him. His power distance dimension reflects relation to authority. Individualism and masculinity are related to Inkeles and Levinson's second dimension and uncertainty avoidance to the third.

Krech et al (1962, pp 346-349) distinguish between the explicit and implicit dimension of culture. The explicit dimension of culture refers to the typical behaviour, verbal and non-verbal, of a member of a specific society which is directly observable. This observable behaviour consists of cultural arrangements adopted by a society for problem solving in everyday life. A set of cultural arrangements is influenced by the physical environment as well as by other cultural groups. Elements in the physical environment influencing culture are climate, natural resources, geographical region and demography. On the social front, there is an exchange of ideas and technological acumen which a culture can use to reach its objectives. The explicit culture consists of standard behavioural events which are the behaviour patterns of a typical individual in a given situation standard in a culture. The most

important of these standard behaviour events is the standard interpersonal behaviour event which is a system of reciprocal role behaviours in a given situation where two or more persons, typical of their respective positions, interact. These basic elements (standard behaviour events) are usually organized into institutionalized ways which are the fundamental parts of a culture. Among the institutionalized ways are those which concern themselves with procreation, distributing goods and services, satisfying aesthetic needs and economic development (Krech et al, 1962, p 353). Implicit culture is an anthropological term encompassing cognition, wants, interpersonal response traits, attitudes, beliefs, norms premises and values. Implicit culture determines and gives meaning to the explicit behaviour of a collective. Cultural beliefs refer to the cognitions - ideas, knowledge, love, superstitions, myths, legends - by typical members of a society. Cultural norms which can be divided into folkways and mores, regulate standard behavioural events. Norms are the standards of conduct accepted by typical members of a society or occupants in a position. Cultural premises are tacit generalisations. Cultural values of course influence behaviour and actions of typical members of a society. A value is an especially important class of beliefs "shared by members of a society concerning what is desirable or good or what ought to be" (Krech et al, 1962, pp 350-353).

### 3.2.3 CORPORATE CULTURE

Entire nations, tribes, families, geographical regions, organizations and businesses possess the

meaning of the concept culture. It has become

cultures. The culture of an organization may be weak and fragmented or it may be strong and cohesive. Successful organizations usually have strong cultures. Whether weak or strong, cultures exert powerful influences throughout the organization. They shape the lives of employees and have general effects on the decision making process and productivity, and determine promotions, demotions and retrenchments (Hickman & Silva, 1988, p 57; Deal and Kennedy, 1982, p 5).

However, organizational culture as a concept is fairly young. Since the 1950's and 1960's it has been explicitly used. In these two decades the field of organizational psychology began to differentiate itself from industrial psychology, emphasizing work groups and whole organizations. Coupled with this emphasis a need was developed for concepts that could describe patterns of norms and attitudes, cutting across a whole social unit (Schein, 1990, p 109). Katz & Kahn (1966, p 110) for example analysed organizations by means of systems theory and dynamics, thus laying the theoretical foundations for later culture studies. In its endeavour to understand organizations and organizational relationships, organizational psychology has taken over concepts from sociology and anthropology. Thus the concept of culture was applied to organizations only recently to explain (a) variations in patterns of organizational behaviour and (b) to highlight levels of stability in group and organizational behaviour.

There is, at present, limited agreement between organizational psychologists and theorists on the meaning of the concept culture. It has become

fashionable to label everything ranging from common behavioural patterns to newly espoused corporate values that senior management wishes to inculcate in their workforce as "culture" (Deal & Kennedy, 1982; Schein, 1990, p 109).

Organizational climate which is a surface manifestation of organizational culture and directly observable and measureable, enables organizational psychologists to fathom the deeper aspects of organizational functions and to offer explanations for variations in climate, norms and values. These are grounded in the deeper concept of organizational culture (Schein, 1990, p 109).

Van Maanen (1976; 1977; 1983) and Louis (1983) frequently view culture as a set of shared understandings, interpretations, and perspectives by which members of a group or collective articulate contextually appropriate accounts of their worlds of experience. Culture is therefore implicitly related to social cognitions of contextual sense-making and the shaping of meaning as well as the organization of the experiences of a cultural collective. Intellectually, organizational culture ponders on how members of organizations symbolically create an ordered world (Barley, 1983, p 393). Allaire and Firsirotu (in Barley, 1983, p 394) observed that organizational culture has been treated, with few exceptions as a cover term, "an elision for a grab bag of norms, beliefs, values and customs". The employment of the concept "culture" to organizational studies have a defect of theory and method. These defects have to be surmounted before culture could be displayed as a complex, interpretive system. Schein (1990) views culture as the fruits of

learning and experience which a group utilises to solve problems of survival in the external environment as well as problems of internal integration.

Recently the concept organizational culture was thrust into the forefront by an urge to try and explain why American companies do not perform as well as some of their counterparts elsewhere, especially in Japan. Ouchi (1981) as well as Pascale and Athos (1981) observe that national culture is not a sufficient explanation.

According to these authors concepts are needed that would permit differentiation between organizations within a society, especially in relation to different levels of effectiveness. The concept organizational culture is perfectly suitable for this purpose.

nat. vs org. culture.

### 3.2.3.1 DEFINITIONS OF CORPORATE CULTURE

Hofstede and Bond (1988, p 6) prefer to define culture as "the collective programming of the mind that distinguishes the members of one category of people from those of another". According to them this definition applies to national as well as corporate cultures. Deal and Kennedy (1982, p 4) refer to the Webster's New Collegiate Dictionary's definition of corporate culture as "the integrated pattern of human behaviour that includes thought, speech, action and artefacts and depends on man's capacity for learning and transmitting knowledge to succeeding generations". According to Denison (1990, p 2) corporate culture refers to "the underlying values, beliefs, and principles that serve as a foundation for an organization's management system as well as the set of management

practices & behaviors that both exemplify and reinforce those basic principles".

Lucas (1987, p 145) based his definition of organizational culture on a political-cultural analysis viewing organizational culture as the product of "interactions between interest groups as they define the meaning of, and then act upon, specific organizational issues such as budgets, strategic plans, plant acquisitions or manpower policies". Organizational culture is then, at a particular moment, the sum of solutions to organizational contradictions derived from the differences between interest group activities and perceptions regarding such issues. Handy (1987, p 186) sees organizational culture as a deep-set belief about the way work should be organized, the way authority should be exercised, and people rewarded or controlled. Jaeger (1986, p 179) refers to what he calls an ideational view of culture, conceptualizing culture as a set of ideas shared by a group. Jaeger relies heavily on Keesing's (1974) definition of national culture. Keesing views culture as a set of common theories of behaviour or mental programmes that are shared by a collective. Schwartz and Davis (1981, p 33) define organizational culture as a "pattern of beliefs and expectations shared by an organization's members".

Schein (1985, p 9) distinguishes between three structural levels of culture and ascertains that at any one level culture can be defined as "a pattern of basic assumptions, invented, discovered or developed by a given group as it learns to cope with its problems of external adaptation and internal integration. It has worked well enough to be taught to new members as the correct way to

perceive, think and feel in relation to these problems". Culture is therefore the learned product of a group's experience. This concept of organizational culture is rooted in theories of group dynamics and group growth (Schein, 1985, p 9). Learning, however, is simultaneously a behavioural, cognitive and emotional process. The cognitive processes include the perceptions, language and thought processes that a group come to share. It is also the ultimate causal determinants of feelings, attitudes, exposed values and overt behaviour. Schein (1990, p 111) draws attention to the fact that any definable group with a shared history can have a culture and within an organization there can therefore be many subcultures. Schein (1990, p 111) proceeds to define culture as "(a) a pattern of basic assumptions, (b) invented, discovered or developed by a given group, (c) as it learns to cope with its problems of external adaptation and internal integration, (d) that has worked well enough to be considered valid and therefore (e) is to be taught to new members as the (f) correct way to perceive, think and feel in relation to those problems". To summarise, organizational culture can be defined as a social force that controls patterns of organizational behaviour by shaping members' cognition and perceptions of meanings and realities, providing effective energy for mobilization and identifying membership or non-membership.

### 3.2.3.2 MEANINGS ATTACHED TO ORGANIZATIONAL CULTURE

The concept of organizational culture is very handy when an observer tries to understand and



gain insight into the mysterious ways of behaviour and (to the observer) irrational things, occurring in organizational systems. Schein (1985, p 6) lists some common meanings attached to organizational culture:

1. Observed behavioural regularities when people interact.
2. The norms that evolve in work groups.
3. The dominant values espoused by the organization.
4. The philosophy that guides an organization's policy towards employees and/or customers of the company.
5. The rules of the game for getting along in organizations.
6. The feeling or climate that is conveyed in an organization by the physical layout and the way in which members of an organization interact with customers and/or outsiders.

The six meanings may reflect an organization's culture but none of them is the essence of culture. The essence of culture reflects the elements of a culture and is closely related to the levels of culture (Schein, 1985, p 8).

### 3.2.3.3 LEVELS OF ORGANIZATIONAL CULTURE

Schein distinguishes between structural levels to which the term culture can be applied and levels of culture. Civilizations form the broadest structural level, thereafter countries with sufficient ethnic commonality and then countries within which there are different ethnic groups to which the term culture can be applied (Schein, 1990, p 8). Then follows the levels of

occupation, professions and occupational community. The last structural level to be identified is the level of organizations. Also within organizations, subgroups can be identified and such sub-units may develop their own group cultures (Schein, 1990, p 8). Besides these structural levels, Schein (1985, pp 13-14) identifies three levels of culture, viz:

1. Artefacts - physical and social environment. This refers to physical layout of an organization's offices, rules and interactions that are taught to newcomers.
2. Basic values which are to be seen as the organization's ideology.
3. The underlying conceptual categories and assumptions that enable people to communicate and to interpret everyday occurrences.

These three levels of culture embrace the essence of culture and the elements thereof.

The first level of Schein's typology of organizational culture is the level of the artefacts. Schein is adamant that the physical and social environment is the most visible level of culture. Artefacts are visible, tangible and audible behavioural patterns and fruits of behaviour. These results of behaviour are the observed manifestations of cultural essence. It includes an organization's written and spoken language and jargon, layouts and arrangements of office space, technological output, organizational structure, dress codes and overt behaviour. It focuses attention on such shared basic assumptions about the nature of the product, the market and

function of guiding members of a group in the

the organization's mission. Culture cannot be manipulated by managers. In fact, culture controls the manager through the "automatic filters that bias the managers' perceptions, thoughts and feelings" (Schein, 1985, p 314; Ott, 1989, p 59). Sathe (1985, p 10) describes artefacts as relatively "easy to see but hard to interpret without an understanding of the other two levels". Ott, however, adds a "level 1", "level 2" and "level 3" of organizational culture. Level 1 includes such elements as habits, patterns of behaviour, norms, rites and rituals.

Level 2 refers to values and beliefs. These are the sense of "what ought to be, as distinct from what is (Schein, 1985, p 15). Sathe (1985, p 10) describes level 2 as revealing "how people communicate, explain, rationalise and justify what they say and do as a community - how they make sense of the first level of culture. This level is denoted by the terms cultural communication and justification of behavior". The Level 2 constructs of organizational culture include ethos, philosophies, ideologies, ethnical and moral codes, and attitudes (Ott, 1989, p 60). Level 2 elements of organizational culture often yield espoused values - what people will say rather than values in use which can be used to predict what people will do. Only those values which are susceptible to physical and social validation and which continue to work reliably in solving the group's problems will become transformed into assumptions. Many values however, remain conscious and are explicitly articulated because they serve the normative function of guiding members of a group in how to

deal with certain key situations (Schein, 1985, p 16). A set of values, embodied in an ideology or organizational philosophy can thus serve as a guide and as a way of dealing with uncertainty of intrinsically uncontrollable and difficult events (Schein, 1985, p 17).

These Level 2 elements are better predictors of organizational behaviour than Level 1 elements because they are conceptually closer to Schein's true organizational culture that resides in Level 3 (Ott, 1989, p 60). According to Schein (1985, p 18) the true organizational culture resides in the basic underlying assumptions. He defines basic assumptions as fundamental beliefs, values and perceptions that "have become so taken for granted that one finds little variation within a cultural unit. Basic assumptions, like theories in use, tend to be non-confrontable & non-debatable" (Schein, 1985, p 18). As values begin to be taken for granted, they gradually become beliefs and assumptions and drop out of the consciousness. Basic assumptions are the Level 3 elements of organizational culture: these include spirit, truths, transactional analysis concepts of organizational scripts guiding behaviour and telling group members how to perceive, think and feel about things (Schein, 1985, p 18; Ott, 1989, p 61). These underlying and usually unconscious assumptions taken for granted, determine perceptions, thought processes, feelings and behaviour. Once one understands some of these assumptions, it becomes much easier to decipher the meanings implicit in the various behavioural and artefactual phenomena being observed (Schein, 1990, p 111). And once one understands the

underlying, accepted assumptions, it can be better understood how cultures can seem to be ambiguous or even self-contradictory (Martin and Mayerson, 1988). Deeply held assumptions often start out historically as values, but, as they stand the test of time, gradually come to be taken for granted and then take on the character of assumptions.

#### 2.3.4 COMPOSITE PARTS OF ORGANIZATIONAL CULTURE AND FACTORS INFLUENCING CULTURE

Handy (1987, p 197) proposes six principal factors i.e. history and ownership, size, technology, goals and objectives, environment and people which influence a choice of culture and structure for an organization.

History and ownership refers to the age of a company. Centralized ownership implies a power culture with complete control of resources. On the other hand diffused ownership implies diffused influence based on alternative sources of power. Family firms and founder dominated organizations are examples of power cultures, for example the Ford Motor Company. New organizations quite often repudiate role cultures and the systems, procedures and jargon that accompany role cultures. Managers also quite often imply a change in culture. Especially a new generation of managers heralds a change of culture.

The size of the organization is quite often the most important variable influencing a choice of culture and structure. In comparison to small organizations, large ones have formalized structures and specialized groups which, through

systematic co-ordination, push the organization towards a role culture. Large organizations are perceived by its members as offering more opportunity for advancement, more efficient planning, better control systems and structuring of activities but also as more authoritarian.

The technology of production as a major determinant of efficiency, also effects culture and structure. Differences in technology entail differences in communications, job design and organizational design (Dessler, 1986, p 87). The design of the organization has to take into account the nature of the work, the work-force, length of the line of command, percentage devoted to wages and salaries, ratio of managers to subordinates, graduates to non-graduates and indirect to direct labour. Effective organizations are characterized by structures in line with the norm for their technology (Handy, 1987, p 198). Routine programmable operations, high-cost technologies which need close monitoring and depth of expertise by direct supervision and economies of scale by mass production of heavy capital investment, all tend to encourage role cultures. However to deal effectively with rapidly changing technologies, a task or power culture is required (Handy, 1987, p 199).

An enterprise seldomly has clear-cut objectives. Culture and structure are affected by an organization's goals and objectives. It influences for example the quality of the product. Culture in turn, influences the goals and objectives. Growth and expansion goals are more appropriate to a power or task culture. On the other hand, goals in relation to the quality of

the product are more easily monitored in a role organization. Organizational goals are not static. It may change over a period of time depending on changes in culture (Handy, 1987, p 200).

The environment in which an organization functions is critical in determining the culture of an organization. The environment encompasses the geographical, societal and economic environments, the market, and the competitive scene.

Environmental changes require a sensitive, adaptable culture which is quick to respond to changes in the environment. On the other hand, market changes or changes in the product line require a task culture. A diversified organizational structure is more suited to a diversified environment which inclines towards a task culture. Threats and dangers in the environment like mergers, take-overs, nationalization or economic disaster are best countered by power cultures. Web-like organizations with a strong figure at centre will most likely be successful in circumstances of threats and dangers. Merger battles, for instance, are quite often decided by strength of personality. Implicit in power cultures is the ability to move swiftly and decisively and to act aggressively in countering threats and dangers. On the other hand standardization inclines towards a role culture. Functional organizations, for example, usually have a role culture (Handy, 1987, pp 201-203).

The last factor to influence the choice of culture is people. Different cultures postulate different psychological contracts. Sathe (1985, p 544 n)

views a psychological contract as an "implicit contract between an individual and the organization which specifies what each expect to give and receive from the other in the relationship". A correspondence between organization culture and an individual's expectations (psychological contract) should lead to a satisfied individual. This, however, does not lead to higher productivity as job satisfaction does not differentiate between cultures (Handy, 1987, p 203). Handy (1987, pp 204-205) continues by hypothesizing that individuals with a low tolerance for ambiguity will prefer the tighter role prescriptions of the role culture but the need to establish one's identity at work will be appropriate in a power or task culture. People with inadequate interpersonal skills and low intelligence would move an organization towards a role culture. People play a significant role in pushing an organization towards a particular culture. The individual orientation of key people in an organization determines to a large extent the dominant culture of an organization. Maccoby (op cit, p 205) in a psycho-analytic study of the personalities of 250 corporate managers, distinguishes four character types - the jungle fighter who needs power, the company man, the gamesman, and the craftsman - which may determine the dominant culture of an organization.

