

THE DEVELOPMENT OF A MANAGEMENT CAREER
DEVELOPMENT MODEL TO EMPOWER AND ADVANCE
PREVIOUSLY DISADVANTAGED MANAGERS IN THE
AUTOMOTIVE SECTOR

by

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DECLARATION

I hereby declare that *The development of a management career development (MCD) model to empower and advance previously disadvantaged managers in the automotive sector* is my own work and that all sources used by me and referred to in this regard have been duly acknowledged and listed.

I also declare that the content of this dissertation has not been submitted to any other tertiary institution in order to obtain another qualification.

The language in this dissertation has been edited by Idette Noomé (Department of English, University of Pretoria).

ANTHONY NAIDOO

DATE

A joyous thanksgiving and dedication to:

O

God, you designed us to enjoy all our work assignments, to profit, discover and plough-back all our talents, which we may learn to do with wisdom, understanding and all our strength. I drift towards the pathway which You have set out before me, that your blessings would enlarge my kingdom, so that I will be free from ineffectiveness and failures. Let my journey between life and death be extended to be more profitable to support mankind, guided by Your divine inspiration and interventions. That, I may learn humbly to obey and trust, to feel the need for Your aspirations - a life most richly blessed. Amen.

by Anthony Naidoo

SUMMARY

THE DEVELOPMENT OF A MANAGEMENT CAREER DEVELOPMENT MODEL TO EMPOWER AND ADVANCE PREVIOUSLY DISADVANTAGED MANAGERS IN THE AUTOMOTIVE SECTOR

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The current status of affirmative action practices in the automotive sector does not offer designated managers Management Career Development (MCD) plans or practices that can be formulated, implemented and measured. Japanese techniques that have been tried do not look at improving the skills of designated management and do not provide models for advancement at managerial level that make sense within the South African Human Resources Management (HRM) context. There is a growing demand for top skilled managers and executive appointments in the South African economic market. This trend is reflected in the increasing number of recruitment advertisements. The Department of Labour (2000b) places a heavy emphasis on achieving equity in the formal labour market and in the acquisition of managerial skills by all South Africans. The South African potential working population has reached a total of 27.9 million of which 15.9 million are economically active and 12 million are economically inactive (Department of Labour, 2001). The employment numbers in the manufacturing sector have continued to decline and there is evidence of managerial shortages and a continued brain drain of highly skilled white personnel.

A pilot research survey revealed that there was a lack of affirmative action career-pathing models or staff succession plans and that there are many designated managers who lack

an MCD programme. There are a high number of people in South Africa who are not employable, due to a lack of relevant managerial skills and the need for effective MCD. It is therefore imperative that DSGN managers acquire expertise in the area of general career planning management to ensure business plan effectiveness and to act as catalysts to address the high skills shortages of black personnel. In this way the skills gap between the non-designated and designated managers can be redressed and a sustainable capacity of the competencies required by the country can be created.

The aim of this research was to develop an MCD model for previously disadvantaged managers in the automotive manufacturing industry. Designated managers are often not properly trained and informed regarding the planning process of career management and development. It is hoped that through this research and the explanation of the importance of understanding career management, both managers and employers will be encouraged to be actively involved in structured MCD learning processes. This study was done with the following objectives in mind:

- to determine the current situation with regard to MCD and explore factors that influence MCD and the development of potential designated managers and their appointment to managerial positions; and
- to formulate a model for career-pathing and development for the workplace management career advancement of designated managers.

As a first phase, a literature review was undertaken. It highlighted the importance of the identification of designated managers' MCD. The literature research reviewed various MCD models for advancement and their integration with strategic Human Resources Development and the Business Plan. Based on the literature study, the research design and strategy were selected. A population group of designated and non-designated managers was identified within the automotive sector. Data was then obtained from respondents by means of a questionnaire especially developed for this purpose. The data was statistically processed, after which recommendations and conclusions were made.

The survey revealed a considerable degree of consensus about the most important MCD advancement techniques and the intervention needs of potential designated managers.

These must be linked to the organisation's strategic HRD business plans. These techniques include special project assignments, job rotation, on-the-job training, coaching/mentoring and in-house MCD programmes. The research also highlighted numerous issues which have to be addressed in designated managers' career development, such as

- the development of MCD potential for designated managers primarily by means of relevant exposure, experience and involvement in critical and non-critical activities;
- a strong internal monitoring focus group to oversee strategic HRM and play a positive role in maintaining the programme's momentum, ensuring the regulatory functioning, including frequent feedback and continuous improvement of HRM techniques; and
- top management influence, dedication and commitment to the MCD model to ensure designated managers' appointment to management positions when "workplace advancement" applications are possible.

The recommendations focus on creating an awareness of MCD, as well as of the best strategic HRM practices. These practices include top management commitment, support and endorsement, MCD policies and Employment Equity interventions, an MCD programme process for continuous assessment for improvement, harnessing workplace diversity for sustainable business, action learning techniques used for building competencies, entrusting line managers with empowerment and commitment to the MCD programme, the use of an Core Advisory Forum to build MCD support and the creation of a life-long learning organisation supported and directed by HRM research.

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LIST OF ACRONYMS

AIDC	Automotive Industry Development Centre
CCMA	Courts of Conciliation, Mitigation and Arbitration
CEO	Chief Executive Officer
CIT	Continuous Improvement Techniques
CSIR	Council for Scientific and Industrial Research
DACTS	Department of Arts, Culture, Technology and Sciences
D_{SGN}	Designated Manager (Previously disadvantaged as per Employment Equity Act)
DTI	Department of Trade and Industry in South Africa
ETQA	Education and Training Quality Assurance Regulations
FTA	Fault Tree Analysis
GDP	Gross Domestic Product
HRD	Human Resources Development
HRM	Human Resources Management
IDP	Individual Development Plan
JIT	Just-In-Time
MCD	Management Career Development
MERSETA	Manufacturing, Engineering and Related Services Education and Training Authority
MIDP	Motor Industry Development Programmes
MVA	Management Value Adding
NRF	National Research Foundation
NPI	National Productivity Institute
NAACAM	National Association of Automotive Component and Allied Manufacturers
NAAMSA	National Association of Automotive Manufacturers of South Africa
ND_{SGN}	Non-Designated Manager (Previously advantaged white male as per Employment Equity Act)

OEM	Original Equipment Manufacturer
SACOB	South African Chamber of Business
SETA	Sector Educational Training Authority
TIER 1	First Level Supplier of Automotive Components to OEM
TQM	Total Quality Management
TPM	Total Quality (Production) Maintenance

CHAPTER 1

INTRODUCTION AND PROBLEM STATEMENT

1.1 THE CURRENT IMPORTANCE OF AFFIRMATIVE ACTION IN THE AUTOMOTIVE INDUSTRY

One of the most alarming affirmative action labour developments in the South African economy is the vast gap between the demand and the supply of skilled designated managers in the labour market. Designated managers (D_{SGN}) are previously disadvantaged employees (i.e. black men, all women and disables). Swanepoel, Erasmus, Van Wyk & Heinz (2003) warn that if South Africa wants to succeed in real skills transformation and wishes to balance economic and social growth, it has to pay real attention to key designated management career development (MCD) challenges. South African organisations tend to try quick-fix affirmative action programmes and hence often find that their efforts fail. The main obstacles to success are a lack of responsibility and accountability for designated MCD programmes and a failure to foster two-way human resources development (HRD) communication (Swanepoel *et al.*, 2003).

At the start of the 21st century, automotive business continues to globalise. The way people work together is undergoing a metamorphosis, subject to the impact of massive technical skills shortages (NPI, 2002; Avolio, 2001). At the same time, conventional workplace methods have also changed what one would call “our organisation” and how people work together across time, distance and cultures (business to business /customers and people). The business association between organisation and management development structures that can make adjustments before the old business model (such as workshop job costing, grinding, spot and seam welding activities) is all “dried up”. According to data supplied by the South African Chamber of Business (Department of Trade and Industry, 2004), South African exports of vehicle and parts accessories to the United States of America surged by 86.2% in October 2002, an increase of 54 million dollars. Minister Alec Erwin (Department of Trade and Industry, 2004) has indicated that so far South Africa’s strategy to become an internationally competitive economy

has focused mainly on lowering tariffs and becoming an export-oriented economy. In the global market, this is clearly not enough.

The status of the implementation of affirmative action programmes does not yet offer black managers enough career paths or succession plans or even give them many responsibilities or power over resources. Consequently, many black managers are not committed to their work, but rather focus on job-hopping in order to stay out of frustrating positions (Firer & Saunders, 2003). South African managers face unique challenges and therefore, one cannot merely transplant even the best international practices into local automotive organisations uncritically (Pretorius & Swanepoel, 2002).

The researcher's interest in the importance of affirmative action in a management context began when he joined a very large international automotive manufacturing company in 1981 as a training co-ordinator for the introduction of quality circles. His task was to go out into the factory with videos, overhead transparencies and training materials to convince workers to join a quality circle team. He was to act as a management propagandist and to facilitate employee involvement and a participative management programme. These practices were influenced by the Japanese techniques for business survival. These techniques usually focused on strategic issues for the company concerned, ensuring cost effectiveness with regard to "waste management", which was then thought to be the secret to business success (Naidoo, 1999). The "Three Ps" (pay, people and politics) were taboo subjects, according to these Japanese techniques and the principles explained during the presentation (Christie, 1996). Due to the success of some Japanese multinational automotive companies, representatives of other companies and numerous consultants came to witness for themselves the techniques used to empower workers to achieve an organisation that was a lot leaner and meaner. Management claimed that it could guarantee its employees that their jobs were safe if they were part of quality circle teams. Only non-members could be at risk. Tragically, nearly seven thousand of those workers, many of whom were quality circle members, lost their jobs in the nineties. Two years later after 1995, South African multinational automotive companies suffered a heavy blow due to lengthy worker strikes and wage disputes. Finally, in 1997, employees rose up in favour of the

advancement of black managers in the workplace. Many black employees were retrenched at that time and workers lost their trust in and respect for the Japanese techniques for advancing black managers in the workplace (Department of Labour, 2001). Their main concern was that the Japanese techniques did not look at improving the skills of management and advancement models upward through the Human Resources (HR) ranks, but only at better-equipped programmes that empower the employees on the shop-floor (factors such as the elimination of unwanted factory waste, housekeeping, cost savings, problem-solving, safety and health, quality circle teams and continuous improvement).

1.2 BACKGROUND TO THE AUTOMOTIVE INDUSTRY

At a launch of a technological centre in 2002, Clive Williams, the Chief Executive Officer (CEO) of the National Automotive Association of Component and Allied Manufacturers (NAACAM) highlighted the country's need to form a "Skills Catalyst" to create, not a knowledge-based initiative, but a technology transfer base (AIDC, 2002). Currently, the South African automotive industry depends largely on foreign expertise (DTI, 2004). Therefore, it is time to move from our previous "donkey-driven workforce" to a phase of digital, technical and technology-driven knowledge (Wessels, 2002).

According to the South African economy and skills development research report (Department of Labour, 2000a), real gross domestic product (GDP) increased from a negative rate in the first quarter of 1994 to over 6% in the last quarter of 1994. Then it fell to less than 2% per annum in 1995 and increased to over 3% again in 1996. The economy went into a recession in 1997 and bottomed out in 1998, with resurgent growth in 1999. The real value and importance of the automotive sector in terms of the South African economy in the year 2001 was an added 11% to the country's economic gross domestic profit margin, mainly in its vehicle export market (with a projected 4.5% annual growth rate in the GDP). South Africa has an average of over seven million vehicles on its roads. The total revenue from the automotive industry for 1999 was R117 billion, going up to R131 billion in 2001, with in excess of R14 billion in capital investment (Van Zyl, 2001).

The CSIR and the Fraunhofer Gesellschaft in Germany undertook a study previously to establish the managerial, technical and manufacturing needs of the local automotive industry (AIDC, 2002). About 80 South African automotive companies were involved in the survey, including all the major automotive assemblers. Based on this study, the HR needs have been categorised into four main areas (see Figures 1.1 and 1.2, overleaf):

- training at the worker level (37%);
- technical skills (14%);
- training at an engineering level (30%); and
- management skills (19%).

Of these, management skills were the organisational scarce skills needs that directed this study.

This shows that there is an urgent need for skills development and the empowerment of the workforce. South Africa needs to accelerate its current management advancement programmes to the level of other multinational stakeholders. If this can be achieved, South Africa will be able to sustain all its foreign long-term business opportunities in this industry.

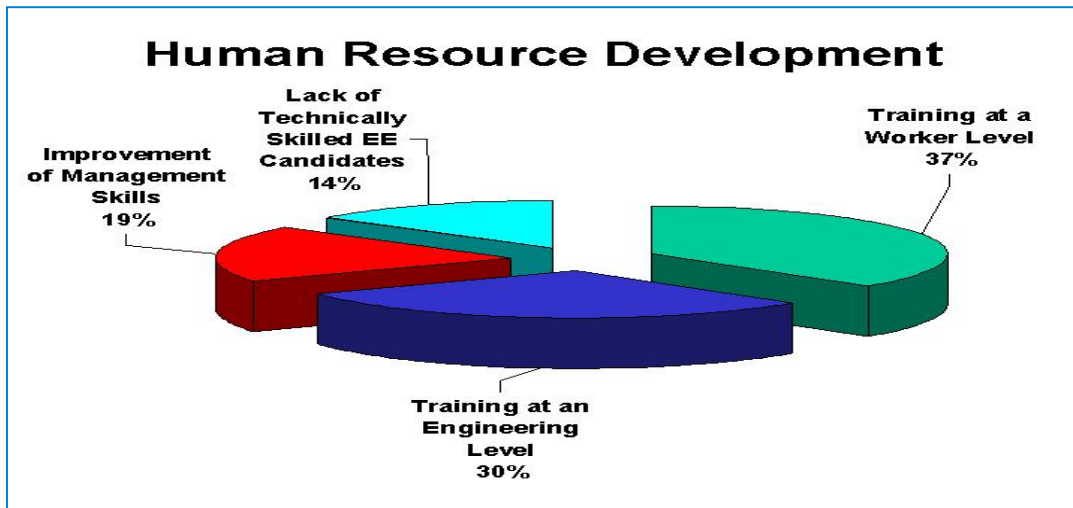


Figure 1.1: Breakdown of current HRD skills in the South African automotive industry (AIDC, 2002)

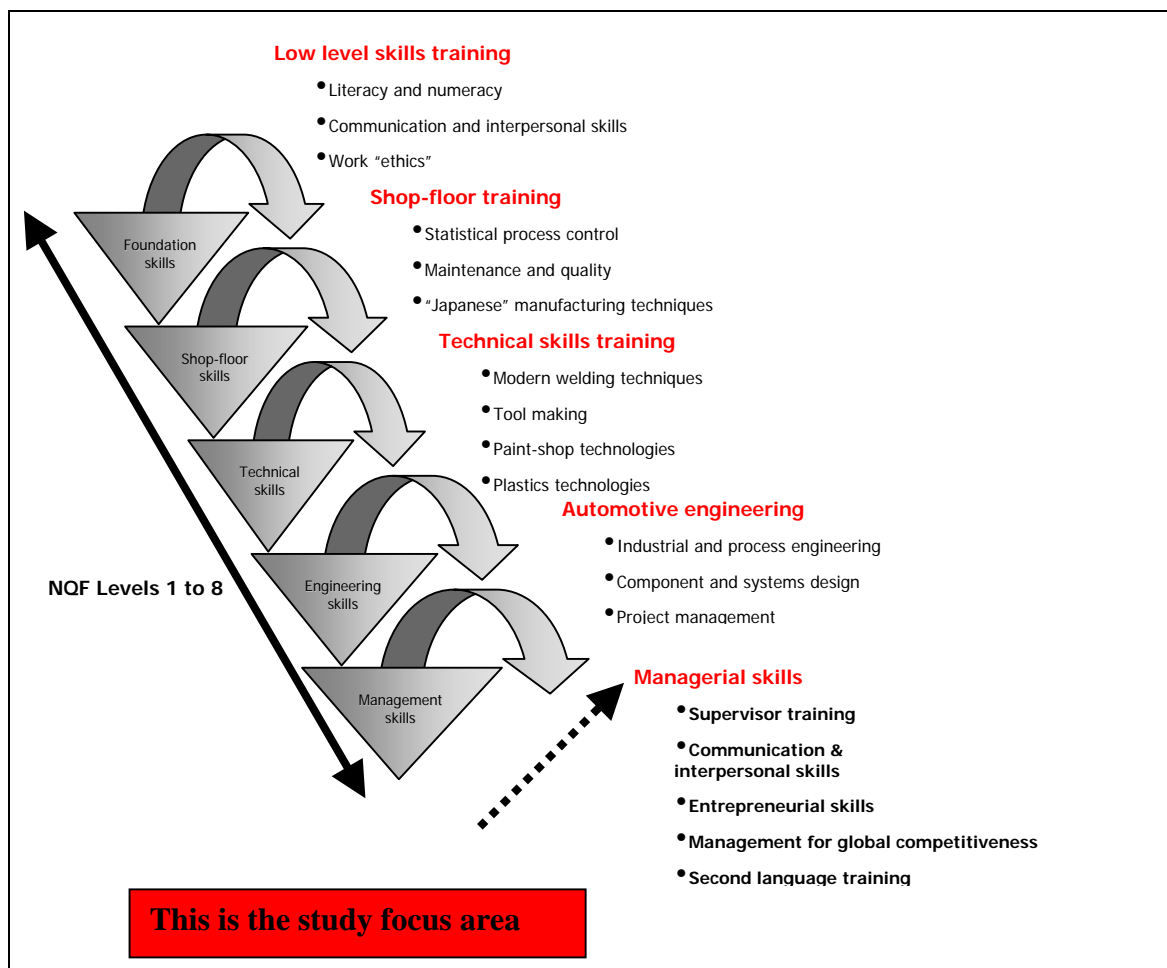


Figure 1.2: HRD needs across eight skills levels (AIDC, 2002)

Relative to its market size, the South African automotive industry is strong, and with the announcement of increased investment by BMW (with its new three series right-hand drive vehicles for global market supply), Fiat and Toyota, the industry is set to grow from strength to strength. Furthermore, macro-economic factors such as the government's Motor Industry Development Programme (MIDP) and, ironically, a weak Rand exchange rate, have provided further incentives for the educational development of managers in the local industry. *Business Report* (2002: 17) says that "in the latest quarterly review of business conditions in the new manufacturing industry, production increased from 357 364 units in 2000 to 407 036 units last year, while world production declined from 58.06 million to 55.77 million during the same period". This shift has a positive impact on both employment levels at a 1.3% growth rate, and on manufacturing capacity utilisation rates, at about 76%, matching the global average.

According to the Department of Trade and Industry (2004), the automotive sector continued to increase its share of the South African trade balance in 2003, confirming its status as the leading manufacturing sector in South Africa. This key sector has also improved its position to become a major contributor to the economy. Labour legislation is committed to continue government's close relationship with the automotive sector to ensure that the government's objectives in terms of GDP growth, employment equity, affirmative action and black empowerment are met.

1.3 FOCUS OF THE STUDY

As it is one of the key contributors to GDP, it is imperative that the automotive industry contributes to the eradication of skills shortages and that it ensures competent managerial capacity. The current appointment of persons from the designated affirmative action groups within the automotive industry in managerial and senior positions has not yet achieved the desired results (Maseke, 2000). In a pilot study, the researcher and approximately twenty previously disadvantaged managers (black men, women and disabled persons) within ten different automotive component companies conducted a triangulated survey in 2002. Observations were made and a feedback questionnaire was completed in order to examine the problems facing black managers, in line with the procedure suggested by Mouton (2001). This pilot survey revealed that

no affirmative action career-pathing models or a staff succession plan existed in the ten companies, and that there is a greater emphasis on lacking management career development (MCD).

Using information from this pilot research, the current study was undertaken to identify management career-pathing needs using a sample of potential Designated (D_{SGN}) and Non-Designated managers (ND_{SGN}), and to study their perceptions of the training needs of previously disadvantaged managers and the action(s) needed to develop previously disadvantaged managers for advancement (so-called MCD skills). The term “MCD” is used in a comprehensive sense to encompass the different ways in which managers improve their capabilities. This includes management education (which is often taken to refer to structured learning in an institutional context) and formal career skill levels (which are often used to mean acquiring knowledge and skills related to work requirements by informal means – such as job experience, vocational education, in-company training and external education).

If the South African automotive sector is to develop beyond its current status as an emerging economic sector, there is a great need to base its development on intellectual capital rather than on physical capital (as in the industrial age). How can this be achieved? In a study of 27 South African organisations by Firer and Saunders (2003), when these companies were asked whether they had an appropriate organisational structure in place to accommodate the placement of black managers in work designs and technologies to lead to effective team formation, only 18% of the organisations responded positively.

The MCD challenge facing corporate organisations is to develop a D_{SGN} career advancement model. This process will accelerate the building of an effective and efficient career framework for managers to move up in management echelons. Figure 1.3 shows how the MCD of designated managers coincides with the problems facing the government and the need in the automotive business sector for an adequate supply of skilled black managers. D_{SGNS} perceive themselves as playing a meaningful role within the redressing of employment equity and black economic empowerment in these organisations. It is important for the automotive sector to take note of the defined problem in order to accelerate the career development and advancement of D_{SGNS}. This

would enable these organisations to facilitate and harness the designated management potential to meet the future challenges of matching internal transformation to a new environment (the new global economy).

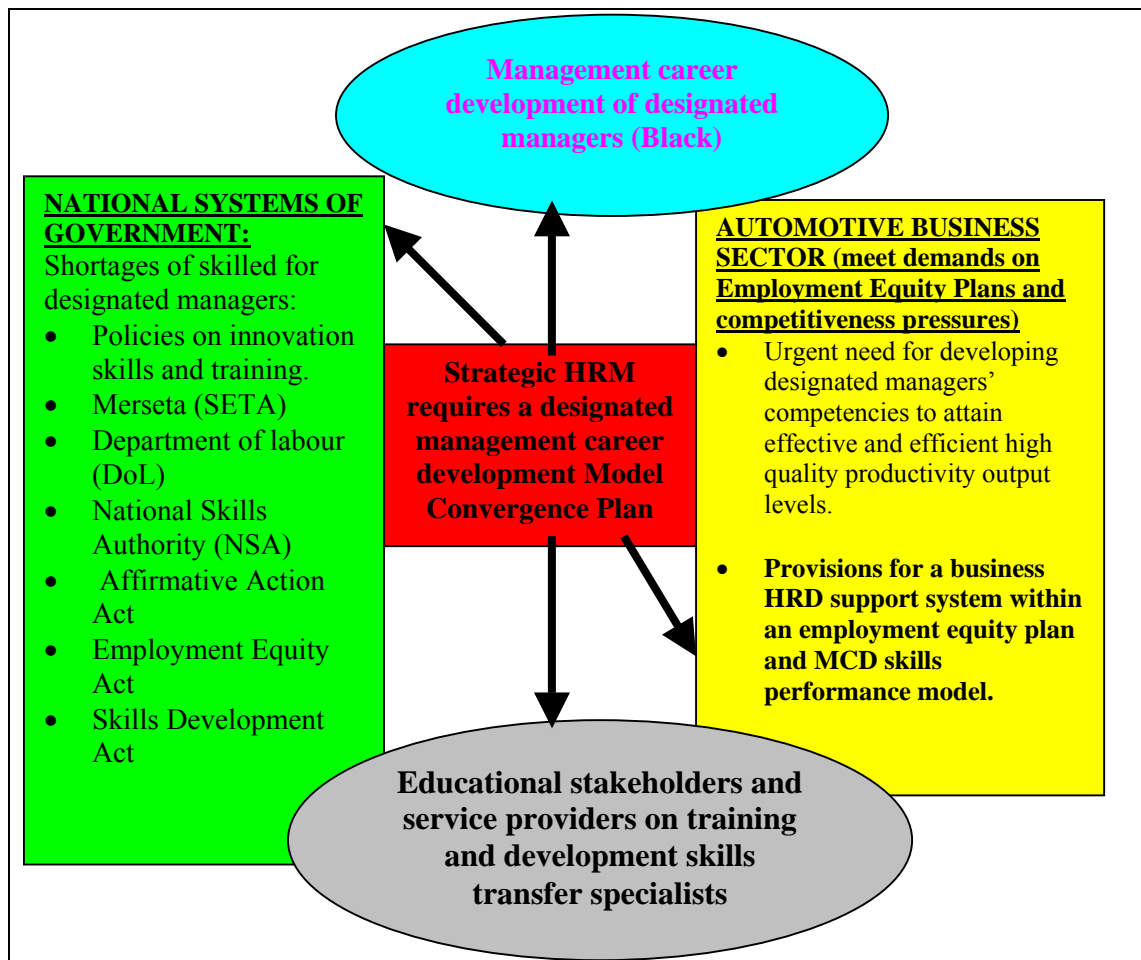


Figure 1.3: A conceptual model defining the problem discussed in this study

Eskom's Chairman, Khoza (2002) has reportedly said that a dependence on Western models of management development was undermining South Africa's ability to achieve its goals. These career models do not address the core of the problem properly, namely the lack of MCD opportunities and the skills shortages among D_{SGNS}. The current problem facing the South African automotive business sector is an inadequate supply of skilled D_{SGNS}, a lack of excellence in education and the failure to develop world-class motor industry workplace competencies so that managers can occupy quality management positions (Department of Trade and Industry, 2004).

Microsoft Chairman Bill Gates has commented that the survival of the work environment depends on everyone's moving as fast as possible (the human resources development composition of speed) (Annunzio, 2001). This suggests that only 5% of a company's metamorphosis is represented by the technological transformation process. The other 95% is represented by changes in HRM (career development and culture), which is at the heart of leadership.

Currently, the South African economic market growth in the demand for skilled managers and executive appointments is reflected in the growing number of recruitment advertisements, with a database now containing details of well over 30 000 advertised positions. The job market is indicating that the worst thing job-seekers can do is to try to be someone they are not (*Business Times Careers*, 2002a).

The business index (2002) for general manufacturing is made up of appointments (23%), services (22%), primary industries (20%), technology (17%), commerce (6%) and other business (12%). The demand for appointments is continuing to grow, and higher levels of demand result from serious management skills shortages. Lastly, there is no formal or informal partnership between management and employees to work towards resolving the career issues to the benefit of both parties. The shortage of skills at all the lower and middle management levels is one of the most serious problems, and it is also the most overlooked threat to the achievement of economic growth targets in South Africa over the next five to ten years (*Business Times Careers*, 2002b). However, after years of apartheid-induced skills neglect, South Africa is on the threshold of a potential training and skills revolution. The Skills Development Act and the compulsory levy which has been effective since April 2000 will do more than compel organisations to set aside funds for the training and development of employees.

The *Management Today Year Book* (2003) states that during the 1990s middle management in organisations reacted to changing competitive conditions by restructuring, downsizing, outsourcing, layering and mass redundancies, all of which restricted their organisational performance promotions and the growth of middle management. Middle management was seen as a "barrier to effective organisational management" (Avolio, 2001) and many attempts at strategic change were said to have failed due to middle management resistance. Yet the dismissal of middle managers due

to lean-and-mean tactics has resulted in the loss, to a large extent, of embedded knowledge and tacit routines. In most models of strategy implementation, middle managers are seen as the suppliers of information and the recipients of decisions made by top management. At best, they fulfil a supporting role. However, strategy formulation and implementation must focus on emergent strategies; D_{SGNS} are crucial in shaping strategy through innovation and strategic entrepreneurship.

Lumka and Associates (2002), a black placement and recruiting company, has reported an urgent need for mentors for the designated management level. This requires leadership, decision-making, strategy and emotional intelligence. The main concern is that people are now being pushed into positions in so short a time that they are set up for failure. Cohen (2000) argues that the mentorship model involves interaction “between equals at different levels to help one another. It is not teaching. It involves sharing experiences in a spirit of trust and confidentiality”. Cited in Christoph Kòpke (2003:30), Chairman of Daimler Chrysler (mentor), states: “Companies are trying to retain key staff because the risks of recruiting the wrong individual are high. Individuals with management potential are identified and developed with the guidance of a more experienced and older individual. As it is not easy to find effective mentors higher up in an organisation, companies sometimes recruit mentors externally. This has led to the need for the creation of a professional mentorship body that will develop a code of conduct for mentors, establish a mentorship forum, and so on” (*Management Today Year Book*, 2003:14).

Before this selection can take place, a well-defined career path needs to be clearly discussed with the prospective trainee. Various options and possibilities for promotion, together with a realistic time frame, should be made available. This would create realistic expectations and more motivational directedness for trainee managers. Mentoring is a powerful instrument of change to accelerate upward mobility and it builds on existing natural learning processes (Waterman, Waltman & Collard, 1994).

A lack of D_{SGN} career development, coupled with earlier admission restrictions to tertiary institutions, has led to a vacuum of black professionals in this country. This lack of D_{SGN} skills is of great concern to many companies. Millions of Rands are being spent

annually on management training programmes in order to right this imbalance. The rationale for such actions vary from pressure from concerned parent companies overseas to guilt and the desire to do what is right, to fear of impending legislation and just good business sense. Whatever the reason, no company wants to invest money in training ventures or black advancement programmes without positive results.

In 2002, the Deputy Director-General of the Department of Trade and Industry, Alister Ruiter (2002) claimed that a high number of unemployed people in South Africa are not employable. Due to a lack of relevant automotive managerial skills, there is a need for effective training and career development plans. This statement recognises the need for managers to acquire expertise in the area of general career management planning, both to ensure effective management and to develop successors (Human, 1992). These challenges act as catalysts for change and require corporate organisations to realign their strategies, their mission to reinforce the importance of training and MCD for their designated and targeted managers. South Africa has a shortage of skilled managers and there is a continuing brain drain of highly skilled white personnel. There is a need for an appropriate management career-pathing model, which is important to redress the gap and past imbalances, thereby creating a sustainable capacity of the relevant competencies for all sectors and the automotive sector in particular.

The NPI (2002) has highlighted some of South Africa's traditional management styles and the lack of effective MCD in terms of excellent techniques within global and competitive markets. In South Africa, ranked 42nd out of 46 countries, it seems necessary to address the massive shortage of technically skilled managers in previously disadvantaged groups for a high level of economic growth and job creation. The root of the problem is that previously disadvantaged groups were poorly represented in the fields of engineering and management, which provide key positions in the economy that reflect and centre the power of strategic decision-making techniques for business advancement. Most members of previously disadvantaged groups are placed at relatively junior levels of management, predominately in HR departments in "specialist" positions to serve blacks (Department of Labour, 2001). The HR members chosen to facilitate the implementation of the MCD programme are sometimes themselves not skilled in the effective assessment of career plans and development models. This has led

to a misinterpretation of fundamental concepts of career development and was passed on to employees via training and facilitation sessions. The South African private sector is experiencing high skilled HR development shortages, especially at managerial levels, and this shortage will worsen.