#### 3.2.3.5 TYPES OF ORGANIZATIONAL CULTURE

Martin & Siehl (1983, p 53) draw a distinction between an organization's dominant culture and the various subcultures that might co-exist within it. The dominant culture expresses, through



artefacts, core values which are shared by a majority of the organization's members. These two authors distinguish three types of subcultures: enhancing, orthogonal and counter-cultural. They view an enhancing subculture as one in which adherence to the core values of the dominant culture is all comprehensive and of utmost importance. In an orthogonal subculture the people would simultaneously abide to the core values of a dominant culture and develop an unconflicting set of values peculiar to themselves. The core values of a counter-culture, however, present a direct challenge to the core values of a dominant culture leading to an uneasy symbiosis between dominant organizational culture and counter-culture. These two cultures are in opposition to each other on critically important value issues. A strongly centralized institution with a significant decentralization of authority is most likely to be a fertile ground for the development of a counter-culture. A counter-culture is most likely to emerge within well-defined structural boundaries stimulated by charismatic leaders (Martin & Siehl, 1983, pp 54-55).

Handy (1987, pp 188-196) distinguishes between four types of culture viz. a power culture, a role culture, task culture, and a person culture. Lessem (1989), drawing heavily on Morgan's (1986) eight images as a complimentary basis for structural classification, identifies four kinds of organizational structures eg. club, role, task and person which corresponds to Handy's four types of culture. Handy's power culture corresponds with Lessem's club structure. The club has the structure of a spider's web. The centre is the

cockpit of power with rays of power and influence radiating from it. The size of the organization however, presents or may present a problem for power cultures as the web could break if it links too many activities. Organizations encompassing power cultures are proud, strong, tough, abrasive, competitive and characterized by an ability to move quickly and react well to threats and dangers. Employees in power cultures are power orientated, politically minded, and predisposed to risk taking. Security is rated as a minor element in the psychological contract. Power cultures are in fact political systems. Power politics is a particular feature of larger organizations. Organizational politics arise when the diversity, created by people who think and act differently, leads to tensions which can only be resolved through political means. The original function of organizational politics was and still is the reconciliation of divergent individual interests by means of adequate and appropriate systems and procedures of representation, consultation and negotiation.

According to Lessem (1989, p 283) the club structure corresponds to the formal organization which is found in hierarchical societies. In these societies a social group imposes itself quite often on others through show of force, eg. conquest. Such conquest by force results in a class-based society. Domination during the industrial revolution in America and Europe was primarily based on a division between employer and employees. Karl Marx's call for a proletarian revolution to break the capitalistic order and the emergence of the trade union movement, were responses to the physical and social oppression of

the worker classes. In Great Britain the Conservative and Labour Parties still embody and reinforce the organizational, social, and industrial divide and as such reflect the historically determined images of class domination. Class consciousness and power politics also affect the commercial and political relations between industrialized and industrializing countries. In the United States of America mobility between classes<sup>1</sup> is very fluid. In Germany and Japan, however, organizational culture is not affected by internal political differences.

A role culture is often stereotyped as and corresponds with the structure of a bureaucracy. Large bureaucratic institutions are the dominant organizational force in the industrialized and industrializing (developing) societies. They are based on position power, not personal or expert power, which drives its functions and specialities. Rules and procedures for job descriptions, communications and/or settlement of disputes influence the interaction between functions. Max Weber originally formulated the concept of a bureaucracy and determined the explicit features of a bureaucracy as:

1. A division of labour in which authority and responsibility were closely defined and officially legitimized.
2. A hierarchy of authority resulting in a chain of command.
3. Separation of manager from owner.

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1. Mobility between classes = structural separation between management and labour union.

4. The subjection of the manager to strict rules, discipline and controls, impersonally and uniformly applied (Lessem, 1989, p 286).

According to Lessem (1989, p 292) role structure is built on the assumption that rational man is capable of organizing an organization in a logical fashion by means of a system of prescribed roles sustained by rules and procedures. Handy (1987, p 196) views a task culture as being job or project orientated. It is a team culture and its structure may be visualized as "a net with some of the strands of the net thicker and stronger than the others". It derives its power and influence from expert power which is situated at the interstices of the net. Efficiency is enhanced by the identification of the individual with the objectives of the organization. The unifying power of the team facilitates the formation and reformation of project teams, task forces and research groups for specific purposes. However, task cultures are not inclined to the development of economies of scale and do not produce great depths of expertise. Lastly, Handy's personal culture corresponds with Lessem's personal structure. According to Handy (1987, p 196) this is an unusual culture and Lessem (1989, p 278) views these organizations as psychic prisons. Many individuals espoused the values of this culture which is characterized by the self-orientated individual being given centre stage. The power base is usually expertise. Groups which usually have this "person"-orientation of doing what they are good at and being listened to on appropriate topics are barristers' chambers, social groups, student communes, families and small consultancy firms.

companies and financial service organizations.

Deal and Kennedy (1982, p 107) distilled four generic types of culture, viz the toughguy-macho culture, the work hard/play hard culture, the bet-your-company culture, and the process culture. The toughguy-macho culture, usually young with the emphasis on speed, implies a high risk culture with quick decision making and quick feedback to individuals on whether their actions were right or wrong. Successful decision making as well as internal competition require a tough attitude. The work hard/play hard culture is characterized by fun and action but with low risks. For success in this culture a high level of relatively low risk activity is necessary. To obtain this end, checks and balances are built into a system to keep the organization from becoming a big risk. In this culture customers and their needs are highly valued. Cultures with big stake decisions, high risks, and slow feedback environments are described as a bet-your-company culture. Deal and Kennedy (1982, p 116) describe this culture as a "duet of high risk but slow feedback". It means risking the future of an organization by investing large sums of capital in a project which may take years to develop and refine before management discovers its success rate. The values of this culture are entirely future orientated. Lastly, Deal and Kennedy (1982, pp 107, 119 - 120) describe what they call process culture. Process culture implies a low risk environment in which employees get little or no feedback on the correctness of their actions. Memo's and reports seem to disappear in a void; attention, instead, is given to how the job is done. Technical perfection is the prime value of this culture. Organizations which are usually inclined to process culture are banks, insurance companies and financial service organizations.

### 3.2.3.6 ELEMENTS OF CULTURE

Deal and Kennedy (1982, pp 13 - 15) identified the following six elements of culture, viz business environment, values, heroes, rites, rituals and the cultural network. The business environment is the single most important influence shaping the corporate culture. The environment determines the success or not of an organization. Values encompass the basic concepts and beliefs prevalent in an organization and are the crux of any corporate culture. The complex value systems of organizations with strong cultures are shared by all employees. The people who personify the corporation's values are termed "heroes". These heroes are tangible role models for the work-force to follow. Deal and Kennedy view the rites and rituals as "the systematic and programmed routines of day-by-day life". Rituals supply employees with role models of the behaviour expected of them. Quite often these routine behavioural rituals are spelt out in great detail to employees. The cultural network is the primary means of communication within the organization and as such it is the carrier of corporate values. The cultural network is usually effectively monopolized by story tellers, spies, cables and whisperers.

### 3.2.3.7 CULTURE AND EFFECTIVE ORGANIZATIONAL BEHAVIOUR AND PERFORMANCE

According to Denison (1990) there is a close relationship between organizational culture and organizational effectiveness. Organizational performance at or near peak capability does not

only lead to improved strategic success but also to an organizational culture characterized by high performance (Thompson and Strickland, 1990, p 263). The success of effective, high performance organizations are usually attributed to a combination of values, beliefs, policies and practices. Effectiveness is a function of the policies, procedures and practices pertaining to a set of shared values and beliefs prevailing in an organization. There is a relationship between effectiveness and the translation of core values and beliefs into policies and practices. Specific practices as they pertain to the management of human resources, the internal environment of an organization, resolving conflict, planning strategy, work design and decision making influence performance and effectiveness (Denison, 1990, pp 5 - 6).

According to Wilkins and Ouchi (1983), organizations with a distinct local culture with particular properties will be inclined to significant performance efficiency. They posit three modes of organizational governance namely the market, the bureaucracy and the clan. They argue that these three forms of organizational governance are controlled by the transaction cost perspective (Wilkins and Ouchi, 1983, p 470). Wilkins et al (1983, p 471) define a transaction cost perspective as "any activity which is engaged in satisfying each party to an exchange that the value given and received is in accord with his/her expectations". Furthermore these two authors state that the central problem of organizational governance of transactions is the achievement of a perception of equity among self-interested parties who are boundedly rational. This social problem

is resolved in the market situation by means of a competitive price mechanism. Conditions of increased ambiguity may lead to more costly transactions. The bureaucracy deals for that very reason with conditions of ambiguity by creating an employment contract. But there are limits to ambiguity and complexity. Should it increase beyond a certain point, bureaucracy is bound to fail (Wilkins et al, 1983, p 471). The third principle of organizational governance of transactions, the clan, addresses the social problem of exchange by socializing the parties to the extent that, despite self-interest, the goals become congruent. This congruency leads to an efficient governing of transactions in the midst of relatively high complexity and uncertainty. To achieve this end, relatively high levels of goal congruence and a general paradigm is required. The term "goal congruence" refers to clan members' belief in equitable treatment. Typical examples of clans are Japanese firms with their theory-Z management orientation which encourages collective decision making. Theory-Z cultures facilitate the development of a general paradigm encompassing a perception of goal congruence leading to an efficient organizational performance (Wilkins et al, 1983, p 474).

According to Denison (1990) there are four integrative principles by which an organization's culture influences its effectiveness, viz the involvement principle, the consistency principle, the adaptability principle and the mission principle. The involvement principle implies a high level of involvement and participation of an organization's members to secure organizational



effectiveness. Denison (1990, p 7) argues that involvement and participation are dual in nature. On the one hand it may be considered a management strategy for effective performance. On the other hand it may create a better work environment for the worker, leading to a sense of ownership and responsibility embodied in a greater commitment to the organization and a lesser need for a tight control system. Ouchi (1981, p 8) argues that high levels of inclusion, involvement and participation lead to a value consensus reducing transaction costs.

Ouchi views high-involvement organizations as clans and organization transactions as governed primarily by values, beliefs, norms and traditions. Although Ouchi (1981, p 8) finds little supporting evidence for this principle, he cites as an example thereof in what he calls the contrast between "the litigious nature of American pluralism and the consensual efficiency of Japanese society". The consistency principle refers to the positive impact a strong culture can have on organizational effectiveness (Denison, 1990, p 8). Denison (1990, p 8) argues that the shared system of values, symbols and beliefs positively influences an organization's members in attaining consensus and implementing the aims and objectives of the organizations. Denison continues by viewing this system of shared internalized values, as a fundamental, implicit and effective control system co-ordinating the objectives and duties of the members of an organization. The consistency principle with its strong emphasis on highly committed employees, key central values, a distinctive method of implementing its objectives and policies, promotion from within and a clear set of "do's and

don'ts", is fundamental in building a strong, effective culture and a committed work force. A management system to exert constructive pressure to perform, needs a high degree of integration and co-ordination which is brought about by a close alignment between central values and beliefs and actual policies, practices and objectives.

The adaptability principle, as contrasted against the involvement and consistency principles which focus exclusively on the internal dynamics of an organization, focuses on the external environment of the organization. Three aspects of adaptability influencing organizational effectiveness may be distinguished, namely the ability to perceive and respond to the external environment, the ability to respond to internal customers, and the capacity to restructure and institutionalize behaviour and a set of processes which allow the organization to adapt. This is a prerequisite for organizational effectiveness. A relationship of support exists between these three aspects of adaptability and organizational culture (Denison, 1990, pp 9 - 11). These three aspects of adaptability penetrate to the core of an organization's value system.

The mission principle implies organizational culture to be driven by a clear mission. The mission refers to management's vision of the organization's functions, purposes and objectives. In this sense a mission provides purpose and meaning and specifies organizational activities to pursue and to chart in achieving strategic objectives. In

other words, a mission statement defines the appropriate course of action for the organization and provides purpose and meaning (Denison, 1990, p 13). Sherwood (1988, p 7) claims that efficient, high performance work cultures with competitive advantage are characterized by energy and quality.

Successful work cultures depend on the design of the work itself and the structure of work organizations. Challenging and significant work calls for energy and enthusiasm and the work force usually takes pride in the production of high quality products. Sherwood (1988, pp 8-9) continues by describing the salient features of an efficient, high performance work culture as delegating, teamwork, providing opportunities and evaluating contributions, integrating people and technology, and a shared sense of purpose and vision.

Delegating entails the deployment of responsibilities and decision making.

Teamwork involves the integration of every worker to serve the product manufacturing and customer satisfaction process, thus empowering all workers with the required responsibility and expertise to get their jobs done. The integration of people and technology requires initiative and creativity. The shared sense of purpose suggests a vision by management of what the organization seeks to do and to become. The design and building of an efficient work culture revolve around five key

1. elements i.e. people, technology, political process, environment and the links between
2. these five elements (Sherwood, 1988, p 18).

Four functions are decisive in the design and

building of a high performance and high commitment organizational culture, viz political and financial sponsorship, a legitimizing and supporting role, the design and implementation of objectives, and educational input (Sherwood, 1988, p 18).

### 3.3 ETHNICITY

Employees belonging to different ethnicities have different attitudes, beliefs, norms, values, philosophies and patterns of behaviour. These differences are culturally based because culture (ethnicity) reflects a group's or society's knowledge, beliefs, customs, morals, language, self-perception and values. Because corporate governance is part of that reflection, different ethnicities differ in their perceptions of the work environment (Clegg and Redding (Eds), 1990, p 187; Shibutani and Kwan, 1965, p 57). Sumner (1940, p 13) defines ethnicity as the tendency to "view things in which one's own group is the centre of everything and all others are scaled and rated with reference to it".

Schrire (1980) draws attention to much scholarly debate generated by the term "ethnicity" and the many different ways in which it has been defined. According to Schrire, this reflects the fact that ethnicity is partly contextual, with shifting contours, depending on the environment and the level of social interaction. Furthermore, Schrire defines an ethnic group as a "self-conscious social grouping that has the following properties:

1. A full demographic range of the population with internal cleavages.
2. Status differences which are viewed as being less salient than perceived.

3. An identity derived primarily from ascriptive factors".

Slabbert and Welsh (1979, p 10) see an ethnic group as "a group that is bounded off from other comparable groups or population categories in the society by a sense of its difference which may consist in some combination of a real or mythical ancestry and a common culture and experience". Employed in the context of intergroup relations, this definition would cover groups which are physically or racially different as well as those which are culturally different. The same authors view ethnocentrism simply as "the propensity to evaluate one's own group in more favourable terms than other groups" (1979, p 12). Schlemmer (1977, p 13) views an ethnic group as "a social organization in which roles and status are articulated mainly within the ethnic context".

Banton (1983, pp 9 - 14) distinguishes between race and ethnicity by means of the two complimentary processes of inclusion and exclusion. The adjective "race" designates physical characteristics for example skin colour. Racial differences are usually drawn upon to identify a group and to exclude others from this particular group and the privileges accruing to group membership. The adjective "ethnic" designates cultural characteristics for example language, custom, religion and values when these are used as a basis for group identification. Ideas about shared ethnicity have been used to promote inclusion. Linking up with Banton's theory, is the rational choice theory of race and ethnic relations (Banton, 1977). The rational choice theory has competition as its central theme and is based on two suppositions (Banton, 1983, p 104):

Ethnicity denotes the situation of a group

1. Individuals act in order to obtain the maximum group advantage.
2. Action at one moment of time influences and restricts the alternatives between which individuals will have to choose on subsequent occasions.

The rational choice theory of race and ethnic relations implies that:

1. Individuals utilize physical and cultural differences to create groups and categories by the processes of inclusion and exclusion.
2. Ethnic groups result from inclusive and racial categories from exclusive processes.
3. When groups interact, processes of change affect their boundaries by the form and intensity of competition - especially when individuals compete as groups' ethnic boundaries are reinforced.

Adam and Moodley (1986) view ethnic consciousness as always existing within some specific socio-political context. The policies of the dominant group determine how ethnicity asserts itself. They see nationalism as the political expression of a shared ethnic consciousness whose major components are cultural ethnicity, economic ethnicity and political/legal ethnicity. Ethnic consciousness functions to claim rightful entitlement, thwarts intrusion into monopolized realms, and inspires collective action. Cultural ethnicity denotes a feeling of commonality based on language, religion, regional particularities, values and customs all of which are decisive for the identity of group members. Political ethnicity denotes exclusiveness in the institutions of the state. Economic ethnicity denotes the situation of economic

become crystallized in the institutions common to these people like work organizations and labour associations.

inequalities (or privileges) coinciding with ethnic group boundaries. Ethnic economic differentiation leads to inequality.

Cross (1971, p 487) defines ethnic groups as "groups defined in relation to cultural features". As already stated, culture includes knowledge, beliefs, art, law, morals, customs and values. Hofstede and Bond (1988, p 6) describe culture as "the collective programming of the mind that distinguishes the members of one category of people from those of another". National culture influences organizational culture, magnifying cross-cultural differences and giving a better explanation of the differences between ethnic groups in the workplace. Striking cultural differences exist at the workplace because employees (and managers) bring their ethnicity (and cultural differences) to the workplace. Culture provides the context for behaviour in work organizations. "Organizational systems are cultural answers to the problems encountered by humans in achieving their collective ends" (Crosier in Kast and Rosenzweig, 1985, p 589).

Hofstede (1980b, p 43) describes the importance of cultural conditioning and defines culture as the collective mental programming of the people in an environment. According to Hofstede culture is not a characteristic of individuals but it rather encompasses a number of people who were conditioned by the same education and life experience. Hofstede is convinced that culture also refers to the "collective mental programming that these people have in common - a programming that is different from that of other groups, tribes, regions, minorities or majorities, or nations". Culture in the sense of collective mental programming is shared by a number of people and has become crystallized in the institutions common to these people like work organizations and labour associations.

Laurent (1983, p 77) for instance finds more pronounced cultural differences among foreign employees working within the same multi-national organization than among employees working for organizations in their native lands. He concludes that employees of different ethnicities (or national identities) working for the same multi-national corporation maintain and even strengthen their cultural differences. Corporate culture enhances national differences instead of eliminating and/or reducing it (Adler, 1986, pp 46-48).

Economic ethnicity may be defined as economic culture (Clegg and Redding (Eds), 1990; Berger, 1987). Berger (1987, pp 7 - 8) coined the term "economic culture" as a theory to explore the "social, political and cultural matrix or context" within which organizations operate. The term "economic culture" is not causal in nature. It only draws attention to the relationships which such an enquiry must explore. This concept will, therefore, explore the social, political and cultural (ethnic) matrix within which organizations operate. Moorhead and Griffin (1989, p 672) focus on the differences and similarities in work behaviour across cultures and point out that cultures and national boundaries do not necessarily coincide and that profound differences exist within the same national boundaries. These authors draw attention to a recent review of literature on international management and the five basic conclusions reached:

1. Behaviour in organizational settings varies across cultures. This implies that employees of different ethnic groups are likely to have different work attitudes and manifest different patterns of behaviour in organizational settings.
2. Ethnicity (culture) is a major cause of this variation.



3. Although behaviour within organizational settings remains quite diverse across cultures, organizations themselves appear to be increasingly similar.
4. The same manager behaves differently in different cultural settings.
5. Cultural diversity can be an important source of synergy in enhancing organizational effectiveness. Organizations adopting a multi-ethnic strategy can become and do become holistic in their approach. Operations in each culture can benefit from operations in other cultures through an enhanced understanding of how the world works.

Variations in behaviour across cultures can be viewed in terms of individual differences, managerial behaviour, motivation, leadership, management by objectives, planning and control, organizational design, management development and organizational development, job design, group dynamics, humanization of work, leadership, power and conflict, industrial democracy, company ownership and control, management of multi-cultural organizations, decision-making, rewards and environment and technology (Hofstede, 1980a; Moorhead and Griffin, 1989).

Moorhead and Griffin (1989, pp 674 - 675) highlight Hofstede's four dimensions along which individual behaviour varies across cultures:

1. Individualism/Collectivism - Individualism is a state in which the individual's own interests and values take priority. People in an individualistic culture usually favour and prefer their own careers to their organization's success. They assess situations in terms of how

- decisions and events will affect their careers and lives. Collectivism on the other hand, is a feeling that the good of the group or organization should come first. People in an collectivistic culture quite often put the needs of the organization before their own personal needs.
2. Power Distance - It indicates the extent in which a society accepts the unequal distribution of power in institutions and organizations. It is reflected in the values of the less powerful members as well as in the values of the most powerful. Power distance is an indication of the degree and extent to which the idea is accepted that an organization's employees rightfully have different levels of power.
  3. Uncertainty Avoidance - Uncertainty avoidance indicates the extent to which people in a culture feels threatened by uncertainty and try to avoid it.
  4. Masculinity/Femininity - Measurements in terms of this dimension express the extent to which cultures value things like assertiveness, ambition, materialism and clearly differentiated sex roles on the one hand or people, quality of life, nurturing and fluid sex roles on the other.
- Adler (1986, pp 36 - 45) expounded these definitions of the four cultural domains on which ethnic groups may differ. She views individualism as implying a loosely knit social framework in which people are supposed to take care only of themselves and their immediate families. Collectivism is characterised by a tight social framework in which people distinguish between their own group(s) (ingroup(s)) and other outgroups. In collective cultures people expect their ingroup(s) to look after them, protect them and care for them in hierarchical-relationship systems. The first dimension

exchange for loyalty. Adler holds up as an example the Arab executive considering employee loyalty as more important than efficiency. The collectivist flavour of the East Asian cultures are characterized by a determinism reflecting the will of the group in members' beliefs and behaviour. Also, members of the collectivist cultures are controlled through external societal pressure while individualistic cultures control their members through internal pressure, for example by guilt-feelings. Adler views power distance as the extent in which less powerful members of organizations accept the unequal distribution of power. The extent to which employees accept that the superior has greater power than themselves, indicates the degree of power distance. Uncertainty avoidance measures the extent to which a society feels threatened by uncertain and ambiguous situations and how society tries to avoid these situations by providing career stability, establishing more formal rules, not tolerating deviant ideas and behaviours and accepting the possibility of absolute truths and the attainment of expertise. The masculinity/femininity dimension denotes the extent in which dominant values in a culture are assertive, emphasizing the acquisition of money and goods (materialism) with no particular concern for people. Values on the feminine pole veer towards emphasis on the relationship among people, concern for others and the overall quality of life.

Laurent's four dimensions along which Western conceptions of managerial ideology differ, link up with Hofstede's four dimensions (1983, pp 75 - 96). Laurent (1983, pp 75 - 96) discerns four systems (dimensions), namely organizations as political systems, organizations as authority systems, organizations as role-formalization systems, and organizations as hierarchical-relationship systems. The first dimension

along which Western cultures differ, namely organizations as political systems, clusters around three items dealing with the political role played by managers in society, their perception of power motivation within the organization and an assessment of the degree in which organizational structures are clearly defined in the minds of the individuals. This dimension clearly links up with Hofstede's power distance dimension. Laurent (1983, p 79) found managers in Latin cultures (i.e. France and Italy) to have a stronger perception of their political role in society than managers in Anglo-Saxon or Scandinavian cultures (i.e. Britain, Denmark and Sweden). Latin managers also strongly emphasize the importance of power motivation within the organization and report a fairly hazy notion of organizational structure. Anglo-Saxon and Scandinavian managers, on the other hand, have a significantly lower political orientation within the organization and within society at large and a clearcut notion of organizational structure.

Organizations as systems of authority tie in with Hofstede's dimension of uncertainty avoidance. There are three issues dealing with the conception of hierarchical structure, which are specification of authority relationships, a perception of authority crisis in organizations and an image of the manager as a negotiator. These three issues comprise the dimension of organizations as authority systems and the purpose is to bring about a hierarchical structure so that everyone should know who has authority over whom. Again Laurent (1983, p 83) found a sharp contrast between Latin cultures and Anglo-Saxon and Asian cultures. Latin countries like Belgium, Italy and France got high index scores on the authority continuum while the United States and Germany tended towards the

lower end. National culture strongly affects managers conceptions of authority. For example French managers view organizations as authority systems more frequently than American managers.

Hofstede's dimension of masculinity/femininity correlates with the dimension of organizations as role-formalization systems (Laurent, 1983, pp 83-84). This dimension comprises three items, namely the relative importance of defining and specifying the functions and roles of organizational members, stressing the values of clarity and efficiency which can be obtained by implementing such organizational devices as detailed job descriptions, well-defined functions and precisely defined roles, and the insistence on the need for role formalization. The results indicate a relatively lower insistence on the need for role formalization in Anglo-Saxon, Scandinavian and Netherlandic cultures than in Latin countries such as France and Italy. Laurent's last index, namely organizations as hierarchical-relationship systems again shows significant differences between Anglo-Saxon cultures and Latin cultures in management attitudes toward organizational relationship. Britain and America as well as Scandinavian countries cluster on the lower end of the continuum with the Latin countries of Europe such as France, Italy and Belgium on the higher end. Laurent (1983, pp 85-86) suggests that this index should be used to assess the feasibility of an organizational matrix structure arrangement to replace the more classic hierarchical forms.)

Also, in individualistic cultures, promotion is on the basis of performance. In collectivist cultures, for example Japan, promotion is on the basis of seniority with the company (Clegg, Higgins and Spytay, 1990, pp 40-47). In high power distance

### 3.3.1 ETHNIC DIFFERENCES IN MANAGEMENT AND WORK BEHAVIOUR

Ethnic differences obviously shape managerial and employee behaviour (Moorhead et al, 1989, p 675). Reference was already made to the dimensions along which individual behaviour varies across ethnicities (Hofstede, 1980a) as well as the four dimensions along which Western conceptions of management differ (Laurent, 1983). In general, these ethnic differences relate to the role of authority, power and individualism in organizations (Laurent, 1983, pp 75-96). Managers in Indonesia, Italy and Japan view the purpose of organizational structure as to inform everyone with clarity who the superior is. Managers in the United States, Great Britain and Germany, in contrast, view organizational structure as the co-ordination of group behaviour and effort (Moorhead et al, 1989, p 675). Arab executives see employee loyalty as more important than efficiency. The individualistic cultures of the United States and Great Britain are characterized by self-determinism and self-respect. In contrast, the will of the group determines members' beliefs and behaviour in Japan's collectivist culture. In the individualistic Western cultures, group members believe that each person should determine his/her own fate, beliefs, and behaviour. Most North Americans, for example, believe that democracy should ideally be shared by all (Adler, 1986, p 36). Also, in individualistic cultures, promotion is on the basis of performance. In collectivist cultures, for example Japan, promotion is on the basis of seniority with the company (Clegg, Higgins and Spybey, 1990, pp 40-47). In high power distance

countries such as Sweden, the Phillipines, Venezuela and India bypassing is being considered as insubordinate by managers while managers in low power distance countries such as Italy and Germany consider it acceptable to bypass one's superior and in fact expect to be bypassed to get the work done.

Ethnic differences also have an influence on negotiations. In high power distance cultures it is of absolute importance for the company representative to be titled equivalent to or higher than their bargaining partners. In low power distance cultures, titles, status and formality are of less importance. Cultures also differ quite markedly on the uncertainty avoidance dimension. High job mobility is characteristic of post-Confucian and Scandinavian cultures, especially Singapore, Hong Kong and Denmark. Organizations in Scandinavian countries are characterized by low counts on both the power distance and uncertainty avoidance dimensions. These organizations may be compared to village markets. The organizational hierarchy is weak and risk taking is both expected and encouraged. In Singapore, with it's post-Confucian culture, which is high on power distance and low on uncertainty avoidance, organizations usually resemble traditional families where the father, as head of the family, protects family members. Organizations high on both dimensions are viewed as pyramids of people. Typical examples are Yugoslavian and Mexican organizations. In organizations with a pyramid structure, the hierarchical sequence is clear with a sharp distinction between subordinate and superior (Clegg et al, 1990; Adler, 1986, p 41).

Regarding masculinity/femininity, Scandinavian cultures tend to be the most feminine in contrast to Japanese and Austrian cultures who are highly masculine. In masculine cultures women are generally expected to stay at home and take care of the children. The masculinity/femininity dimension also has important implications for motivation in the workplace (Adler, 1986, p 43). According to Moorhead et al (1990, p 676), Maslow's hierarchy of needs has been shown to vary across some cultures and remain stable across others. Security needs, for example, are more important in Japan and Greece while social needs tend to dominate in Sweden and Norway. Moorhead et al (1990, p 677) point out that the need for achievement, Herzberg's two-factor theory and the expectancy theory of motivation, all vary across cultures. American managers, for example, believe that hard work and dedication have a causal relationship with high performance while Arabic executives are convinced success is determined solely by God.

According to McClelland performance is due to the achievement motive. One performs because he/she has a need to achieve. Maslow postulates a hierarchy of human needs from more "basic" needs to the "higher" needs. The "higher" needs point to self-actualization and incorporate McClelland's theory of achievement. Maslow views motivation as basically a rational activity by which we expect to fulfil successive levels of needs. Herzberg's two-factor theory of motivation distinguishes between hygienic factors and motivators. Only the motivators have the potential to motivate positively. Vroom has formalized the role of expectancy in motivation and opposes expectancy

satisfied to a considerable extent before



theories and drive theories (Hofstede, 1980b, p 53). People are being pulled by an expectancy of some kind of result of their conscious acts. Drives are inner unconscious forces that push people.

From a cultural perspective a distinct relationship is noticeable between McClelland's need for achievement scores and a combination of weak uncertainty avoidance and strong masculinity. Therefore Hofstede (1980b, p 55) concludes that the achievement motive presupposes two cultural choices, viz a willingness to accept risks (weak uncertainty avoidance) and a concern with performance (strong masculinity). This combination is usually found in Anglo-Saxon cultures, viz Great Britain, United States, Ireland, Canada, New Zealand, Australia, the Republic of South Africa and the Philippines. Achievement motivation is quite strong in these cultures and the ultra-high individualism of the United States finds expression in acts of self-interest. A strong uncertainty avoidance dimension is characteristic of Latin cultures (Italy, Venezuela, Argentina, Mexico and Belgium) and also Japan with its post-Confucian culture. Ethnicities who are strong on uncertainty avoidance are usually strongly security motivated and performance inclined. Feminine cultures are distinguished by a sharp focus on the quality of life and relationship between people rather than on performance and acquisition of money and goods. This in essence, boils down to social motivation: quality of life plus security.

Maslow views man as having a hierarchy of human needs in which the lower needs have to be satisfied to a considerable extent before the

higher needs can emerge to motivate the individual. Higher order needs become active only when succeeding lower-level needs are fairly well satisfied. Maslow views self-actualization plus self-esteem as the highest-order need (Hofstede, 1980b, p 55; Dessler, 1986, pp 333-334; Schein, 1980, pp 85-86). Hofstede views these theories of motivation not as the description of a universal human motivation process but as the description of a value system of a specific ethnic group. The value systems of a specific ethnic group or culture profoundly influence politics and the economy. The Catholic value system in Latin cultures, from Latin America to Poland, plays a decisive role in economic and industrial development. Also, the Confucian culture zone of East Asia, by economic criteria one of the least favoured regions on earth, displays an economic dynamism which outstrips any other region of the world. The Western value system which has shifted from a materialist to a post-materialistic emphasis, gives top priority to self-expression, belonging and quality of life. These values, due to want of motivation, de-emphasize economic achievement and lead to the current economic decline in advanced industrial Western societies like the United States and France with West Germany and Great Britain as exceptions to the rule (Inglehart, 1990, pp 66-103). Again conspicuous differences between ethnicities are

Laurent (1983), linking up with Adler (1986), advances four cultural dimensions along which Western conceptions of management differ. Laurent considers organizations to be political systems. This dimension revolves around the political role played by managers in society, managers' Also the Scandinavian countries, especially Sweden, has a matrix structure which differs from the classic

perception of power motivation within the organization, and an assessment of the degree to which organizational structures are clearly defined in the minds of the individuals involved. The differences in perception on this dimension between Anglo-Saxon and Latin cultures are quite conspicuous. French sociologists (Latin culture) view organizations as sets of games and power strategies. They define and perceive organizations as political systems. The British researchers, on the contrary, have a rational approach to the structure of organizations. Laurent also views organizations as authority systems. This dimension revolves around the hierarchical structure of authority relationships, the perception of authority crisis in organizations and an image of the manager as negotiator. Ethnic differences on this dimension are spectacular. Managers from Latin cultures such as France, Italy and Belgium view authority relationships on a more personal and social level (Laurent, 1983, pp 79-85).

American and German managers have a more rational and instrumental view of authority in organizations. In regard to role-formalization, the relative importance of defining and specifying the functions and roles of organizational members forms the substance of this dimension. Again conspicuous differences between ethnicities are evident. The United States, Sweden and the Netherlands have a relatively lower inclination toward role formalization than the Latin cultures. The hierarchical-relationship index shows sharp differences in organizational relationships between Anglo-Saxon and Latin cultures. Also the Scandinavian countries, especially Sweden, has a matrix structure which differs from the classic

hierarchical forms of Latin cultures. Laurent therefore comes to the conclusion that "national variations in conceiving organizations as hierarchical relationship systems may affect the structure of organizations in different countries and have implications for the transfer of organizational forms across cultures" (Laurent, 1983, *ibid*).

Kahn (1979) explicated the post-Confucian hypothesis proposing that the success of organizations in East-Asian countries was due mainly to certain key traits shared by the majority of organization members which could be attributed to an upbringing in the Confucian tradition. Kahn held the belief that specific ethnicities have specific cultural traits which are "rather sticky and difficult to change in any basic fashion although they can often be modified". The neo-Confucian hypothesis holds that the East Asian countries have common cultural roots going far back into history and that under the world market conditions of the past 30 years, this cultural inheritance has constituted a competitive advantage of successful business activity (Kahn, 1979; Hofstede and Bond, 1988, pp 5-21).

The key notion of Confucianism boils down to a concern for the courteous and proper conduct of one's duties based on ritual, order, imperial patrimonialism, service and the meritocratic achievement of these virtues and a respect for social conventions. Confucianism is profoundly anti-individualistic. Post-Confucianism also stresses familalism, collectivism defined in terms of the family and a meritocratic stress on education as the means to collectively consolidate

family wealth (Kahn, 1979). Hofstede and Bond (1988, p 8) discern five key principles of Confucian teaching:

1. The stability of society is based on unequal relationships between people.
2. The family is the prototype of all social organizations.
3. Virtuous behaviour towards others consists of treating others as one would like to be treated oneself: a basic human benevolence - which, however, does not extend as far as the Christian injunction to love thy enemies.
4. Virtue with regard to one's tasks in life consists of trying to acquire skills and education, working hard, not spending more than necessary, being patient and persevering.

These are the distinctive characteristics of East Asian societies. The five "Dragons" - Singapore, Hong Kong, Taiwan, South Korea and Japan - have managed to mobilize their cultural traits and dispositions to their own successful economic advancement and performance. The East Asian economic success was built on a post-Confucian economic culture. An economic culture is "the social, political and cultural matrix in which particular economic and industrial processes operate" (Berger, 1987, p 7).