New laws have been introduced, such as the Employment Equity Act, No 55 of 1998 (Republic of South Africa, 1998a) and the Skills Development Act, No 97 of 1998 (Republic of South Africa, 1998b) to end some of the old labour skills practices and to provide practical and generic guidance on the job skills aspects of non-educational and training requirements. The Employment Equity Act states that every employer must ensure that black people, women and disabled people have a fair chance to be employed and to be developed at all levels of a company. The South African Constitution (Republic of South Africa, 1996) indicates that affirmative action must be used where necessary to promote people who have been disadvantaged and to end inequality.

Currently, the large multinational automotive manufacturing sector influences South Africa's new global business trends. Foreign professional experts working in South Africa are tremendously expensive to the automotive sector and they reduce the opportunities of the local disadvantaged managers. As South African organisations acknowledge the skills deficiency, more attention is being paid to the identification and correction of training needs at various levels. A lack of a strategic career skills development plans also diminishes the potential benefits that the company could get from the intellectual power of members of previously disadvantaged groups. Statistics show that previously disadvantaged groups are poorly represented in the managerial levels of multinational organisations.

A statistical analysis of inequality reduction done by Breakwater Monitor Survey (1999) has revealed that 2.99% of black managers are in the top managerial ranks. However, 89% of them earn the lowest grade salaries. White men and women hold 84% of management positions in South African companies. The statistics of the Department of Labour (2001) also indicate that white employees still constitute about 74% of management promotions and 54% of skilled promotions. Men of all races hold 83% of management positions. One of the members of the South African Black Management Forum, Professor Nkuhlu (1995:23), remarked that "there will be a shortfall of 200 000

managers in South Africa by the year 2000” and less than 5% of the total senior managers will be black. This predicament has come to pass with the ratio of manager to non-manager reveals (1:50 compared to international standards of 1:12).

In terms of the supply and demand for labour revealed by the Department of Trade and Industry (2004), there appears to be a shortage of approximately 103 000 managers for executive and management positions in South Africa, as well as a shortage of approximately 442 000 professional, technical and highly skilled people, while there is an oversupply of approximately 2.8 million people who have no skills at all (Department of Trade and Industry, 2004). Technological innovation increases the importance of training, because new entrants into the market must not only be trained, but technological change also necessitates continuous retraining. Generally speaking, South Africa has sufficient unskilled labour, energy and material resources at its disposal, but there is a shortage of capital, trained managers and career-pathing of managers in technology (Erasmus & Van Dyk, 1999). According to a private sector survey of the 60 biggest companies operating in South Africa, conducted by the University of Cape Town (1999), these figures most probably underestimate employment inequalities in the country from 1996 and 1997. Nevertheless, the survey established that in September 1994, fewer than 7% of all management posts (Paterson Grade D and above) were held by black men or women. In September 1995 this figure was lower than 10%. Within the same sample of companies, the 10% threshold of black managers had just been crossed in March 1996, but the 12% threshold had not yet been reached in March 1997. The increase had slowed. On the other hand, from September 1994 to March 1997, blacks represented 98% of employees at the lowest grade (Paterson A). As for women, black or white, they comprised less than 11% of management in 1994 and around 14% in 1997 (with 87% of them being white managers). The National Development Strategy (Department of Labour, 2001) revealed that the workforce profiles by race and gender in South Africa in 2000 still showed that white men and women filled 71.3% of management positions, while black men and women represented less than 16.4% of the management sample.

Based on the literature and current trends within the automotive industry, a lack of management career-pathing is the main focus of research. The research problem could

be stated as follows: the current existence of career management programme does not lead to effective career planning and development models.

1.4 SCOPE OF THE INVESTIGATION AND OBJECTIVES OF THIS STUDY

This section gives a brief introduction to the research problem and the exploration of the factors which influence the career-pathing development of potential D_{SGN} employees and their appointment to managerial positions in order to formulate a “career-pathing model landscape” for management advancement in the workplace. The study aims to investigate the current situation with regard to career-pathing, development, training and the placement of persons from the designated groups in order to identify management and career development and training models so that successful managers are placed on merit.

The HRM model in Figure 1.3 illustrates the research problem and the relationship between strategic objectives in the organisational support system. The current statistics of the World Competitive Report show that South Africa is ranked 39th out of 49 countries and is making steady progress. This research study is aimed at mobilising managers into creating a sense of hope and purpose in any business situation within a company. South Africa has achieved this politically and has a proven track record to illustrate automotive business sustainability. However, the real issue is to translate the political successes into economic prosperity and to enable South Africans to undergo a major positive paradigm shift in sustaining business leadership excellence (*Management Today Year Book*, 2003). There is an acute shortage of potentially skilled designated managers in South Africa and this trend is likely to continue with the on-going braindrain of high-level N_{DSGNS} expertise. This study will also explore HR skill factors that may influence the MCD model for D_{SGNS}' appointments to management positions for “workplace management advancement” applications.

The intention of this research is to engage in the effective and scientific development of an MCD “model” for previously disadvantaged managers in the workplace. The concepts of MCD are topics that are not well understood by all levels of employees and misconceptions may prevail regarding the meaning of career expectations. Management

is often not properly trained and is uninformed regarding the process of career management and development. It is hoped that through this research explanations of the importance of understanding career management will be derived to encourage both managers and employees to be actively involved in MCD.

The primary objective of this study is to explore and formulate a new strategic model to enhance the MCD potential of designated managers to ensure that the lack of appropriate and adequate managerial skills development in South Africa's automotive sector is addressed within the involvement of automotive business activities.

In order to achieve the main objective, the secondary objectives of the study are therefore

- to investigate the commitment of top management to the career-pathing and development of future middle/lower DSGNS and N_{DSGNS};
- to examine the role of automotive organisations in South Africa with reference to MCD and development HRM strategies for future DSGN groups (black men, women and disabled persons);
- to do an in-depth literature study on relevant concepts with a significant impact on automotive organisation MCD interventions for the training and development of future DSGNS (a standardised HRM career development model); and
- to do additional literature surveys and gain professional expert advice on the concepts and applications of the MCD “models” under study. These sources will be consulted with the following objectives:
 - to determine whether the HRM of an organisation has MCD programmes in place, and if so, whether they are effective for both DSGNS and N_{DSGNS};
 - to ascertain whether HRM is committed to the organisational strategic business plan's vision and mission in the implementation of the various relevant MCD programmes;
 - to determine whether there is a standardised MCD model (of any nature) in place, and whether there is a difference between its effectiveness for DSGNS and N_{DSGNS};

- to ascertain the perceptions of top management on the establishment of internal and external programme monitoring bodies to evaluate and align employment equity with the expected plans for designated MCD programmes;
- to formulate a new strategic HRM model for a flatter form of organisational structuring to accelerate the MCD potential of future D_{SGNS} to meet the needs of the automotive sector;
- to develop an exploratory integrated model linked to designated MCD and strategic HRM activities; and
- to ascertain whether setting up processes for a core advisory focus group that can be linked and formulate strategies around a company's strategic HRM planning requirements.

It is hoped that this research will explain the importance of understanding career management, and that both managers and employees will be encouraged to be actively involved in MCD advancements. As a new South African manager, the researcher would like to be involved in the creation and development of the automotive manufacturing sector's own indigenous approaches to an effective MCD model to advance D_{SGNS} throughout the upper echelons in the MCD process. This research also strives to recognise the best practical MCD model by means of which to close organisational gaps to achieve management advancement and world class competitiveness. This study will hopefully lead to a greater understanding of the challenges faced in an attempt to improve business in diversity, shaped by multicultural competencies, a key to participation in a global economy.

1.5 TECHNIQUES USED AND ASPECTS CONSIDERED

Various MCD areas and techniques that tend to be neglected in the workplace are examined. These include coaching, high-powered teams, rewarding teams, workplace counselling, staff retention, natural and informal transfer training, information technology and a world-class framework process of mentorship programmes (Rees & Porter, 2001). Current literature, HRM models, questionnaires, interviews and best practices techniques have been investigated to be used as a guide to formulate an MCD

model for the development of DSGNS in the automotive sector for critical and non-critical workplace activities.

In keeping with the objectives outlined, the research methodology for the study provides both primary and secondary data. Primary data was collected in the form of structured surveys, which were statistically analysed, using the research methods set out in Chapter 4.

The secondary data focused on a literature review as a basis for the examination of a theoretical framework as articulated in international and local articles, survey findings in related fields of study, and accredited publications (see Chapters 2 and 3). These sources were subjected to a further analysis, benchmarked against existing management career development models, and their impact on South African organisations in line with the criteria set out in the Employment Equity Act, No 55 of 1998 (Republic of South Africa, 1998a) and the Skills Development Act, No 97 of 1998 (Republic of South Africa, 1998b). The HRM design model was critical for the formulation of a systematic designated MCD model that depended on a variety of management development factors. Some are beyond the control of the individual (such as organisational needs and goals, internal structures, and reward systems). Others are personal (such as individual goals, knowledge, skills and abilities). To develop and implement effective policies and procedures that would add value to organisations, HR must be able to build business cases and understand various markets where organisations compete.

The findings of other researchers focusing on the training and development of potential DSGNS are discussed. Chapters 2 and 3 conclude with reviews and examinations of various MCD models for advancement integrated with strategic HRM and business plans.

Moving on from the analysis of the designated MCD models and against the backdrop of the literature review, Chapter 4 proposes a systematic MCD model which is linked to organisational HRM strategy. This chapter also examines emerging trends in managing the HR function, as well as the importance of monitoring bodies for DSGNS career development initiatives. Furthermore, the research methodology and research

procedures are discussed in detail. The choice and development of the research instrument, the development and execution of the research procedures, and the statistical methods used to analyse the collected data are also discussed in this chapter.

The results and interpretations of the survey are described in Chapter 5. This section discusses the chi-square testing statistical method for a significant level set at $p < 0.05$ and whether the test results are accepted or not accepted according to the statistical analysis. Factor analysis was used to analyse the career dimension survey. The recommendations and conclusions of this research are addressed in Chapter 6.

1.6 SUMMARY

This study is intended to provide a holistic view of the current status of top management commitment, especially with regard to MCD and advancement interventions for future D_{SGNS}. Furthermore, it should provide insight into the progression of D_{SGNS} in the hierarchies of South African automotive organisations. Against the backdrop of a literature review and on empirical survey, strategies for designated MCD programmes are formulated, to assist in progress towards redressing past imbalances.

It is anticipated that this study will provide useful HRM strategies for automotive organisations in South Africa. It will facilitate capacity building, in terms of HR, in the various designated groups and the MCD of previously disadvantaged personnel, with appropriate competencies and accredited management skills. It will also provide an opportunity to forge stronger institutional links between organisations to enhance the development of a spectrum of MCD initiatives for D_{SGNS} advancement.

CHAPTER 2

MANAGEMENT CAREER DEVELOPMENT: LITERATURE REVIEW

“If you want one year of prosperity – grow grain. If you want ten years of prosperity – grow trees. If you want hundred years of prosperity – grow people.”

Chinese Proverb

2.1 INTRODUCTION

At the dawning of the third millennium, Scarbrough, Swan and Preston (1999) noted changes such as advances in information and communication technology and the emergence of less hierarchical organisational structures. In the automotive industry, as employees grow and change, the types of work they want to do may also change. The globalisation of the automotive manufacturing industry and increased competition between organisations will almost certainly have several implications for the ways in which candidates are selected for particular jobs, for what knowledge, skills, abilities and other characteristics are most strongly related to performance, and for the manner in which individual careers themselves are defined.

Understanding and finding ways to enhance the careers of employees in an organisation is an integral part of HRM. Career development provides a future orientation for HRM activities. People and organisations change. Hence, organisational objectives and the blend of knowledge, skills, abilities and other characteristics required to reach those objectives also need to change in response to challenges from the environment in which organisations operate.

Work is significant in human lives, even if the meaningfulness of work differs from person to person. For some, it merely provides an income, for others, personal fulfilment. It may even form a key element of an all-embracing lifestyle. The more a person needs to improve his/her self-image, to achieve and to express his/her abilities,

the greater the meaningfulness of work to that individual. Bryman (1989) argue that career success can be classified as a variable. An individual may experience career success during different phases of his/her life. At any given period, he/she may question the success of his/her chosen career and his/her ability to meet the demands of this career. For this reason, careful career preparation and career planning should take place before an individual chooses a career. To make a career choice, an individual should know him/herself, his/her interests, skills, competencies and abilities. An awareness of these individual traits guides a person toward making the correct career choice. It enables a person to manage career decisions effectively in the search for or within an organisation that best suits his/her career needs. To a large degree, the choices we make about work determine our success, happiness and financial well-being.

Career development is such a broad field that it is beyond the scope of this research to discuss it fully. Instead, this study focuses on the MCD concepts and practices that top managers and HRM professionals can use to fulfil their role as developers of human resources strategies.

This chapter investigates theories relating to careers, to career management and to individual, organisational and external factors which may influence a career or career path. The human resources planning process as a central aspect of the career management process and the theoretical concepts of human resources planning are discussed. Individuals' career choices, self-development, growth and career planning (all of which form an integral part of an individual's career and life) are explored.

2.2 MANAGING AN EMPLOYEE'S CAREER

As mentioned before, organisations worldwide are in a constant state of change in terms of their structure, labour composition, size and technological make-up. A global economy and the technological revolution are bringing about new international competition, which imposes new demands on organisations. Organisations are under pressure to do more with less, to be more flexible, efficient and effective. Organisations are adapting, amongst other things, by designing flatter structures, organising around processes rather than functions, using self-directed work teams and being more

knowledge-based (with less emphasis on command and control), and defining jobs narrowly, as stated by Hall and Mervis (1995). These forces and changes have far-reaching implications for people and their careers. The following trends are becoming increasingly apparent:

- Careers are moving in a way that is more cyclical and lateral, rather than vertical, and career moves involve becoming multi-skilled in the process of gaining broad knowledge about the organisation (Hall & Mervis, 1995:333).
- Individuals take ownership of their careers, while the organisation plays a supportive role (Hall & Mervis, 1995: 334).
- Continuous learning and development are essential in order to live up to the new expectations (Schein, 1993:54).
- New kinds of employment relationships are emerging as more and more people are becoming freelance providers of skills and services (Rousseau & Wade-Benzoni, 1995).
- Employability, rather than employment, becomes a source of security (Kanter, 1990: 332).
- Career development is becoming more holistic in its focus.

In the light of the above changes, individuals are expected to take control of their careers, while the organisation plays more of a supportive role in this self-management process. Two important processes the organisation can utilise to assist career planning are providing information about career opportunities in the organisation, and providing career planning techniques to facilitate the process (Schein, 1993:73).

Traditionally, many employees believed that if they joined an organisation, became competent, worked hard and stayed out of trouble, they would have a job as long as they would want it. For those who entered the workforce believing in and expecting this traditional form of employment relationship, the realisation that things have changed can be unsettling. The realisation that an organisation is not responsible for its employees' continued employability has created uncertainty and fear in many employees. A recent review of articles published on this topic (Roehling *et al.*, 2000)

has shown that there was widespread agreement that employees were increasingly expected

- to assume responsibility for developing and maintaining their own skills;
- to add demonstrable value to the organisation; and
- to understand the nature of their employer's business.

At the same time, there was strong agreement that under the new Employment Equity and Skills Development Act, employers' relationships with employees already within the organisation should provide

- opportunities for skills development, training and education; and
- employee involvement in decision-making, assistance with career management (for example, coaching and mentoring) and performance-based compensation.

2.3 A DEFINITION OF A "CAREER", "CAREER MANAGEMENT" AND "CAREER MOTIVATION"

There are several definitions for the term "career". Schein (1978) argues that an individual must see his/her career as a process by means of which he/she can directly guide and influence the direction of his/her own working life. This career path will change in terms of the individual's development and life stages and can be seen as an intertwining of activities that are related to work and "non-work". Schein (1978) indicates that a career allows opportunities for a person to experience hope of leading a fulfilled life, but that it can also place limitations upon a person's life. A career offers opportunities to enhance both people's work and lives, and to gain experience of the consequences and events of these two separate worlds. Greenhaus, Gallahan and Godschalk (2000) state that a career is best described as "the pattern of work-related experiences that span the course of one's life. This definition includes both objective events, such as jobs, and subjective views of work, such as the person's attitudes, values and expectations (Greenhaus *et al.*, 2000:34). Therefore, both a person's work-related activities and his/her reactions to those activities form part of the person's career. This definition is consistent with the notion that careers develop over time, and that all persons have careers, regardless of their profession, their level of advancement or the stability of their work pattern.

Both the individual and the organisation have an interest in an individual's career, and both parties may take actions to influence that career. These related career initiatives are referred to as career planning and career management activities. Career planning is defined by Schein (1978) as

- a deliberate process of becoming aware of the self, opportunities, constraints, choices, and consequences;
- the identification of career-related goals; and
- a programming of work, educational and related developmental experiences to provide the direction, timing and sequence of steps required to attain a specific career goal.

Hence, career management can be defined as an ongoing process of preparing, implementing and monitoring career plans undertaken by the individual alone or in concert with the organisation's career system (Schein, 1978).

Career motivation (London, 1983) is a multi-dimensional concept consisting of individual and situational characteristics, reflected in the individual's career decisions and behaviour. It encompasses a person's motivation to do his/her present job and to meet expectations related to various managerial roles. It consists of three dimensions:

- career identity factors reflecting career decisions and behaviour;
- career insight (the extent to which the individual has realistic career perceptions);
and
- career resilience (the ability to overcome career setbacks).

There are many different meanings related to the concept of a career. Geber (1992) has identified four distinct explanations for a career, namely a career as an advancement, a profession, a lifelong sequence of jobs, and a lifelong sequence of role-related experiences.

- **A career as an advancement**

A career can imply a vertical movement, in other words, upward mobility in an organisation. It means that a person moves onwards in this work life, by means of a promotion, a transfer or a new job in a similar position in another company. It may also involve a lateral move with more responsibilities. A career in this sense refers to basic advancement, for example, a sales representative who advances through the ranks of the sales department to become a sales manager defined by Geber (1992).

- **A career as a profession**

This concept refers to those careers where a person has to follow a certain route during his/her career path; in other words, there is a clear pattern of advancement. The legal profession is an example of such a career. In such a profession a person starts his/her career as a law student, becomes a clerk in a law firm once he/she has qualified, a lawyer once he/she has completed his/her articles, an associate and then a partner, once a sufficient level of experience or expertise has been achieved (Geber, 1992).

- **A career as a lifelong sequence of jobs**

This refers to a series of positions held during a person's work life. There is no mention of a specific profession or any mobility, but it refers purely to any jobs held by the individual during his/her working life.

- **A career as a lifelong sequence of role-related experiences**

This refers to the way an individual personally rotates his/her job functions and gains experience. It is more of a personal experience (satisfaction, changing aspirations and attitude changes).

From the above, it is clear that a career can be seen as a two-fold process consisting of individual factors (such as the individual's likes, identity, self-image and interests) and job factors (being part of an organisation, work relationships and work lifestyles).

Two factors regarding the idea of transitional role of management should be addressed before any career management programme can be effective:

- management must have a clear understanding of careers, career management, and career development programmes; and
- management must also be aware of its abilities and skills and understand its own career objectives in order to manage employees' careers.

2.4 CAREER MANAGEMENT AS AN ONGOING PROCESS

Career management can be described as an “ongoing process” in which an “individual

- gathers relevant information about himself/herself and the world of work;
- develops an accurate picture of his/her talents, interests, values and preferred life-style, as well as alternative occupations, jobs and organisations;
- develops realistic career goals based on this information and picture;
- develops and implements a strategy designed to achieve the goals;
- obtains feedback regarding the effectiveness of the strategy and the relevance of the goals” (Greenhaus & Gallanan, 1994:7).

Career management may include activities that help individuals to develop and carry out career plans, but the focus is on taking actions that increase the chance that the organisation's anticipated HRM needs will be met.

At its most extreme, career management is largely an activity carried out by the organisation. An example of such an activity is succession planning, which is typically carried out in secret by senior management to determine which employees can and should be prepared to replace people in positions of greater responsibility.

Career management and career planning activities can be complementary and can reinforce each other. For example, it is difficult to monitor the career plans of an individual who has not made specific plans to be monitored. A balance between the two (management and planning) can make for effective career development. The organisation can support actions at any point on the spectrum, assisting the employee

with career planning, as well as conducting career management activities, and thus play a role in effective career intervention (Desimone, Werner & Harris, 2002).

Figure 2.1 shows where various career development activities fit into the career planning and career management spectrum (Hall, 1986). These activities vary along this spectrum according to

- the amount of influence exerted by an individual;
- the amount of information provided to the individual;
- the amount of influence of the organisation; and
- the amount of information provided to the organisation.

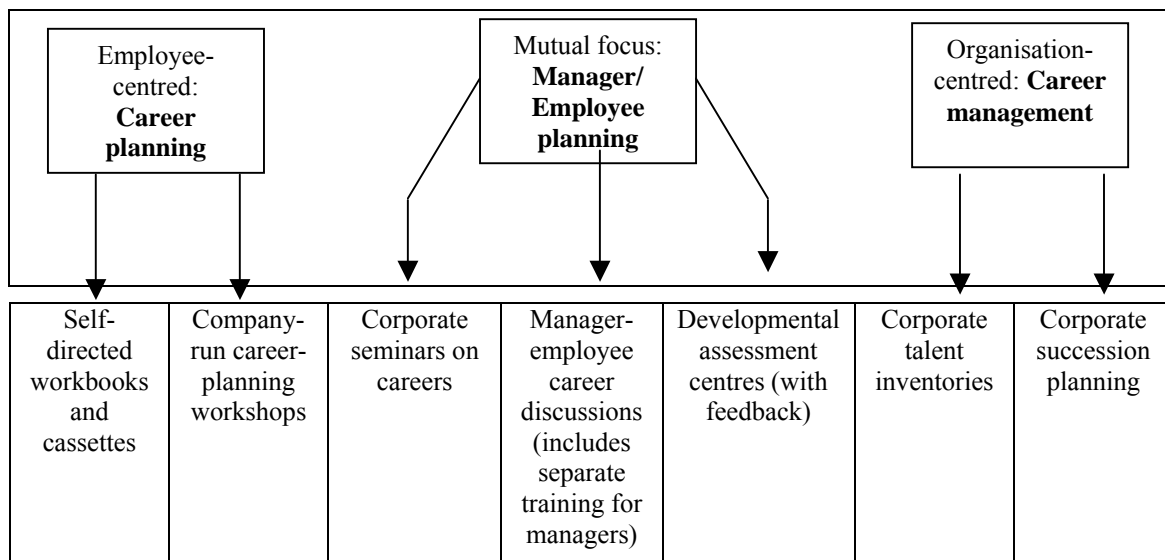


Figure 2.1: Spectrum of career development activities (Hall, 1986:116)

2.4.1 The scope of career-pathing and MCD

Career management consists of four essential components:

- the company's management competencies, needs and goals;
- MCD;
- a employee's career needs for life-long development; and
- succession planning.

These components are interdependent and no career management process can operate without all four.

“MCD” is a term used in a comprehensive sense to encompass the different ways in which managers improve their capabilities. It includes management education, management training. However, the common use of the term “career development” goes beyond the sum of these meanings, to include a wider process than the formal learning of knowledge and skills. It includes informal and experiential modes of human resources development in the organisation.

MCD is thus a multi-faceted process in which some aspects are easier to identify and measure than others. One way of putting these different dimensions into perspective is to try to compare their relative contribution to the performance and development plan outcomes for a good manager. They must also be seen in the context of a national policy for training and education more generally (Mumford, 1997). In this study, the term MCD is used in a comprehensive sense to encompass the different ways in which managers improve their capabilities.

2.5 THE IMPORTANCE OF CAREER DEVELOPMENT

If an individual has a clear understanding of what a career is, it will assist him/her in identifying the importance of his/her career. Hall (1986) has identified the following reasons for the importance of careers:

2.5.1 Career as life

People spend more time at work than at home; in other words, work basically represents a person's entire life. A career then “becomes a primary factor in determining the overall quality of life” (Hall, 1986:42). Many people become very frustrated when they reach retirement age, because they know that they have come to the end of their working lives. Often retirees take up another job and continue as consultants to the company from which they have retired.

2.5.2 Equality through careers

Having a successful career places an individual in a better position to achieve social elevation and personal liberation of equality to organisational career-pathing and development. The affirmative action programmes implemented in most South African automotive companies are a good example of how equality to peers in the same business can be achieved through career-pathing for previously disadvantaged employees. DSGNS are appointed in key positions in companies and undergo extensive training in order to achieve equality with their counterparts. Women have also been drawn into careers and are in the process of transcending a history of inequality in the job market. Because job creation is such a key factor in the current South African political arena and has a vast impact on social change, companies are forced to pay more attention to career management to address these issues.

2.5.3 Career mobility

Career mobility refers to the movement by an individual to advance his/her own career. In South Africa, job reservation based on race and gender has been a problem that has affected the mobility of now designated groups. The Black Economic Empowerment Commission (2002) argues that employment equity policies are designed to fail, because the policies fails to address the core problem, namely a lack of career opportunities for DSGNS and a shortage of skills, properly. Job mobility can also be affected by personal factors, for example, employees are more aware today of their work's location, quality of life, recreation and family when they choose a job, or accept a promotion or a transfer.

2.6 UNDERSTANDING HOW MANAGERIAL CAREER ADVANCEMENT OCCURS

It is important to understand how employees advance to managerial positions. There is a need to advance (as managers) those who are most effective, especially from among previously disadvantaged groups. A lack of performance or good performance by organisational leaders has been shown to contribute to organisational failure (Levinson, 1996) and profitability (Erwee, 1988). Sadly, the proportion of effective managers is thought to be less than 50 per cent globally (Kotter, 1999). It is also critical to understand why women and previously disadvantaged majorities continue to be underrepresented in management (Kelly, 1994).

Ways to advance to high positions in contemporary organisations differ from those two decades ago (Kotter, 1996). Then, there was a strong reliance on career paths based on job ladders, seniority and tenure. Currently, managerial positions are fewer; and organisations are flatter and more decentralised and many have downsized. This necessitates a changed view of how advancement occurs.

There have also been changes in HRM practices regarding the selection and promotion of managers. Selection practices for management positions are now more structured and less subjective than a decade ago; equal employment opportunity/affirmative action has been introduced; and applicant pools for managerial positions are increasingly diverse, contain more women, more older applicants and applicants from more ethnic groups and races (Kotter, 1998).

Managerial career advancement is often defined in terms of promotion within managerial ranks, the level of management ultimately reached and the level of pay received. Managerial promotions signify upward movement in the managerial hierarchy, and managers' levels of pay signify managerial achievement and success.

2.6.1 MCD theory models

The studies reviewed examine organisational and individual causes of managerial career advancement consistent with past reviews by the researcher, for example, those by McCalman and Paton (1990) and Simon and Burstein (1985). The studies published since 1990 cover several categories of variables (as shown in Figure 2.2). In the organisational context, opportunity structures, social structures, interpersonal contexts and promotion processes have been examined. With regard to individual factors, traits, human capital, managerial skills and family have been looked at.

ORANISATIONAL VARIABLES

INDIVIDUAL VARIABLES

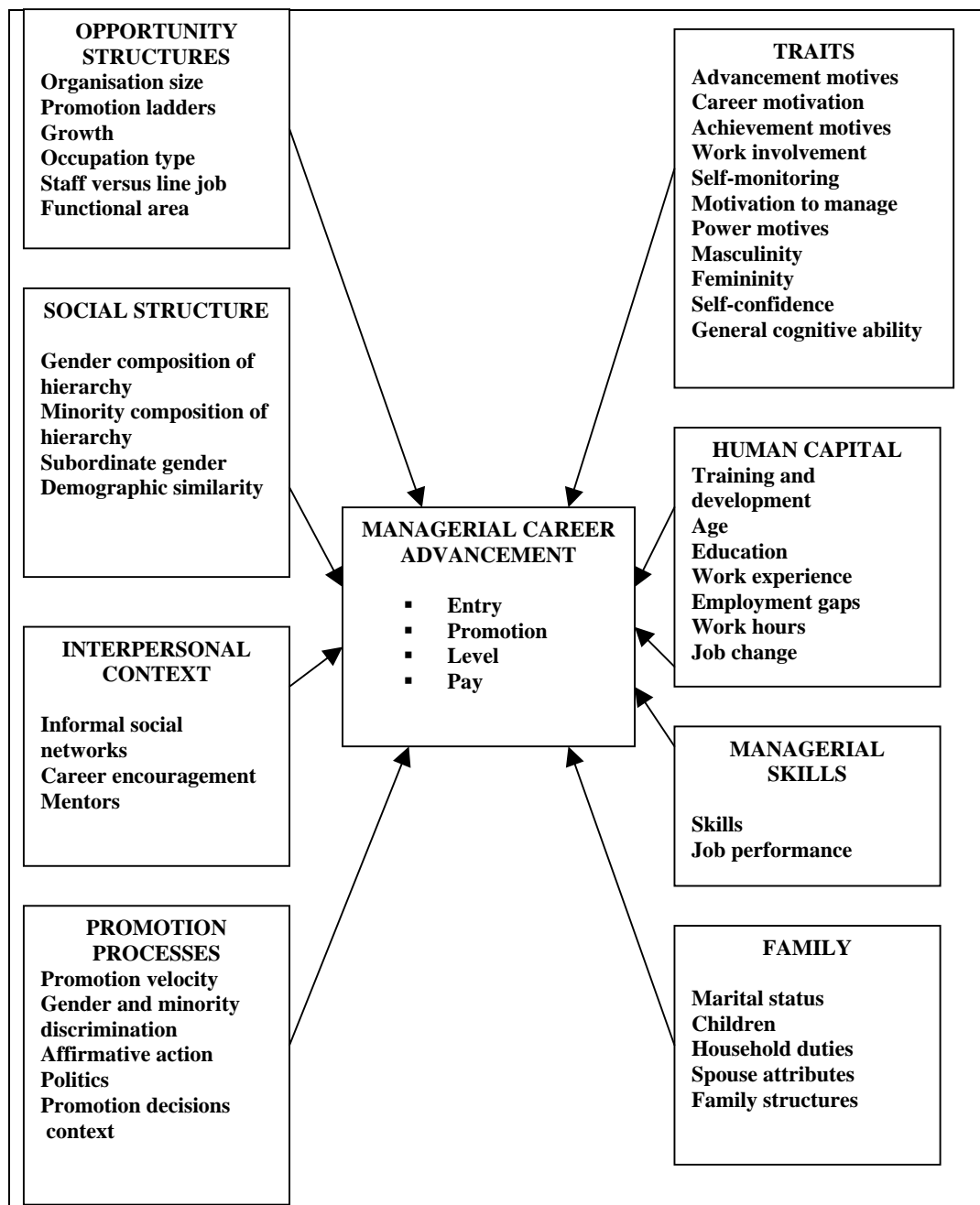


Figure 2.2: Categories of variables of managerial career advancement based on previous studies (Adapted from McCalman & Paton, 1990:29)

Upon entering an organisation, individuals are faced with opportunity structures (McCalman & Paton, 1990). They enter jobs that vary in promotion ladders. They start on the bottom rung of the ladder in a closed internal labour market, or could start on higher rungs in a more open internal labour market. Promotion is achieved by moves between levels on the ladder. Ladders need to be long with many levels, and need to lead to higher level jobs for promotions to occur and vacancies to arise. Occupations

and job types and functions are also components of internal labour markets that vary in their capacity to allow individuals to move into or advance in management. Primary jobs and “organisation” jobs provide more promotion opportunities than secondary jobs and “occupation” jobs (McCalman & Paton, 1990).