The post-Confucian cultures' economic success, particularly Japan's, has been spectacular. There is general agreement that Japanese success relates primarily to personnel practices, decision making processes and management practices and philosophies (Clegg et al, 1990, p 40). Although

these practices of loyalty and commitment cannot be regarded as unproblematic, they do seem to generate higher worker satisfaction according to Ketcham (1987) although Clegg *et al* (1990) disclaim this. Ketcham (1987, p 106) attributes worker satisfaction to the nature of groups in the workplace. He views the worker as having a pervasive, emotional commitment to the group. Individual Japanese workers are valued and trusted and "all speak up and make important contributions".

O'Reilly (1988, p 108) bestows high praise on the Japanese consensus style of decision making though Clegg *et al* (1990, p 42) view Japanese industrial relations as a striking disconfirmation of any historically rooted Japanese consensual culture. Lifetime employment however, illustrates the special nature of the Japanese employment system (Yamaguchi, 1988, p 34). Lifetime employment implies a career within one organization until retirement. The employment agreement is not based on binding contracts. It rather revolves around a seniority-based salary structure and the Japanese inclination to long-term relationships. Benefits accruing from this system are the facilitation of intra-company business and a considerable investment can be made in human resources development. Japanese management philosophy is another sub-unit of Japanese economic culture. This philosophy emphasizes long-term corporate strategy and supports a family style of management. The family style of management implies a totalism that is figurative of the total interaction between company, employee and society in the post-Confucian environment (Yamaguchi, 1988, p 35).

Organizational structure and design also vary across cultures (Moorhead et al, 1989, p 683). This variation operates in two forms, viz between culture issues and the structural features of multi-national organizations. Moorhead and Griffin (1989, p 683) compare the organizational structure and design of multi-national companies with companies operating in different ethnicities. Research, comparing the organizational structures in both Anglo-Saxon and post-Confucian cultures, finds both similarities and differences. Post-Confucian, and especially Japanese, organizational structures are less rigid, less specialized, with taller hierarchies, and also less affected by technology than Anglo-Saxon manufacturing plants. Especially technology plays a decisive role in determining organizational structure.

Lincoln, Hanada and McBride (1986, pp 338-364) relate taller hierarchies and broader chief executive spans of control, as is evident in the organizational structure of Japanese manufacturing plants, to rigid automated technologies, also characteristic of Japanese organizational structure. Lincoln et al (1986, p 356) observe that chief executives' spans of control increase linearly with technological advance. Also in regard to decision making dimensions, operations technology plays a far greater role in United States organizational structure than in the Japanese. Decision making responsibility is to a large degree delegated in the United States while Japanese decision making is of a centralized nature. Japanese decision making is quite often described as "consensus based" meaning that final action is deferred until consensus can be reached by employees affected by a decision (Lincoln et al, 1986, pp 342; 356-357).

Scandinavian economic culture, characterized by social democracy, involves a combination of "organized labour's high profile in economic decision making with free enterprise and state surveillance and co-ordination (mechanisms exist for capital to be channelled in particular directions, especially into product development and new technology)" (Clegg et al, 1990, p 63).

In the Scandinavian countries, especially Sweden, an economic culture emerged stressing social labour democracy. The crux of this economic culture was comprehensive reform on both macro- and micro-economic levels pursuing efficiency, equity and democracy as mutually reinforcing goals. Free market economic rationality with its attended outcomes of "macro- and micro-economic inefficiency and social inequity" was rejected (Clegg et al, 1990, p 64). Clegg et al (1990, p 67) view representation, in constitutional terms, as the key to the Swedish economic culture. With local government written into its constitution, constitutional representation is organized from the lowest levels upwards. This implies participation at the lower tier of government in district councils. The representative and democratic participative dimensions in the culture enable the Swedish government, for example, to handle labour market problems at grassroots level. The labour movement supports the labour market policies board in its endeavour to keep wages high. There is no question of low wage workers subsidizing inefficient firms. Wages are kept high even if this means forcing weak firms out of business.

Conspicuous of Anglo-Saxon cultures is the well-developed antagonism to state intervention in the economy. The British laissez-faire capitalist



system is an example of these cultures. Cultural preconceptions condition an ethnicity to a particular relationship between industry and government. Anglo-Saxon organizations are supposed to be totally independent of government and they try to keep the government at arm's length. Cultural norms pertaining to state intervention, are incorporated in organizational structure, recruitment processes, financing processes and in the linkage patterns with other organizations (Wilks, 1990, pp 131-132). Wiener (in Clegg *et al*, 1990, p 132) sees the "anti-industrial culture", conspicuous of pre-1980 Britain, as primarily responsible for British industrial decline in those years.

Thatcher's ascendancy to power has brought about a cultural change in post-1980 Britain. A new pro-industrial culture developed encouraging individuals to participate actively in creating prosperity, stressing individualism. The transformation of Great Britain into a strong free-market economy may be due to individualism. According to Berger (1987, p 96) the individualism of Western culture is associated with the development of capitalism. British industry has regained a culture of individualism leading to a commitment to free market principles.

Another feature of Anglo-Saxon economic culture is the concentration of British industry(ies) in the hands of family firms and conglomerate holding companies and the inability of British businesses to express collectivistic views. Attempts to substitute collectivism for individualism in industry are destined to fail because "modernity has not caused individualism, but, on the contrary, the individualistic patterns of medieval England made it possible for modernity to arise

there" (Wilks, 1990, p 146). The Anglo-Saxon cultural features of individualism, voluntarism, and commitment to the market are also recognizable in the United States.

### 3.3.1.1 ETHNICITY AND THE WORLD OF WORK IN THE UNITED STATES OF AMERICA

Demo and Hughes (1990, pp 364-365) argue that ethnicity is an emergent phenomenon arising from structural conditions and processes in American society. Ethnic groups in American society have generally followed specific paths in gaining prominence since the 1920's. Following these specific paths has to a great extent, been determined by the various ethnic group's cultures. Morawska (1982, pp 76-77) postulates that the ethnic values of East European immigrants to the United States influenced their economic attainment. The East Europeans were deeply religious, the church was seen as the centre of their social lives. They eagerly and wholeheartedly tithed for its upkeep. "All kinds of donations, gifts, dues, collections, votive Masses and saint patrons' festivities for rebuilding, remodelling, maintaining the village church, its bells, holy figures and the parsonage, provided frequent occasions to reaffirm or add to one's family prestige, which often turned into spectacular status contests among villagers" (Morawska, 1982, p 77).

The cultural system focused its energies on the maintenance of the family unit. This familial culture had a decisive influence on economic achievements in the social structure. Occupational dispersion was quite limited as immigrants relied on ethnic and kinship

attachments to gain entry into a given occupation. Kinship and ethnicity functioned so effectively in the distribution of workers, that managers not only approved of the system but actively encouraged it. The behaviour of individuals at the workplace was an extension of their familial world (Bodner, 1990, p 56). For example, immigrants from Eastern Europe, the Ukrainian territory, and also Blacks entered the mines and mills of Pennsylvania mostly because of the need of their next of kin. According to Bodner personal satisfaction, control of production, equality and mobility were secondary concerns (Bodner, 1990, p 65). East Europeans mostly settled into wage-earning occupations. The Italians were generally intent on individual advancement and proprietorship. The Ukrainians were mostly artisans and British and German immigrants of the working-classes (in their marked desire for self-improvement) experienced an embourgeoisment into businessmen and industrialists (Bodner, 1980, p 53; Morawska, 1982, pp 88-89).

Jones, James, Bruni and Sells (1977) draw attention to the differences in work environment perceptions and job satisfaction between Black and White Americans. Blacks usually have higher occupational aspirations but lower job expectations. Blacks do not plan for the future and are low on achievement orientation (Jones et al, 1977, p 5). Blacks tend to be more satisfied than Whites in regard to pay, rules and regulations about dress and appearance, and opportunities to get a better job but don't differ with Whites on aspects such as security, training,

job advancement, esteem and ego needs, social needs and self-actualization.

homogeneous groups will lend both psychological

### 3.3.1.2 ETHNICITY AND AFRICAN WORK ENVIRONMENTS

condition for effective performance, to the worker

The familial culture was characteristic not only of East European societies. Also in East African societies, especially Kenya, kinship and ethnicity function in the distribution of jobs. Inside information about suitable job vacancies is conveyed to workseekers by a member of his tribe or ethnic group who is already a member of that work organization (Blunt, 1980, p 340). This creates a culture of personalissimo, being defined as "the social pro of knowing somebody who knows the person from whom you need a service". The culture of personalissimo is related to Hofstede's power distance dimension. Because of an uncertain environment, uncertainty is reduced or avoided by knowing "the right people" which leads to narrow ethnic homogeneous groups (in-groups) which will increase power distance between the in-group and out-group in the environment (Munene, 1991, p 455).

3.3.1.3 Everyone inside the worker organization has a moral obligation to find jobs for relatives or friends in the rural areas. This familial culture leads to ethnic homogeneity which functions to improve organizational effectiveness and organizational control, facilitates socialization in the work process and ensures commitment to the organization, reduces turnover and damage to company property (Blunt, 1980, pp 346-348). Being a member of an ethnic homogeneous work group which share the same values accrued to the worker himself in a number of practical ways is very beneficial to the individual. In crisis and spiritual energy in service of another. From

situations and in circumstances of severe economic, social and political pressures, ethnic homogeneous groups will lend both psychological support and security which is a necessary condition for effective performance, to the member (Blunt, 1980, p 348). Psychological security reduces uncertainty and extreme uncertainty is a characteristic of developing East African societies in their endeavour to move away from subsistence agriculture to supply and demand economies. The African migrant experiences heightened levels of powerlessness, exploitation and alienation. The extreme environmental uncertainty, related to Hofstede's uncertainty avoidance dimension prevents the attainment of organizational goals. Uncertainty avoidance and power distance relate to each other through the culture of "personalissimo". Munene (1991, pp 455-456) argues that the interaction between power distance, uncertainty avoidance and personalissimo translate into an economic culture peculiar to Africa.

### 3.3.1.3 ETHNICITY AND WORK BEHAVIOUR IN SOUTH AFRICA

#### ATTITUDES, VALUES AND STEREOTYPES

The most fundamental human right is the right to exist, which in the early days of human habitation on earth consisted basically of the right to obtain enough food to stay alive and to be able to enjoy certain elementary social rights. Since the change to a money economy took place, these rights developed in accordance with the increased needs of human habitation and self-fulfilment. The right to exist was gradually transformed into the right to work. This means that every person should have the right to "sell" his/her physical and spiritual energy in service of another. From

1.3.1.3.1 this right emerged a number of relationships, for the purpose of this study the most important of which is labour relations.

The concept "labour relations" implies the relationships which emerge from man's association in industrial activity. Different ethnicities come to meet each other within the labour relations environment and profoundly affect work behaviour in industrial organizations. But it is difficult to obtain a full understanding of the current labour situation without an examination of the historical forces which led up to it. Ethnic disposition determines the conduct of individuals and members of work groups. But the present intergroup attitudes, values and stereotypes are the result of historical development over the years and social attitudes handed down by previous generations. Therefore the influence of ethnicity on work behaviour in South African organizations will be discussed first from a historical perspective. Then the effect of inter-ethnic differences on organizations will be considered.

#### 3.3.1.3.1 THE HISTORICAL DEVELOPMENT OF ETHNIC ATTITUDES, VALUES AND STEREOTYPES

The pattern of ethnic relations was determined in the course of three hundred and forty years of history. Ethnicity profoundly influenced the development of industrial relations and a peculiar South African economic culture. This development has four phases.

settled in Cape Town. They were involved in commerce, trade and transport. A large proportion of Whites, however, became involved

3.3.1.3.1.1 THE PRE-INDUSTRIAL PHASE

The pre-industrial phase, or as Lemmer (1985, p 4) called it "the individualistic/paternalistic phase", was characterized by three main features (Giliomee and Schlemmer, 1989, p 1):

1. Slavery and frontier conquest placed an unskilled and rightless black labour force under white control.
2. A sufficient number of Whites was available to man all strategic positions in the political, economic and administrative systems of the colony.
3. Growing racial discrimination characterized colonial society from the late eighteenth century onwards.

Race and ethnicity formed an effective basis for the social order. The identity of the colonists at the Cape was shaped by their European cultural heritage, Calvinistic religion and also material forces. Over time slaves, ex-slaves and Khoisan (indigenous tribes), not part of the Calvinist tradition and heritage, were relegated to a different and inferior status compared to the Whites. The existing social order was based on class. All the rich and powerful people were white and the poor and powerless, brown and black (Theron, 1989).

A small proportion of the white colonists settled in Cape Town. They were involved in commerce, trade and transport. A large proportion of Whites, however, became involved

in agricultural pursuits. In tribal areas Blacks pursued their subsistence agriculture. Cultivation was done by members of the family according to the traditional division of labour (Orpen, 1976, p 4). As farm labourers, the brown and black peoples' movements were severely restricted by legal means especially by the so-called masters and servants laws which "imposed the compulsory registration of all contracts and criminal penalties for a worker's breach of contract" (Giliomee et al, 1989, p 3). In this way, a society developed, reinforced by the reciprocal interaction of race, class and ethnicity, setting a mould which neither the colour-blind constitution, introduced by the British authorities in 1854, nor, in later years, industrialization with concomitant urbanization was able to crack. As the stock-farmers moved eastward they came into contact with indigenous black tribes, especially the Xhosa. The colonists considered themselves superior to these black tribes at the eastern frontier and social relations became rigid along ethnic lines. Attempts by the missionary societies to put Whites and Blacks on an equal footing precipitated the Great Trek (Giliomee et al, 1989, p 3; Orpen, 1976, p 5).

The emancipation of the slaves and the insistence of the British colonial government and the missionaries on equality for all before the law and protection for all by the courts, filled the frontiersmen with gloom, despair and insecurity. So the frontiersmen of Dutch origin, who had a well-developed sense of group position, decided to move (trek) into



the unknown interior of Southern Africa (Theron, 1989). In the Free State and Transvaal Voortrekker settlements, the Trekkers' perception of themselves as a separate people, chosen by God and superior to the indigenous peoples they came across on the northern frontier, were incorporated in legislation (Theron, 1976, p 5).

### 3.3.1.3.1.2 COLLECTIVE RIGHTS OF WORKERS

Lemmer (1985, p 5) calls the second phase "the collective rights of workers" while Giliomee et al (1989, p 6) describe this phase as the period of early industrialization and white supremacy. The discovery of diamonds and gold in South Africa in 1870 and 1886 triggered off the process of industrialization which led to an almost insatiable demand for labour. Unionized skilled labour flooded from the more advanced industrialized countries overseas to South Africa to work on the mines.

The unprecedented opportunities for earning cash wages offered by the mines resulted in an unprecedented movement of Blacks from the rural areas to the mining towns. So a fairly large and heterogeneous labour force came into being with a sharp distinction between skilled and unskilled labour. Unskilled Black labour, earning low wages, was in over-supply while skilled White labour earned high wages. This black-white disparity in wages and kinds of work "fitted easily and rather conveniently (for the Whites) into the traditional attitudes and interaction patterns which had been established by the farmers. This

dictated that white men should perform only supervisory, administrative and perhaps, highly skilled jobs, leaving the unskilled and menial tasks to be done by Blacks" (Orpen, 1976, p 7). This view linked up with the Afrikaners' Calvinist religion, linking a white skin to Christianity and salvation while a dark skin was linked with paganism and inferiority, predestined to damnation. The skilled white miners feared their standards would be eroded by Blacks given skilled work and the importation of Chinese workers to alleviate the acute shortage of skilled labour were regarded as a threat to their privileged position by white miners (Orpen, 1976, p 7).

Political leaders, chiefly Afrikaner leaders, feared that industrial development and the rapid urbanization of Blacks would undermine white and especially Afrikaner supremacy. Therefore attempts were made to regulate African labour and entrench white political control (Giliomee et al, 1989, p 6). The multi-racial content of the workforce and the cultural heritage of the Afrikaans people led to attempts to legalize the separation of races and had a particular influence on industrial relations and economic culture (Theron, 1989). Shepstone's regulations to control the movement of African labour in Natal contained the essence of influx control. The pass system also showed its face as Africans were required to register and wear a badge. In the mining towns attempts at segregation developed into the compound system, housing migrant labours. These migrant labourers left their families behind in the tribal areas and returned home on

"civilized labour policy" gave preference to

expiry of their contracts. The South African Native Areas Commission tried to put into action a system of control to ensure the efficient functioning of segregation:

1. Land had to be divided into areas for Whites and Africans.
2. African townships had to be established for Africans near all of the major labour centres.
3. Agricultural and industrial education would equip the African for his position in life.
4. The commission also endorsed political segregation - a system which had existed in Natal, the Free State and Transvaal prior to the Anglo Boer War.

Finally the segregation system established a job colour bar. The Mines and Works Act of 1911 as amended in 1926 "formalise and legalise the exclusion of ultra-exploitable non-white workers from skilled work" and as such perpetuated racial and ethnic demarcation.

Ethnic discrimination was quite conspicuous in the labour regulations and Ordinances of the Transvaal colony which defined unskilled labour as "such labour as is usually performed in the mines in the Witwatersrand District by persons belonging to the aboriginal races or tribes of Africa south of the equator". The job colour bar thus functioned to the protection of white workers by reserving skilled work for white workers and restricting the employability of Africans in skilled work. Hertzog's government with a so-called "civilized labour policy" gave preference to

white workers in the public sector even setting rates of pay for Whites enabling them to maintain their standards of living against Blacks (Giliomee et al, 1989, pp 9-18; Johnstone, 1976, pp 66-72). A range of laws was put into effect to control the African's life and labour. These laws formed a system of control to ensure the supply of sufficient labour to the mines and white farms. This way, a colour line was officially drawn, segregating Black and White on the political, social and economic levels eventually resulting in the Verwoerdian vision of apartheid depriving Africans of all political and industrial rights in the common (white) area. A segregated order had developed along with the accelerated industrialization and urbanization of South Africa following the discovery of diamonds and gold (Giliomee et al, 1989, pp 14-21).

### 3.3.1.3.1.3

#### THE STATE AND THE EMPLOYER DOMINATION

The advent of the Second World War generated an economic boom, leading to increased employment and fluid ethnic relations. The war effort made the colour bar redundant as many industries employed Africans and coloureds in jobs previously reserved for Whites. The coloureds found themselves in a precarious position. Although not statutory excluded from skilled employment, they were mainly employed as unskilled labourers. The Asian population suffered quite wide-ranging segregation. Totally excluded from the Orange Free State, in other provinces Asian occupation and ownership were restricted. The

### 3.3.1.3.1.4

Smuts-government accepted the inevitability of the process of economic integration but D.F. Malan's Afrikaner orientated National Party considered the many black blue-collar workers who had acquired skills in the war years as a threat to the white worker. Afrikaner nationalist were especially concerned that the more aggressive business sector "would employ Blacks rather than Whites at cheaper rates". They considered the rapid industrial integration and urbanization of Africans as a menace to white political control and Western civilization. Afrikaner nationalism therefore set into motion a statutory process to legalize apartheid (Giliomee et al, 1989, pp 21-34).

State domination in industrial relations, commenced during the second world war, was perpetuated by Malan's administration. Black workers were excluded from the Industrial Conciliation Act, but were covered by the Bantu Labour (Settlement of Disputes) Act which regulated the employment of black labour. Mixed trade unions were strictly forbidden. The general economic philosophy of South Africa was adjusted, taking precautionary measures to prevent endangering "national values" such as racial harmony and the criteria for economic stability (Lemmer, 1985, pp 15-16).

#### 3.3.1.3.1.4 DEMOCRATIC PRINCIPLES IN INDUSTRIAL RELATIONS

The period from the late 70's to the beginning of the 80's saw the initialising of industrial action leading to some penetrating debates

concerning worker representation resulting in the appointment of the Wiehahn Commission which concluded that all workers should resort under the same legislative system of representation. The commission also recommended the removal of all discriminatory measures, the removal of job reservation and the creation of one unitary system of collective bargaining. These changes were made effective in legislation.

### 3.3.1.3.2

#### ETHNIC DIFFERENCES IN SOUTH AFRICAN ORGANIZATIONS

Inter-ethnic differences profoundly influenced worker behaviour in South African organizations. Workers in fact, belong to two worlds. They are either members of the Western world or they are still members of the tribal world. The tribalized worker for instance differs from the Western worker in perception. His perception is two-dimensional. This has implications in the work situation. The worker with two-dimensional perceptions finds it extremely difficult to recognise photographs, drawings and posters. It is difficult to read, perceive and interpret safety posters. African engineering students also experience difficulties in interpreting three-dimensional engineering and architectural drawings. The tribal-orientated worker is also incapable of comprehending the symbolism incorporated in pictures and safety and advertising posters (Du Preez, 1987, pp 68-74). Ethnic issues also have an influence on the motivation to work. Motivation is one of the

most important industrial problems. Cross-cultural studies of black groups in South Africa illicit proof that for both rural (tribal) and urban Blacks, physiological needs were dominant, followed by the need for esteem (Du Preez, 1987, p 85). Barling (1981, p 50) shows black promotional aspirations to be related to physiological and safety needs as well as the need to belong. On the other hand Asian promotional aspirations are only related to physiological needs. In regard to Whites, no correlation was found between promotional aspirations and physiological and safety needs and the need to belong.

Godsell (1983a), however, has found that young black workers rated challenge and opportunity as very important. The black workers in her sample also put a heavy emphasis on the community or "ubuntu" value. "Ubuntu" may also be seen as humaneness. The "ubuntu" value motivates a person to help others, work as part of a team, pursue friendly relationships with other people and share with others. Whites are usually motivated by challenge, competence, self-development and self-esteem (Godsell, 1983b, p 113).

Baran (1975) finds the tribal African worker field dependent. His perception of a situation is strongly influenced by external forces. The white and urbanized black workers' perceptions are field independent, viz perceptions are determined by forces residing within an individual. This also have implications for industry. According to Baran (1975) a field dependent person does not show

much personal initiative while field independent persons are creative and original in their thoughts and construct their perceptual environment actively and analytically. The Western worker (Orpen, 1976, p 55) ascribed status as prestige on the basis of attainment and education. The tribal person ascribes status on the basis of senior tribal position and "the extent a person is perceived to be capable of assisting" them in their dealings with Whites, especially at work.

Ethnic differences also prevail in the measuring of success. For the Blacks, success is measured by their relative standing in the subsistence agrarian economy. Tribal workers are more thrifty than Westernized workers and portray a deep respect for their seniors.

#### 3.4 INTERNAL-EXTERNAL LOCUS OF CONTROL

Locus of control is a personality variable that has been defined as a "generalized expectancy that rewards, reinforcements or outcomes in life are controlled by one's own actions (internality) or by other forces (externality)" (Spector, 1988, p 335). O'Brien (1983, p 7), linking up with this definition, views locus of control as "a concept that refers to a generalized expectancy about the extent to which reinforcements are under internal or external control". The locus of control-concept revolves around the controllability of events in one's life. People attribute the control of events either to themselves or to factors in the external environment. People with an internal locus of control are in control of events in their lives themselves and are referred to as internals. Externals have an outside locus of control and believe their lives to be controlled by external forces (Spector, 1982, p 482).



### 3.4.1 MEASUREMENT OF THE LOCUS OF CONTROL

The most widely used instrument to measure the degree of internality versus externality is Rotter's Internal-External (I-E) scale consisting of 23 loci of control and six filler items in a forced choice format, multi-dimensional in its structure, tapping such dimensions as expectations of fate, chance and powerful others (Spector, 1982, p 482; Levenson, 1974, p 15). The I-E-scale was subjected to a number of factor analytic studies and a belief in powerful others, behaving differently from those who are convinced that the world is unordered and unpredictable, was conceptualized as a result. Out of this conceptualization the internal, powerful others and chance (IPC) scales were developed. The I-scale measured the extent to which people believe that they have control over their own lives. The P-scale refers to powerful others and the influence they exert on one's life. The C-scale deals with perceptions of chance control or externality.

### 3.4.2 LOCUS OF CONTROL AND ETHNICITY

As previously stated, the internal-external locus of control construct was conceived as a generalized expectancy to perceive rewards and outcomes either as contingent upon one's own behaviour or as the result of forces beyond one's control. According to Riordan (1981, p 159) the process of socialization involves both the acquisition of behaviour and the development of expectancies and values attached to the rewards and outcomes of their performance. But the most

pervasive social differentiation is along ethnic and/or racial lines. Ethnicity is of central importance on the locus of control dimension. Riordan's research (1981) elicits proof of significant differences between ethnic groups in South Africa on locus of control. The Asians, the Coloureds the Africans and the English-speaking Whites measure high on the external dimension of the locus of control, expected to be controlled by luck, fate and powerful others. The Afrikaans-speaking Whites measure high on internality. These differences may perhaps be ascribe to the political environment. The four ethnic groups lend little support to the political status quo which is being upheld by the Afrikaans group.

The Afrikaans group, although a minority when compared to the other groups together, controls South Africa politically and therefore, to a greater or lesser extent, also the fate of the other groups. Socio-economic status also has a powerful influence on the locus of control. The lower status groups have expectancies of external control (Riordan, 1981, p 165). The perception of his environment being controlled by powerful others has a profound influence on the economic activity of the African (Danziger, 1963, p 38). The migrant worker and especially the farm migrant, perceives a high degree of external control. Being deprived of all rights and privileges, subjected to direct control of an oppressive labour tenant system, controlled by powerful others without the protection of trade union rights, the external locus of control is directly related to the "incapacitating

psychological experiences of learned helplessness and powerlessness" (Magwaza and Bhana, 1991, pp 162-163).

Efficiency in a competitive capitalistic economy demands individualistic economic values. However being subjected to the most rigid restrictions as a group and total political control of every aspect of his life and economic activity, leads to the African redefining his economic aspirations in political terms (Danziger, 1963, p 39). Dyal (1984, pp 214-215) has found American Blacks who are low on socio-economic status and with minimal power to be more external than United States Whites. Coleman's research (in Dyal, 1984, p 214) ties in with this finding. The minority groups in Coleman's sample, viz the Mexicans, Puerto Ricans, Native Americans, Orientals and people of African descent, were more external than Whites. In Africa itself, research on locus of control for Nigerians and Zimbabweans, proved Nigerians to be more external on locus of control with regard to destiny and education items than Zimbabweans. Both groups however were high on the external dimension in regard to political items. In regard to personal control items, black Zimbabweans manifest a higher externality than white Zimbabweans (Dyal, 1983, p 231).

Ryckman, Posen and Kulberg (1978) have found that situational factors control ideology, for example white Zimbabweans had stronger feelings of self-determination. Oriental Asians with their post-Confucian culture, being situation-centred with the emphasis on luck, chance and fate characterizing life as being full of ambiguity and

complexity, are more externally controlled than Anglo-Americans who are usually more internally controlled (Dyal, 1983). Scandinavians, however tend to believe that they have little personal control over their lives and behaviour and that external factors influence their destinies.

### 3.4.3 THE RELATIONSHIP BETWEEN LOCUS OF CONTROL AND ORGANIZATIONAL VARIABLES

The conviction that one exerts personal control over one's life and events in the environment, also has a direct and powerful bearing on organizations. Internals attempt to control and in fact exert more control than externals on the work setting. Control would probably be exercised in the areas of (Spector, 1982, p 485):

1. Work flow.
2. Task accomplishments.
3. Operating procedures.
4. Work assignments.
5. Relationships with supervisors and subordinates.
6. Working conditions.
7. Goal setting.
8. Work scheduling.
9. Organizational policy.

Control, however, should be perceived to lead to desired outcomes and rewards. If the appropriate performance - reward contingency(ies) is absent, the internal's inclination to control shouldn't differ from the externals. Externals, being more conforming and compliant than internals, would be easier to supervise. It would be easier for them will lead to valued outcomes (O'Brien, 1984, pp

to follow directions than to give it. Thus for externals are more likely to be followers than leaders. Internals on the contrary, make excellent leaders. The nature and structure of the job also determine whether an internal or external would be best suited for the vacancy. Internals for example would perform better on jobs of complex nature demanding initiative and independent action. Externals would do better on simple tasks of compliant nature. Due to their higher levels of motivation, internals would also do better on jobs requiring high motivation. Internals are therefore especially suited for professional and/or managerial jobs (Spector, 1982, p 486). Internals are more motivated to work than externals. Internals perceive themselves as exerting greater control over their work environment and organizational setting, exhibiting more task-orientated and goal-orientated behaviour, therefore displaying greater job motivation towards acquiring rewards. Rewards have to follow performance otherwise internals may adopt a more external stance. But internals are not only more motivated to work than externals, internals also tend to attain higher occupations than externals (Spector, 1982, p 487; O'Brien, 1983, p 15). Internals seek jobs which have a greater autonomy, which exert more effort, have higher status occupations, and earn more money (O'Brien, 1984, p 16). Motivation is related to expectancy theory. This theory holds that effort will lead to good performance on the job and good job performance will lead to valued outcomes (O'Brien, 1984, pp

to quit a dissatisfying job.

29-30). Personal effectiveness is decisive for outstanding performance and good performance will be rewarded. Effort is associated with performance levels and performance is instrumental in attaining valued rewards. Internals with their strong sense of competence, believe that their own efforts will lead to good performance and that performance will lead to valued outcomes or reinforcements. Externals view performance and its outcomes, as contingent on factors beyond their control. Internals' effort-to-performance expectancy lead to greater job effort for monetary rewards and other incentive systems. Externals are insensitive to pay incentives (Spector, 1984, pp 488-489).

Although Spector (1984) is adamant that research Internals perform better on the job than externals (O'Brien, 1983, p 19; Spector, 1982, p 488). Spector (1982, p 488) relates the better job performance to the internal's greater expectancies that effort will lead to good performance and good performance to reward. Spector, (1982, p 488) also advances a second reason for the internal's better job performance. According to Spector, internals seek more relevant information which enables them to perform better in complex task situations. Ruble (in O'Brien, 1983, p 19) qualifies this by stating that internals perform better in participative decision groups while externals' performance is better in directive leader-groups. Internals demonstrate greater job satisfaction than externals. Spector (1982, p 490) advances four reasons for the direct effect of locus of control on job satisfaction:

1. Internals tend to take action more frequently than externals and are therefore more likely to quit a dissatisfying job.

2. Internals perform better and the better performance results in the intended rewards and reinforcements.
3. Internals advance more quickly through the hierarchy and receive more raises and are more successful in their careers than externals.
4. Internals who perceive greater controllability of events in the work environment and ability to leave, are more likely to leave in dissatisfying situations. An internal deciding to stay on in dissatisfying situations will tend to re-evaluate the situation favourably to retain a cognitive consistency between attitudes and behaviour.

Although Spector (1984) is adamant that research supports the locus of control - satisfaction hypotheses, O'Brien (1983) has found that locus of control is not a significant predictor of job satisfaction when age, income and education are being controlled statistically. However, O'Brien (1983, p 45) cited research supporting the claim that internals are more job involved than externals. It may be that internals place a higher premium on work than externals because they believe "it provides opportunities for obtaining rewards through the exercise of skills and personal autonomy".

#### 1.5 CONCEPT VALUES

Runyon (1973) studied the moderating effect of locus of control on leadership in industry. He has found internals to be more satisfied with a participative style of leadership than with a directive style. Spector (1982, p 491) cited research findings that externals were more satisfied with high-consideration supervisors than internals. Externals also complied better with

the demands of the coercive supervisors than internals. These results tie in with the locus of control - authoritarianism hypothesis. Externals, preferring coercive means of supervision tend to be authoritarian. According to Spector (1982, p 493) the relationship between locus of control and turnover is complex. In a highly dissatisfying work environment internals tend to take action exhibiting more turnover than externals. On the other hand, in a highly satisfying work environment, internals tend to be more successful and more satisfied exhibiting the same rate of turnover as externals.

Spector (1982, p 493) suggests that locus of control moderates the relationship between job satisfaction and turnover in the following way: "Externals tend not to take action, and therefore even if they are dissatisfied, they may stay on the job, at least until environmental factors force them to leave. Internals on the other hand tend to take action and would be expected to quit a dissatisfying job. Therefore the correlation between satisfaction and turnover should be higher for internals than for externals". Research cited above suggests that locus of control is an important variable in the organizational context.

### 3.5 CONCEPT VALUES

At the core of the diversity in South African organizational cultures, is a wide array of values. Acquired and refined in the course of ongoing socialization, these values give direction and impetus to human behaviour and human interaction by determining the underlying goals and motives (Godsell, 1983b).



## 3.5.1 DEFINITION OF VALUES

Human behaviour, social systems, managerial concepts and actions, economic development and the transformation to modern industrialism are affected by values and value systems. Values which govern human behaviour to a significant degree guide human actions. These human actions usually result in outcomes which are mostly rewarding to an action. According to McClintock (1978, p 121), individuals normally select that behavioural alternative, "for which the perceived value of the accompanying outcomes is greater than those attached to other available alternatives". McClintock (1978, p 122) continues by defining social values as "consistent preferences for distributions of outcomes that may serve a motivational or a strategic purpose".

Building on Griesinger and Livingston's two person spatial model of social values which emphasized the influences of an actor's behaviour on another actor's outcomes, McClintock (1978, p 122) defines values as "vectors consistent with commonly observed preferences for distributions of outcomes to self and other". Krech et al (1962, p 102) see values as beliefs about what is desirable or good and what is undesirable or bad. [Values reflect the culture of a group, or society, or region, or country and as such are shared by the members of that culture.] [Worchel and Cooper (1979, p 628) define values as "positive or negative affects attached to an object or an idea".] Kunutu (1990, p 1), holds that values have cultural connotations because capacities and needs of people depend on cultural development in general and on the cultural level of the individual in particular,

hence values, and belief systems should be understood and evaluated from a cross-cultural perspective. According to Kunutu (1990, p 14) values are a dimension of the meaning and purpose of life and living and the social setting in which life and living occur. Jacobs (1985, p 36) also stresses the cross-cultural dimension of values. According to him, norms and value systems differ from one cultural group to another, making the need for cross-cultural awareness indispensable for vocational orientation.

Kalish (1973, p 460) views values in the same vein as Krech et al. Values are beliefs about what are desirable and undesirable goals and about ways of reaching those goals. Allport (1958, p 24) defines values as "the goal objects of human motivation, personally attributable to or derived from basic needs or instincts". Rokeach (1968, p 160) views values as "an enduring belief that a specific mode of conduct or end-state of existence is personally or socially preferable to alternative modes of conduct or end-states of existence". Once a value is internalized, it becomes a criterion for guiding behaviour and determining concepts and actions - also behaviour, concepts and action in the organizational and industrial environments. Values form the bedrock of organizational culture. Values differentiate significantly between groups varying in demographic and cultural variables.