The studies that were reviewed were multivariate. They primarily had cross-sectional designs and they assessed opportunity structures (measured either by self-report, little-validated measures at individual level, or by more objective means using company and industry records at the organisational level). Most studies of opportunity structures did not assess their direct effects on advancement through intervening structures or other factors, and comparative studies on the importance of opportunity structures relative to individual factors or to other factors have not been done to a sufficient extent.

2.7 A ROAD MAP FOR PLANNING AND DEVELOPING MANAGEMENT CAREER-PATHING

There is a growing awareness among major automotive manufacturing corporations that future MCD and organisational development activities must be deployed in conjunction with company strategy and other human resources programmes. This section outlines the emerging role of management/leadership development in the strategic management process and develops a preliminary model for integrating MCD into organisational strategic leadership development. One of the main challenges faced by HRD professionals is aligning MCD objectives more closely with strategic and organisational objectives. This sounds logical and easy, but is very difficult to do.

Greenhaus *et al.* (2000) did a systems dynamics analysis of management/leadership career-pathing development in which a number of implications of MCD objectives were highlighted. It appears that a company’s investment in MCD is doomed to repeat a cyclical pattern of expansion, followed by contraction, unless the company

- places management/leadership career-pathing development initiatives on the strategic agenda of the company;

- partners itself with service providers/tertiary educational institutes to help the organisation to become a learning organisation rather than merely increases its knowledge base through career-pathing development efforts; and
- measures the impact of management/leadership career-pathing development efforts and initiatives on organisational success (Mabey & Thomson, 2000).

If these challenges are met, this can help HRM to attain its organisational management/leadership career-pathing objectives effectively, and to reach goals that will create the leverage needed to sustain a positive growth pattern.

A research report published by the International Consortium for Executive Development Research (Fulmer, 2001) has observed the following points, which comprise a fundamental redefinition of the purpose of the field of MCD:

- Fulmer (2001) highlights management career-pathing and educational development activities as vital components in the strategic development of a company, especially with regard to the recognised need for continuous improvement and learning.
- Organisations are focusing more on organisational development efforts than on individual MCD, as they seek to enhance their ability to adapt to the global competitive environment.
- In order to leverage their investments in learning, organisations are using fewer external development opportunities and are focusing instead on development activities specific to the organisation and more tightly linked to the realities of the workplace.
- Organisations are planning ahead to increase their level of activity in management/leadership and organisational development efforts to help to facilitate change and revitalisation.

These observations suggest that, as strategic leadership development has matured over the past decade, it has assumed a much more crucial role in organisations. Once it was an activity offered only to a select few individuals identified as having high potential to reach future senior management positions, but now, MCD has become an important tool for revitalising companies and building learning-oriented competitiveness. For example, in response to a business environment which is changing dramatically, much attention is being given to identifying the competencies and characteristics of “the twenty-first-

century manager”. This search for managers/the leaders of the future has been a dominant theme in the redefinition of MCD and development practices and techniques.

To develop a systems perspective, organisations must endeavour to understand which MCD processes are most effective. These processes will have to function under a variety of changing circumstances and for different levels or target groups in order to maximise the organisation’s ability to promote both individual and organisational learning.

2.8 FORMULATING AN INTEGRATED SYSTEMS FRAMEWORK

Management career-pathing education and training is only one small component of a much more complicated set of choices that companies must make as they strive to identify and develop the critical human resources that will create their company's superior ability to learn (Thomson *et al.*, 2001).

This challenge has become all the more difficult as leadership development has become a more professional field, with its own language, specialty and specialists. There is clearly a danger that, as subspecialties grow within the field, the prospects for strategic integration could become even more remote than it is at present. The model depicted in Figure 2.3 is an attempt to illustrate the necessary linkages between various elements to leverage MCD as a force in organisational learning and competitiveness (Ready, Vicere & White, 1992).

The catalyst for this systems perspective is a focus on the organisation's strategic imperatives, the core drivers of its competitive thrust. Based on these imperatives, an organisation must define its priority objectives for MCD, as well as target "clients" for development activities. Once these second-level objectives and priorities have been identified, the organisation must determine appropriate methods for achieving the target objectives and select potential providers of those opportunities. Throughout the process, evaluation and assessment must be conducted at critical points to ensure that focus and integrity are maintained and that the expected results are generated. The evolving MCD model/process is thus fully integrated into the strategic and HRM systems of an organisation. This last step helps maintain a consistent focus on the strategic imperatives and priority objectives for MCD.

In this systems framework, all elements of the management/leadership development system are linked together to focus on the most essential outcomes of the process: the development of a sustainable focus on organisational learning and, ultimately, competitiveness.

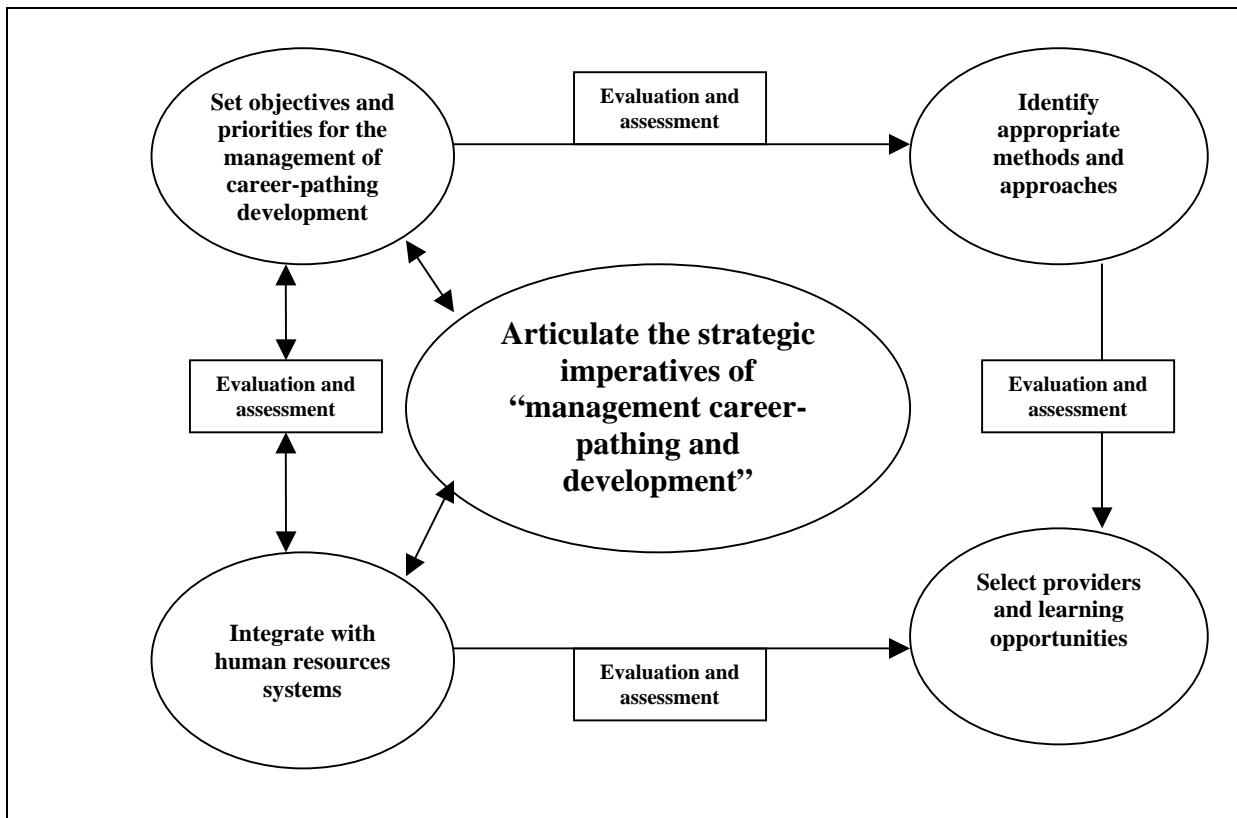


Figure 2.3: Revised MCD planning: an integrated approach (Ready *et al.*, 1992:85)

2.8.1 MCD visibility and value-adding

To solve management performance problems through training, an organisation must perceive that MCD programmes are beneficial and address the highest payoff areas. Those who do not participate in MCD need to see the benefits that career pathing and development has provided for organisations that have implemented MCD and the added value that MCD has produced in these organisations. That will go a long way toward establishing a successful career training and development function in South Africa. A visible communication centre needs to be set up, with a value-adding “internal focus team/committee” to address employee-training needs. The following examples used by Whiteley and Hessian (1996) illustrate the actions needed:

- implement a help-line to support new training initiatives or new materials;
- offer a coaching/mentoring service or conduct workshops on consulting skills for other providers of internal services;
- facilitate team meetings and demonstrate new technical skills;

- offer confidential counselling (one-on-one) to senior managers, who might resist attending group events;
- create an MCD resource library;
- develop customer satisfaction surveys for departments;
- hold periodic “open houses” and invite the entire organisation so that members can
 - talk to the training and development team;
 - view training material;
 - sample course activities;
 - explore training video and book resources;
 - talk to others who have benefited from particular development initiatives; and
 - have one-on-one discussions or make appointments to discuss their particular needs;
- use information technology (e-mail, intranet) to issue “Topic Career Briefings” that cover subjects of interest;
- assemble representative groups of stakeholders to
 - periodically review training output and effectiveness;
 - determine success levels to be measured in proposed training and development programmes; and
 - give feedback on training facilities, resources, publicity, etc.;
- identify areas where what you are doing is superior to what your counterparts in competitor organisations are doing;
- get involved in or sponsor research from professional bodies (the NRF, DACTS, the CSIR and educational tertiary institutions); and
- set up special interest or cross-functional groups to discuss key human resources development (HRD) issues of the day, perhaps as a kind of professional body or club to promote life-long learning and to build self-ownership in career development interest.

There is probably no end to ideas on how MCD functions can stay visible while adding organisational value and promoting what this technique can achieve (Machin, 1998).

2.9 EXAMPLES OF STRATEGIC MCD APPROACHES

One of the best examples to illustrate the power of this model (as summarised in Figure 2.4, overleaf) is strategic MCD, which is known for its commitment to various career development frameworks to enhance management, executive activity and leadership (Fulmer, 2001). The development of a new MCD framework as part of a company's strategy can be re-examined at and is revitalized by each step of the process.

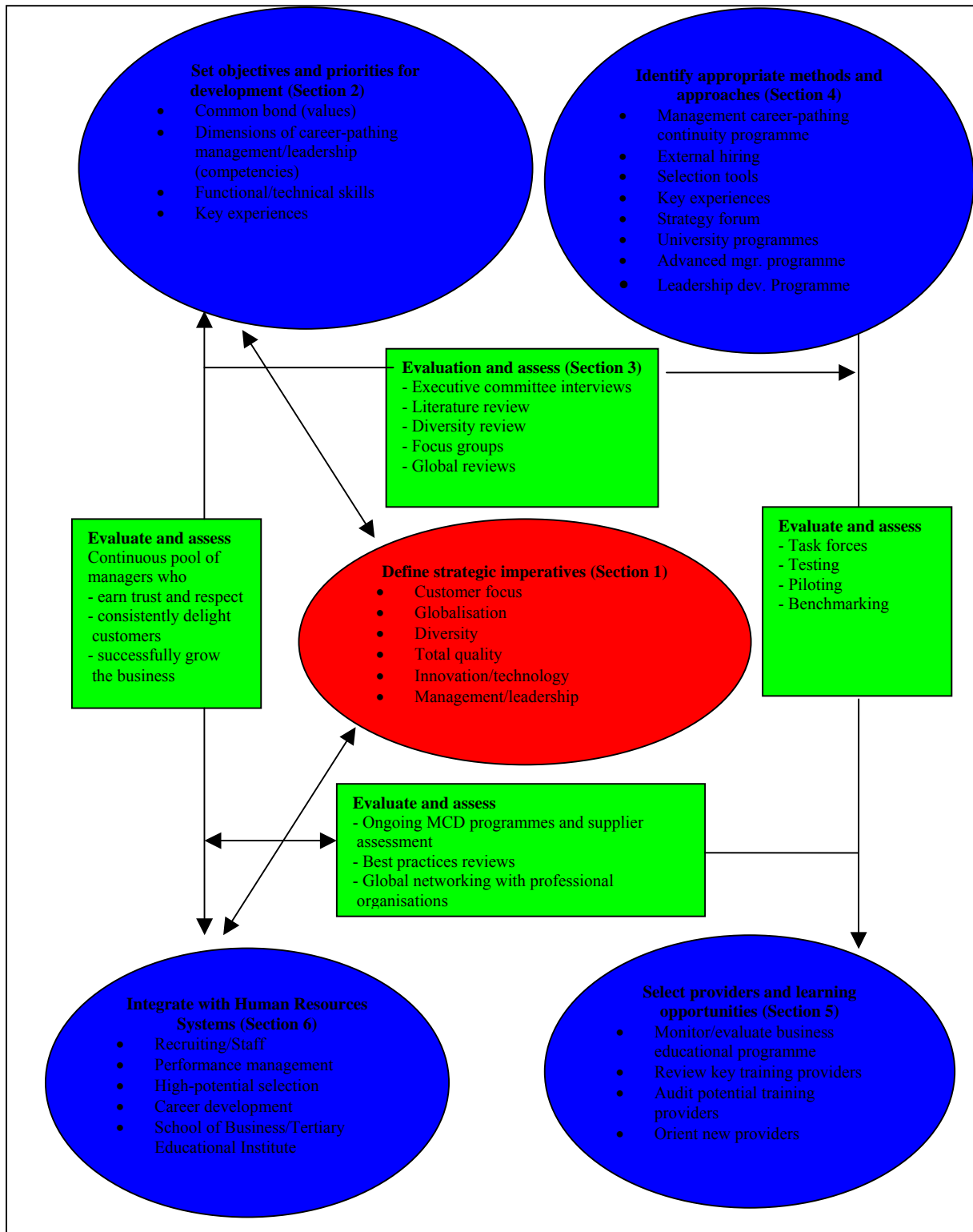


Figure 2.4: Revised MCD Planning (adapted from Stewart, 1992:87)

2.9.1 Section 1: Defining strategic imperatives

Vicere and Fulmer (1998) recognise that dramatic shifts have occurred in the global business environment. These require changes in a company's strategy, operations and skills. This has become one of the top challenges for MCD in an automotive organisation. Building depth and breadth of expertise, as well as an understanding of how to integrate both business and technical perspectives and capabilities, is deemed essential for MCD. These values enable managers to deliver on competencies that have become the key strategic initiatives for the transformation of human resources MCD talent.

As with any newly emerging topic area, studies investigating issues in strategic MCD have, for the most part, been relatively limited in scale and scope and have been conducted largely on an exploratory basis. There are, however, encouraging signs that research in this topic is entering a new phase. Thus MCD for DSGNS becomes one of the top challenges. In an assessments of strategic HRM in organisations that wish to accelerate management development, as referred to in the findings reported by the consulting company DTZ Pineda (DfEE, 1998), the types of impact of MCD most often mentioned by respondents were the following:

- direct impacts:
 - improved morale of staff;
 - an improved response and greater flexibility shown by managers; and
 - improvements in quality leading to greater customer loyalty/new business; and
- indirect impacts:
 - an improved management style;
 - better tracking of projects and evaluation of their worth to the firm;
 - a greater understanding of the value of training and human resources development in general; and
 - a quantitative measurement of the impact of MCD for firms.

It is important to note that there are a number of problems for firms in assessing the impact of MCD at strategic assessment levels in “respect for individuals, high standards of integrity, dedication for helping customers, innovation and teamwork” (Fulmer,

2001: 56). MCD aspires to move the strategic management forum beyond its traditional role of being the body who “knows all and decides”, to being the body which has a knack for awakening knowledge and competence in others for “leadership talent transformation” initiatives (Farren and Kaye, 1998).

2.9.2 Section 2: Objectives and priorities for development

Vicere and Fulmer (1998) recognise that “Common Bond Values” and the strategic imperative for key talent transformation in management have become the foundations for a process of setting objectives and priorities for MCD. Goodwin, Fulmer and Ready (1995) listed the following set of management competencies, which from a starting point for a discussion of what may become a transformational management framework outlining the following categories:

- specific functional and technical skills and behaviours associated with the new management focus;
- the articulation by each business unit of specific expectations within its area; and
- the setting of a key experience that helps managers to master the new leadership skills.

2.9.3 Section 3: Evaluation and assessment

Between each of the steps in the model, evaluation and assessment are essential. The first step in the evaluation process consists of becoming familiar with current wisdom and practice in MCD. The team tests the “strategic transformational leadership framework” with focus groups of managers for multiple business units/divisions and business functions. These focus groups validate the “strategic transformational leadership framework” for effective and ineffective management behaviours for use in the development of measurement tools to accompany the framework. The customised set of competencies that reflect MCD must support the successful execution of its new strategic imperatives (Avolio, 2001).

2.9.4 Section 4: Identifying appropriate methods and approaches to MCD programmes

Companies have a rich tradition of utilising varied approaches to MCD and organisational development. To ensure alignment, these approaches must be carefully co-ordinated to reinforce new strategic imperatives. Some of the transformational management co-ordination initiative efforts operate in the following areas:

- MCD continuity programmes;
- key experiences definition;
- internal development programmes, including a strategy forum, an internal advanced management programme (senior management), and a leadership development programme (middle management);
- active use of external (tertiary educational institute-based) executive programmes;
- extensive use of 360-degree feedback;
- external hiring; and
- selection tools.

These methods and approaches have been being refined and validated in terms of “best practices”, as well as their fit with a company’s strategic HRD framework (Mabey and Thomson, 2000).

2.9.5 Section 5: Selecting providers and learning about MCD opportunities

A systems perspective is essential for automotive and other industries to choose their investments in MCD. Companies interested in building an integrated leadership development system (like that in Figure 2.4) need to engage in an orchestrated effort to do the following:

- *Define and articulate the strategic imperatives.* These are the priorities, competencies and capabilities considered by top management to be the basis for the company’s future competitive advantage and to be target areas for MCD.
- *Clarify core objectives for career development based on the strategic imperatives.* This should include efforts to define critical competencies and capabilities, to engender a market focus throughout the company, to build networks to influence

competencies and capabilities, to enhance communication and teamwork, to change the organisational culture, and to implement competitive strategies. In addition, the company must prioritise “clients” for development by defining which levels, functions, regions and competency areas are the most important targets for career development management initiatives.

- *Select methods and approaches to be used for career development.* This must ensure consistency with strategic imperatives and overall learning/MCD objectives. This could include team or task force assignments, action learning projects, rotational assignments, classroom education, competency identification and career development.
- *Build strategic partnerships.* These are built up with select groups of MCD service providers to help gain leverage and round out internal resources and to re-assess those relationships periodically to ensure that they are actually achieving the objectives initially outlined.
- *Link career development processes with human resources practices.* To enhance the impact of MCD efforts, a company must maintain tight links to its HRM infrastructure, including monitoring its performance on career management and the effectiveness of its reward systems, recruitment and selection procedures, and its succession and management resources planning processes. The final MCD ensures that a learning orientation becomes ingrained in the organisation’s culture and that the organisation operates on a career-pathing management philosophy (Goodwin *et al.*, 1995).

2.9.6 Section 6: Integrating HRM and MCD systems

- The growth of an organisation is closely related to the development of its human resources. If employees fail to grow and develop in their work, a stagnant organisation will most probably be the result. A strong employee development programme does not guarantee organisational success, but such programmes are generally found in successful, expanding organisations. HRM managers need to pay increasing attention to processes and activities that enhance advancement and solve the problems that managers encounter along their career paths. Research by Walker (1990:34) has revealed that future challenges and directions in human resources will require organisations “to find ways to assist HRM staff development in strategic

MCD partnership capabilities”. These research findings by Walker (1990) highlighted the major concerns of the respondents to the strategic implementation of human resources management for career development activities:

- training HRM personnel to bridge the gap between business and MCD;
- defining the new requirements of HRM professionals and building the breadth necessary to link HRM and business issues; and
- understanding the relative impact of different development activities on HRM staff.

On the issue of job mobility and managing the human resources function, some respondents raised the following HRM concerns:

- How can one best rotate high-potential line managers (who are) bound for senior responsibility through MCD roles?
- What is the best way to position HRM to become more strategically focused? How does one build a business-driven mentality clarifying the role of the function into the HRM function?
- How should a “world class” HRM function be organised and managed?

Walker’s (1990) findings indicate that organisations need to manage change. In the South African context, this should extend to strategic human resource activities, with a particular focus on the career-pathing and development of future DSGNS to meet the needs of business in South Africa.

Veldsman (1996:31) concurs with Walker’s (1990) findings when he states that “the true challenge facing the leadership of organisations is to shape, innovatively and proactively, the destinies of their organisations by ensuring sustained competencies and capacity in a radically redefined world”. According to Veldsman (1996), people are the key resource in the process of the future creation and actualisation of strategic decisions. Watson (1996) offers a similar view when she refers to career management strategies as “drivers” of the process of integrating human resources with business strategies.

In the search for a transformed people career management philosophy, Veldsman (1996:53) suggests that organisations should understand and accept change in order to create new futures built by means of a “psychosocial contract” which needs to be compatible with people’s career management philosophy. He adds that establishing a

partnership contract “demands an intensive process of engagement within and outside the organisation, aimed at redefining the very foundation of the organisation, which paves the way to influence future organisational success”.

Cook, Adonisi and Viedge (1994) refer to learning partnerships for mentoring relationships built on the concept of empowerment in competence and skills for the MCD of DSGNS. Veldsman (1996) argues for a new emerging people management philosophy, which should be compatible with a partnership career-pathing timeframe contract, and focuses on how people should be treated.

2.10 SOME MCD TECHNIQUES

The following MCD techniques have been identified by Kemske (1998:29):

- establish a process of natural learning in the workplace like a “career-pathing manager mentorship/protégé relationship or coaching models”;
- formulate an empowerment programme model for previously disadvantaged managers that supports and stimulates decision-makers up the corporate ladder;
- formulate and recognise management traineeship programmes and establish an assumed career ladder in which internal promotion is the expected mode of upward progress (management advancement);
- determine appropriate factors which will influence the training and development of potential previously disadvantaged managers and their future appointment to management positions;
- determine the impact of policies and a procedural framework by reflecting on the MCD programmes (from the top/down approach to commitment at all strategic levels) and by focusing on evaluation, monitoring and adaptation processes to cope with changing circumstances;
- focus efforts to select an appropriate training incentive scheme under the new guidelines of the National Skills Development Strategy (NSDS) supportive programme plans;
- examine the role of tertiary providers of education in MCD for future DSGNS;
- ascertain the perceptions of top management on establishing internal and external monitoring bodies to evaluate MCD and development progress (an HRD forum or Technical Action Group);

- seek follow-up from appraisal reviews, constructing an individual development plan (IDP) and taking ownership of MCD adjustments;
- acquire innovative and novel approaches to gather, synthesise, and communicate information;
- demonstrate solid listening and communication skills; and
- demonstrate success on multi-functional business teams by converting strategy to tactical execution (high-powered teamwork).

2.11 CAREER-PATHING AND SOME NEW PERSPECTIVES ON DEVELOPMENT MODELS

The results of a study conducted by Bryman (1989) reveal that it is necessary to operationalise career change to find a measure for career-pathing engagement. One would expect to find that those who manifest stronger career resilience are more likely to engage in career change environment turbulence and to begin to drive the process of making career-pathing transition decisions. The definition of career-pathing change includes dissimilarities between future and former work. This can be expressed in the form of differences in various job facets such as duties, skills, functions, occupation and field (Latack, 1990). A model of career-pathing change based on career resilience can be constructed as shown in Figure 2.5.

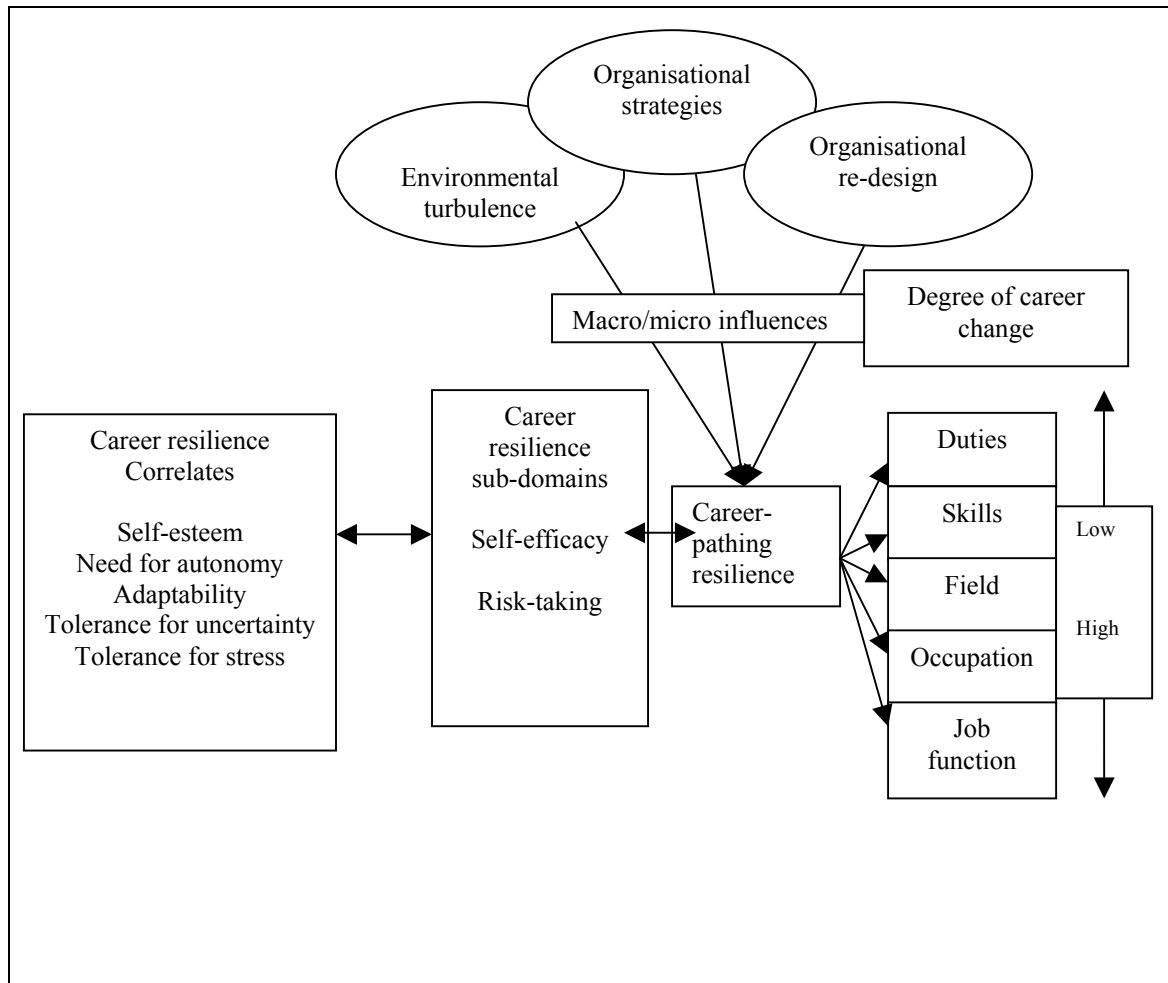


Figure 2.5: A career development model in job function change (Latack, 1990:91)

These new organisational structures have formed in response to turbulent organisational environments and have led new MCD patterns to emerge. A career motivation approach provides a framework for an analysis of these patterns and offers organisations a rationale for refocusing their MCD efforts to produce a more flexible core of managers whose career resilience contributes both to the organisation's success and to the individuals' career development success.

2.12 POLICIES AND PROCESSES THAT AFFECT ORGANISATIONAL MCD

A model for MCD proposed by Allred, Snow and Miles (1996) is set out in Figure 2.6. It illustrates that an MCD policy model can be influenced by input from both the internal and the external environments. Building on earlier MCD analyses, strategic HRM is seen as being influenced by corporate strategy (for example, the decision to

prospect, analyse, defend and/or react). Careers in network organisations require management across flat, multi-company partnerships, rather than long climbs up steep corporate hierarchy ladders. Careers in the 21st century many no longer involve hierarchies, but may include cellular service organisations.

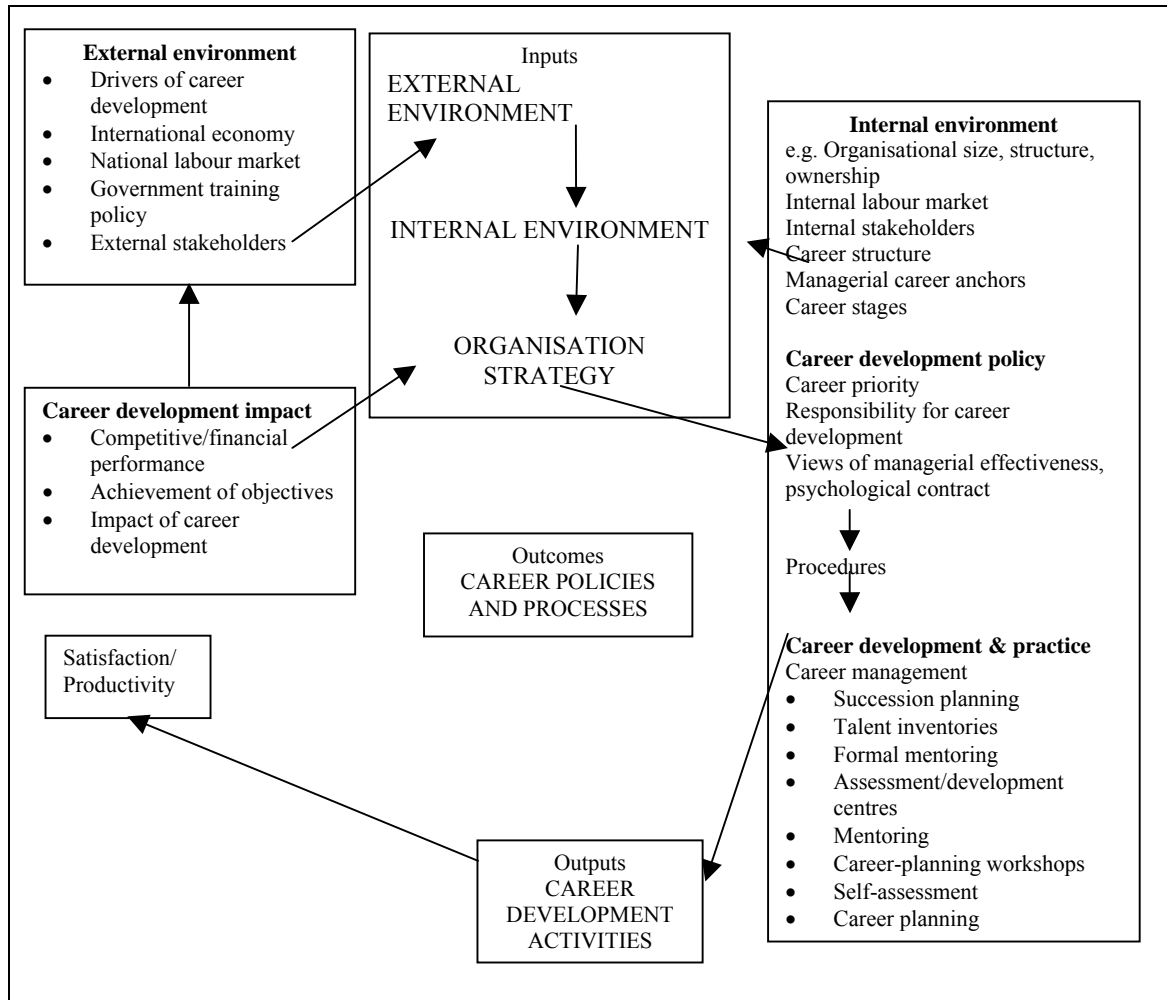


Figure 2.6: An MCD model (Allred *et al.*, 1996:195)

It is an important distinction between organisations that develop a “strong” policy and ones that develop a “weak” policy. A strong policy promotes and develops from the internal labour market and does active planning for MCD programmes. Weak policy development hires expertise as needed from the external labour market and this may result in a lack of proper career planning due to an inconsistent focus on HRM strategy in the business (Allred *et al.*, 1996).

The extension of the organisational analysis includes career issues and purpose so that a “strong policy” may include the offer of more contracts and internal labour market and career management opportunities (probably emphasizing basic, formal and active planning activities). Strong policies seem to be associated with defenders and analysers, through analysers may use a hybrid “partnership” model with greater use of active management activities (talent inventories, career-pathing workshops, mentorship and assessment career development centres) (Arnold, 1997).

By contrast, organisations with “weak” policies may be reactors, or prospectors, making heavy use of the external labour market, offering transactional contracts, and encouraging employees to engage in individual career-planning with less support in the way of career management (except perhaps from “multidirectional” activities such as 360-degree feedback and peer appraisal).

2.13 MCD PROCESSES AND RESPONSIBILITIES IN ORGANISATIONS

This section examines how larger firms organise MCD processes, manage and monitor managers’ performance and the effects of their MCD activities. HRD categories in respect of monitoring managers’ career performance and the setting of MCD objectives include MCD assessment criteria and the allocations of responsibilities in introducing MCD policy. MCD assessment criteria (Thomson *et al.*, 2001) include:

- setting individual performance targets;
- appointing managers for specific jobs;
- assessing managers on performance; and
- assessing managers’ career needs.

The responsibility for initiating MCD policy belongs to:

- the Chief Executive Officer or Managing Director;
- members of the Board;
- the Director or business partners; and

- a specific manager.

It is clear that the above career assessment criteria are fulfilled and policy responsibility division is present to the degree to which management performance is monitored and managed according to MCD principles. Firms with explicit MCD policies generally have a stronger focus on meeting the development needs of both the organisation (a strategic business plan) and individual managers (a personnel development plan). The roles of CEOs or Managing Directors should have a higher priority in the process of setting and implementing an MCD policy. This policy can be interpreted in two ways – either as evidence of top management commitment (recommended by Fulmer (2001) the company's strategic HRD focus) or as a reflection of a top-down autocratic or paternalistic management style.

There is growing evidence that competency-based approaches to managerial assessment and development are gaining ground, as more successful integration of MCD with HR policies is reported (Mabey & Iles, 1993), positive links are made between MCD and business performance (Shackleton, 1992), and competencies are used to articulate and even modify company cultures (Martin, 1995). Greater clarity about which observable criteria differentiate the excellent from the average performer is a valuable step forward towards strategic MCD planning. Gratton (1996), in her study of European multinationals, notes that managers saw MCD as the cultural glue of their organisations, bonding the otherwise loose and separate business entities of which the organisations were comprised.

2.14 A THEORETICAL APPROACH TO MCD PROGRAMMES

In this section, MCD activities are examined, including mentoring programmes, coaching, job rotation, in-house HRD programmes, external workshops and seminars, tuition assistance and reimbursement plans. These career activities provide employees with opportunities to learn new ideas and skills, thus preparing them for future positions and introducing new challenges.

2.14.1 Mentoring

The concept of mentoring has been around since ancient times. The term is derived from Homer's classical Greek epic *The Odyssey*, in which Mentor, a friend and counsellor of Odysseus, was entrusted with the education of Odysseus's son Telemachus in the absence of the boy's father when Odysseus went off to the Trojan War (Cohen, 2000). Trusted advisors have influenced the aspirations and advancement of their protégés (the ones being guided) for a long time. A mentor was responsible for guidance in all facets of life, including physical, intellectual, spiritual, social and administrative development (Crockett & Elias, 1984). The mentoring process has been used in different forms, whether formal or informal, and includes relationships between a CEO and a vice-president, a faculty and a student, one faculty and another, one student and another, or one CEO and another.

The history of mentoring in the professional arenas of business and academia has been cyclical, and mentoring currently appears to be making a powerful comeback (Michael, 1993). It lies at the heart of success in graduate education (Leigh, 1998). Many researchers have developed definitions to assist in an understanding of the mentoring process for practical use in various professional arenas.

Mentoring has been defined as a process which involves an integrated approach to advising, coaching and nurturing, focused on creating a viable relationship to enhance individual careers, personal and professional growth and development (Adams, 1998). Carrell, Jennings and Hearin (1997) define mentoring in an administrative context which involves a person who is active, dynamic, visionary, knowledgeable and skilled

with a committed philosophy that keeps the teaching and learning of students in focus. This person guides other leaders to be similarly active and dynamic. A mentor is a person who is skilled, knowledgeable, visionary, dynamic and committed to the process of improving a protégé's skills. A mentor guides, coaches, nurtures, teaches and models – all behaviours aimed at advancing the protégé. The common words “guiding”, “nurturing”, “caring” and “experience” identify some of the characteristics of the mentor.

According to Kogler-Hill *et al.* (as cited in Leigh, 1998), mentoring can be defined in terms of the nature of the activity when an older, more experienced member dons a guiding role with a less experienced protégé. Another definition of mentoring, offered by Anderson and Shannon (as cited in Colwell, 1998), is that it is a nurturing process in which a more skilled or more experienced person serves as a role model, teaches, sponsors, encourages, counsels and befriends a less skilled or less experienced person for the purpose of promoting the latter's professional and/or personal development. The functions of the mentoring process are carried out within the context of an ongoing caring relationship between the mentor and protégé.

Whether mentoring success is based on particular activities or the process itself, mentoring can potentially assist a person in professional growth after he/she has entered the work place. It has been found that individuals with a mentor tend to advance further and faster, and experience fewer adjustment problems than those without mentors. However, the process is not successful for all persons (Adams, 1998).

Kanter (1990) suggests that the mentoring activity is a critical element in building effective careers. By assisting a protégé's career, a mentor can build his/her own power and support base within the organisation. He also suggests that this power base in turn helps the protégés, since mentors can then stand up for previously disadvantaged managers and promote them for future opportunities. Mentors can help protégés bypass the normal hierarchy when necessary.

Some studies on mentoring indicate that, for females and members of previously disadvantaged groups entering management, the chances for career success improve

when these individuals have access to mentoring. Conversely, it appears that if they are highly motivated to high achievement but receive no mentoring, they might be seen as overly aggressive. Those who both receive mentoring and exhibit high levels of achievement and motivation are the ones most likely to succeed (Cohen, 2000).

2.14.2 Coaching

There is no single agreed-upon definition of coaching. Some authors define it narrowly as a performance improvement technique. So, for example, Fournies (1978) defines coaching as a face-to-face discussion between a manager and a subordinate to get the subordinate to stop performing an undesirable behaviour and to begin performing desirable behaviours. Similarly, Kinlaw (1989) defines coaching as a “mutual conversation between a manager and an employee that follows a predictable process and leads to superior performance, commitment to sustained improvement, and positive relationships”. In Kinlaw’s view, effective coaching can be achieved by learning how to conduct the coaching discussion.

Other authors see coaching in broader terms and draw upon similarities between organisational managers and athletic coaches. So, for example, Kirkpatrick and Zemke (1996) argue that sports coaches and managers have similar responsibilities (such as gathering data, providing feedback, recruiting, motivating, ensuring results, working with individuals and the team) and work under similar conditions (such as limited resources, time constraints). Riley (1994) also suggests that many of the characteristics of an effective athletic coach should be present in an effective manager-coach. These characteristics include optimism, a strong sense of moral values, honesty, humility, warmth, self-confidence and trustworthiness.

Coaching is believed to be one of the most important functions a manager can perform. A manager can be a superb planner, organiser and decision-maker, but without the effective employee performance that coaching provides, objectives may be difficult to achieve (Geber, 1992).

Organisations are beginning to recognise that they should search for internal coaching skills and expertise to pass on to the next generation, and that they need not rely on a huge external consultancy firm for competency providers. A survey carried out in the United States recently showed that 90% of the employees polled felt that they had good ideas about the running of their organisations (Parsloe & Wray, 2000). However, only 38% of them had actually volunteered their ideas. The majority stated that they felt their employers would not be interested in hearing their ideas. Tapping into employees' existing knowledge and encouraging them to share this knowledge to advance themselves and the company is a very effective way of ensuring survival and growth as well as building employees' self-esteem and sense of empowerment. This strategy is formally known as "knowledge management".

In instances where organisations require a continual updating of skills, but also have to contend with the logistical problems of diverse geographical locations and varied working patterns, it is not always viable or appropriate to address all these learning needs through large group training sessions. A coaching session can offer an alternative learning environment and can be significantly easier to organise than a large group training day, particularly if the coach is taking advantage of some of the modern forms of communication open to him/her. This can reduce the need for classroom contact between tutors and learners. In this sense, coaching has the advantage of being more flexible than group training sessions.

Another advantage of coaching is that a new employee can be helped to understand the unwritten rules of the company, the "way we really do things around here". As with mentoring, coaching as a learning methodology might not suit everyone or every situation. As with any other learning method, one has to consider such elements as the pervasive organisational and social culture, the aims and objectives of the individual, the learner's personality type, level of experience and preferred learning style (Cook, 1999) in order to obtain the maximum benefit from the coaching process.

2.14.3 Job rotation

Job rotation involves assigning an employee to a series of jobs in different functional areas of the organisation. These assignments typically involve lateral rather than vertical

moves, and can involve serving on task forces or moving from a line to a staff position. Job rotation is a good way to introduce variety into an employee's career, particularly if the employee has become bored with the current work assignment, as may be the case for mid-career employees. In addition, it provides employees with a chance to learn and use new skills and to learn to understand better how different organisational functions work. It can also serve to help an employee to build up networks within the organisation, and be better prepared for future promotion opportunities when they become available. In implementing job rotation, care should be taken to ensure that the job assignments used in job rotation offer developmental opportunities, rather than just a chance to do something different (White, 1992).

2.15 STRATEGIC GUIDELINES FOR DESIGNING A PROPER INTERNAL MCD PROGRAMME AND THEIR BENEFITS

Ronen (1989) has identified the following reasons for why it is important to design proper internal MCD programmes strategically:

- a good MCD programme can change the managers' patterns of behaviour in attaining excellent business standards (it can increase managers' new initiative knowledge and leadership);
- MCD programmes lead to new growth patterns in terms of new product development, customer service, an efficient supply chain and quality excellence;
- such programmes meet the need for offering competitive services;
- individuals' management functions may appeal to all stakeholders; and
- MCD increases the management competency pool to help close the huge gap with regard to potential DSGNS (by meeting the need for continuous improvement and learning).

The fact that South Africa's competitiveness rating is one of the lowest in the world is a reflection of poor leadership and poor management (Köpke, 2000). It is essential for this country to upgrade its competitive standards to achieve excellence and this will require a combined effort by businesses and employees.

This fundamental analysis suggests that the principal factor driving the demand for MCD could be called the “corporate MCD gap”. This gap is a function of the two factors presented in Figure 2.7: the perceived need for MCD, which one could call the MCD “gap level” targets, and the perceived value of the current programmes delivered. This gap represents the principal force driving growth in the field (Fulmer, 2001). As MCD is delivered, the current “gap level” will increase until it exceeds the perceived need, in other words, the gap will become negative (see Figure 2.7). At this time, less MCD activity will take place.

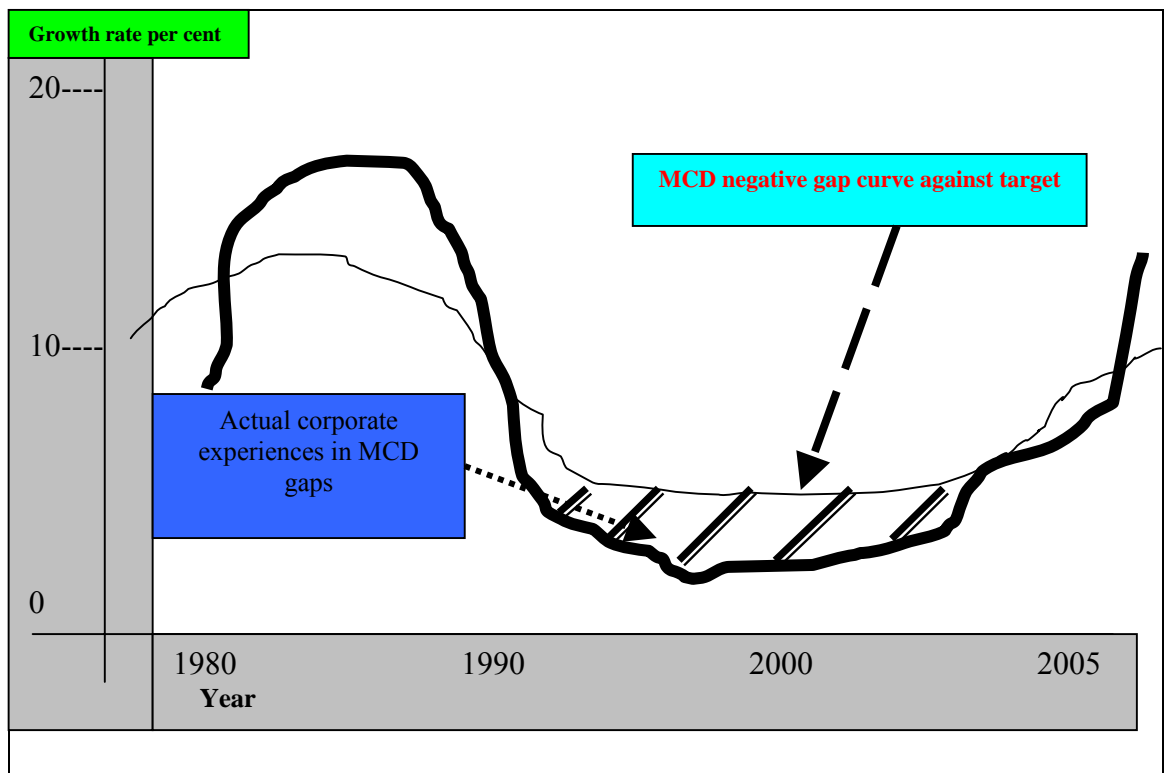


Figure 2.7: MCD gap growth pattern (adapted from Goodwin *et al.*, 1995:31)

The wide gap factors driving the rate of MCD growth tends to decline when the initiatives delivered exceed the perceived need for designated MCD competency pools. The perceived need may be exceeded when consumers (corporate clients) begin to feel they have mastered the solutions to the current need for increased knowledge or when the quality of the initiatives is perceived as not meeting needs or expectations. This problem is particularly acute when there is no overarching strategic reason for participation in various MCD initiatives (Fulmer, 2001). This process may delay MCD and shorten the delivery cycle of services, leading to future corporate casualties and

further management skill shortages in South African multinational industries such as the automotive industry.

The following discussion points (Sections 2.15.1 to 2.15.8 below) on organisational behavioural elements are challenges that must be dealt with to reinforce MCD programmes successfully.

2.15.1 Employee dissatisfaction

Two-thirds of South African employees say they are unhappy in their current jobs, as revealed by research carried out by Access Point (2002), a Johannesburg-based company focusing on team development in various companies, between September 2001 and February 2002 (*Business Times Careers*, 2002b). An astounding 69% of the respondents do not trust their colleagues. Mistrust and fear of rejection hamper the creativity and performance of teams. This qualitative research should not be taken as hard, scientific evidence but as an indicator of what is happening in some companies. Trust is a vital part of building creative and effective teams. Of the respondents, 60% said they are seldom or never able to express their full creativity at work, more than 40% say they are often depressed because of the nature of either their job or the organisation they work for. People fear failure (65%) and rejection (63%), self-confidence takes a beating, and it seems as if employees need a strong dose of passion and creativity (*Business Times Careers*, 2002b).

Where companies manage their workers strategically, employees understand that their opportunities within the company depend on the success of the business as a whole. However, if employees believe that, despite the apparent success of an organisation, few opportunities for promotion exist (due to the absence of a proper internal management programme), they may become bored with their jobs. Also, if staff are frequently confronted by lay-offs, they may lose confidence in their employer and consequently work less diligently (Mullins, 1996).

Managers should thus at all times strive to assist employees to perform effectively by creating an environment within which personal growth and satisfaction are possible.

This desirable situation can only be achieved by putting in place a properly designed and satisfactory internal staffing programme (Oliver, 1997).

2.15.2 Equal employment issues and affirmative action

In South Africa the role of women and other previously disadvantaged groups, for example various ethnic groups and handicapped people, continues to be a matter of social concern. For instance, women have done considerably worse than their male counterparts in obtaining promotion to higher levels of employment. Only 36.8% of women active in the South African labour market (married as well as unmarried) practise in traditional male occupations such as the scientific, medical, legal and agricultural professions (De Villiers, 1994). As indicated in Chapter 1, affirmative action is a social, moral and legal requirement in South Africa. According to Albertyn (1993), it must be understood as part of a wider programme of employment equity which seeks to remove barriers of discrimination holding back disadvantaged groups in the workplace. However, South Africa still has a backlog in this area (Ndlovu, 1993).

For the implementation of affirmative action policies in the workplace to be successful, various stakeholders have to become actively involved. The most obvious of these are managers, employees, trade unions and political groups (Hofmeyr, 1993). The problem of obtaining equal employment opportunities for disadvantaged groups, including women, in South Africa is in some ways even more pressing in terms of internal staffing than external selection. Addressing this issue requires a sound internal staffing programme that can be of assistance in implementing the measures for employment equity proposed in the *Green Paper for Policy Proposals for New Employment and Occupational Equity Statute* (Republic of South Africa, 1996).

2.15.3 Labour union presence

With the increasing presence of labour unions in various industries in South Africa, internal staffing and development procedures have inevitably been affected in a number of ways. In particular, the role of workplace forums is significant in view of affirmative action programmes in terms of the promotional and training opportunities available to

members of disadvantaged groups. A second aspect is that, where there is a labour union, employees are more likely to be explicitly notified of internal vacancies and given opportunities to bid for them. Both these aspects require an internal staffing programme that can be made available to the labour unions.

2.15.4 Factors influencing staffing decisions

Figure 2.8 illustrates the factors that influence internal staffing decisions.

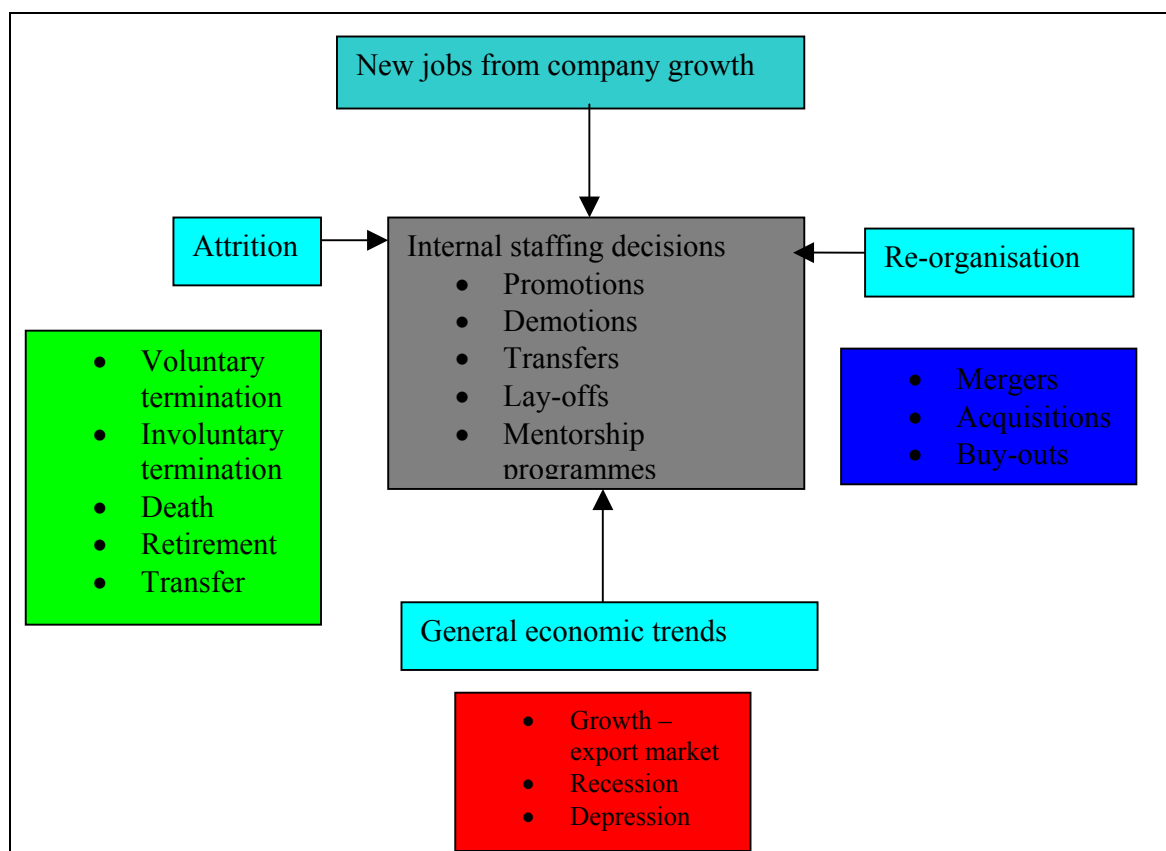


Figure 2.8: Factors influencing internal staffing decisions (Carrell & Elbert, 1998)

2.15.4.1 Organisational growth

Business or government expansion generally results in the filling of new positions, usually by promoting existing employees. By contrast, increases in the number of new positions are common in companies in growth industries.

2.15.4.2 *Mergers and reorganisation*

Major restructuring of an organisation tends to result in various types of personnel actions. During the 1980s and 1990s, mergers and re-organisation became popular in South Africa. The purchase or sale of a company or a merger with another company influences a wide range of human resources components, including job design, compensation, benefits, labour relations and early-retirement programmes. A management philosophy of operating with a flatter structure also has a wide range of effects on staffing.

2.15.4.3 *General economic trends*

One consequence of major economic downturns is that a significant number of workers may temporarily or permanently lose their jobs. Companies that manufacture durable goods, such as automobiles and home appliances, are particularly vulnerable to fluctuations in the business cycle. (Some companies which provide services such as health care, or non-durable items are sometimes said to be “recession-proof”.) The bottom line is that most employers are adversely affected by a recession. The slow economic growth experienced during the past few years in South Africa has led to little, if any, real expansion in the full-time labour force. Economic cycles are clearly an important variable in changes in internal and external staffing.

2.15.4.4 *Attrition*

Employee reductions that result from termination, resignation, retirement, the acceptance of voluntary packages, transfers out of a business unit and deaths are collectively referred to as attrition. Early retirement programmes in particular tend to increase during downsizing and they have been more frequent due to the recent economic sluggishness, as employers are under pressure to trim excess human resources.

2.15.5 Advantages of internal staffing

Internal staffing for non-entry-level positions can bring about a number of potential advantages (Ronen, 1989):

- from an efficiency perspective, employers can maintain better control over the skills and work habits acquired by their existing employees;
- by developing logical career paths, employers can gradually prepare previously disadvantaged groups to fill complicated or critical positions without overburdening their capacity to learn at any given step;
- when vacancies are filled through internal sources, employers do not have to spend time orienting the new incumbents to the business environment or standardising operating procedures;
- in choosing internal candidates for complex or high level positions, employers have more detailed information about the abilities, aptitudes and work habits of employees;
- an emphasis on internal staffing presents potential advantages from the point of view of employee satisfaction and commitment;
- it enables organisations to fulfil hiring goals and meet the timetables specified in affirmative action programmes, which is important in South Africa;
- employees can be placed in the best interests of both the organisation and the individual; and
- it can contribute to the organisation's bottom line.

2.15.6 Requirements for effective staffing for future management positions

A number of requirements must be met if a programme of internal staffing is to be implemented successfully. Where an employer emphasises internal staffing, the first step is to identify current employee skill levels and development needs. This is especially appropriate in the South African economy, where organisations must develop the flexibility they need to respond quickly and effectively to change. Employees must also be flexible to be able to move easily within the organisation and thus be better utilised. A process known as mentoring and multi-skilling, which entails the broadening

of employees' skills beyond the bounds of their current jobs, must be available (Woodall & Winstanley, 1998).

Employers must also ensure that there is internal equity in matters such as compensation, promotion and access to training. If this is not the case, it will be difficult to move employees around reasonably freely and this will lead to great dissatisfaction. Lastly, if an internal staffing programme is to succeed, irrespective of the presence of all the foregoing requirements, involvement by top-level managers as well as line managers and central managers is essential. Human resources development managers must recognise both the formal and informal power structures within their organisations and they must also overcome the desire of people to maintain the *status quo* (which may lead employees to resist change).

2.15.7 Organisations' career management efforts for MCD programme success

Four factors determine the success of an organisation's career management efforts. Firstly, career management must be planned: haphazard or ill-conceived attempts to manage careers will fail (Beach, 1980). Line managers and human resources administrators who share the responsibility for effective career management must work together to ensure that line and staff efforts are co-ordinated.

Secondly, top management must support career management. Such support implies a climate that encourages promotion from within, the development of employee skills and the use of valid performance criteria for promotion decisions.

Thirdly, administrators must not omit or neglect any of an organisation's many career management programmes and processes. These include organisational career planning, individual career planning, integrating organisational and individual plans and the implementation of performance appraisals (in other words 360-degree evaluation).

A fourth factor, career match, has been found to be the most critical factor in career management programmes (Gosselin, Werner and Hallé, 1997). The programme must seek to find a career match between the employer's plans for the employee and the employee's personal aspirations. Career programmes that simply explain the

organisation's career plans for employees to them, but do not assist them in clarifying their own goals and developing a match between their aims and the organisation's, are likely to fail. The employee and the employer should negotiate a mutually acceptable outcome. If the employer addresses employees' expectations early in their careers, employees may willingly modify their expectations. However, if differences are ignored, the employee may develop career plans that are incompatible with the organisation's plans, which could cause undesired and undesirable turnover (McCall, Lombardo & Morrison, 1988).

2.15.8 Organisational career planning

According to a recent Wall Street Journal study in the United States, many employers have now developed two career ladders. One is the traditional managerial ladder and the other a professional ladder (Ferdinand, 1988). The professional ladder allows employees who have never taken a formal managerial assignment to move up (what is left of) the corporate ladder. For example, to become the department head in customer service, the traditional ladder included three steps up in technical jobs (Service Representative I, II, III), then three steps in management (Supervisor, Manager I and II). The professional ladder may now allow three steps of additional technical or professional jobs (Service Analyst, Service Consultant I and II) to substitute for the steps in management. The main reasons given for using this dual ladder approach are the following (Ferdinand, 1988):

- to retain the best professional/technical people;
- to create a career path for those not interested in a career in management, especially from among disadvantaged groups;
- to increase the morale of technical staff; and
- to create a more equitable non-management compensation structure (Ferdinand, 1988).

2.16 HUMAN RESOURCES MANAGEMENT PLANNING

In this section, the MCD planning process is discussed as part of HRM, as described by Carrel and Elbert (1998) from the organisational point of view. Planning is part of everyday life. So, for example, people plan their holidays or plan to go to university and

when to start a career. Likewise, strategic planning is one of most important functions within an organisation. Determining long/short-term goals is essential for both organisational growth and survival. It is apparent that HRM planning forms an integral part of the organisation's strategic planning process, growth and survival. HRM planning must be seen as a tool that management can use to make better management decisions. It should be used as an integral part of a manager's job in order to help him/her to make the organisation more effective.

The ultimate goal of HRM planning should be to compare current staffing and skills levels with the future staffing and skills required by a company and to initiate plans to address anticipated shortfalls. Deficiencies in the present staffing and skills levels in terms of future needs can be addressed by developing people from within the company or acquiring people from outside the company. By using anticipated staffing and skills requirements and working towards meeting them, organisations can optimise their organisational structures.

Failure to meet the future staffing and skills requirements of a company can greatly reduce the chances that a company will achieve its strategic goals. The following reasons further underpin the need for effective HRM planning (Maseke, 2000):

- **The Employment Equity Act** (Republic of South Africa, 1998a) requires effective human resources planning in order to ensure that tokenism is avoided, that designated group placement increases and that employees are effective in their appointed positions or careers.
- **Affirmative action goals and equal opportunities** – the human resources planning system can be used to determine an organisation's affirmative action plan. When dealing with an affirmative action or equal opportunity plan, issues such as developmental programmes and the creation of career opportunities must be addressed. Companies may consider appointing affirmative action trainees to undergo an intensive training programme to prepare themselves for appointment. The training programme may take place over a period of six to 24 months, depending on the availability of positions within the company. Human resources planning is essential in order to ensure the successful implementation of such affirmative action plans.

- **Succession planning** involves “defining the requirements of future positions and determining the availability of candidates and their readiness to move into various jobs” (Simon & Burstein, 1985:31). For the purposes of human resources planning, placement charts can be formulated to earmark positions and possible candidates for fast track succession advancement. Organisations have a vested interest in ensuring that they have individuals available who are ready to fill key positions when positions become vacant. To this end, many organisations evaluate the potential, or promotability of managerial, professional and technical employees. Those judged to be high potential employees can then be “groomed” for particular positions. Three ways that potential assessment can be done are potential ratings, assessment centres, and succession planning (Eurich, 1990). One disadvantage of succession planning is that it is formulated by management, with little or no input from subordinates.
- **Employee development** must be addressed in the human resources planning phases, providing basic life skills and literacy programmes, as well as more advanced skills training.
- **Human resources planning is a prerequisite for career management programmes.** Without an effective human resources plan, the process of career management will be ineffective. Career management and succession planning depend on the successful formulation and implementation of human resources plans. A well-designed human resources plan can be used to identify employees whose career can be accelerated for further career development.
- **Avoiding layoffs** requires effective human resources planning to take active cognisance of changes in the internal and external environment. Strategic planning is then needed to incorporate these changes in the company’s human resources plan. Pro-active planning will lead to a reduction in layoffs and/or retrenchments.