### 3.5.2 VALUES AND ORGANIZATIONAL CULTURE

Organizational (corporate) values are quite often set down in a formal statement of corporate philosophy. Therefore employees know what

standards of conduct they are expected to uphold and their decisions and actions will support those standards. Values are the crux of a company's philosophy and provide direction for all employees for the achievement of company goals and the attainment of personal success. Deal and Kennedy (1982, p 22) advance three characteristics of the value system of successful companies:

1. They have a clear and explicit philosophy about how to conduct business.
2. Management shape these values to conform to the business environment of the company and the economic development of a region. Management is at great pains to convey these values to the organization.
3. These values are known to and shared by all the people who work for the company.

These values constitute the fundamental and unique character of an organization. [They give a specific identity to an organization and to those in the organization. Values have the power of pulling together those sharing them thus enhancing the effectiveness of the value system. Many successful organizations have a richly developed tradition of values and beliefs.] The core values of an organization divulge that in which the members of an organization deeply believe (Deal and Kennedy, 1982, pp 23-24).

### 3.5.3 THE STRUCTURE AND INFLUENCE OF CORPORATE VALUES

Organizational values affect every aspect of the organization itself. Strong values guide the organization, determine its design, stipulate patterns of actions. This view illustrates the utmost importance of an employee's total commitment to and identification with the

organization's fundamental values in synchronizing management - worker relations, determine the achievement of organizational goals, indicate which matters are to be attended to most assiduously and influence the decision making process. Values affect the performance of the organization in three ways (Deal and Kennedy, 1982, p 33):

1. Managers and workers throughout the organization give extraordinary attention to whatever matters are stressed in the corporate value system.
2. Down the line managers make marginally better decisions, on average, because they are guided by their perceptions of shared values.
3. People simply work a little harder because they are dedicated to a cause.

Sathe (1985) sees values as justifications for behaviour. Cultural values and norms predispose the employee to a lesser or greater extent to the experiences and demands of the modern industrial environment and the work scenario. Organizational values are central to organizational culture and influence organizational behaviour to a great extent, viz it influences interpersonal relationships in the industrial setting, decision making, problem solving, ethical conduct and the realization of organizational goals (Theron, 1989).

Values also determine the allocation of organizational resources (Ott, 1989, p 39). Mercer (in Dessler, 1986, pp 365-367) views corporate culture as an expression of an organization's basic values and its typical patterns of actions. This view illustrates the utmost importance of an employee's total commitment to and identification with the

organization's fundamental values in synchronizing the goals of the organization with those of himself. But if the central and decisive role of values in organizations is to be understood, organizational socialization has to be surveyed. Values are of central importance to the process of organizational socialization (Godsell, 1987, p 106). Godsell distinguishes five socialization processes:

1. Anticipatory socialization.
2. Peer group socialization.
3. Values as barriers.
4. Dealing with value conflict.
5. Value conflict in South African organizations.

Values are involved at the stage of anticipatory socialization and Godsell (in Barling et al, 1987, pp 106-107) is adamant that it is of central importance to select employees whose values are compatible with those of the organization. An individual whose personal value framework differs from those of the organization will be at a disadvantage. He/she would be unable to understand the observed behaviour or to behave in the expected correct way. For example, for those who's work fulfils affiliative needs would produce different work behaviours from those with individualistic, competitive and achievement needs. Also, newcomers whose value systems differ from those of the organization, may be excluded from both formal and informal group contacts.

Godsell (in Barling et al, 1987, p 107) stresses that the individual is not socialized into the organization as a whole, but into (a) separate subunit(s). "If the sub-culture is well integrated into the organizational culture, the

individual's assimilation into the organization will be facilitated by integration into the subunit", provided of course the individual's value system is equivalent to the subunit's. The acceptance into a subunit also has a bearing on the competence and performance of the individual. Usually colleagues do not provide newcomers with essential information which is necessary to do the job well until they are accepted into the specific subunit and mutual relations of friendship and trust developed. But organizational socialization takes place throughout an employee's career.

Values remain of utmost importance as the individual rises in the hierarchy, gaining status and power within an organization. Value differences may form boundaries excluding an individual from influential power groups and thus from decision making processes. These boundaries quite often consist of highly informal norms shared by the group. Upward mobility and promotion do not necessarily depend on formal educational qualifications, skill and ability but on personal values and goals being congruent with the value framework and goals of the organization.

According to Godsell (in Barling et al, 1987, pp 110-111) value conflict may cause severe problems at any stage of an individual's career. Value conflict poses dangers for both the organization and the employee. Severe organizational socialization to narrow the gap between the value system of the organization and that of the individual, may lead to either rebellion or over-conformity. Rebellion usually leads to a total rejection of organizational values resulting

in the employee leaving the organization. Over-conformity may lead to an unhappy employee without any initiative or achievement motivation.

South African organizations are the green house-mould for value conflict. Educational, class, ethnic, racial and cultural differences may all give rise to different value systems. The industrialized and mining sectors of the economy are run along Western lines. The greater part of the workforce, employed in these sectors, however, has been socialized into non-Western tribal cultures. Such a work environment may lead to alienation. Employees from different socio-economic and cultural environments may feel isolated from peer groups, important work groups, and also feel cut off from the necessary support and information. Godsell (in Barling *et al*, 1987, p 111) observes that such value differences force employees into unproductive conformity and under-achievement.

Sathe (1985) describes values as justifications of behaviour. Values are conscious, effective desires and wants which give meaning to work and explain why people work. There are significant differences in the work values of employees and these differences affect their job performances. To some people, depending on class, culture, ethnicity and race, work is more of a central life commitment than to others (Dessler, 1986, p 324).

#### 3.5.4

#### WORK VALUES

The notion of work as simply a means towards earning a living is a serious error. Work gives meaning to one's life, providing opportunities

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for social contact and promoting personal fulfilment (Vecchio, 1980, p 361). The reasons why people work are closely related to their work values (Theron, 1989). Elizur, Borg, Hunt and Beck (1991, p 22) view the "value" of a given social group as "any entity (object, behaviour, situation) on which that group places a high worth or importance". These authors consider work values as such entities in the work context. Wollack (in Theron, 1989, p 13) defines work values as "an index of a person's attitudes towards work in general as contrasted with attitudes towards a specific job. It differs from job satisfaction insofar as job satisfaction refers to an employee's attitude towards his job".

Life values have a significant and positive correlation with work values (Kinnane and Gaubinger, 1963, pp 365-366). For example, man might value the advancing of scientific knowledge in everyday life but also achievement in his work life. Economic and political values reflect an orientation towards work which is concerned with factors extrinsic to work. A high premium is placed on the conditions in which the work is done and what accrues from it. Religious values are usually highly valued in everyday life. In the work setting religious values may take the form of social welfare reflecting a humanitarian approach to social problems by management. The social dimension of life values may be translated into a sense of responsibility for social problems in the work situation (Kinnane et al, 1963, p 366). Instead of using the classical approach classifying work values as intrinsic or extrinsic, Elizur et al (1991, p 23) define the essential facets of work values as (1) modality of outcome



and (2) system performance contingency.

The modality of work outcomes refers to its material or instrumental nature in the sense that it is of practical use. Apart from instrumentality, outcomes may also be affective or cognitive. The system performance contingency cuts across modality. Individuals are motivated to become members of the organization and to attend to work. Management provides various incentives such as benefit plans, work conditions, pay incentives and various services, such as transportation and subsidized meals. According to Elizur et al (1991, p 24) these incentives are usually given "before task performance and are not conditional upon its outcome". However certain other outcomes such as pay, recognition, achievement and status are usually provided after task performance. This class of outcomes may be viewed as rewards. The authors have found that cultural differences arise in both the relative meaning and importance of specific work values. The basic structure of work values for Western Europe and North American samples is similar.

The conceptual structure of work values for Far Eastern countries with their post-Confucian culture, differs markedly from the West European - North American structures. Confucianism determines the basic value system. Implicit in this value framework is a collectivism stressing harmonious relationships. It revolves around five constant virtues corresponding to five cardinal relationships:

1. Filial piety/father - son.
2. Faithfulness/husband - wife.

3. Brotherhood/elder brother - younger brother.
4. Loyalty/monarch - subject.
5. Sincerity/friend - friend.

The stress on relationships is to create and maintain a harmonious collective social order. The post-Confucian value system stresses the obligations of subordinates to superiors although in Japan's economic life the reciprocal nature of responsibilities in hierarchical relationships is emphasized. However, the independent samples from various cultural environments have essentially similar structures. Elizur et al (1991, p 35) conclude that a conceptual framework for work values can be inferred. "The modality facet with its three elements, viz cognitive, affective and instrumental, is shared by all values. The performance contingency facet appears to be a more unique facet to work values".

Research findings also indicate a high degree of similarity between the work values of newly hired white and black university graduates. Both race groups stress the importance of job satisfaction and achievement. Hygienic factors were rated less important by both groups although Blacks gave significantly higher priority to security needs than Whites (Alper, 1975, pp 133-134). Slocum and Strawser (1972, pp 28-32) also examine racial differences in work values. The results of their study reveal that Blacks (blue-collar employees) assigned more importance to lower order needs (security needs). The black managerial sample however stressed higher order needs such as autonomy and self-actualization. Lefcourt and Ladwig (1965, pp 668-671) find that Blacks become

more task orientated and expose achievement values when they expect that their own behaviour (internal locus of control) can determine the occurrence of rewards. They place a high premium on this. Therefore Lefcourt et al (1965, p 671) infer that with gradual changes in Blacks' opportunities for upward mobility, Blacks will increasingly respect and value middle-class goals and therefore accept middle-class values and consequently display more achievement orientated behaviour. Linking up with the abovementioned research, Klein and Verdun (1981) examine the work values of poor versus non-poor service workers. These researchers have found pervasive value differences for lower versus higher socio-economic levels:

1. Non-poor showed a higher preference for intellectual stimulation. Poor classes tend to value jobs more for tangible rewards.
2. Non-poor showed greater preference for business contacts with people. The lower classes are ignorant about the functions of the market and the economy.
3. The poor whose jobs are usually of a routine nature, showed greater preference for variety.
4. The non-poor showed a greater ability to perform under stress.
5. The non-poor showed a greater preference for gradual independence. Lower economic classes do not put a high premium on independence.
6. The poor classes showed a greater preference for aesthetics. Materially they valued possessions that gave life "grace as well as comfort".
7. The temperament factor showed the greatest difference between the poor and the non-poor.

The poor preferred exacting guidelines and rigid structures which perhaps correspond to their basic insecurity.

The values an individual associates with his job affect all aspects of his life. Understanding his work values would enable counsellors to deal more effectively with the classes who are transforming their value frameworks to middle-class value systems, with an emphasis on achievement motivation (Klein *et al*, 1981, pp 54-63).

### 3.6 THE DEVELOPMENT OF WORK VALUES

A variety of factors and processes play a role in the development and acquisition of work values (Godsell, 1983a). Inglehart (1990) observes that the rise and development of work values are based on two key hypotheses:

1. Scarcity hypothesis - an individual's priorities reflect the socio-economic environment.
2. Socialization hypothesis - one's basic value framework reflects the conditions prevailing during one's pre-adult years.

Early socialization seems to carry greater weight in the development and function of work values than later socialization. The socialization hypothesis implies a gradual, invisible process in which values are transmitted to the individual (Inglehart, 1990, pp 67-69). The anthropological approach to the study of work values holds that work orientations are transmitted to children by parents as part of the transmission of a core culture (Theron, 1989, p 16).

Kinnane and Pable (1962) are quite positive that family background is an important factor in the development of vocational values. They have found that heuristic-creative values are related to the degree of cultural stimulation at home. Students' security, economic and material values were found to relate to the degree of economic security in the family but the students' achievement-prestige values did not correlate with the upward social mobility of their families. Family cohesiveness, however, was related to the extent the students value work for the conditions and associates, viz pleasant working conditions and congenial companions.

Paine, Deutsch and Smith (1967, pp 320-323) also investigated the relationship between family background and work values. They cited previous research concluding that early life experiences and attitudes influence jobs and the reaction of employees to their work. Significant differences were also found in occupational values among persons of differing socio-economic status and attitudes towards work between college students from upper- and middle-class homes (Paine et al, 1967, pp 320). The exploration of values indicated that a low family income tended to place a high premium on job-security. Other variables predicting security needs are a close family relationship with discipline, social activities, community activities, religion and a great number of close friends. Paine et al (1967, p 321) conclude that "this type of family perhaps 'makes up' for lack of income by imbuing social-religious security which affects the developmental process of work values". The occupational values of prestige, responsibility and independence relate to several family background factors such as social activities, independence, culture and the number of times the family moved. It seems that the amount of prestige desired is a function of the extent to which one was encouraged to

participate in social activities and the stress on material things in one's home life. The value attached to monetary compensation was also found to be associated with several family-background factors such as emphasis on community activities, the number of close friends, material things and religion. The emphasis which the materialistic family puts on religion and close friends seems to inspire their offspring toward a greater emphasis on monetary rewards (Paine et al, 1967, p 322). Mietus (1979) explored the differences in work values between groups of students categorized on the basis of parental occupation. Statistical analysis of the data indicates that parents' occupations has a significant bearing on the occupational values of students.

The educational process also seems to influence the development of work values. For example the work force at Nissan was educated in the Genba Kanri value system by means of interaction management resulting in a value change. The shop floor management system has led to a revolution in the workplace. Nissan SA is characterized by relative industrial peace in the strike-affected motor industry (Chalmers, Sunday Times, October 15, 1989). The values of individualism, competition, equality and equity are instilled through the process of formal education (Mc Clintock, 1978). As children advanced through primary school and progressively engaged in conflict and co-ordinating tasks, they learnt to make choices consistent with "achieving valued individualistic outcomes". Results indicated an increase in competitiveness in Japanese, Grecian and American cultures between the second and fourth grade. In Belgium however, the major increment occurs between the fourth and sixth grade (Mc Clintock, 1978, pp 128-129).

Equity and equality are valued as social as well as occupational goals individuals may attempt to master while in interaction with others. Mc Clintock (1978, p 135) has found children to be more equalitarian when interacting in a team setup. The results also indicated that when in a disadvantaged position, subjects (children) usually apply the equality distribution rule and when in an advantaged position, the equity rule. In regard to the relation of the values of welfare and equality in the economic system and industrial scenario, Berger (1991, p 23) points out that the guiding value of equality can only be realized in a very modest way under modern conditions in a social democracy. If however the goal is the upliftment of large populations from abject poverty to a decent standard of material life under political arrangements which respect basic human liberties and rights, the option of a capitalist economic system should take precedence over the value of equality.

Organizational socialization also contributes to the development of work values. Organizations are subject to cultural influences and are likely to influence and to be influenced by the individual's work values. Godsell (1983a, p 46) observes that much organizational behaviour only acquires meaning when viewed within a certain value framework. The newcomer to an organization whose value framework differs from that of the organization, will find it difficult to make sense out of the behaviour he observes and is unlikely to produce the desired (correct) behaviours himself. He needs to internalize the standard norms and values of the organization. This internalization implies an organizational socialization that cuts across three types of boundaries, viz hierarchical, functional and inclusional. As already discussed, important factors in the socialization process are: The

peer group which acts as a socialization model in the internalization of work values of any group, the supervisor whose effectiveness as a socialization model is moderated by the degree of similarity in values between superior and subordinate and the internalization of values as employees are winding their way through the hierarchy attempting to increase their status and power (Godsell, 1983a; Godsell, 1983b).

The internalization of standard norms and values also plays an important part in Black-White ethnic differences in identification with the work ethic. Workers who internalize the standard norms and values of the middle class concerning the inherent dignity and value of work, tend to respond better to the demands of challenging jobs and are better performers. Bhagat (op cit, p 381) observes that children of rural middle class parents usually developed a value framework responding to the values of expanding economic as well as growth-related opportunities in the context of their work environment and working lives. Blacks (and members of other lower socio-economic classes) usually grow up outside the mainstream of middle class work values and are totally deprived of the meaning and inherent significance of work as reflected in the work ethic. Black youths also find it difficult to identify with socially significant others internalizing desirable occupational models. Blacks are thus relatively deprived of work-related cultural training and socialization during their formative years (Bhagat, 1979, p 382). Bhagat (1979, p 384) concludes that race discrimination seems responsible for the failure of Blacks to identify with and to internalize the work ethic.

(Kant and Rosenzweig, 1985, p 25).



The concept of the work ethic and the values implicit in it, are rooted in the Protestant tradition. The work ethic revolves around four value dimensions (Bhagat, 1979, p 382):

1. The good provider theme.
2. The independence theme.
3. The success theme.
4. The self-respect theme.

These dimensions influenced the cultures and economic life of societies transforming developing cultures into advanced industrial societies (Inglehart, 1990, p 3). Inglehart (1990, p 3) observes that culture represents a people's strategy for adaptation responding to economic and technological changes. Cultures shape the environment and organizations are sub-systems of the socio-cultural environment.

There is a dynamic interplay between the organization and society. Organizational values influence societal values and the social value system legitimizes the existence and functioning of organizational values (Kast and Rosenzweig, 1985, pp 24-25). Kast and Rosenzweig observe that organizations utilize environmental resources to accomplish goals and in turn are constrained by the social and economic needs of society. This is a confirmation of Inglehart's scarcity hypothesis. Inglehart hypothesizes that an individual's priorities reflect the socio-economic environment (Inglehart, 1990, p 68). In this interplay between organization and society, values evolve and are modified. These values profoundly influence business organizations and economic development, especially a cluster of work values known as the capitalistic ethic (Kast and Rosenzweig, 1985, p 25).

The capitalistic ethic developed as an evolutionary process that had its roots in the free enterprise economies of antiquity. During the middle ages the views of the church regarding commercial activities restrained commercialism. Usury was frowned upon as a dubious activity. However, significant cultural changes facilitated the rise of the capitalistic ethic. Urbanization and the development of nations stimulated the growth of commerce and industry. The values of competition and individualism were directly responsible for the growth of the market system which was vital to industrial capitalism. Competition and individualism made the product markets of the nineteenth century more competitive and self-regulating. Culture also influenced the development of a machine technology which was the essence of the Industrial Revolution creating a new economy and a new society in an internationally extending environment (Dalton, 1975, pp 34-38).

Economic rationality in the freemarket system was directed basically towards "the efficient organization of the individual undertaking, the criterion of success being the profit of the enterprise. In this sense it can be said that profit is both the motive power and the mechanism by which the direction of production is determined in the capitalist system" (Viljoen, 1974, pp 261-270). Religious values and attitudes are considered to have a profound effect on the development of the capitalistic system. Judaic values such as self-control, hard work, sobriety, thrift and abidance were seen to be conducive to economic development. Weber, on the other hand emphasized the Protestant work ethic as conducive to economic development and the freemarket system. According to Weber, Protestantism provided the basic value framework for the development of Capitalism. Protestantism stresses the virtues of hard work, sobriety and the accumulation of worldly goods as a "sign of being in God's grace". The

Protestant ethic also encourages scientific investigation and the application of advanced technology (Kast and Rosenzweig, 1985, pp 26-28). Adam Smith advanced the values of competition and self-interest. He transformed the then capitalist model into a competitive model for social good providing ideological support for industrial capitalism (The Economist, July 14, 1990).

The great Depression, however, cast doubts on the basic tenets of the Protestant work ethic namely individualism, hard work and thrift. Keynes challenged these basic tenets advocating consumption rather than savings to achieve full utilization of resources (Keynes, 1975, pp 82-88). Kast and Rosenzweig (1985) observe that the value system of contemporary Capitalism is pragmatic with a recognition that the social environment in which an organization operates is of utmost importance. The economic active population translates the work ethic into the four themes (Bhagat, 1979, p 382):

1. The good provider - this links up with the masculine dimension that the man who provides for his family is a real man.
2. The independence theme - work is of the utmost importance because it helps one to be independent of others. Independence ties in with efficaciousness and the belief in oneself to bring about change in your environment and control your life (internal locus of control).
3. The success theme - the belief that hard work always pays off.
4. The self-respect theme implies that implicit in hard work is an inherent dignity.

The guiding value in a socialist or centrally planned economy is that of teamwork. "Society, not the government, owns the firm. Representatives of the workers have the controlling power and the firm decides its own inputs and outputs on market criteria set by the central government. So the preference functions of politicians and not that of consumers, determine the allocation of resources. The values of economic rationality, self-control, hard work and abidance do not determine the appropriate rate of consumption and capital formation. In a centrally planned economy there is little scope for private initiative (Viljoen, 1974, pp 275-277).

### 3.7 CROSS-CULTURAL PERSPECTIVE ON WORK

The growth of international business is due mainly to communication systems and transportation. Both have changed the international business environment dramatically and lead to expanding markets. As organizations move into the international realm, employees of different nationalities, cultures and ethnicities with different value frameworks come into close contact with each other. The business environment is cross-cultural in nature, stressing ethnic differences and similarities causing different behaviour patterns in the organizational environment (Moorhead et al, 1989, pp 670-671). Adler, Doktor and Redding (1986, pp 295-318) advance five characteristics of the cross-cultural perspective on work:

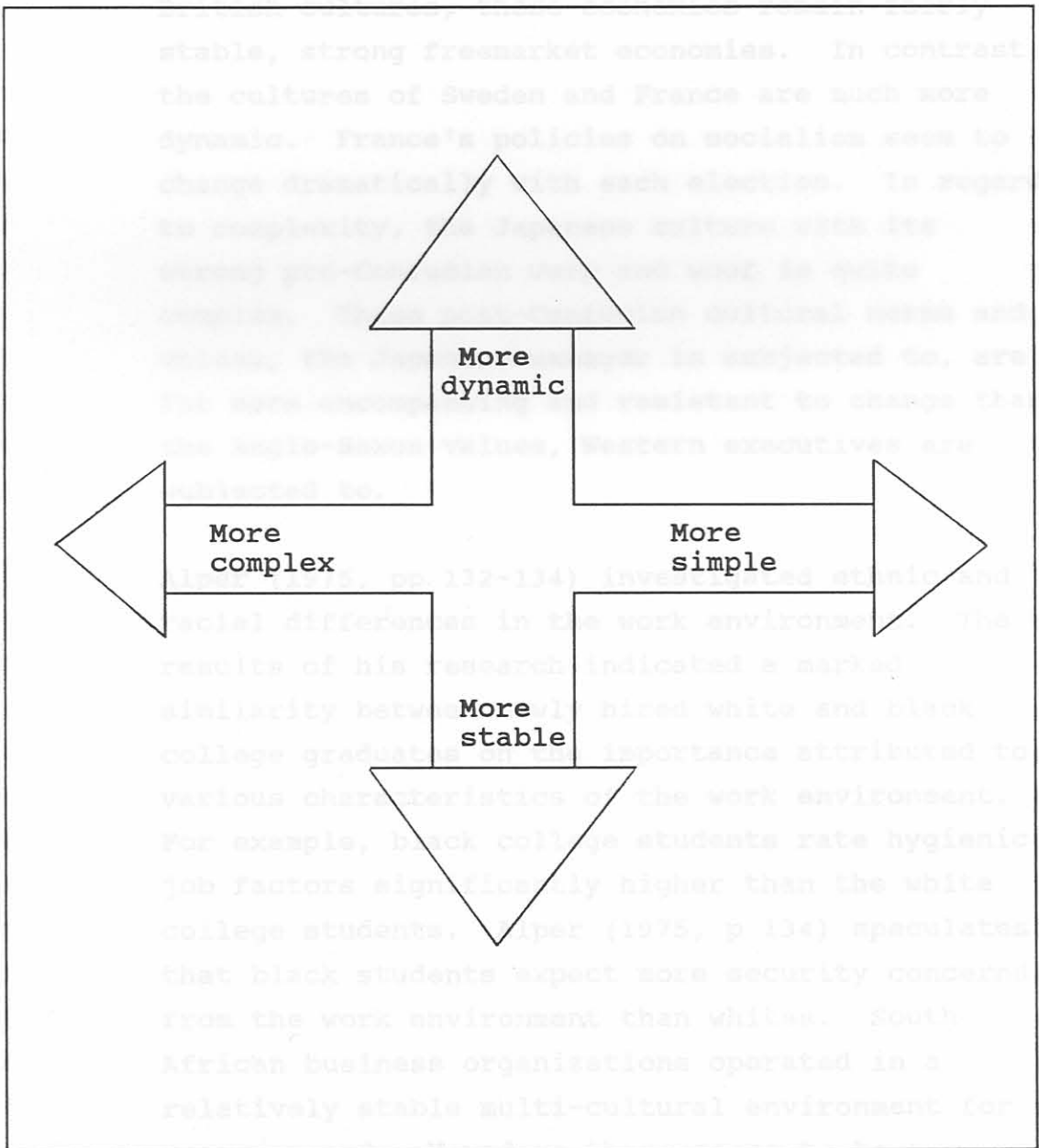
1. Behaviour in organizational settings does indeed vary across cultures. Employees, for example, in Japanese, American, British and West German companies are likely to have different patterns of behaviour and attitudes toward work.

2. Culture itself is primarily responsible for this variation although different socio-economic conditions, different standards of living and geographical conditions may also have an effect.
3. Although behaviour within organizations may vary across cultures, organizations themselves appear to be increasingly similar, for example in regard to organizational design and technology.
4. Managers behave differently in different cultural settings.
5. Cultural diversity is an important source of energy in enhancing organizational effectiveness. From a holistic point of view, organizations operating on a multi-national level become more than the sum of their parts. Moorhead et al (1989, p 673) are confident that operations in different cultures can benefit from mutual enrichment, work experience and an understanding of the international world of work. Cultural values and ethnicity also have a profound influence on the work environment, technology, organizational structure and organizational design.

### 3.7.1 ORGANIZATIONAL CHARACTERISTICS IN A MULTI-CULTURAL ENVIRONMENT

Moorhead et al (1989, pp 680-682) observe that the business and economic environments in which organizations operate, vary across cultures according to complexity and dynamism. Figure 3.1 shows the variation in complexity and dynamism which may be found within any culture.

Figure 3.1: VARIATION IN COMPLEXITY AND DYNAMISM IN MULTI-CULTURAL ENVIRONMENTS.



(Source: Moorhead et al, 1989, p 683)

Technology also influences the business environment. In many underdeveloped cultures, there is a lack of the basic infrastructure such as electric power, a well-developed communications

Many economies operate in stable cultural environments. Although competitive values are relatively strong in Japanese, American and British cultures, these economies remain fairly stable, strong freemarket economies. In contrast, the cultures of Sweden and France are much more dynamic. France's policies on socialism seem to change dramatically with each election. In regard to complexity, the Japanese culture with its strong pro-Confucian warp and woof is quite complex. These post-Confucian cultural norms and values, the Japanese manager is subjected to, are far more encompassing and resistant to change than the Anglo-Saxon values, Western executives are subjected to.

Alper (1975, pp 132-134) investigated ethnic and racial differences in the work environment. The results of his research indicated a marked similarity between newly hired white and black college graduates on the importance attributed to various characteristics of the work environment. For example, black college students rate hygienic job factors significantly higher than the white college students. Alper (1975, p 134) speculates that black students expect more security concerns from the work environment than whites. South African business organizations operated in a relatively stable multi-cultural environment for years on end. Nowadays there seems to be a fluidity causing an unstable environment and much insecurity.

Technology also influences the business environment. In many underdeveloped cultures, there is a lack of the basic infrastructure such as electric power, a well-developed communications

system, transport system and advanced technology so necessary for economic development.

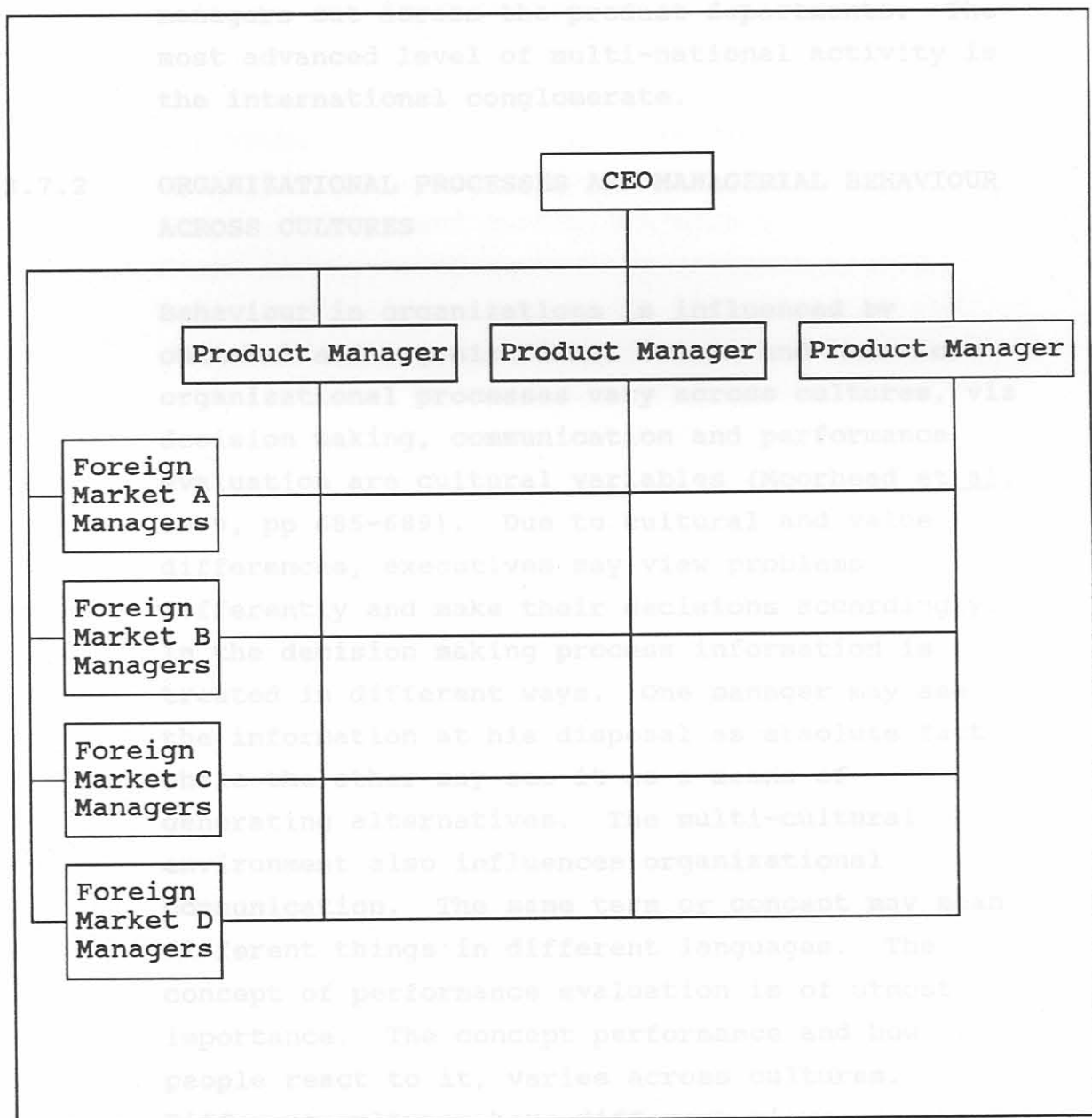
Organizational structure and design also vary across cultures. Moorhead *et al* (1989, p 683) observe that Japanese companies, for example, have less specialization, more formal centralization and taller hierarchies than American companies. In Western organizations decentralization and worker participation are a central part of the organizational structure and design.

However more and more organizations are operating in a multi-national environment. They are therefore compelled to adapt their organizational structure and design to the demands of the multi-national environment. This enables them to cope better with the different cultures, their values and norms. Moorhead *et al* (1989, pp 684-688) propose the international matrix as an organizational design for a multi-national organization. An example of an international matrix is illustrated in Figure 3.2.

(Source: Moorhead *et al*, 1987, p 734)



Figure 3.2: AN INTERNATIONAL MATRIX. are put at the top. Project teams headed by foreign market



(Source: Moorhead et al, 1987, p 739)

performance, for example "workers in highly grow; (Source: Moorhead et al, 1987, p 739) measures which assess the individual's contribution (Moorhead et al, 1987, p 689; Adler, 1986, pp 115-116).

But as cross-cultural management focuses on the interaction of people from more than one culture

In the above matrix product managers are put at the top. Project teams headed by foreign market managers cut across the product departments. The most advanced level of multi-national activity is the international conglomerate.

### 3.7.2 ORGANIZATIONAL PROCESSES AND MANAGERIAL BEHAVIOUR ACROSS CULTURES

Behaviour in organizations is influenced by cultural and organizational values and therefore organizational processes vary across cultures, viz decision making, communication and performance evaluation are cultural variables (Moorhead et al, 1989, pp 685-689). Due to cultural and value differences, executives may view problems differently and make their decisions accordingly. In the decision making process information is treated in different ways. One manager may see the information at his disposal as absolute fact while the other may see it as a means of generating alternatives. The multi-cultural environment also influences organizational communication. The same term or concept may mean different things in different languages. The concept of performance evaluation is of utmost importance. The concept performance and how people react to it, varies across cultures. Different cultures have different views on performance, for example "workers in highly group focused cultures" might shy away from performance measures which assess the individual's contribution (Moorhead et al, 1989, p 689; Adler, 1986, pp 115-116).

But as cross-cultural management focuses on the interaction of people from more than one culture

in the work and business environment, managerial behaviour should also vary across cultures (Adler, 1980, p 164; England, 1978, pp 35-43). England's research indicates large differences in the value systems of managers from different countries and cultures. England and his co-workers investigated the value frameworks of American, Japanese, Korean, Indian and Australian managers. They found American and Australian managers highly individualistic in comparison with Japanese and Korean managers who are highly group focused. The most important value differences across culture are in regard to ambition, obedience, aggression, achievement, success, competition, risk, loyalty, trust, co-operation, compassion, tolerance, religion and employee and social welfare. These values and value-systems influence the way managers behave in different cultures. These values influence the executive's behaviour and decision-making in the international and multi-cultural business environments. Adler (1980, pp 170-171) proposes a cultural compromise model to facilitate international management. The cultural compromise model is shown in Figure 3.3.

extensively in the next chapter. Therefore no further attention will be given to it here

Onyemelukwe (1973, pp 27-29) discusses the impact of Western culture and work values on Africans. This leads to a discord in the personality of the African worker. The demand for modern skills is absolutely important but it should not obscure traditional tribal work values. Because these values have been ignored to a great extent, Africans have failed to attain leadership and to accomplish in the industrial environment. Slocum

According to Adler (1980, p 171) this model synthesizes the similarities and differences in the various management styles of employers from different cultures to create the organization's policies and practices. A new international organizational culture is thus created by way of a cultural synergy. The cultural synergy recognizes both the similarities and differences between cultures and uses this diversity as a resource in the design and structure of organizations.