2.16.1 Definition of HRM planning

It is important to understand the concept of human resources planning and its precise meaning. The process has been defined by various authors. Novrt (1979:21), for instance, describes it as a two-part process: “One is the analysis for determining the quantitative needs of the organisation – how many employees will be needed in the future under specified conditions of growth, stagnation or even decline. The other part is a qualitative analysis to determine what the people should be like – what qualities and

characteristics will be needed, assuming some idea of the organisation's future direction.”

Human resources planning has also been described “as a strategy for the acquisition, utilisation, improvement and preservation of a company's human resources” (Miller, Roome & Stande, 1985:23).

2.16.2 Factors influencing HRM planning

Unless an organisation is able to incorporate environmental changes successfully, it may be faced with various problems and possibly extinction. Companies that are unable to keep up with their competitors and economic changes are unable to survive in a rapidly changing economy. An awareness of these HRM environmental factors requires a workforce capable of adapting to these changes and the new conditions, as set out by Walker (1992).

- **External environment**

This is the most important aspect to be considered in any organisation. Organisations depend on external factors for growth and survival. Factors such as politics, economics, social and technological changes influence the strategic plan of organisations. For effective strategic planning, an organisation should identify the most important factors that may influence its growth and survival over a given period. Based on this information, a strategic plan can be formalised. Political factors are a good example: South Africa has recently embarked on a drive towards affirmative and correctional action. To keep up with these political demands, an organisation has to adopt a strategic plan for affirmative action. This strategic plan stipulates ways to ensure that management adheres to affirmative action plans, as well as ways of measuring and evaluating the process (Horwitz & Franklin, 1996).

- **The company**

A company needs direction to focus its operations in the future. Most companies develop a vision statement. A vision statement can be used to describe the company's overall strategy to maintain maximum effectiveness. A mission statement should automatically follow from the vision statement. A mission statement can be described as a description of the specific areas on which the

company wishes to focus. It is normally used as a starting point in the formulation of a company's business strategies. Business strategies should in turn be aligned with external factors that may have an influence on the organisation. From the business strategy, it is easy to derive the company's objectives. These objectives serve as focus points for improved operational effectiveness, performance and productivity. A clear business strategy leads to effective organisational structures and hierarchies, based on the available information regarding future needs and the profiles required. With a focus on external factors, the impact of external changes can be identified, the organisation can be re-evaluated and changes can be incorporated into strategic plans where necessary (Veldsman, 1996).

- **Effectiveness of various management styles**

A **dictatorial management style** refers to the leader's capacity to coerce or punish followers. Sources of coercive behaviour also can be broken down into personal and positional components. Leaders personally possess coercive power to the extent that followers experience criticism or a lack of recognition from their leader(s) as unpleasant (for example, such leaders have the authority to enforce demotions or a lack of rewards and they can carry through the threat of job losses). This kind of leadership may elicit from the employee a lack of accelerated career learning, it may lead to the de-motivation of staff and a lack of expertise and knowledge in job functions on the part of subordinates.

Open and sharing management refers to the legitimate and expert power that a leader possesses as a result of his/her knowledge and expertise regarding the task performed by subordinates. Subordinates are more likely to respond positively to such a leader's attempts to influence behaviour.

A **participative management style** refers to the relevant power a leader possesses and the extent to which subordinates identify with and look up to him/her. The more subordinates admire and identify with the leader, the greater the leader's referent power over subordinates. Referent power, like expert power, is dependent upon the personal characteristics of the leader to successfully influence subordinates to participate in and do things the leader would like them to do. A theoretical framework by Ashour (1982) deals with the situation fit for leadership effectiveness (the discussion falls beyond the scope of this dissertation).

- **The individual**

The individual brings to the organisation certain skills, expectations, capabilities and knowledge. An organisation should take into account the effect of these factors on overall organisational business strategy. It is important that a company has the right type and number of people at the right time. For this specific reason the individual should be an implicit part of the human resources plan.

2.16.3 Organisational and individual planning strategies

Schein (1978) argues that neither organisational effectiveness nor individual growth can be obtained unless there is some matching process. Both the individual and the organisation are dynamic entities that are affected by changing environments. The organisation must keep up with external factors and internal changes, both in the individual and in the environment. Factors such as age, family, expectations and values can affect an individual's career. Human resources planning and development must be seen as part of the total organisational system.

Schein (1978) has identified strategies that both the individual and the organisation can embark on to make career management more effective:

- move the focus on employment security towards employability security; and
- reduce the importance of job hierarchies, descriptions and matrices (boundary-less career planning creates new opportunities, such as project consultancy, self-employment and contract work).

When they can develop personal flexibility in their jobs and careers in return for challenging work, have development opportunities and experience career-planning support, employees can move quickly to keep pace with change, are dedicated to continuous learning and take ownership of their own career management – they stay committed to life-long learning and also their interest in the organisation (Waterman *et al.*, 1994).

2.16.4 The MCD focus as the development of future designated managers

Business organisations are making some effort to develop designated managers for managerial positions. However, previous studies and research have revealed barriers to the entry of designated managers into management ranks (Motlanthe, 1986; Hofmeyr, 1982; Morobe & Raubenheimer, 1994):

- Efforts are neither systematic nor consistent – greater emphasis is placed on aspects that have little impact on managerial development.
- Only a small number of designated people are actually appointed to managerial positions.
- The educational system in the past was designed to prepare blacks to continue as loyal and subservient servants instead of functioning as aggressive initiators and entrepreneurs.
- Discrimination in the political, social and work environment, as well as limited black career advancement opportunities have not prepared DSGNS for effective management roles.
- Segregated residential areas accentuate the black and white cultural divide and hence non-uniform work values.
- Companies play no active role in drafting and implementing affirmation action and employment government legislation, resulting in job insecurity for DSGNS.
- Many DSGNS have had no exposure to the kind of performance management, education and training that will ensure job relevance.

Strategic choices interact as stimulants and leverage mechanisms for organisational change. These include, *inter alia*, organisational resizing; a redefinition of roles and reward systems; and selection, succession planning and training geared to effective managerial capacity building. Career development is therefore a precondition for corporate growth and its focus should be strategic HRM development.

Mckenna and Beech (1995) have noted a number of constraints on successful career development programmes. They cite the findings of the Confederation of British Industry (CBI, 1994), which highlighted the following factors contributing to the failure of career development programmes:

- Management fails to consider seriously the existing and future skills needed by the organisation.
- Management relies too heavily on local or national labour markets to satisfy the needs of the organisation in terms of relevant skills at all levels.
- Too often a response to skills shortages is to poach key employees from other employers, even if such actions lead to wage inflation.

In MCD studies relating to the development of designated managers in South Africa, automotive companies have received inadequate attention. However, research undertaken by Hofmeyr (1982), Watts (1985) and Macdonald (1993) provides valuable insight into identified training needs which impact on MCD in South African organisations in general. Schutte (1982) and Lear (1988) investigated MCD for designated managers for progressive advancement in organisations. Schutte (1982) sets out the research findings by the School of Business Leadership (SBL) at UNISA from a survey of 300 managers in South Africa. The survey findings revealed a distinct profile for the black manager component and showed significant differences between the profiles of non-designated English/Afrikaans speaking managers. With regard to the black manager profile, Schutte (1982) summarises the findings as follows:

- Black managers are more likely than white managers to be sensitive to the need for adequate and meaningful relationships in the work situation.
- Black managers demand feedback and access to superiors and thrive on satisfactory communication. They are more likely to thrive in a relationship with a supportive and committed immediate superior, and to be demotivated by overtones of racism or poor communication in their relationships with colleagues.
- Black managers are extremely positive about their own self-image and are more likely than white managers to feel that their potential has been achieved.
- Black managers need to know where they stand, to be shown respect and to be appreciated and encouraged.

Schutte (1982) concedes that such differences should be viewed as strategic challenges for business and argues that, hence, organisations should be better equipped to identify focused development and re-training initiatives linked to MCD programmes. These perceptual differences should be acted upon, for instance by linking MCD initiatives, to alleviate a shortage of black personnel at the lower and middle management levels

(Schutte, 1982). Lear (1988) attempts to find solutions to problems afflicting designated management advancement in South Africa's automotive sector. Her paper echoes Schutte's (1982) findings. She asserts that organisations which intend to promote blacks to managerial positions should conduct research within the MCD domain. They should

- devise effective adult education programmes which can give black employees the skills required to give them confidence in the job;
- identify correct career development needs; and
- devise accurate and correct performance appraisals which black employees consider to be fair.

One of the strongest themes in the 21st century is “choosing strategies for designated management career development” to respond to environmental change (Kotter, 2002:6). Kotter (2002:23) comments: “It follows that an acceleration in the rate of change will result in an increasing need for reorganization. Reorganization is usually feared, because it means disturbance of the *status quo*, a threat to people's vested interests in their jobs, and an upset to establish ways of doing things. For these reasons, needed reorganization is often deferred, with a resulting loss in effectiveness and an increase in costs.”

Subsequent events have confirmed the importance of this concern about organisational strategic HRM change. Today, more and more top managers must deal with new government labour regulations, new products, growth, increased competition, technological skills developments and a changing management work force. In response, most companies or divisions of major organisations find that they must undertake moderate strategic HRM changes at least once a year and major changes every four or five years.

2.16.4.1 *Strategic MCD*

This study attempts to determine the level of commitment by the automotive sector's strategic designated MCD, and the MCD activity to support such commitment. Dowling, Schuler and Welch (1994:33) observe that linking strategy and structure is essential to maintaining growth and profitability, emphasising “the need to become more flexible and resilient in dealing with unexpected political, economic and

competitive challenges and opportunities”. An analysis of environmental elements which affect the macro variable ratings can provide management with important market signals to enable future planning of career developmental activities aligned with an organisation’s mission and strategic objectives.

Cascio (1995) maintains that career development needs to be integrated with a business’s strategic plan and objectives linked to bottom-line results, and that there needs to be a commitment to invest the necessary resources to provide sufficient time and money for effective designated MCD. Anthony, Perrewe and Kacmar (1996) state that strategic HRM planning is the key link between a company’s strategic business plan and its overall management functions. To sustain a competitive advantage, organisations need to position themselves strategically for MCD (in other words, for increasing globalisation, intensified competition, shorter product life-cycles and new forms of inter-company and multi-national automotive sector co-operation). The future-oriented dimension of MCD is clearly suggested.

2.16.4.2 *MCD – a futuristic perspective*

According to Mumford (1997:12), the aim of MCD is to ensure that designated managers are “developed or recruited and trained in sufficient numbers to meet the top management requirements of a group in the short and the long term”. Scarpello and Ledvinka (1998) state that MCD is aimed at imparting supervisory, managerial and executive skills. Mumford (1997) regards MCD as an attempt to improve managerial effectiveness through a learning process and believes it is not planned or deliberate. According to Armstrong (1993:45), MCD is “about learning: the learning required to do the present job better and the learning needed to tackle more responsible or demanding jobs successfully”. French (1994) asserts that MCD programmes represent efforts to increase an organisation’s present and future ability to meet its objectives.

This effort should be underpinned by the provision of educational and developmental experiences for designated managers beyond the immediate technical requirements for their functions. The focus is on future needs, where the inclusion of educational and developmental experiences translates to competence in employees’ own areas of specialisation. Future designated managers should be prepared to handle new

assignments and meet the complex demands of future challenges brought about by changes in the external environment. French (1994) sees MCD as a process through which the manager's value to the organisation increases, based on the acquisition of new behaviours, skills, knowledge, attitudes and motives. French (1994) further notes that it is future-oriented, which "assumes a long-term relationship between the organisation and the individual".

Cunnington (1985:43) argues that most of the problems associated with the process of management development stems from a lack of top management involvement and the low level priority given to designated MCD – "as a result managers are promoted in a hit or miss manner with little attention being paid to specific skills or experience". Cunnington (1985:112) further notes that "the emphasis of most management career development education is upon remembering a set body of academic knowledge, opinion and fact rather than acquiring demonstrable skills or competencies". The argument is valid, as organisations should base their holistic development strategies on the integration of job content with the management skills needed at the different occupational levels.

2.16.4.3 *Key assumptions influencing the study*

Ronan (1994) argues that the career development of designated managers in terms of management skills is crucial for economic progress. He adds that "paradoxically, the management skills areas of development tend to be very much neglected in Africa" (Ronan, 1994:34). He contends further that a "learner-centred approach" may be one of the alternative ways of developing designated managers, where the "learner" takes on the responsibility for learning:

- MCD initiatives should be linked with management education and developmental modes of acquiring knowledge.
- Designated MCD is oriented towards future business.
- Management development, training and education are concerned with those who are employed (in other words, with post-employment positions within the corporate hierarchy).
- MCD is an HRM strategy linked to the overall mission and organisational business plan strategy.

- MCD models and programmes need to be reviewed and aligned in relation to socio-political and automotive multi-national imperatives.
- The non-commitment attitude of top management needs to be MCD-focused to accept the realities of changing workplace and political demographics, the call for organisational transformation and affirmative action interventions. More importantly, there is a need for top management commitment to the career development of future potential designated managers in a multicultural society.

According to Goseteli (1997), strategic HRM should contribute to the successful designated MCD functioning of their organisations to meet the challenges of the future:

- A change will have to take place in the attitude and behaviour of all top management and designated managers to eliminate artificial obstacles in the decision-making processes in organisations, and to institute affirmative action.
- The career development of effective managers and the improvement of leadership best practices will have to be expedited. Strategic HRM should also actively cooperate in developing the potential of subordinates.
- Communication and career development should be improved. Communication from the top down involves transmitting the organisation's mission, culture, strategies, results and information on its environment. Communication from the bottom up should focus on new ideas, suggestions and innovations.

Human (1992:20) states that people development in general, and MCD in particular, if left to the goodwill of organisations, is unlikely to succeed in achieving any real impetus. Therefore, top management commitment to and support for designated managers' advancement is vital to translate MCD plans into action-oriented results.

Mbatha (1992) sees designated managers' advancement as implying black empowerment. This argument is based on the premise that designated managers' advancement, in terms of its definition, already alludes to upward mobility. On the other hand, empowerment implies a devolution of power, an enabling environment and a process leading to a greater legitimacy of the participation and meaningful decision-making by designated managers. Organisations should not embark upon a designated management advancement strategy without empowering employees to cope with the demands of such MCD programmes.

2.17 THE QUESTIONNAIRE THEORY OF CAREER-DIMENSION SYSTEMS

A survey by Farren and Kaye (1998) suggests that there are five distinct factors that enable an organisation to build a successful career-development process. Each of these factors is essential to the design. In their survey, the managers' perceived magnitude of the career-pathing dimensions contained twenty items that were rated within organisational or divisional levels. Ratings started from one ("not true") to five ("very true"). According to Farren and Kaye (1998), the questionnaire used in the survey identified five key areas, namely **future perspective, organisational systems and practices, work design, managerial support** and **individual career-management concerns**.

Organisations are aware of the fact that career-development issues have a strong impact on motivation, satisfaction, productivity and the competitive edge activated by a company. Employees' career goals should be aligned with organisational goals. An organisation that is examining its career-development systems can use the Career-Dimension Survey to discover what key areas need to be improved (Farren & Kaye, 1998).

In today's rapidly changing workplace, people are concerned and often confused about their careers. An effective career-development system unites employees' aspirations with the strategic direction of the organisation. It helps to ensure that the work force possesses the competence necessary for the organisation to fulfil its mission.

2.17.1 Future perspective

The view of the future held by the people who work in an organisation plays a significant role in determining their actions. People who understand the strategic direction of the organisation and see a prospect of a desirable future for themselves will commit themselves to making that future a reality. The following are indicators of the future perspective of a workforce (Farren & Kaye, 1998):

- **Organisational mission and strategy**

Employees need to understand and endorse the fundamental purpose of the organisation. Without a clear strategic direction, employees can only surmise which of their actions are mere routine and which are vital for the future. People will go to extraordinary lengths to produce strategically important results, but first they must understand the relationship between present action and future opportunity.

- **Future prospects**

People need to believe that the organisation has a future that holds a place for them. If an organisation is retrenching, or the industry is striking, employees may be unwilling to exert themselves on behalf of vague future prospects. People who doubt whether their organisation's future holds a place for them tend to reserve their commitment and make defensive, short-sighted decisions.

- **Support for long-range planning and results**

When organisations initiate career-development programmes, the hoped-for benefit is usually a partnership, with employees linking their personal aspirations to the organisation's strategic goals. This form of partnership can occur only in an organisational culture that values long-term results.

- **Core processes and competencies**

Every organisation has core processes without which it could not accomplish its fundamental purpose. Each of these processes requires the efforts of people with special competencies. People in an organisation must recognise its core processes and know which competencies are essential for achieving the organisation's mission, both now and in the future.

- **Preparedness for technological change**

Falling behind the technological curve can have drastic consequences, for organisations and individuals alike. The organisation must identify the new technologies that it must master to meet the changing expectations of its customers. It must tell employees when their current skills are in danger of becoming obsolete and help them prepare for the transition to a new way of working.

- **Preparedness for organisational change**

People cannot plan intelligently for the future if the playing field is continually changing and the goal posts are shifted without notice. The result of repeated reorganisation can be confusion, resistance and a perceived loss of control over the direction of one's work life. Employees need to understand why the organisation is

introducing structural changes. They should have an opportunity to contribute to or comment on planned changes before they are implemented.

2.17.2 Organisational systems and practices

Career development programmes cannot succeed in a vacuum. They must be integrated with an organisation's other human resources practices. It is not necessary to map out all the connections between these systems before introducing a career development programme, but it is important to review them as part of the planning process. The following practices are likely either to reinforce or to undercut an organisation's career-development "message" (Farren & Kaye, 1998):

- **Job posting**

People in an organisation need to believe that the job-posting system is relevant to the way in which people are actually hired. In many organisations the prevailing assumption is that most positions are "wired" for pre-selected individuals and are posted only to forestall grievances. In the same vein, job posting is sometimes criticised because the listings do not describe accurately the competencies necessary for the positions. If job postings are seen as incomplete, employees do not take them seriously as career-development resources.

- **Career information**

People in an organisation should know where and how to get information about career opportunities within the organisation. This is an area in which organisations can take the initiative by preparing easy-to-use informational resources. Unfortunately, information of this type is often relegated to a dusty back shelf in a supervisor's office, leaving most employees unaware of its existence.

- **Mentoring**

Good mentors are scarce. Few senior-level people possess both the time and inclination to groom potential successors. For this reason, some organisations have initiated formal mentoring programmes that pair junior or intermediate-level employees with more experienced colleagues. Other organisations have had success with group mentoring programmes, in which a senior's "savvy" can be spread to two or three junior people rather than just one. People in an organisation should know how to locate a mentor. The organisation should know who the best mentors are and how to prepare others for the role.

- **Compensation**

Compensation can take many forms, the most prominent of which is money. Other types of compensation that affect career decisions include flexible scheduling, opportunities to attend professional conferences, and personal recognition of one's efforts. People want to consider themselves fairly compensated for their work. Employees should be rewarded equitably for accepting temporary assignments and for expanding their contributions to the organisation even if they stay in the same positions.

- **Training and development**

People in an organisation want to have access to the continuing education and training they need to maintain or upgrade their marketable skills. Organisations can offer developmental activities such as apprenticeships, on-the-job training and professional development sabbaticals. Managers can recommend training courses as well as different forms of hands-on work experience.

- **Developmental assignments**

People in an organisation can be assigned to special projects or to other units of the organisation in order to help them develop new competencies. This powerful learning method is often underutilised, because no one wants to undertake the necessary negotiations and paperwork. It is a good sign when people in an organisation feel free to request developmental assignments (Farren & Kaye, 1998:28).

2.17.3 Work design

A third career-development factor to consider is the nature of people's work. We are all affected by the inherent characteristics of the work we do. Most people are prepared to tolerate difficult working conditions if they find their own work satisfying. However, if people consider their work unrewarding, the organisation can offer few inducements that will sustain a high degree of motivated effort. Redesigning work to incorporate the following factors can have a substantial effect on people's career plans (Farren & Kaye, 1998:9):

- **Participation** - People in an organisation want to be consulted about changes that affect their work directly. They want to participate in making decisions as well in

implementing them. Work that affords ample scope for participation is generally regarded as more attractive. There is also evidence that suggests that people are more productive when they believe that their views regarding the best way to get a job done are valued.

- **Empowerment** – People like to be encouraged to make necessary decisions about their work on their own initiative. Most people can determine their own work procedures within the standards of responsible practice. Not everybody craves autonomy, but, for many people, the chance to “call their own shots” is the pivotal difference between satisfying work and career dissatisfaction.

- **Meaning**
People want to believe that their work is worthwhile. Work can be a cornerstone of personal growth and identity. Its rewards range from the gradual development of mastery in a craft to the satisfactions of accomplishment and service. When one’s work seems trivial and dull, it can be a wearisome burden. People who experience little pride or meaning in their work give it correspondingly little commitment.

- **Teamwork**
Effective teams can produce results that exceed the previous levels of performance of their individual members. Of course, some people work better as individual contributors rather than as members of a team. But work structured by and for teams has a widespread appeal for employees who prefer not to labour in isolation. Participation in self-directed work teams is an increasingly popular career move in many organisations and is well-suited to fast-paced business conditions.

- **Feedback from customers**
People like to see the results of their work. In complex organisations, actions are often divorced from their eventual consequences. People in these organisations may not receive reliable information about whether their daily efforts make any difference. Built-in feedback from internal and external customers enables people to gauge the effectiveness of their work. This practice pays off in improved service quality and better customer relations as well as increased career satisfaction.

2.17.4 Managerial support

Discussions between managers and employees are natural forums for career planning. Managers are ideally situated to communicate the direction of the organisation to employees and to convey the career interests of employees to the larger organisation. A managers' boundary-spanning role enables him/her to open doors for employees in the wider organisation. Aspects of managerial support that affect career development include the following (Farren & Kaye, 1998:28):

- **Feedback and career discussions**

Effective career management is directly related to the frequency and quality of career discussions. The manager is in a position to suggest steps that will enable the employee to bring him/herself in line with the desired goals. Managers should hold frequent career-oriented discussions with the people in their work units.

- **Visibility opportunities**

One practical form of managerial support consists of assigning people to tasks or projects that take them outside their customary work areas. These special assignments are opportunities for them to make their abilities and potential known in the organisation at large. Wise managers help employees develop their own reputations for excellent performance; both the manager and the employee benefit from the impression of strength added to strength.

- **Stretch assignments**

Adults learn most effectively through direct experience. Assignments that require people to acquire and use new abilities to produce actual results are invaluable. At the same time, these assignments build up the "bench strength" of the work unit, with experienced employees helping to develop their successors in order to increase their own career mobility.

- **Advice on career options**

Managers, by virtue of their positions, usually have a broader perspective of the organisation than is available to the people in their work units. This enables them to offer advice on career options, the roles within the organisation that are suited to a

particular individual's abilities and aspirations, and what a person needs to do to be considered a candidate. This advice comes from a thorough knowledge of both the present realities and the strategic aims of the organisation.

- **Rewards for developing people**

Managers should be held accountable for developing the people who work with them. The organisation's best "people developers" should be recognised and rewarded for this contribution. There should be consequences if a manager fails to develop people or holds people back. Managers who are trying to earn reputations as good career coaches benefit everyone: the organisation, the employees and themselves (Farren & Kaye, 1998:28).

2.17.5 Individual career management concerns

An important career-development issue is the extent to which people can identify and move between various career options in their organisation. Limitations on such movement serve as barriers to setting or attaining personal goals. For the organisation, their presence may indicate larger structural deficiencies. Career-management concerns are as diverse as the situations and perceptions of individuals. The following are among the most significant career patterns for planning purposes (Farren & Kaye, 1998:31).

- **Control**

Some organisations expect people to build their own futures or bide their time. Those who consider themselves the principal architects of their own careers tend to actively seek out or create opportunities to achieve their goals. Those who believe that other people control their careers tend to adopt more passive or apathetic attitudes.

- **Plateauing**

Many people feel trapped in their present roles. For some individuals this feeling occurs because they do not see where else in the organisation they can go from their present jobs. For others, this concern results from a lack of stimulation in their current roles. People who believe that they are in dead-end jobs are likely to leave

the organisation, either in fact or in spirit, unless they can be shown how to invent fresh career opportunities.

- **Mobility**

Mobility means that people can move easily from one part of the organisation to another. In small organisations, this is less of a problem, because everyone must step in wherever a need arises. Large organisations, which must track the movement of masses of people, sometimes impose unintended barriers to career mobility in their zeal for order. In “flatter” organisations, fewer people can expect to move up through a multi-tiered management hierarchy. An increase in the degree of lateral movement is important to prevent people from feeling stuck.

- **Variety of options**

Some organisations offer many different career options; some offer just a few. People want to know how to find out what options are available to them. Job enrichment can be a career-development option. Temporary assignments to special projects or other business units are career options that do not require formal job changes. It is important that people view the career-development possibilities in an organisation as open and expandable rather than as cramped and restricted.

- **Career progression**

People need to understand how careers are built in an organisation and what one must do to become a serious candidate for a desired opportunity. They need to know which competencies will help them to achieve their goals and whether it is more beneficial to have a wide range of experiences or to become an expert in a specialised discipline. They need to know whether certain positions or work experiences are necessary prerequisites.

Career development systems address the common ground between the individual and the organisation. Both have resources to offer and aims to achieve. Accurate needs assessment, careful targeting of pilot groups for intervention, and clear objectives are essential for a successful career-development system. Otherwise the limited resources available for this purpose may be misapplied. When one asks the right questions, the appropriate starting point becomes evident. The new career paradigm is that of an

alliance or partnership, with the organisation positioned as a community of compatible interests, realised through a common purpose. Paying attention to key career development factors can help an organisation to ensure that this community of interests remains strong and creative.

2.18 SUMMARY

From the above discussion it is clear that a career is a pattern of work-related experiences that span the course of a person's life. While the individual is ultimately responsible for his/her own career, which includes developing a clear understanding of the self and the environment in order to establish career goals and plans, organisations can help individuals by providing information, opportunities and other assistance. By doing so, the organisation can enhance its internal labour market and be more effective in recruiting and motivating employees (both in contingencies and in the long-term). In turn, the individual faces challenges and gains opportunities for enhanced employability.

Organisations use a variety of tools and techniques to manage employees' careers. These include self-assessment tools and activities, such as computer programmes, individual career counselling, organisational potential assessment and development programmes such as job rotation, coaching and mentoring. These activities and practices help employees to gather information to develop their career awareness, formulate career plans and offer opportunities to implement these plans. The most effective method to achieve this is through the use of an HRM planning system. The HRM planning system assists management in establishing various policies and procedures, such as affirmative action, succession planning, employee development and training. Management must also be aware of the various factors that can influence the human resources plan. Political, economic, social and technological factors must be monitored frequently to determine when or where the company will have to adapt its policies and procedures to keep up with changes. Various MCD planning strategies should be used to increase both organisational and individual self-insight and self-awareness.

Designing an MCD programme involves steps similar to those for developing any HRM intervention: conducting a needs analysis, identifying the goals and components of the programme, and evaluating its effectiveness. Because MCD programmes affect the HRM function in an organisation, developers and deliverers of such programmes must be aware of issues in HRM planning, equal employment opportunities and affirmative action and labour relations. It is critical that MCD's objective(s) evolve from a joint process involving both the employee and organisational HRM interventions.

Investment in MCD strategic planning, assessment and monitoring activities that have an impact on identified benefits (over the relatively medium to long term) such as career learning, measured against financial and MCD programme plans, should be considered an investment in designated managers' career development (Carrell & Elbert, 1998). Some of the MCD advancement models discussed under strategic assessment will improve the DSGNS' morale and response time and will allow greater flexibility. That will in turn lead to new and greater customer and business quality. This will influence a firm's ability to meet its employment equity targets. It will enhance its capacity for advancing potential DSGNS in the future and produce tangible results for identified business competency requirements.

An integrated MCD model for designated managers' career advancement should exhibit high levels of value-adding achievements, re-defining the roles of the strategic MCD imperatives that support the evaluation and assessment functions. A job change function model will focus on career-pathing; mentoring/coaching and job rotation activities. A model that meets the requirements for such an integrated MCD strategy is discussed in the next chapter.

CHAPTER 3

THE FORMULATION OF A SYSTEMIC MODEL FOR AN INTEGRATED MCD STRATEGY

*Tell me, I will forget. Show me, I may remember. But involve me and
I will understand.*

Chinese Proverb

3.1 INTRODUCTION

It is undeniable that there is a need for career-pathing and development for DSGNS in the new South Africa. Management succession or career-pathing is a critical issue in many organisations where it is necessary to increase the pool of competent human capital and to create unique value in the market. One of the new challenges is to create a strategic MCD model for the automotive business sector.

The purpose of this chapter is to examine the theoretical context of a new integrated MCD model for DSGN career advancement. This MCD model has been specifically developed for automotive organisations in South Africa, but can also be used in other, similar manufacturing environments. Various existing models and theories form the integral foundation of this strategically formulated HRM model (illustrated in Figure 3.8). The researcher has adapted various concepts and theories from the literature (as discussed in Chapter 2) to form a new working model for South African automotive organisations.

Some of the basic MCD techniques on which the new model is based include:

- the revision of models of organisational strategic HRM;
- the selection of methods and priorities for strategic MCD;
- the proposal of a new systematic model for strategic MCD within an HRM framework; and
- the formulation of a new strategic business plan for an integrated MCD model.

The following MCD formulated HRM planning components were used:

- reviewing organisational MCD, integrated with an HRM strategic model;

- considering the futuristic dimension of a strategic MCD model;
- ensuring effective linkage of the organisational agenda and MCD competency processes;
- engineering the emergence of a new flatter form of organisational HRM structuring;
- adapting to the shift in the career development role played by organisational advisory forum in the strategic HRM business focus that makes provision for an MCD advancement model for DSGNS ;
- adjusting the role of line managers to encourage them to adopt and be committed to MCD programmes;
- linking the MCD programme activity cycle to the strategic business plan;
- realigning employee equity/personnel policies and administration;
- constituting the core advisory forum for an internal monitoring and evaluation structure; and
- structuring external HRM to monitor the macro environment

3.2 THE ORGANISATIONAL HRM STRATEGIC MODEL AND ITS IMPACT ON MCD

In a fast-paced global economy, change is the norm. On the one hand, environmental, social and technological change, increased multinational automotive business in South Africa (and between South Africa and the rest of the world) and the increased scarcity and career development cost of DSGN competencies make long-term planning risky; on the other hand, such planning remains absolutely essential. HRM strategy must fulfil its role in planning for and providing human capital in such a way that the mission and business strategy of the organisation can be realised. Furthermore, HRM must determine the most effective utilisation of the organisation's resources. It must craft and execute the strategy in ways that produce the intended business results. Without such a strategy, management would have no road map to follow and no action plan to produce the desired results.

Building strategic human resources as an activity addresses a wide variety of people issues that are relevant to a business strategy that crosses all the functional areas. The HRM strategy and policy must be fully integrated with all the relevant and significant aspects of the organisation (such as appointments, remuneration, performance

management, and many more). Figure 3.1 presents a comprehensive picture of the aspects that make up HRM strategy and policy.

The strategic process is led and co-ordinated by that part of management in every department which is responsible for HRM. The networking relationship between HRM and career development plan facilitates the people development process of realigning the functional strategies that have an impact on MCD for DSGNS and the integration advisory forum with the overall corporate HRM strategic plan. These activities result in an interface between the overall organisational strategy and the strategies of other functional units, as proposed in Figure 3.1, overleaf (adapted from Mathews, 1998:21).

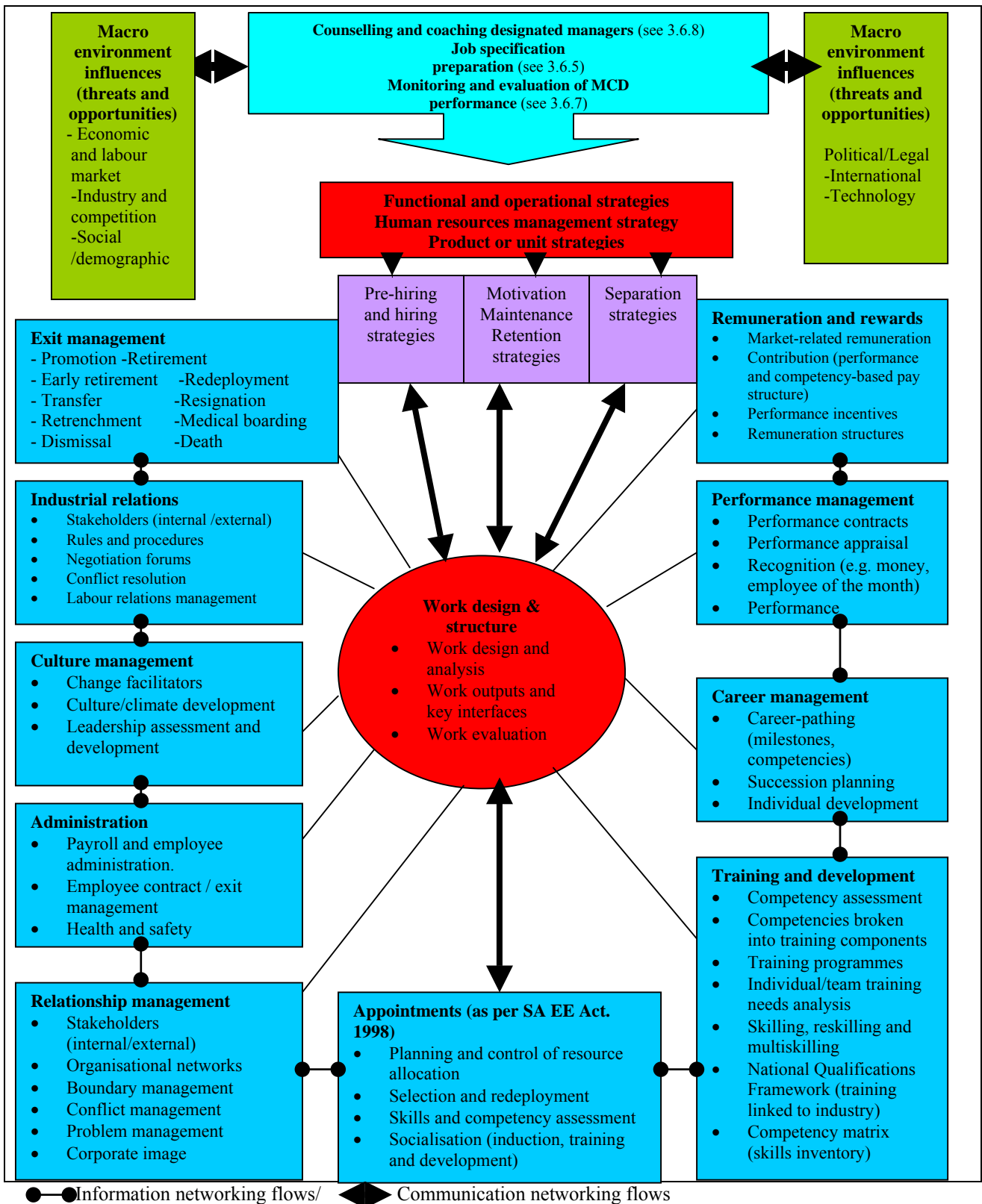


Figure 3.1: A proposed strategic HRM model building approach (adapted from Mathews, 1998:24)

Among the activities indicated in Figure 3.1, the following activities are the ones most likely to be assigned exclusively to the HRM department:

- compensation and benefits issues, such as insurance administration, wage and salary administration, unemployment compensation, pension plans, holiday/leave processing and flexible benefits accounts;
- affirmative action and employment equity;
- job analysis programmes;
- pre-employment testing; and
- attitude surveys (research).

In addition, the HRM strategic processes include carrying out some activities jointly with other departments in the organisation, including interviewing, productivity/motivation programmes, training and development, career planning, disciplinary procedures and performance appraisals. For the purposes of this study, HRM career programmes and training and development practices are linked with the MCD strategic processes that balance the needs of both the organisation and managers. These strategic HRM investments need to be effectively managed and developed to ensure long-term rewards, by leading towards the greater organisation's productivity (an economic benefit) and to move up competent human capital (meeting the emotional needs of managers).

The sub-strategies (Figure 3.1) of hiring, retention and separation interact with the overall HRM strategy. Corporate and functional unit strategies are driven from the top by the organisational HRM strategy, which is in turn influenced by changes in the external environment. Anthony *et al.* (1996) have demonstrated that the HRM strategy should be consistent with other functional strategies (finance, production and marketing) as a shared responsibility, and should be integrated with the corporate strategy. Informed timeous decisions can be made effectively when external labour market signals and variables are continuously assessed, and where human resources management and labour market issues are aligned (Anthony *et al.*, 1996). Seen in this light, the focus and role of HRM units in South African automotive organisations are very important, particularly given the magnitude of changes in the macro external environment.

According to Walker (1992), HRM strategies are management responses to emerging issues, derived from both an internal scan and an environmental assessment, to sustain competitiveness by managing people. He maintains that HRM strategies are the means to align HRM with the strategic objectives of a business.

In large corporations, the HRM Department (previously the office known as the Personnel Department) is often sub-divided, but aligned to clearly defined operational functions, such as HRM planning, recruitment, selection, MCD and education, performance appraisals, health and safety, compensation and reward systems, fringe benefits as well as other subsidiary elements. The term “personnel” has now been given a new thrust and “personnel management” is now referred to in the literature as HRM, as it involves people issues. Given its current application, the term “strategic human resources management (HRM)” has evolved as the contextual paradigm (Swanepoel *et al.*, 2003:151).

Walker (1990) asserts that HRM strategies involve every facet of management practice, and he highlights the following key strategic considerations and actions that HRM must perform:

- plan future staffing by examining the utilisation of current staff and projected changes in the work load;
- control demand for personnel in short supply, increase the supply of talent, and enhance the recruitment and the retention of the required talent; and
- utilise management education as a vehicle for promoting change.

According to Stacey (1996), MCD is an important HRM implementation tool, because it motivates people and provides the skills required for HRM strategy implementation. He states that the objectives of MCD programmes need to be consistent with corporate strategy and should consist of measurable changes in performance. MCD therefore permeates the entire domain of an organisation and has an impact on all functional departments, including the top management hierarchy.

Human and Hofmeyr (1985) outline the fundamental principles of MCD as follows:

- A large proportion of MCD occurs on the job, where meaningful on-the-job assignments and opportunities are given to potential managers to promote self-development.
- Individual MCD needs must be matched with specific HRM strategies. Some strategies are more appropriate in some situations than in others.
- A designated manager who has acquired skills and knowledge in an MCD programme must transfer those skills on-the-job in order to apply what he/she has learnt.
- Different types of skills need different development strategies. For example, technical skills may require formal training, reinforced by on-the-job applications. Conceptual skills may require planned job experiences (such as in a mentorship programme) and on-the-job application (as in a coaching programme).
- A potential designated manager's line manager plays the most important role of all in MCD.

According to Michael (1993), the success of executive MCD programmes depends on their successful implementation. Promoting strategic change in turbulent environments, Michael (1993:27) asserts that "leading edge firms rely more on experiential learning techniques than on classroom lecture and case studies approaches". He also maintains that companies should focus on the broader issue of MCD for high profile talent. Organisations should prioritise fundamental issues such as addressing the effects of globalisation, sustaining competitive advantage, managing diversity and change, promoting outdoor leadership, doing team-building exercises and MCD visioning. It is essential to integrate these aspects "by tying them to the specific strategic issues of the organisations" (Michael, 1993:39).

The guidelines suggested by researchers such as Walker (1992), Human and Hofmeyr (1985) and Anthony *et al.* (1996) reflect the underlying principles of sound MCD and of a strategic HRM focus and functioning in general, and they can be applied to South African automotive organisations in particular.

3.2.1 The role of HRM strategy in organisational functional areas

Organisational success is influenced by the extent to which HRM strategies and practices are closely linked with, and contribute to, the organisation's strategic objectives and plans. It is also influenced by the degree to which the various aspects of HRM are synchronised with each other and managed in an integrated and coherent way.

All strategic activity should be aimed at adding value to the operational business, and quality of work life to employees. Hence strategic activity must support continuous organisational success in transformative environments. An important aspect at HRM's strategic role is its ability to (Lambert, 1997):

- respond to the needs of a company's overall business performances;
- recognise and value the right competency factors to ensure recruitment that enhances the company's human capital effectiveness;
- effectively develop human capital and organisational productivity in line with external (customer) needs;
- integrate the strategic business plan and top management leadership and not focus only on monitoring human resources and policy application;
- influence MCD in order to grow a strategic advantage in the next decade (leading change and making a valuable contribution towards the organisation's competitiveness); and
- focus MCD activities on a broad range of skills, so that (increasingly) scarce human and intellectual capital is managed and maintained.

3.3 THE FUTURISTIC DIMENSION OF THE STRATEGIC MCD MODEL

Strategic MCD initiatives can and should be a key focus for a company which wishes to facilitate organisational change and competitiveness. These initiatives should include both the targeted disadvantaged population and the elements that enable companies to create and sustain superior organisational capabilities. The cultivation of those capabilities is the strongest contribution that MCD can make.

Walker's (1990) findings indicate that there is a need for organisations to manage change. In the South African context, this should extend to strategic HRM activities,

with a particular focus on the MCD of DSGNS to meet the needs of the automotive business in South Africa. Veldsman (1996:43) concurs with Walker's (1990) survey findings when he states that "the true challenges facing the top management of organisations is to shape, innovatively and proactively, destinies for their organisations by ensuring sustained competence and capacity in a radically redefined world". According to Veldsman (1996), people are key resources in the process of future creation and the actualisation of strategic decisions. Watson (1996) offers a similar view when she refers to HRM strategies as "drivers" of the process of integrating MCD with business plan strategies.

Future strategic HRM issues must be addressed if MCD initiatives are to contribute effectively to the creation of superior organisational capabilities (Ready *et al.*, 1992:31):

- The initiatives must be linked to the HRM strategic imperatives of the organisation.
- Individual and organisational development must be addressed in parallel with the MCD process.
- A comprehensive, system-oriented approach must be developed to create and maintain positive organisational momentum.
- The top management must be involved in future challenges and directions in the strategic HRM/MCD and business plan partnership capabilities that
 - bridge the gap between HRM and the business plan;
 - define new requirements for top management and line management, and build the parameters necessary to link HRM and business issues;
 - reassign revised strategic HRM responsibilities and MCD activities to the human resources personnel;
 - manage MCD for potential designated managers' job rotation and mobility bound for higher responsibility through strategic HRM roles;
 - position the designated MCD activities in the best way to become strategically HRM-focused and business-driven; and
 - best organise and manage MCD strategically within "World-Class" HRM functions.

Vicere (1997) surveyed several large companies around the world in 1982, 1987, 1992, and 1997 to determine the most-favoured MCD techniques. These techniques are listed

in Table 3.1. The popularity of each technique is indicated by the percentages of companies that use these techniques next to each technique.

Table 3.1: Most-favoured MCD techniques

Survey results on most favoured “MCD” techniques	1982	1987	1992	1997
	%	%	%	%
Job rotation	20	72	58	64
In-company MCD programmes	34	47	56	39
Task forces / special projects	28	32	39	68
External MCD programmes	37	48	33	30
On-the-job training	20	28	28	45
Coaching/mentoring	37	26	22	32
Performance feedback	48	6	9	30
Teaching/consulting with other employees	19	1	5	9

Source: Vicere (1997:94)

Responding companies reported that task force/special project assignment, job rotation, and on-the-job training were the methods they most frequently used for development. In-company educational programmes, coaching/mentoring, performance feedback and external educational programmes comprised the second tier of methods. Teaching or consulting with fellow employees appeared at the bottom of the list. Experiential methodologies have gained increasing popularity, while traditional programmes (especially external programmes) have dropped in prominence. Interestingly, performance feedback, highly regarded in 1982, fell out of favour in 1987 and 1992. Performance feedback’s impressive and prominent return in 1997 reflects the increased use of 360-degree feedback as an appraisal and developmental tool which collects appraisal data from many sources to form a combination of peer, subordinate, self-review and sometimes customer appraisals.

Mullins (1996) states that many multinationals embrace the 360-degree appraisal process of subordinates as a form of evaluation which leads to direct identification of individual performance problems better than a traditional top-down appraisal system approach could. The key steps that a company must follow to implement a 360-degree

appraisal system are to communicate the goals and need for 360-degree appraisal; to train employees to understand the appraisal instrument process and feedback sessions; and to let top management reinforce the goals of the 360-degree appraisal and update the process when necessary.

The results of these studies reflect a shift in user perspective toward career education and MCD. Work experience and company-specific educational programmes have emerged as the core focus of MCD efforts. These findings support the evolution of a “new paradigm” for MCD. This new paradigm is likely to create co-ordinated MCD strategies that blend job experience and educational initiatives, guided practical experiences and targeted performance feedback in order to facilitate ongoing MCD at all levels of the organisation. This type of process is focused not only on individual development, but also on the ongoing development of the organisation as a whole.

Most organisations struggle with the challenge of how best to match individual and organisational development needs with the most appropriate developmental experiences, techniques and methodologies. The knowledge creation cycle depicted in Figure 3.2 (overleaf) provides a framework for dealing with this challenge (Vicere, 2001). This cycle is discussed in detail below.

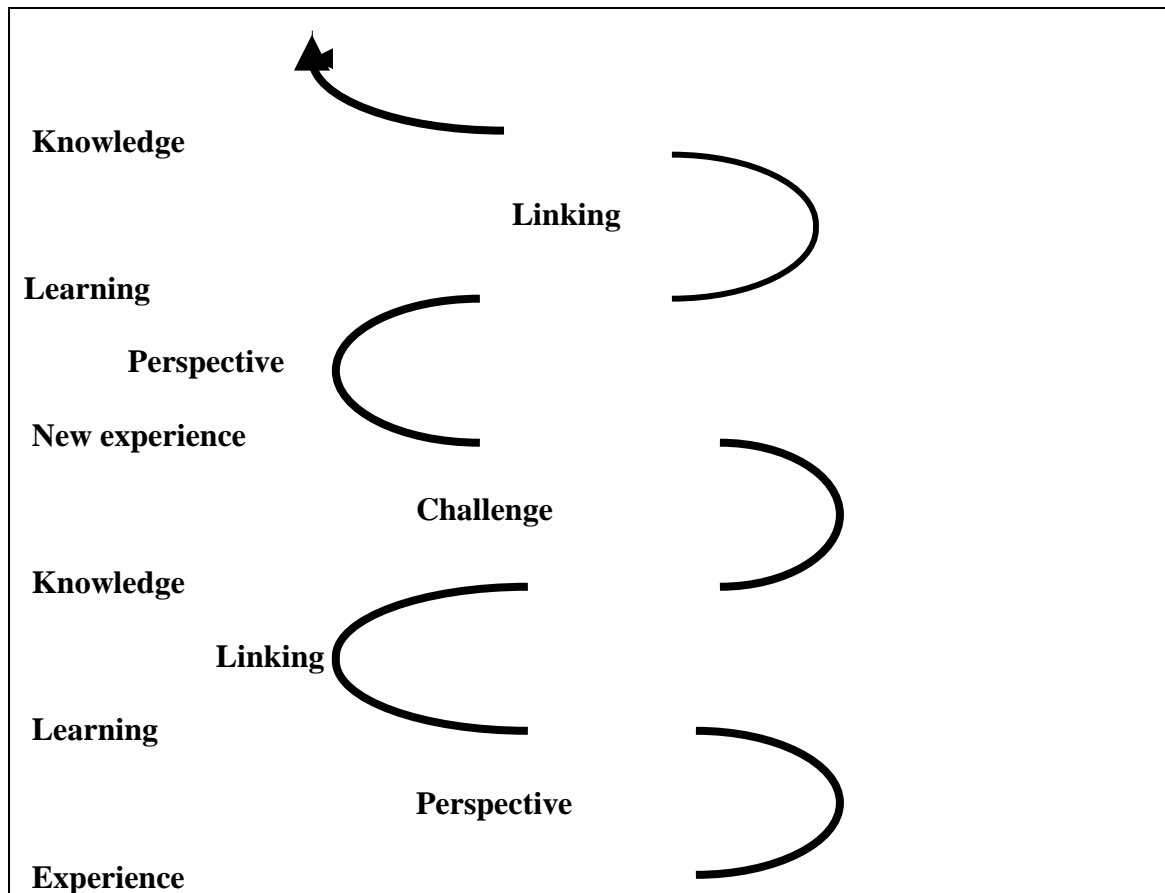


Figure 3.2: MCD – the knowledge creation cycle (Vicere, 2001:95)

A knowledge cycle is a model for mapping MCD processes. It portrays MCD as a constantly escalating process that builds on the experience base of the leader to create an ongoing cycle of both individual learning and organisational knowledge creation (Nonaka, 1991). An understanding of the knowledge creation cycle can enable an organisation to enhance dramatically both its ability to learn and its awareness of the appropriate use of various techniques for MCD programmes. Each stage of the cycle has implications for MCD, and these stages and their implications are discussed below.

3.3.1 Experience

There is an old saying that “experience is the best teacher”. This appears to be especially true when it comes to MCD. A study has found that leaders tried to attribute most of their current success to past work experience (McCall *et al.*, 1988). It is quite reasonable, then, for companies to pay a great deal of attention to providing high-

potential DSGNS with challenging and varied work experiences. It is through such experiences that managers have the opportunity to learn, grow and develop.

McCall *et al.* (1988) found that there was no such thing as generic work experience. Instead, they found that different types of work experience provide different kinds of opportunities for career development. That is why one fundamental objective of MCD is to provide developing managers with both the tools and the opportunities to gather knowledge, and to improve based on lessons gleaned from their experiences.

3.3.2 Perspective

The most commonly used techniques for helping managers to gain perspective or to learn from their experiences are

- classroom education (external, internal and consortium);
- feedback approaches;
- personal growth approaches;
- new learning technologies; and
- coaching/mentoring.

The classroom is a valuable and readily accessible forum for giving managers an opportunity to prepare for and learn from their experiences (via customised programmes or seminars). In addition to classroom-based programmes, feedback approaches to MCD, relying primarily on 360-degree assessment, have been rapidly gaining in popularity. These initiatives, often delivered in a classroom format, are designed to assist managers to gain a better understanding of their leadership styles and their ability to influence the people around them. Finally, mentoring can make a large contribution to a manager's ability to learn from work experiences. A brief discussion of each technique and its potential contribution to MCD appears below.

3.3.2.1 Classroom-based approaches

There are two classroom-based approaches that can contribute significantly to MCD: a skills-building approach (in which complex managerial behaviours are broken down into skills that can then be taught to managers) and a conceptual approach (which

focuses on the presentation of ideas and concepts for management to consider) (Vicere, 2001).

To maximise the value of skills-building approaches, organisations must ensure that the skills being taught and the message being delivered are well known and accepted throughout the organisation. Moreover, skills-building approaches are most likely to be effective when the training cascades down from the top of the organisation.

Programmes based on the conceptual approach are essential in creating an understanding of something as complex as an MCD challenge. If the conceptual models presented are simple and straightforward and supported by films, case studies, models, simulation or forms of hands-on exercise, this approach may be very successful as a training tool.

The three primary delivery modes for classroom approaches are external management education programmes, company specific programmes and consortium programmes. The strengths and weaknesses of these modes are discussed below.

External management education programmes are open-enrolment management development programmes, which are among the most commonly used manager career-pathing development techniques. Perhaps the best known of these experiences are university-based offerings such as long-term residential executive business school programmes on leadership development strategies (Vicere, 2001). The benefits of university-based executive programmes are their strong base of case study applications and simulations. They offer opportunities for practice (Vicere, Taylor & Freeman, 1993) in that

- perspective is provided by exposure to other viewpoints and networking;
- subject specialists' vision is broadened;
- there is reflection on the notions of a career, work roles, personal styles and effectiveness and renewal is encouraged;
- exposure to faculty experts is possible and the latest management information is provided in a high-quality academic setting;
- there is exposure to a variety of programmes (that cannot be delivered as economically or effectively within the company);

- in-company programmes are complemented; and
- rewards in terms of self-esteem are provided.

Company-specific programmes are increasingly turning to **internal customised executive education/MCD programmes** to address the critical demands of a changing environment. Formerly, these programmes tended to focus on skills-building to help companies in their transition to join the global competitive environment, and to help promote a broader conceptual understanding of the strategic directions of the organisation. Based on the Penn State surveys, some benefits of internal programmes are listed below (Vicere, 1997).

- programmes are more specific to the organisation and its needs;
- an organisational culture is developed;
- teams are built and change is implemented;
- savings in both time and money are achieved;
- better control of content, faculty and participants can be obtained;
- external programmes are complemented;
- interaction with top management is provided; and
- the availability of resources and scheduling efficiency are increased.

From the above discussion, it appears that external, open-enrolment programmes serve a different purpose and generate different outcomes from internal, company-specific programmes. External programmes seem to focus more on individual development, while internal programmes seem to effect organisational development more. As such, both types of experience can contribute significantly to the MCD process when they are used appropriately. Both internal and external programmes aimed at achieving MCD best practices are intense.

A third and relatively new form of classroom-based MCD programme attempts to blend the perspective-broadening benefits of traditional open-enrolment programmes (such as university-based programmes) with specific company programmes. This is known as the consortium model (Vicere, 2001). Typically, representatives from member companies participate on a committee that oversees programme design and delivery. In addition, teams of participants from member companies attend the programme, enabling

the discussion to be both specific to each individual organisation, and enriched by the perspectives of other teams.

The consortium model holds a great deal of promise and can add value to participation by blending individual and organisational development in a focused manner (Vicere, 2001). A good example of a sector using the consortium model is the utility industry in the United States. In these corporations, emerging DSGNS/leaders have already participated in MCD programmes. Collaboration among the membership has resulted in a learning model that allows participants to regulate and apply their own learning in the work environment. The managers learn how to learn the lessons their particular job offers each day by implementing some of the supporting techniques used daily, such as continuous improvement techniques (CIT), management value-adding techniques (MVA), total quality management (TQM) and fault tree analysis (FTA). This cooperative effort is a win-win opportunity for both the business and academic communities (Vicere, 2001).

3.3.2.2 Feedback approaches

Conger (1992) describes feedback approaches as initiatives that operate under the assumption that many who aspire to be an effective manager or leader already possess, in varying degrees and strengths, the skills they need. The aim of the programme, then, is to point out to participants their own key strengths and weaknesses, so that they can work to strengthen their weaker skills, and can act with confidence when relying on their strengths. Feedback-based programmes tend to rely heavily on 360-degree feedback (see Table 3.1 and the discussion of it).

The consistencies or inconsistencies across the various ratings are then used as the basis for discussions with the individual about performance, potential and development (O'Reilly, 1994). The use of 360-degree programme assessment, other forms of testing, peer and staff feedback and goal-setting can help an individual leader to learn about his/her strengths as a leader, confront his/her weaknesses, and develop a plan of action for improvement (Milkovich & Boudreau, 1994).

To maximise the potential contribution of the feedback approach, it is essential that the company manages the development context, making sure that the feedback has meaning for the participants and that the resulting development plans are linked to appropriate elements of the company's HRM infrastructure, especially its development, appraisal and reward systems (Conger, 1992).

3.3.2.3 Personal growth approaches

According to Conger (1992), personal growth approaches assume that leaders are individuals who are deeply in touch with their gifts and passions. Therefore, only by tapping into, and realising their passions, can people become managers or leaders. Thus, if training can help managers to get in touch with their talents and sense of purpose, they will presumably have the motivation and enthusiasm to formulate inspiring visions and to motivate those who work for them. Conger (1992) also notes that the goal of personal growth approaches is to help participants to understand the status or self-assessment for which they have given up their sense of power and efficacy in their personal and professional lives. This is accomplished through outdoor adventures that involve some degree of risk-taking, such as high-rope courses (Wagner, Baldwin & Roland, 1991), or indoor experiences that force participants to reflect on the discrepancy between their personal aspirations and the current state of affairs (Vicere, 1997). Administered appropriately, these experiences can be both eye-opening and empowering. If a manager's career in leadership is in part an emotional manifestation of his/her passionate interests and aspirations, then this is where a significant portion of training must take place (Conger, 1992).

3.3.2.4 Technology-based learning

In addition to the above approaches, there is increased interest in the use of electronic media and telecommunications to develop a manager's career. A recent article noted that most organisations are currently using new technologies to supplement traditional programmes and methodologies (Coyle, 1995). For example, participants are often kept in touch with electronic media networks during a multiphase MCD programme through email, voice mail, or video-conferencing. Networks based on various forms of groupware are also becoming more freely available.

This groupware is defined as a tool designed to enhance productivity by allowing users to share information and by allowing individuals to customise their MCD programme viewing electronically to suit their needs (Rifkin, 1995). The term “groupware” can include technologies such as group decision support systems, teleconferencing, video-conferencing and desktop conferencing systems.

Through the use of groupware, groups of people at various locations can be electronically linked to discuss issues, solve problems, analyse data or simply network (Kirkpatrick, 1993). All these tools enable the creation of a “virtual classroom”. These types of courses, offered by growing numbers of providers, establish the foundation for an organisation to engage in interactive distance training programmes. These can be distributed to multiple sites by using multimedia technology (Vicere, 1997).

Despite the growing use of this technology, technology-based learning is still “finding itself” as a tool for MCD. It has enormous potential, but the role technology will play in the future of MCD still has to be determined.

3.3.3 Learning

Shaw and Perkins (1992:31) note that learning is “the capacity to gain insight from one’s own experience and the experience of others and to modify the way one functions according to such insight”. When managers are given an opportunity to step back and see how their experiences have contributed to their growth and career development, they are far more likely to learn further competencies. This type of learning is the cornerstone of individual career development. However, more must be done if an individual manager’s learning is to be turned to knowledge, so that it forms a permanent part of that leader’s intellectual repertoire and contributes to the organisation’s collective knowledge base.

When markets shift, technologies proliferate, competitors multiply and products become obsolete almost overnight. Successful companies consistently create new knowledge, disseminate it widely throughout the organisation, and quickly embody it in new technologies and products (Nonaka, 1991). Converting learning to a knowledge cycle,

both at an individual and organisational level, demands new competency updates in the MCD process (see Figure 3.2).

3.3.4 Knowledge

Nonaka (1991:56) notes that “making personal knowledge available to others is the central activity of the knowledge-creating company”. It takes place continually and at all levels of the organisation. When groups of individual managers have an opportunity to work together, share personal learning and solve real business problems, they can develop a framework for creating new organisational knowledge. In effect, the managers collectively craft new ways of thinking, operating and performing in the organisation. This new knowledge can serve as the basis for transforming an organisation’s culture and its operating perspective by making the organisation what Davis and Botkin (1994) call a “learning business.”

Strategic MCD initiatives are geared not only toward developing individual leaders, but also toward creating opportunities for leaders to share their experiences across the organisation, in order to grow the overall “intellectual capital” of the business. By implementing strategic MCD processes that include team-based action learning activities, organisations are able to lever their intellectual capital and thereby enhance organisational development. When such team-based organisational development initiatives are closely linked to the strategic agenda of a firm, the organisation can create considerable momentum for transformation in terms of career development (Vicere, 1997).

3.3.5 Challenge

The challenge is to continue the creation of new knowledge, to become learning organisations, which continue to provide new challenges to MCD (McGill & Slocum, 1994). These challenges include new opportunities to learn, through

- rotational assignments (action learning on various departmental experiences);
- stretch assignments (task force and project assignments); and
- developmental assignments (start-ups, turn-around, international and staff-line).

By engaging managers in a continuous learning process that includes new experiences and new opportunities (allowing them to gain new perspectives) individual learning is stimulated. Ultimately, new linking opportunities and new opportunities for organisational knowledge are created. This, in turn, facilitates ongoing renewal throughout the organisation.

3.3.6 Putting the cycle to work

A revision of MCD initiatives can be a key mechanism for revitalising a company and crafting organisational competitiveness. Combining an understanding of the knowledge creation cycle with a focus on an organisation's strategic imperatives sets the stage for purposeful MCD.

An example that clearly highlights the benefits of MCD is the case of the Financial Services unit of Westinghouse in the United States. Nonaka (1991), who acted as a business change agent consultant in order to transform the operating culture of the company, defined a set of five strategic imperatives. These imperatives (set out in Figure 3.3, overleaf) focused on both financial stability and business growth. Using these imperatives, MCD competency was developed to ensure that Westinghouse's managers had the necessary skills and capabilities to achieve the company's strategic imperatives (Vicere, 1997).