### 3.7.3 INDIVIDUAL BEHAVIOUR IN MULTI-CULTURAL CONTEXT

Adler et al (1986, p 318) observe that organizational behaviour does indeed vary across cultures and that culture is a major cause of this variation. This implies that individual behaviour also differs across cultures (Moorhead et al, 1989, p 673). Hofstede identified four dimensions along which individual behaviour may vary, viz individualism, power distance, uncertainty avoidance and masculinity with its antipode femininity. Reference was already made to these four dimensions and it will be discussed quite extensively in the next chapter. Therefore no further attention will be given to it here.

Onyemelukwe (1973, pp 27-29) discusses the impact of Western culture and work values on Africans. This leads to a discord in the personality of the African worker. The demand for modern skills is absolutely important but it should not obscure traditional tribal work values. Because these values have been ignored to a great extent, Africans have failed to attain leadership and to accomplish in the industrial environment. Slocum predispose the individual to evaluate and respond to social objects in a favourable or unfavourable way.

and Strawser (1972, p 28) have found that black and white employees do not differ markedly on self-actualization but that significant differences exist on values like opportunity to help others, friendship, feelings of self-esteem, opportunity for independent thought and action, the growth and development and compensation. Black employees generally reported higher need deficiencies in every instance (Slocum and Strawser, 1972, p 29). From the above, relationships may be inferred between values, attitudes and behaviour.

### 3.8 THE RELATION BETWEEN VALUES, ATTITUDES AND BEHAVIOUR

Rokeach (1968, p 126) ascertains that a behavioural response towards an attitude object cannot happen in a social vacuum but must of necessity occur within the context of some social situation about which an individual has attitudes and values. Rokeach sees an attitude as an organization of several beliefs focused on a specific object. Krech et al (1963, p 163) view values as beliefs about what is desirable or "good" and what is undesirable or "bad". Rokeach (1968, p 127) observes that human behaviour and action are determined by attitudes and values. England (1978, p 35) is in agreement with Rokeach. He considers a personal value system to be a relatively permanent perceptual framework likely to shape and influence an individual's behaviour. Cascio (1987, p 105) also draws attention to the relationship between attitudes and behaviour. According to him this is an imperfect relationship because behaviour is also determined by environmental and other personal factors. However attitudes predispose the individual to evaluate and respond to social objects in a favourable or unfavourable way.

But work experience can have a powerful effect on the value systems of individuals (Weiss, 1978, p 711). This has a bearing on the organizational socialization process whereby the individual learns the normative behaviours, attitudes and values expected of him as a newcomer to the organization. Social learning leads to the development of behaviours needed to cross the hierarchical, functional and inclusion boundaries - boundaries which the newcomer has to cross if he wants to move inward to the influential centre and rise in the hierarchy of the organization (Weiss, 1978, pp 712-717).

### 3.9 RECENT RESEARCH ON WORK-RELATED VALUES

Research on the concept of values is reviewed from its roots through the functionalist and empirical traditions to the present. At the start of value research, social scientists viewed values analogous to the term's Latin etymology, viz valere: to be worth. Smith (in Kast and Rosenzweig, 1985, p 29) in 1776 viewed labour as the ultimate standard by which value could be determined. Corey (in Spates, 1983, p 29) defined value as "the measure of the resistance to be overcome in obtaining those commodities or things required for our purpose". Thomas and Znaniecki presented the first sociological definition of values by observing that "a value was any datum having an empirical content accessible to the members of some social group and a meaning with regard to which it is or may be an object of activity" (in Spates, 1983, p 29). Small, Vincent and Sumner defined values in normative terms (Spates, 1983, p 29). Parsons (1951) approached the study of values from a functionalist point of view. He considers values to be cultural in nature and playing a decisive role in social affairs

and in determining human behaviour.

Kluckhohn (1951) linking up with Parsons, reckons values to be conceptions of the desirable "instigating behavior within the individual". Parsons and Kluckhohn consider values to be internalized by the actor. These internalized values determine and regulate behaviour patterns. Parsons and Shills (1951) conducted extensive research on values, value systems, motives and systems of action and reached four conclusions:

1. Without values, social life would hardly be possible.
2. Values are orientations - values may be goal orientated, i.e. instrumental values which are of importance in the work environment, for example values of competence and self-actualization.
3. Value orientations give meaning to a situation. They give meaning to the work situation for example. The act of working gives a feeling of being tied up into a larger society, of having a purpose in life.
4. The institutionalization of values in a social group (work group) could produce a perfect effect - harmonious relations and interactions between group members due to the common value orientations.

Parsons (1961) modified his concept of values and isolated values and norms. This modification provided Parsons with a theoretical justification for his theory of social evolution. Parsons, building on Weber's thesis of the Protestant work ethic, reckoned that a value framework provided the entire society with a means to live more efficiently and to attain valued goals, e.g. achievement, personal success and material wealth.

In regard to the empirical tradition, Hart (1945), Dodd (1951), Grace and Grace (1952), Podell (1956) and Wilson and Nye (1966) all recognise the difficulties in value measurement and concern themselves with methodological finesse from the start. Thus Hart tried to construct a "reliable scale of value judgements". Grace and Grace examined verbal and behavioural measures to ascertain accurate determinants of their sample's values. Wilson and Nye researched the operationalization of values and tried to formulate an accepted definition (Spates, 1983, p 39). Values were also examined by means of qualitative methods. Lowenthal (in Spates, 1983, p 39) used content analysis to examine the biographies in popular magazines. Lowenthal's study indicated a decline in achievement values in American society. McClelland's theory (1961) that the value of achievement played a dominant role in American life and in industrial society, led to a bevy of studies. The research of Cosev and Kim (1977), Chandler (1979), and Machr and Nichols (1980) as reported by Spates (1983, p 40) are of utmost importance in ascertaining the role of the achievement value in economic development. Rosenberg (1957) discussed the effect of occupations on values.

Elizur (1984) examined the facets of work values and endeavoured to construct an explicit definition of the work value domain. Data was analysed by means of Guttman's smallest space analysis and the result elicited proof of two facets of work values, viz modality of outcome and relations to task performance. He suggested a framework of work values delineating and classifying the conceptual space of work values in which modality of outcome and relation to task performance is defined. Billings and Cornelius (1980) also researched the dimensions of work outcomes and



suggested a multi-dimensional model of work outcomes to be more useful than a categorical intrinsic/extrinsic dichotomy. Elizur et al (1991, pp 21-38) examined the structure of work values across cultures. Data was once again analysed by means of facet analysis and Guttman's smallest space analysis. The results indicated cultural differences in the rating of a limited number of specific work values. Elizur et al (1991) warned however, that these variations exist within the broad pattern of structural value similarity. They conclude therefore that this finding lends support to the definitive framework of values suggested, namely that the structure of work values consists of two essential facets : modality of outcome and system performance contingency.

Furnham (1984) investigated work values and beliefs in Great Britain. Statistical analysis showed the Protestant work ethic to be positively and significantly related with Conservatism but negatively related to the Leisure ethic and Marxist-related beliefs about labour. Educational status and voting patterns strongly differentiated work values and attitudes in predictable directions. Of importance for South Africa is Furnham's finding that children of lower socio-economic status, reared in the Protestant work ethic, were reared to be independent, to postpone gratification, be trained to develop a strong achievement motivation, to tend to work harder and to be more work-involved. However they are more conservative and less tolerant of humanistic and Marxist-related attitudes which may be antithetical to individual achievement (Furnham, 1984, p 289). Wilson (in Furnham, 1984, pp 289-290) argues however that conservatism is nothing more than a mechanism to cope with uncertainty. Uncertainty for Wilson includes innovation, complexity, novelty, ambiguity, risk,

anomie, freedom of choice, conflicting needs and desires, lack of self-reliance and experiencing threat and anxiety in the face of uncertainty.

Klein et al (1981) examined the work values of the poor versus the non-poor. Surprisingly the authors found more similarities than differences between the two groups. They did however find seven values on which the poor and non-poor differed significantly, viz intellectual stimulation, business contact with people, variety, performance under stress, independence, aesthetics and temperament (arriving at generalizations, judgements, or decisions based upon measurable and verifiable criteria). England (1978) investigated the value systems of managers across cultures. Analysis of data indicated individual differences in personal values of managers across cultures. England (1978, p 39) also found that personal value systems influenced the way managers behaved on the job. The most important finding for organizational behaviour and multi-national management is that "values get translated from states of intention into behaviour outcomes in a similar way across the countries". There is a common pattern of translation of personal values into managerial behaviour (England, 1978, p 41).

The most comprehensive, expansive, all encompassing research on international differences in work related values was done by Hofstede (1980a). Over a period of six years Hofstede conducted a large project on national cultures and work values in 40 different cultures, language and ethnic groups. He found four dimensions on which national cultures differed by means of theoretical reasoning and massive statistical analysis. He labelled the four dimensions power distance, individualism - collectivism, uncertainty

avoidance and masculinity - femininity. These four dimensions profoundly influenced organizational work behaviour, motivation, leadership, managerial work, work behaviour, planning and control, organization design, organization development and management development, humanization of work, industrial democracy, company ownership and control, authorities and action groups, labour unions, interaction between organization and local environment, multicultural organizations, international business environment and economic development (Hofstede, 1980a; Hofstede, 1980b).

### 3.10 MEASURING OF WORK VALUES

Godsell (1990) suggests that a discussion of work value scales should begin with Weber's Protestant work ethic. Weber used this term to describe the Puritan attitude towards work and money. The Puritans saw hard work as a religious duty. The Protestant work ethic is often regarded as not only good, but usually as the only correct work value. Many current work value scales are explicitly based on the concept of the Protestant work ethic. The central concept in many of these scales is the intrinsic, self-rewarding aspect of work (Wollack, Goodale, Wijting and Smith, 1971, p 332). Wollack et al (1971, pp 331-338) set out to construct a set of scales measuring several areas of work values. They constructed the Survey of Work Values Scale which was intended to measure a person's attitudes towards work in general rather than feelings about a specific job. They view the concept "work values" as the meaning an individual attaches to his work. The Survey of Work Values Scale is limited to the construct of the Protestant work ethic and its principal aspects, namely individualism, ascetism

and industriousness. Wollack et al (1971, p 332) selected three dimensions of the Protestant work ethic to cover the intrinsic aspects of work, viz pride in work, job involvement and activity preferences. Attitude towards earnings and social status on the job reflect the extrinsic aspects of work. Two dimensions included were regarded to be of mixed character, viz upward striving and the sense of responsibility towards work. The provisional scale was first subjected to reallocation and then to a principal components analysis with quartimax rotation. The standardization resulted in six sub-scales each containing nine items. The six scales are status, activity, striving, earnings, pride and involvement. This scale is intended to be an index of a person's attitudes to work in general but may also be applied to differentiate between occupational groups.

Mirels and Garrett (1971) explored the psychological meaning of the Protestant work ethic as a personality variable. Mirels and Garrett (1971, pp 40-44) administered the Protestant Ethics Scale together with the Mosher Scales for Sex Guilt and Morality, Conscience Guilt and the Hostile Guilt Scale and the Strong Vocational Interest Blank. The results indicated that Protestant ethic values are positively and significantly associated with interest patterns of persons "in occupations demanding a concrete pragmatic orientation toward work". Mirels et al (1971, p 43) have also found that occupations with interest patterns positively related to the Protestant work ethic, usually stress a conventional adherence to prescribed role-appropriate behaviour.

Blood (1969) developed the Protestant Ethic Scale. Blood (1969, p 456) theorized that the way a person views and evaluates work in general should be positively related to his attitudes towards his own particular job. The meaning one attaches to work in general will have a bearing on his job satisfaction and occupational achievement. Taken into consideration Lenski's finding (in Blood, 1969, p 456) that Jews and white Protestants were more committed to Capitalism and the Protestant work ethic than Negro Protestants and Catholics, Blood set out to design a psychological measuring device to predict differences in job responses within groups and between groups. He administered the Job Description Index Scale, the two Faces Scales which measured satisfaction with the job in general as well as life in general and an Eight Item Scale to measure agreement with the Protestant ethic. The Protestant ethic questions were subjected to a principal components analysis with varimax rotation. Two components were extracted. Correlations were computed between the Protestant ethic dimensions and the satisfaction scores. The results elicit proof that agreement with the Protestant ethic is directly related to satisfaction. In a multiple regression the Protestant ethic was found to contribute to the prediction of job satisfaction. Persons ascribing to the Protestant work ethic are more satisfied with their jobs (Blood, 1969, p 457).

Other scales measuring work values and occupational values have been constructed by Super, Steffbre, Rosenberg and Kilpatrick, Cummings and Jennings (Wollack et al, 1971, p 331).

Godsell (1987, p 115) refers to a cross-cultural comparative study of work values carried out by Peck, Manaster, Borich, Angelini, Diaz Guerrero and Kubo. The results indicated clear distinctions in value patterns. Each culture has a unique value framework. The hypothesis of an "acculturation gradient whereby a migrant population would start out identical with its original culture and move through intermediate degrees, closer and closer to the new culture", was invalidated by the findings. Peck et al (in Godsell, 1987, p 115) conclude that "the new values of the migrants appear to reflect the present realities of career opportunities and the prevailing mood of the 'new' society, but these presumed shifts do not appear to happen as a series of increasingly close approximations to the new society values. The melting pot does not dissolve the partially unique value patterns of migrants, even after several generations in a new society".

Closer to home Munro (1985, pp 33-41) developed a free format inventory to measure work value constructs free from Western connotations. Each item defines a value construct at a level that can be understood by any respondent. Munro called this instrument a Life and Work Values Inventory. Items were derived from a variety of value scales and theoretical descriptions in the area of work related values and attitudes. Factor analysis by means of varimax rotation yielded five factors, viz:

us of westernized Blacks and tribal black workers by means of the Work Value Scale of Wollack et al (1971) and the Work Value Inventory of Nirels et al (1971).

1. A comfortable life.
2. Conformity to convention.
3. Competence and activity.
4. Freedom for self.
5. Achievement and recognition.

Munro (1985, p 39) defined the two higher-order factors as a concern with self and a concern with conforming to the demands of society. Munro views freedom, individuality, dominance and a comfortable life to be components of the first factor. The second factor means the desire to be accepted socially and at work and to be competent in one's work. Munro reckons that these two factors may be the poles of Hofstede's (1980a) individualism/collectivism - dimension. Munro (1985, p 39) theorises about the existence of intra-personal conflict and/or confusion between self-serving and socialistic values and concludes:

"... the public behaviour of African people lead to the conclusion that individuals do experience conflict and tension over the opposing social pressures for obedience versus freedom, collectivism versus individualism (politicized as Socialism versus Capitalism) and traditionalism versus modernism".

England, Agarwal and Trerise (1971) made use of the Personal Values Questionnaire to examine and compare the value systems of union leaders and managers. Orpen (1978) investigated the work values of westernized Blacks and tribal black workers by means of the Work Value Scale of Wollack et al (1971) and the Work Value Inventory of Mirels et al (1971).

3.11

## SUMMARY

This chapter contains a theoretical exploration of concepts of culture, organizational culture, ethnicity, values, work values and their development. Culture is seen as the pattern of all those arrangements, material or behavioural, which has been adopted by a society as the traditional ways of solving its members' problems. Organizational culture is defined as a unifying theme that provides meaning, direction and mobilization of behaviour in organizations. The development of organizational culture, its origins, essence, functions and definitions were discussed in detail. It was pointed out that ethnic relations as moulded by historical, political, economic and social circumstances have had a profound influence on work-relationships and different ethnic groups have different work values. The concepts of values and work values were defined and discussed, especially the structure and influence of work values. Similarities and dissimilarities between the work values of Whites and Blacks were pointed out. Blacks, especially assign much more importance to opportunities for helping others which may be due to the Ubuntu-value system of the Africans. However, with more opportunities for upward mobility, Blacks will display more achievement motivated behaviour. Attention was given to the role of socialization and scarcity in the development of work values. A cross-cultural perspective on work is given as the growth of international business and expanding markets bring employees of different nationalities, cultures and ethnicities with different value frameworks into



close contact with each other. Organizational processes, managerial behaviour and individual behaviour across cultures were discussed and attention drawn to the relationship between values, attitudes and behaviour. Finally, recent research on work values and the different work value questionnaires, the development and application of inventories and scales, were discussed.

#### 4.1 INTRODUCTION

Reference has already been made to the four broad value dimensions namely power distance, uncertainty avoidance, individualism and masculinity. These four value dimensions will be discussed in detail in this chapter. Attention will be paid to the operationality and measurability of these concepts, their core content, and their relation to society and organizations.

#### 4.2 OPERATIONALITY AND MEASURABILITY OF THE CONCEPTS

This part of the chapter will be devoted to a broad theoretical overview of the concepts of power distance, individualism, uncertainty avoidance and masculinity. Research evidence as presented by Hofstede (1980a) to operationalize and measure these four concepts will be discussed and analysed extensively.

In identifying these four dimensions, Hofstede (1980a) compared these scores of survey questions about values, using matched samples of employees (same employees, same jobs, same age brackets, same gender distribution) of a multi-national corporation in 40 countries around the world. The comparative study therefore, covers an unusually large number of national cultures. Hofstede's (1980a) analysis of the data required an extensive statistical argumentation by applying factor analysis, Bravais-Pearson product-moment correlations,