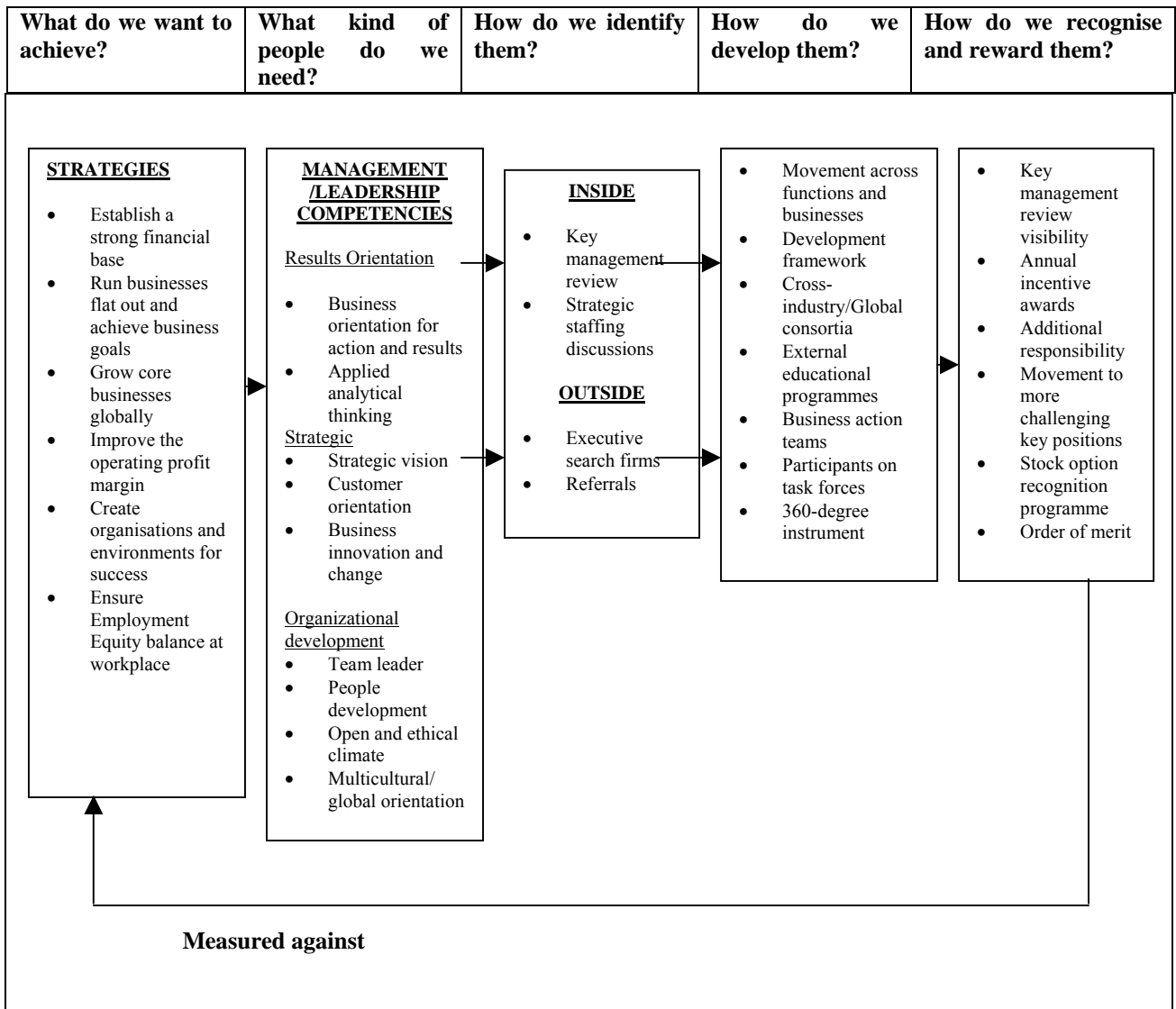


Figure 3.3: MCD – an integrated approach in the strategic context of the Westinghouse firm (Vicere, 1997:107)

Assessment processes were revamped to profile the company’s management talent pool. A set of MCD initiatives was designed to help communicate the strategic imperatives and competencies throughout the organisation and to address critical skills or perspective shortcomings that existed within the talent pool. These MCD initiatives included topical workshops, executive education programmes and discussion sessions with the CEO, and action learning initiatives. The entire process was reinforced by linking it to the company’s performance review and compensation systems. The company’s MCD initiatives played a critical role in the reorganisation efforts by serving

as a communications medium and as a mechanism for engaging managers in discussions on the strategic context of the company (McCall *et al.*, 1988)

3.4 BUILDING AN EFFECTIVE METHOD TO LINK AN ORGANISATION'S STRATEGIC AGENDA AND MCD PROCESSES

The Westinghouse case (Vicere, 1997) illustrates the power of linking an organisation's strategic agenda with MCD processes. It also highlights the need to link various methodologies to address the “why, what, how and who” of strategic MCD, as set out in Figure 3.4.

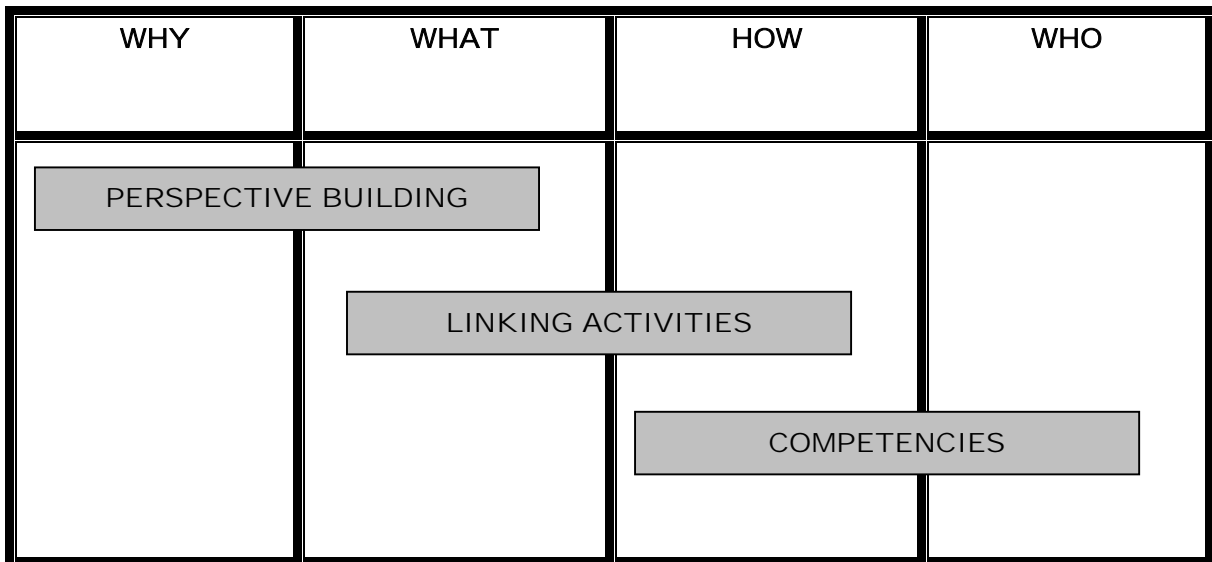


Figure 3.4: Elements of MCD (Vicere, 2001:119)

As the model in Figure 3.4 suggests, perspective-building activities involving various conceptual, skill-building, feedback or personal growth approaches seem to be the most effective in addressing the “why” and “what” of strategic MCD.

These activities provide excellent forums for outlining challenges, for presenting information, for discussing and clarifying issues, and for comparing ideas, practices and processes for creating awareness of why individual managers and their organisations need to change in order to perform more effectively than before.

Perspective-building is an effective method for addressing the “why” of organisational and individual development, and it can introduce managers to “what” needs to be done for them and their organisations to maintain effective performance levels. However, transferable learning is more likely to occur if discussions of “what” needs to be done are linked to actual hands-on practice in critical thinking and problem-solving. Performance appraisal systems and action learning projects are very effective vehicles for ensuring that the lessons learnt in programmes are linked to the real-world work environment (Vicere, 1997).

In addition, Figure 3.4 illustrates that these activities provide organisations with an opportunity to assess the “how” of strategic MCD by providing a forum in which particular skills, concepts or capabilities can be applied to management decision-making in a guided fashion, and can thereby be readily integrated into individual and organisational management practices.

3.4.1 The role of competency models

The creation of organisational competency models addresses the question of “who” is most likely to succeed in a management position, contributing greatly to appraisal and succession planning processes. This bridge to selection and appraisal helps to link the MCD process to HRM systems within the organisation, giving it greater credibility, accountability and impact. In addition, an analysis of the database created during competency assessments can help frame the objectives and directions of next-generation MCD programmes, bringing the process into a full circle model.

Companies today spend an enormous amount of time and money on developing career management competency models. The idea is to define a set of competencies for each job in the organisation with a listing of things the job holder must be able to accomplish (Esque & Gilbert, 1995). These job-specific competencies become the basis for hiring, developing and compensating employees within those jobs.

However, companies that place too great an emphasis on management competencies run the risk of developing a “programmatically framework”, which often results in their doing a very good job of training yesterday’s leaders. Companies would be well served to adopt

a “competitiveness framework” which focuses on both today’s and tomorrow’s challenges. The process of exploring competencies should be directed toward one goal: creating competitive capabilities and a sense of preparedness for the future (Ready, 1993).

Ready (1993:119) has defined three types of competencies:

- enduring competencies, related to a sense of identity and purpose within the organisation;
- contextual competencies, related to the strategic agenda of the firm; and
- process competencies, related to the ability of both individual managers and the firm to continuously learn, improve and grow.

Based on these classifications, Ready (1993:121) has crafted an international competitive capabilities inventory which blends an assessment of the strategic organisational capabilities essential for competitiveness in the global marketplace with an assessment of an individual leader’s capabilities.

When they are carefully worked into the strategic MCD process, competency models can be a powerful tool for defining management roles and expectations, clarifying organisational directions and directives and linking MCD to HRM processes such as appraisal, succession and compensation. However, when they are ineffectively used, competency models can be a mere symbol of the *status quo*, an anchor in past behaviours that can rapidly become bad habits in a changing marketplace (Eckenrod & Bradley, 1994).

3.5 A PROPOSED FOUNDATION FOR BUILDING A SYSTEMIC MODEL WITHIN AN MCD FRAMEWORK

3.5.1 The new role of career management

In this section, various existing models and theories are used to form an integrated foundation on which a new strategic HRM model is built (illustrated later, in Figures 3.8a and 3.8b). The researcher has adapted several concepts and theories from the literature on HRM by several experts, such as Vicere (2001), HRM in South Africa

(2002) and Veldsman (1996) to formulate the new working model. This new framework for organisational design did not come about as a single move. Instead, it emerged in fits and starts that together reflect a fundamental shift in management thinking.

Throughout the 1980s and early 1990s, global competition and enhanced information technology gave rise to a dramatic restructuring of markets around the world. Established organisations were challenged to rethink their competitive strategies and operational processes. Many once-dominant competitors seemed nearly powerless to fend off the onslaught of new competitors that did not follow traditional rules (Davis & Davidson, 1991). As a result of this environment of intensified competition, many established organisations lost their market share and saw dramatic declines in their profit margins. To deal with these competitive pressures, numerous actions were taken, perhaps the most significant of which involved extensive downsizing efforts that still continue. Downsizing in itself was a reasonable response to the competitive pressures of an emerging global economy (headcount reductions justified organisational expenditure on replacement technology) (Mathews, 1998).

Many “new” competitors were much younger and much leaner and, thanks to increased utilisation of information technology and related capabilities, they were significantly more streamlined in their organisational processes. These “new” competitors often move faster, are more efficient and more in touch with the marketplace than their “traditional” competitors. Hence, first-wave responses to this new competitive environment tended to involve attempts to “do more with less” by flattening organisational pyramids and incorporating new technologies, thereby gaining efficiency and improving cycle times (Henkoff, 1994). Figure 3.5 (overleaf) illustrates how “traditional” operations are becoming barrier-crossing “boundary-less” organisations that develop within the new challenging competitive environment. Strategic HRM reinforces new learning to get younger managers’ involved in the MCD processes.

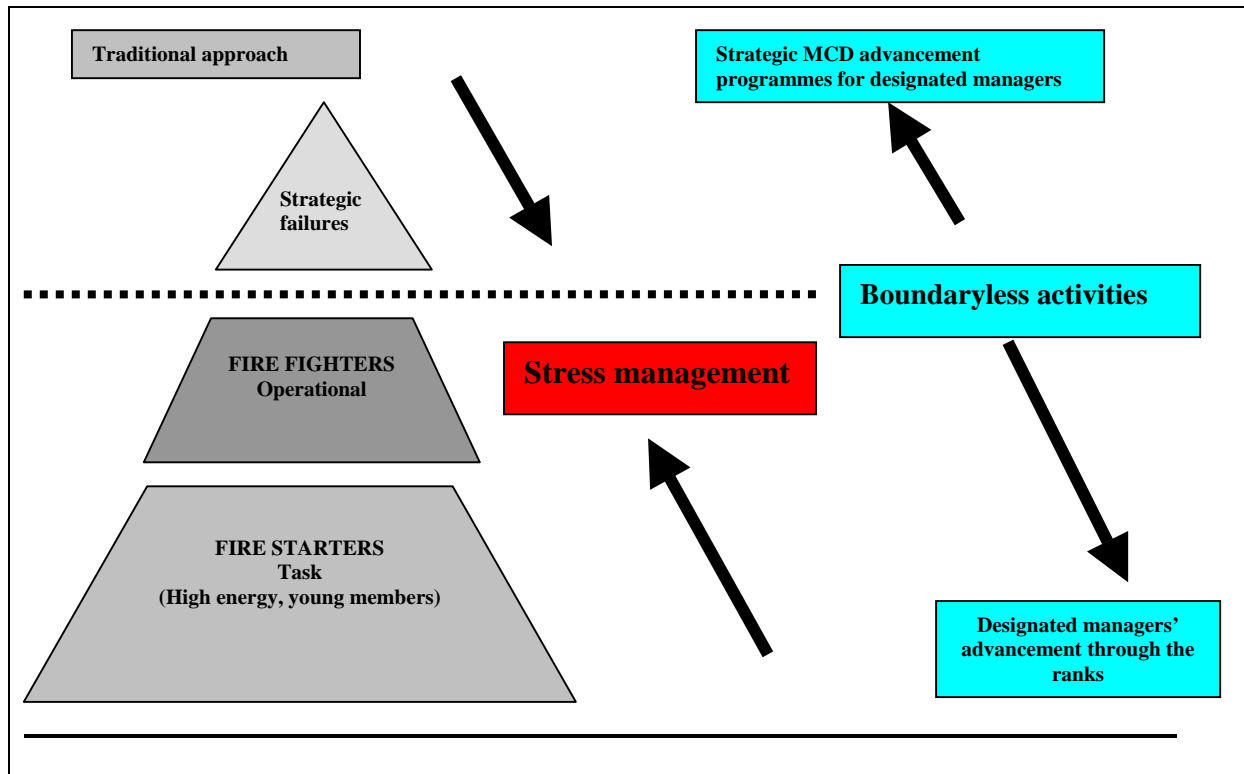


Figure 3.5: An HRM pyramid from the 1990s making way for new strategic MCD advancement (adapted from Vicere, 1997:73)

Figure 3.5 shows the traditional HRM pyramid of the 1990s, suggesting that the “Fire Starters” (Junior Managers) at the lower levels are young, highly competent employees with the latest training in information technology trends who want to cross the pyramid security barriers for a challenging work environment. The “Fire Fighters” (Senior Managers) at the core of the pyramid themselves grew up from the bottom levels and may have stagnated for a long time. The core managers protect their working environment and act by using a filtering process to communicate only success stories up the corporate message channels and to omit the failures. Figure 3.5 illustrates the following comments:

- Senior Managers incubate death at the lowest level of employees:
- there is no growth to mobilise staff;
- affirmative action or employment equity is not actively implemented;
- there is no MCD;
- there is no diversification;
- Senior Managers live with the legacy of the past;
- traditional management styles are followed;

- Junior Managers can be intimidated easily for HR/ business change;
- management communicates only good news;
- operations feedback avoids revealing poor industry performance;
- education and training has no job relevance; and
- training lower-level staff makes higher management feel insecure.

Appraisals and reward systems appear to work favourably, with the senior managers' gaining corporate creditability on all success stories. The "Fire Fighters" feel intimidated by the high-potential innovators and competencies at the lower level of the pyramid and are afraid to be overtaken by the talents needed for a global organisation.

The working environment illustrated in Figure 3.5 (above), of which the Fire Starters and fire fighters are examples, of which creates new challenges and threats, leading to new tasks and requiring continuous changes within the strategic MCD business plan focus. These anticipated changes influence organisational issues by leading to (Ready, 1993)

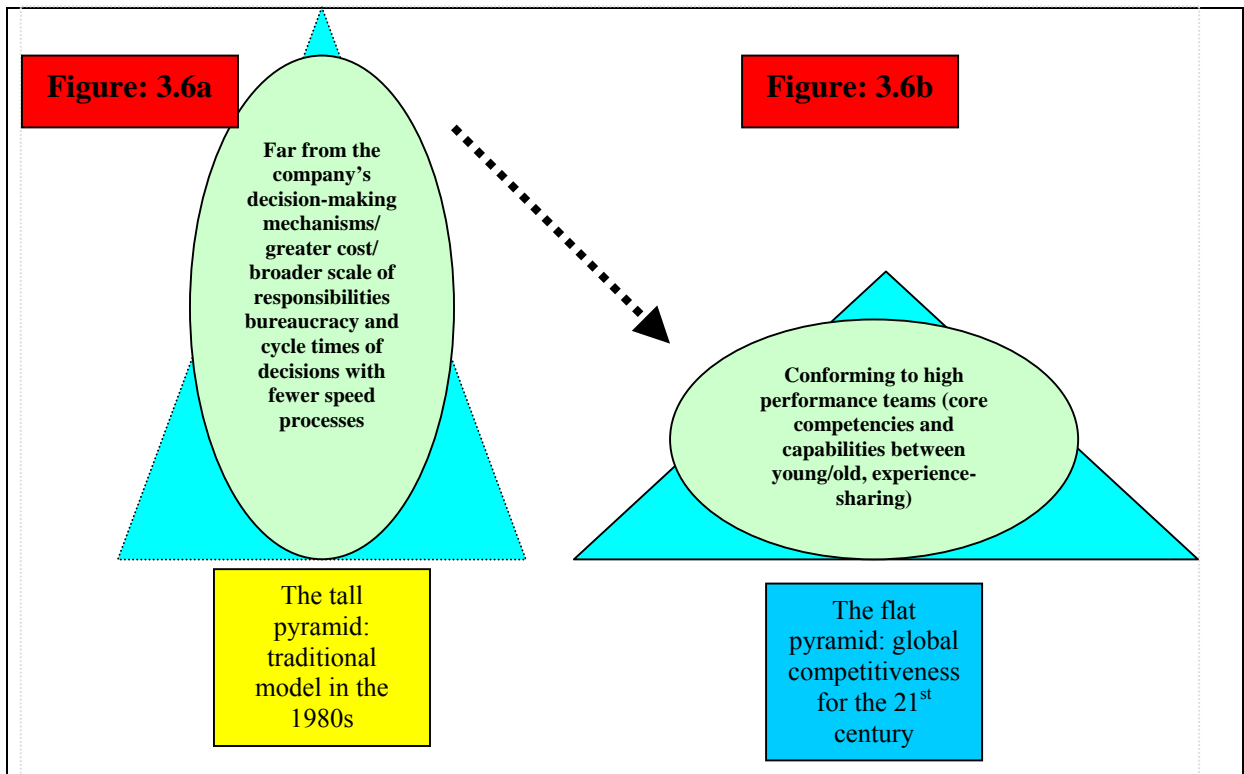
- increasing globalisation;
- intensified competition;
- higher prices of raw materials;
- shorter product life cycles;
- difficulties in covering expenditures for research and development during commercialisation;
- increasing flexibility within the whole company; and
- the implementation of new forms of inter-company and international co-operation.

Changes within companies create new pressures and require new management concepts. In particular, there are fundamental changes in the values of the younger generation who will move up the corporate hierarchy into senior management. A new MCD model requires a revision of company values, policies and action. Companies need to resolve conflicting demands, because they must (Vicere & Fulmer, 1998)

- innovate and yet maintain their traditional focus and values;
- provide scope for individual development and meet demands for employee participation;

- decentralise and provide autonomy, but also integrate and co-ordinate activities in different parts of the organisation.

At the foundation stages of the new model, as set out in Figure 3.6 (overleaf), there is an oval cycle of activity for MCD approaches that gives greater opportunities for the “Fire Fighters” and “Fire Starters” to become high-powered, dynamic teams.



Traditional HR approach replaced by strategic HRD crystallization

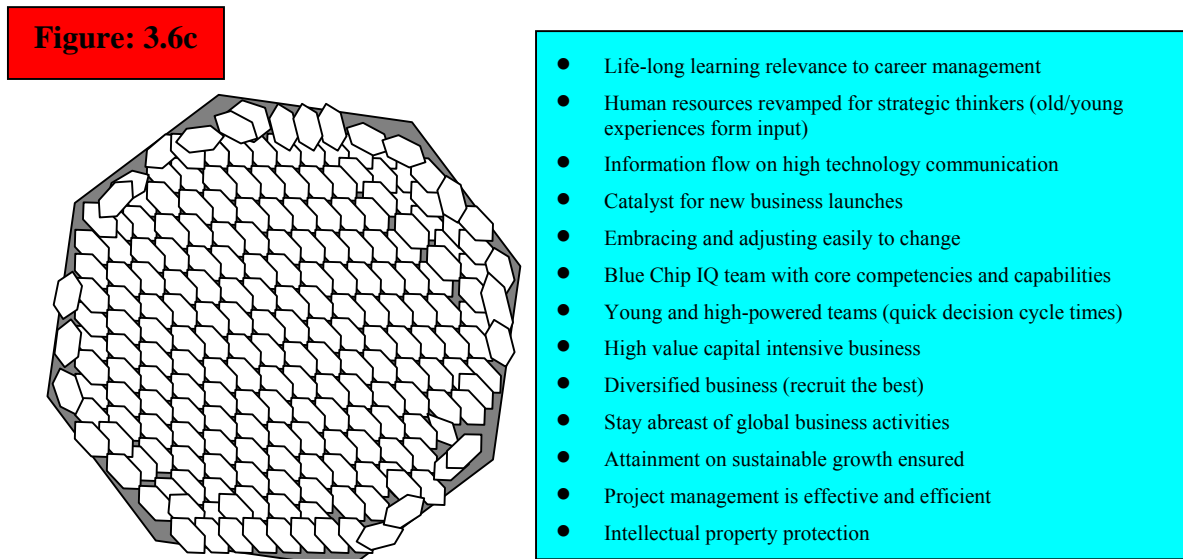


Figure 3.6: A proposed model of oval activity for designated MCD advancement (adapted from Vicere, 1997:73)

Teams can be established to tackle and resolve complex global competitiveness problems and eliminate obstacles that hamper communication. The team can also focus

on strategic organisational issues. The following are key pointers to crystallise the core areas of competencies in the flatter pyramids:

- A key team leader for organisational change must drive the proposed MCD model (and not the individual managers of the pyramid hierarchy structures).
- Stress is reduced for the decision-makers when the pyramid reporting structure is revised to a flatter HRM structuring.
- New ideas and competencies of new team members are allowed to be built up, so that knowledge is also transferred from experienced leaders to the new team members.
- The thinking processes of “Fire Fighters”/“Fire Starters” are integrated (forming high-powered teams) that revitalise the organisational business logic and sustain strategic business levels by rekindling the competitiveness of a firm.

3.5.2 The emergence of a new, flatter form of organisational structuring

The evolution of the new organisational form can be traced by means of the simple set of symbols depicted in Figure 3.6a. The traditional organisational model is depicted as a tall pyramid. With the evolutionary onset of the global competitive environment with its dynamic, unpredictable changes, the traditional model has become dysfunctional. The tall pyramid organisational form has fallen prey to first-wave downsizing and delayering efforts, resulting in the flatter organisational pyramid, as portrayed in Figures 3.6b and 3.6c).

At least theoretically, the flat pyramid holds great promise, proclaiming greater cost-effectiveness, because fewer people are needed. It brings the customer closer to the firm’s decision-making mechanisms. It eliminates unnecessary layers of bureaucracy. It gives workers broader scope responsibilities. It also speeds up decision-making and cycle times. These are all potential benefits.

Nevertheless, a key explanation for the inability of the flat pyramid to deliver competitiveness is revealed in Figures 3.6b and 3.6c, in the “oval of activity”. At the risk of oversimplification, this symbol depicts all the activities and processes in which an organisation engages to accomplish its work. Most companies seem to be caught up in a restructuring nightmare. Rather than restructuring with a purpose, they move

through a vicious cycle of continuous shrinking, with no focus on creating unique value in the marketplace, and no focus on growing and developing the organisation as a competitive entity.

3.6 A NEW SYSTEMIC MODEL FOR AN INTEGRATED DESIGNATED MCD STRATEGY

The present study has identified the problem of the acute shortage of skilled DSGNS and, hence of the necessity for career-pathing and development for managers in South African automotive organisations. Moreover, the added roles and the locus of strategic HRM activities need to be redefined in the light of the new challenges and demands imposed by both internal and external macro-variables. These variables include political/legal, economic, social, technological, global trends and the quality of managers' work lives.

In developing the strategic model (see Figures 3.8a and 3.8b), it was acknowledged that there has been a lack of adequate research in the area of designated MCD within the automotive sector. Hence, there is a need to produce a model which contextualises the research problem, and adds to the existing body of knowledge. According to Anthony *et al.* (1996:18), strategy is defined “as the formulation of organisational missions, goals and objectives, as well as action plans for achievement, that explicitly recognise the competition and the impact of outside environmental forces”.

A survey conducted by Walker (1990:27) has revealed that “change and variety are the watchwords of HRM development”, as human resources departments assume added responsibilities when they are faced with new challenges like the career-pathing and development of a DSGN understudy. This represents a shift in the focus of HRM and MCD. Figure 3.7 compares traditional personnel management to the new paradigms of the MCD process.

The marginalised “Personnel Department” <i>Traditional paradigm</i>	Integrated strategic HRM - MCD <i>New paradigm</i>
The “Personnel” function focuses on administrative personnel issues. Personnel/HR departments are marginalised and do not “add value” to organisational strategic goals.	The HRM specialist’s function/role is redefined in the context of global business requirements and continuous improvement.
The Personnel/HR function “serves” top management.	HRM function “serves” from the top/down, from strategic to operational structure levels (management and employees).
The CEO pays lip-service to the importance of human resources, but does not act on it and talks often of interventions.	CEO supports and drives the HRM culture of the organisation – both symbolically and functionally.
Personnel/HR has a short-term focus with negligible vision or strategic focus.	HRM has a long-term, strategic focus which flows directly from the overall organisational vision and strategy.
Personnel/HR is regarded as a cost centre.	HRM is regarded as a profit centre, making a measurable contribution to improving organisational performance.
There are high levels of centralised decision-making, with HR “marginalised” and excluded from key strategic business decisions.	The HRM specialist at board level participates at the highest level of decision-making in every area of the business, influenced by government’s new labour legislation and international world class business HR practices.
There is a lack of clear, integrated human resources strategy.	The HRM department and management agree jointly on strategy and policy, which are critically aligned with the overall business vision, strategy and policy.

Figure 3.7: The two paradigms (adapted from Watson, 1996:10)

The strategic importance of the new paradigm is that organisational integration is maximised; management commitment is obtained; and flexibility and quality of work is the result (Watson, 1996).

According to Watson (1996), the new paradigm provides an appropriate framework for HRM practice in modern organisations. She proposes that at the micro level, the MCD and development strategy should focus on the acquisition of world class competencies and skills in the following core areas: technical skills, management competencies for global business operations, project management skills and high performance teamwork skills development. These management competencies and skills for designated management groups should be integrated with key areas such as Affirmative Action (an amendment of imbalances between the appointments of DSGNS and Non-DSGNS in the past), diversity management (coping with a changing working environment and culture) and the forging of new relationships and partnerships with unions and multinational businesses, including in the automotive industry.

The literature review of strategic HRM linked with MCD theory discussed in Chapter Two was used to form the main building blocks in formulating an integrated model for designated MCD. This proposed model (shown in Figures 3.8a and 3.8b) provides an integrated, systematic model for designated MCD that is linked to the strategy of a human resources central management monitoring structure. In developing the model, it has to be acknowledged that there is a lack of adequate empirical research conducted in the area of D_{SGN} MCD activities. The need to produce a model which contextualises the research problem and adds to existing body of knowledge is thus recognised.

This model focuses on large automotive organisations' top management commitment to put in place affirmative action interventions to lend support to career-pathing and development initiatives to build capacity among previously disadvantaged managers.

The proposed model (see Figure 3.8a) is intended to provide a working model within which the issues relating to MCD at the level of the organisation can be discussed. It is clear that there is a cycle of four stages, leading outward from organisational strategy, which provides the context for MCD. From this comes some attempt to formulate policies governing MCD, which, in turn, lead to the MCD practice unique to each organisation. These activities comprising MCD practice feed back into aspects of organisational performance, which in turn affect subsequent organisational strategy and the relationship with the environment. In Figure 3.8b, the model explores the strength and direction of relationships relating to the different stages of the model.

The main thrust is a positive approach towards career development strategy for future D_{SGNS} to meet the global competencies capacity requirements of automotive organisations. This model clearly links the organisational mission statement with theoretical strategy formulation to enhance the integral developmental capacity of D_{SGN} MCD.

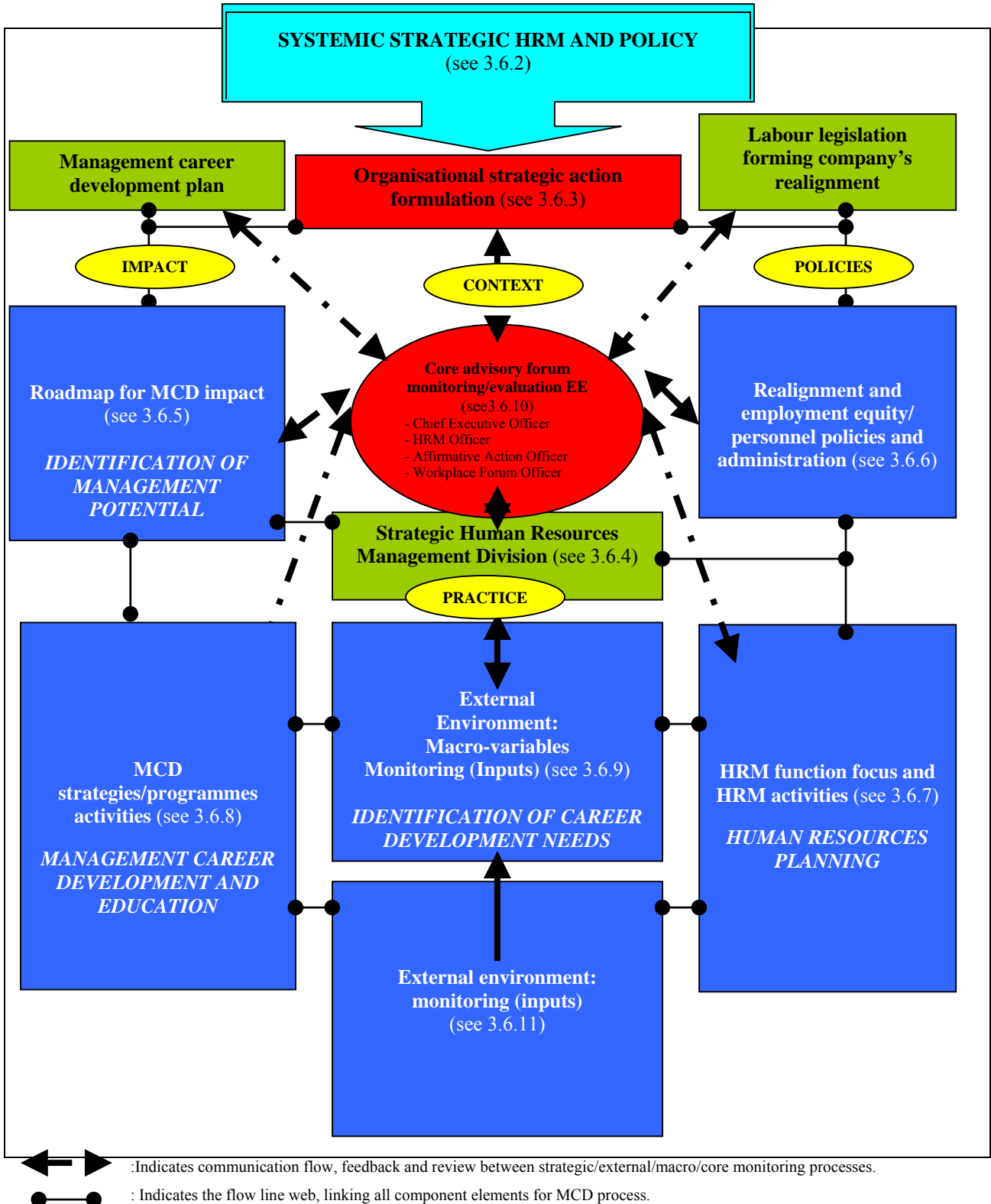


Figure 3.8a: Brief overview of a proposed integrated designated MCD strategy
(adapted from Thomson *et al.*, 2001:31)

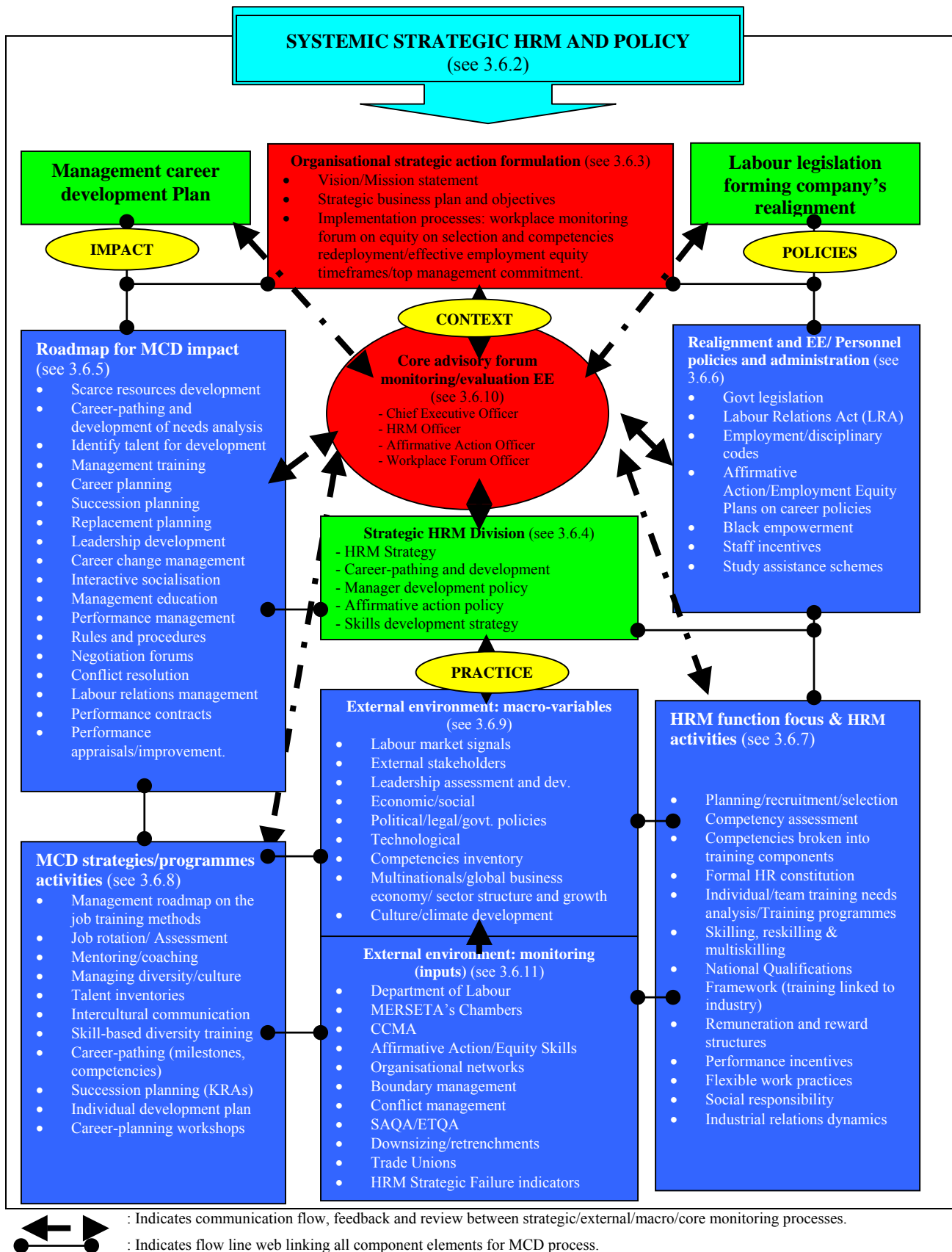


Figure 3.8b: A proposed detailed formulated strategic model for designated MCD
(adapted from Thomson *et al.*, 2001:31)

3.6.1 Critical assumptions in a new MCD model

It is necessary to outline the critical assumptions of the new model (see Figures 3.8a and 3.8b) and the key principles in order to contextualise the model.

- The model is formulated for D_{SGN} MCD, but should be equally applicable to non-designated managers. The title of the new proposed model is consistent with the central focus of this study, in terms of the perceived benefits for designated managers' career advancement in the automotive sector.
- The MCD strategies and approaches illustrated in the model are not the only interventions that can be used. Other approaches, methods and strategies would also be appropriate, depending on the type of needs identified, the phase in which the organisation is (the start-up or maturity phase), and the environmental forces that influence the organisation.
- The impact of the Employment Equity Act (Republic of South Africa, 1998a) and the Skills Development Act (Republic of South Africa, 1998b) – see Chapter 2 – on the training and development of future D_{SGNS} has been taken into account.
- The management of diversity and cultural change, sensitivity-based diversity career planning and development to facilitate designated MCD strategy, as highlighted by Carnevale and Stone (1994), are included.
- The importance of the shift in the focus in HRM strategies, as well as the realignment of human resources functions and the concomitant impact on designated MCD and development initiatives, as discussed by Veldsman (1996), have been taken into account.
- Development at the post-employment stage (for managers who have been identified internally and who show potential for further career advancement) has been added.

3.6.2 Strategic overview of the proposed new model for integrated designated MCD

The model integrates the key principles of HRM career-pathing and a development strategy including eight major components (collated individually in frames). Multiple flow lines, like a “web”, shows links between the components and their elements, which surround a core integral controlling and monitoring structure (Mathews, 1998:21). The broken lines with two-way arrows indicate communication flow, feedback and the

review process of the relevant components at strategic and external (macro) monitoring levels. In this way, continuous interaction between components and the bipolar relationships of the elements contained within the components are shown, with the dotted lines indicating the elements contained in the external environment which affect the company-specific model for internal strategic formulation and the monitoring of MCD. This method was developed to eliminate superfluous flow lines, clearly demarcating the linkages to avoid confusion.

The four main components which have an impact on the new model are

- organisational strategic action formulation-monitoring/evaluation processes (contexts);
- internal MCD strategies/ programmes (practices);
- Employment Equity personnel policies and HRM functions (policies); and
- external macro-environment influences (impacts).

The Core Advisory Forum, internal monitoring and evaluation component structures contain core elements with sub-sections that demonstrate the interconnecting links of two-way interaction. The processes are guided by the organisational action formulation strategy.

3.6.3 Taking action on organisational strategic MCD formulation

A chief executive positions an organisation in terms of the organisation's vision and strategic action in general and a committed approach to designated MCD in particular. The organisational vision is articulated in the corporate mission statement, thus forming an essential feature of the strategic intent. Drawing upon systems thinking, four stages can be seen as providing inputs, processes, outputs and outcomes and thus also potentially acting as independent and dependent variables for statistical analysis. These four different stages are linked either directly or via complete influenced MCD activities (i.e. context, policies, practices an impact).

Although policy is a crucial variable, there is a spectrum of strong and weak management policies which are themselves a matter of choice rather than being driven solely by context and circumstances. The same is true of the linkages to the other stages.

Unfortunately, the outcomes or impact of a policy framework and a set of development activities (that are sought by the organisation and are the rationale of the whole MCD system) are very difficult to measure in terms of actual improved performance.

While the new model is far from exhaustive, it does provide a framework within which the system can be explored, both conceptually and statistically. The four direct or complete activities for the different stage linkages can be discussed as follows:

- **Context (inputs)**

The aspects of the external and internal environment influencing an automotive organisation's strategy are many and varied; the main ones are included in Figures 3.8a and 3.8b, but they are themselves difficult to capture without further analysis. It would, for instance, be very difficult to capture organisational strategy in a holistic sense. The external environment is measured in terms of organisation size, sector and the nationality of ownership. The internal environment is measured by the growth of the organisation over the previous three years; and the centralisation of and responsibility for the implementation of career-pathing and the development of designated management. It is contended here that these inputs comprise important contextual factors influencing the equity policy, method, amount and effectiveness of designated MCD provision in a given firm. The automotive sector is potentially important in that it relates to career management; a planned career structure, succession planning and a policy of appointing managers for a career (rather than solely a job).

- **Policies (processes)**

It is sometimes assumed that an MCD policy is derived from a company's human resources policy, but this may well not be true. The term "development policy" may be something of a misnomer, since a large proportion even of organisations well outside the small business classification do not have an explicit policy to deal with MCD processes. It may therefore be more reliable to infer the strength of a policy from what is done rather than what is stated (Fox & McLeay, 1991). Nevertheless, the mere existence of a written policy is an important indicator that creates a "policy" cluster, along with the priority given to designated MCD by the organisation and the extent of perceived responsibility. A policy, however, needs to

be implemented, and the processes and methods by which this is done are of great importance for the outputs and outcomes of the system. The policy process could include a system of appraisal or some other form of management and development training needs analysis, or a choice of training method (mentoring, coaching or succession/career planning), according to Thomson *et al.* (2001).

- **Practice (outputs)**

The range of activities and the amount of time spent on them can vary considerably from company to company, department to department, and manager to manager, as well as from time to time. Possible outputs of MCD might be better trained and developed managers, designed to bring the portfolio of competencies closer to the desired optimum, or some alternative career goal such as bringing the managerial culture into line with revised business objectives.

Management can focus on two dimensions of career-pathing and MCD practice: the volume, as measured in average training days per manager and the type of development undertaken. However, as noted by Scarbrough, Swan and Preston (1999) not all MCD is necessarily under the aegis of the organisation; managers can undertake it outside the organisation, either by themselves or through an agency such as a professional institute.

- **Impact (outcomes)**

While the impact of MCD on both the organisation and the individual can be far-reaching, it often proves very difficult to measure the bottom line or other performance impact on investment. Successful management of change, a decreasing turnover among key staff, improved productivity or quality of service may all be tangible outcomes of judicious MCD and development. In addition to these outcomes, there are softer, but by no means unimportant outcomes, such as enhanced job satisfaction or organisational commitment.

Finally, even if no identifiable improvements can be seen, there is the question of whether things might not have changed for the worse without development. Each individual manager brings with him/her a background and a set of predispositions, aspirations and expectations which affect the MCD experience. DSGNS have become

increasingly concerned about their future and more aware of the need for career development, whether through the employer or externally, on their own initiative. One could argue that there is a cycle of context, policy and processes, activities and impact for every individual similar to that for the organisation, although with somewhat different factors, as discussed by Thomson *et al.* (2001).

Top management commitment is critical for the success of MCD and development intervention. It also acts as a smoothing agent for pockets of resistance to change and possible opposition by individual line managers within the organisation. According to Goseteli (1997), resistance to change relates to an individual's understanding of survival and requires a process to be objective in order to prevent a stereotyped formation of ideas. He states that "only education and training leading to understanding and self-confidence can overcome the resistance to positive change" (Goseteli, 1997:33). The top management commitment is vital towards the corporate strategic vision and has a shared responsibility by means of collective efforts and achievements. The MCD budget set aside by top management should be seen as an investment in a company's human resources, and should reinforce commitment.

The mission statement and strategic plan also embrace other macro-imperatives incorporating the business strategies or objectives of HRM in functional departments within the organisation (the core system) which are also aligned to the strategic business plan. The final element of the strategic planning process is the evaluation phase, which includes monitoring, feedback and review. According to Oliver (1997), competitive leverage for the future is underpinned by the management of complexities with careful monitoring and control structuring. The monitoring mechanism is shown in the web core of Figures 3.8a and 3.8b and a snapshot of the motivational process (in Figure 3.11) that makes up the "Core Advisory Forum's" internal monitoring structure framework. These structures are joined by a broken line single two-way arrow to "organisational strategic action formulation", "external macro-variables" and "external monitoring inputs" to indicate on-going interaction. Its MCD importance is highlighted in the following section.

MCD and other development initiatives form only one component of the business plan emerging from a HRM department, which is linked to the corporate strategic plan.

Walker (1992) contends that business strategies are becoming increasingly people-management intensive and hence command specific top management attention. Oliver (1997:36) observes that “successful leverage can only happen when the human element can encompass the detailed complexity of work at the operational level and deal with the uncertainty and complexity at the strategic and international levels”, using judgement, knowledge and experience to optimal effect.

3.6.4 The shift in the HRM focus in this MCD model

The role of HRM is critical for organisational strategic planning, and enables top managers to prepare for and plan future human capital requirements. HRM is used in the business plan strategy, and anticipates future MCD activities. Figures 3.8a and 3.8b show the link between organisational executive action in terms of strategic formulation and the HRM department. There is ongoing interaction between operational planning and the implementation of organisational strategy (consistent with the HRM strategy). The HRM department's elements aggregate the needs of the other functional departments' cost centres in terms of staffing requirements within the MCD dimension. These requirements increase the number of potential D_{SGN} managers identified within a career development plan, and organisations can simultaneously achieve their equity targets.

HRM which liaises with top management is responsible for the implementation of a successful strategic MCD activity, and for drawing up the following policy documents:

- overall strategic action policy for MCD formulation and human capital cost investments;
- an overall generic MCD policy for the organisation (a proactive approach to solving HRM problems);
- a designated MCD policy, focusing on capacity-building for all profit centres, as a future-oriented approach to HRM control; and
- an affirmative action policy, setting out clearly defined targets for each managerial occupational level.

The rationale for these written policy documents is to identify future organisational demands and supplies of D_{SGNS} and to manage MCD programmes so that any

discrepancies are eliminated. More specifically, the purposes of a written HRM policy, as stated by Thomson *et al.*, (2001), are

- to reduce HRM costs by helping top management to anticipate shortages or surpluses of DSGNS and to correct these imbalances before they become unmanageable and expensive;
- to provide a better basis for planning MCD that makes optimum use of managers' existing supportive attitudes;
- to promote greater awareness of the importance of MCD throughout all departmental levels;
- to eradicate all forms of discrimination and the sensitive issue of disclosure of relevant information by organisations;
- to provide more opportunities for the MCD of DSGN groups in future growth plans and to identify specific available skills; and
- to provide an affirmative action policy.

These company policy documents provide an alternative intervention for evaluating the effects of strategic HRM actions against the policies.

In the context of this study, the MCD of future DSGNS applies to individuals identified for development at the earliest possible employment phase in an organisation. These may include:

- individuals who are literate and identified as having potential from the category of the lower management forming the operating management band level, which is justified by the strategic business plan;
- subordinates from any section or profit centre of the organisation who are identified as having talent;
- newly-appointed individuals who are identified for further MCD (targeted for business expansion or new product lines);
- junior managers who are identified for further education, training and MCD;
- DSGNS who are identified as high flyers for executive MCD, education and training, for senior positions or senior management at board level.

It is important that, during policy formulation, alignment between HRM and the strategic business plan objectives, the affirmative action and MCD policies is achieved, and that they complement one another so that policy contradictions are eliminated. The

MCD policy must focus specifically on identifying D_{SGN}s with high potential in order to put them on a fast track for more intensive MCD. The MCD policy must focus particularly on D_{SGN} MCD, and the broad objectives are the following:

- eradicating all forms of discrimination and discriminatory practices;
- obtaining top management commitment, funding and line managers' support for the MCD intervention, to make the policy operational;
- furnishing top management with information and an estimate of targets the organisation should attain with regard to the number of D_{SGN}s and women required to reflect equitable demographics at each occupational level;
- evaluating performance and assessment on an ongoing basis in order to optimise development;
- creating structures for employee participation concerning their MCD for equal promotion opportunities to ensure a motivated and fully committed workforce;
- establishing MCD goals and time scales for implementation;
- obtaining the support and co-operation of unions and employee workplace employment equity forum representatives for the MCD initiative;
- determining a logical framework for the integration of core activities relating to D_{SGN} MCD and improving the quality of the work life of candidates;
- equipping D_{SGN} managers with competency and abilities and guiding them toward taking greater responsibility for and being more responsive to change;
- involving top management, senior managers, line managers, employee workplace forums and trade union representatives in evaluating progress made towards D_{SGN} MCD and reviewing policy to allow for adjustments (see the central internal monitoring structure in Figures 3.8a and 3.8b); and
- identifying the skills, abilities, attributes and knowledge that need to be developed and are required for a motivated and fully committed potential candidate.

3.6.4.1 Role of line managers in the adoption of MCD programmes

Companies must adopt a wide range of mechanisms to assist line managers to determine their MCD paths. Performance appraisals or 360-degree evaluation methods that adopt structured career development tools (like assessment centres, career planning workshops and psychometric testing) can be used to assess and develop high-potential managers. Typically, the results from these tailored plans of action must prioritise MCD

competency needs and set up a plan for core development activities to address a manager's career path (for example, by doing of periodic career reviews, relying on information on job vacancies and new career paths, providing informal mentors/coaching and fast tracking programmes). The responsibility rests with line managers to perform the role with increasing efficiency, not only in carrying out effective monitoring, but also in ensuring that information is relayed back to the HRM central strategy function.

The HRM central strategic monitoring function can act as a guide to overall HRM policy implementation within the organisation in terms of being regionally, nationally and globally strategic in the formulation of HRM plans and designated MCD activities. The human resources department is not solely responsible for all policies, training and development – individual line managers are more involved in DSGN MCD planning which requires a higher use of individual personal development plans. Line managers must be involved in MCD activities, especially in briefing, monitoring, debriefing and showing responsibility for high priority involvement and the effective use of HRM development resources. Line managers should also be actively involved in the process of developing subordinates. Given the impetus for change and the shift in the focus of HRM functions, the role of strategic HRM is central to policy formulation and implementation, and is a vehicle for effective delivery with tangible benefits.

3.6.5 Road map for MCD impact

“Strategic action formulation” (see Section 3.6.3) is linked to a “centralised monitoring structure”. It demonstrates top management involvement in the process of MCD. However, the primary responsibility for giving strategic thrust to the executive road map and outcomes rests with the HRM department, with its own HRM strategy. The HRM director is directly involved in setting the strategic plan in motion and in evaluating the outcomes. Hence the flow line joins the human resource department to the component of the executive plan road map formation. In Figure 3.8b, the main features are reflected under the sub-headings “Strategic road map for MCD impact”, formation lines joining the “MCD strategies/programmes activities” components.

The strategic road map is the ultimate strategy lending muscle to the organisational commitment to D_{SGN} MCD in the eyes of existing employees, as well as external interest groups, via the training policy entrenched in the mission statement. It is a committed response to the strategic imperative of developing D_{SGNS} and recognising the forces shaping the future in relation to organisational effectiveness and transformation.

The executive road map, jointly networked with the HRM department, indicates that the effective implementation of management plans falls under the jurisdiction of each functional line manager. It procures collaborative support, committing line managers to the executive vision and action, and sets in motion agreed time scales for attaining objectives, with realistic budgets. Similarly, the executive road map also applies to senior executives or managers, soliciting their time and securing their involvement in the identification of corporate talent for executive positions (related to placement and succession planning for the future). Thus, the executive road map becomes a shared responsibility, and acts as a catalyst for MCD for potential D_{SGN} groups of high achievers.

The systematic procedure proposed in the model identifies system flow potentials and develops justifiable MCD procedures to address the components of the executive plan. This strategic plan must initiate and implement overall MCD policy in terms of the strategy, by equipping and motivating line managers overseeing individual development

plans. In order to align business plan objectives with an MCD policy within an HRM strategy, the following guidelines suggested by Harrison (1997) can be followed:

- conduct a career development needs analysis as a point of departure for the MCD intervention, and identify the type(s) of skill category that require(s) attention (technical or non-technical service support at all managers' operational levels or bands);
- determine the current competencies status and global business competencies needs at each level in the organisation;
- determine the current and future demand for DSGNS for various occupational levels in order to develop management competency resource pools;
- identify internal talent to replace top level managers (succession-planning) lost due to natural attrition;
- conduct a human resources audit at each occupational level to determine the demographic profile (race and gender) of personnel in the organisation;
- meet targets set within the affirmative action policy parameters for the external recruiting and internal promotion of DSGNS based on the agreed criteria of competence and merit;
- determine the adequacy of in-house training facilities, the qualifications of trainers and the proportion of funding set aside for the career development of designated personnel;
- continuously gauge trends in the labour market, demand and supply forecasts, and internally evaluate the organisational personnel records and inventory; and
- inform the Chief Executive Officer and senior managers in leadership development and mentoring about existing senior DSGN talent in executive positions on organisational boards.

3.6.5.1 Key factors in the increased demand for MCD

The following are the key factors which create MCD demands (Arnold, 1997):

- the need to contextualise organisational strategies and policies within the national skills authority system for registering new competency skills;
- the momentum resulting from increased demands for DSGN MCD, where most workplace revolutions occur when organisational changes take place (for example, a new product cycle is launched);

- the competitive environment, which affects MCD due to increased business (for example, a new export market);
- MCD critical warning indicators, which mean that companies are in danger of falling behind their competitors (MCD can be seen as an organisation's early steps to gain an advantage in the market);
- managerial insecurity, where few managers expect to have a career for life in any given organisation and most recognise that they must prepare for change before it overtakes them (this helps to generate the concept of a "career development contract of employability" with employers, in which the DSGNS are developed with a view to being employable in the external market);
- the rate of return to MCD (looking back, it was one of the most alarming features of MCD before the 1980's that there appears to be a very low rate of return to MCD – an Mabey and Thomson (2000) survey reveals that the main increase in earnings potential was generated by the higher level of mobility which MCD allows and also indicates that there were significant gains in salary from undertaking MCD life-long learning in post-graduate studies);
- the self-reinforcing demand (Ronen, 1989) that the more education and MCD people undergo, the greater the demand for more (as more managers have training and as more gain qualifications at all levels, so they recognise the value of MCD, which in turn creates a critical mass effect with regard to competent managers); and
- a better supply of DSGNS resulting from considerable expansion of the MCD programmes that create a further demand for brighter people to enter managerial positions.

Organisational MCD policy frameworks must be expanded in these areas. These written statements of policy must help to give greater recognition to career development. Internal procedures such as the growth of appraisals have helped to create a workable system and a more permissive attitude to individuals' interest in qualifications. Career development generally helps to unlock latent demand and transform it into effective demand.

3.6.5.2 Linking the MCD programme activity cycle to the strategic business plan

There has recently been much interest in knowledge management, as the global economy becomes increasingly knowledge-driven (Leadbeater, 1999), but less attention has been paid to the implications of this for MCD strategies and programme activities. MCD must have a strong strategic HRM component, career development and promotion planning that is becoming increasingly “boundaryless” and will provide a range of competencies to DSGNS who are interested in advancing their careers.

The following objectives can be achieved by using the proposed model (refer to Figure 3.8b):

- MCD will form part of the overall organisational philosophy;
- HRM strategic issues will be addressed by MCD long- and short-term programme priorities that link educational and external networks;
- MCD budget resources can be shared (by HRM staff and facilitators);
- responsibility for MCD implementation is allocated to a “Core Advisory Forum”;
- a common MCD competency language will be adopted;
- selective and planned job rotation will be introduced; and
- a performance appraisal system (360-degree evaluation) will evaluate DSGNS’ levels of MCD competency progress (maintaining life-long learning).

Figure 3.9 (overleaf) illustrates the MCD actions undertaken by top managers that can be connected to business plan objectives (or the mission statement) of an organisation. The cycle at the top level of the figure shows how the MCD plan is conventionally derived from HRM policy and plans, and supports the mission and objectives of the organisation.

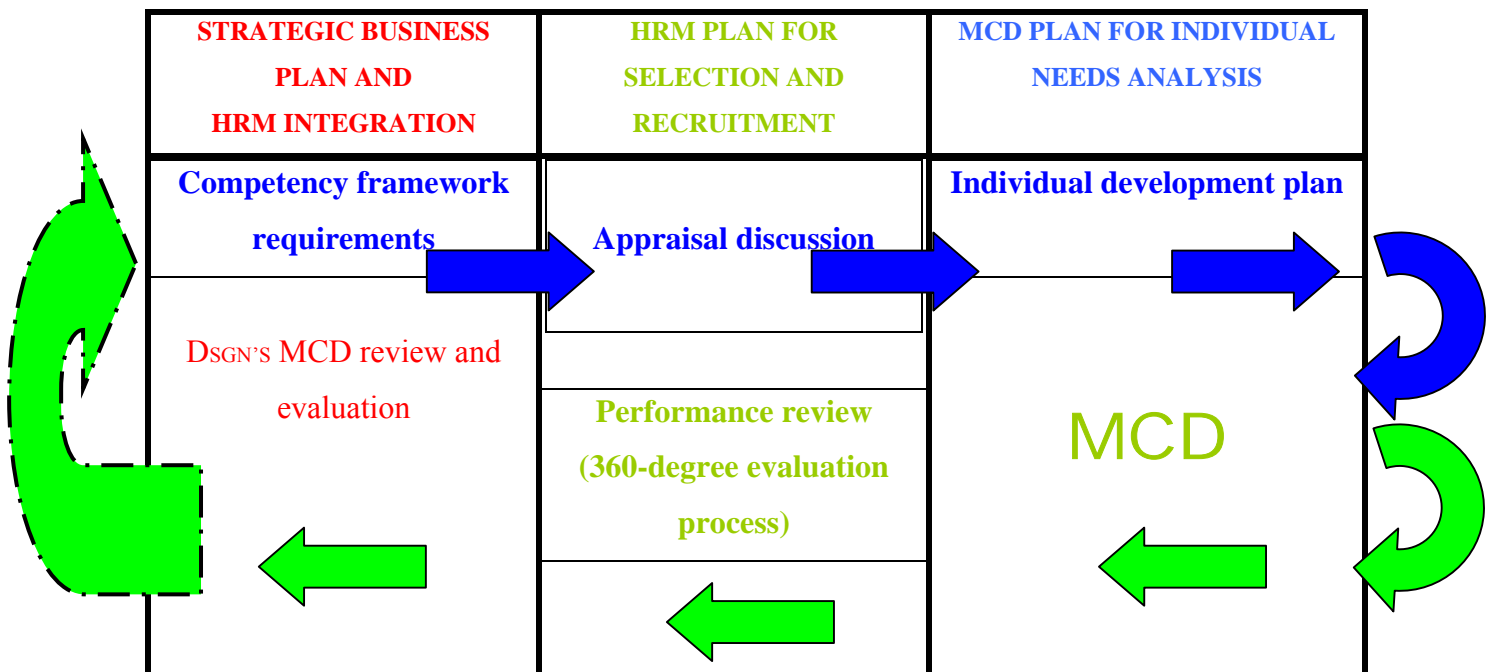


Figure 3.9: Proposed map of MCD linkages to the organisation's mission
(adapted from Kotter, 2002:34)

Looking at the downward thrusts in Figure 3.9, one sees that the strategic business plan and HRM integration are translated into the behavioural requirements that form the competency framework audit. At the strategic level, the organisation must periodically review the outcomes of its MCD activities, as well as its succession planning and fast track programmes, in order to assess its managerial capability to achieve the business plan objectives. Strategic HRM is primarily based on the central MCD activity cycle, linked to the strategic business plan. This is shown by the arrows in Figure 3.9.

This representation focuses on the four key areas of MCD assessment dimensions (competency framework requirements, appraisal discussion, a personal development plan and performance review). Each of these areas can greatly assist an organisation in developing relevant competencies. Human and Hofmeyr (1985) suggest that some forms of MCD are more appropriate in some situations and therefore the MCD actions chosen should be matched to the individual's development needs. The scarcest types of skills may need different developmental strategies from other skills. Cascio (1995) supports this assertion, noting that the choice of a particular strategy should be guided

by the flexibility with which it matches identified needs and the incorporation of appropriate learning principles.

3.6.6 Realignment and Employment Equity/personnel policies and administration

This component of the model is linked with the strategic road map for MCD impact, and it includes elements such as “Personnel Policies and Administration” and “HRM” functions.

The strategic intent of top management is embodied in the organisational mission statement and is translated into strategic business objectives. It is manifested in HRM strategy and designated MCD through a collaborative effort on the part of top management and line managers. The positive outcomes include:

- top management commitment to equity policies that comprehensively cover each of the target groups’ MCD and the full range of issues important to the DSGN group members;
- ongoing communication and consultation with target group members and HRM networking that paves the way for inviting comments, suggestions and input, creating a feedback mechanism to evaluate the DSGN MCD strategy in particular (such an endeavour attempts to allay resistance to change, possible apprehension, anxieties and feelings of insecurity, so that the policy regarding DSGNS’ development does not fail);
- managerial careers that may come to resemble those of performing artists, where individuals with distinctive contributions come together to work on short-term projects; parties share an interest in effective collaboration; the long-term management, reputation, image and visibility improve and distinctive portfolios are developed (perhaps concepts like trust, teamwork and professional commitment grow in importance as organisational commitment and loyalty decline);
- the highlighting of the strategic importance of DSGN MCD and affirmative action implementation at top management levels (in preparing the physical environment, top management should take note of changes in the organisational structure with the knowledge that more designated groups will be recruited, trained and promoted

within management ranks, in keeping with organisational transformation policies, affirmative action and employment equity policies); and

- effective processes for implementing and monitoring MCD progress on actions included in the employment equity plan of the HRM strategy. This process will effectively advocate a radical shift in HRM focus towards factors affecting MCD processes, policies and functions. Top management should be willing to recognise and deal with dysfunctional areas of the organisational employment equity plan and their influence to win sufficient MCD programme support.

Watson (1996) and Veldsman (1996) have commented on a radical shift in the HRM focus in the light of factors in the external environment which call for a realignment of HRM processes, policies and functions with top management involvement.

3.6.6.1 Human resources policies and administration

The magnitude of changes occurring in the South African automotive sector, due to global export expansion, has prompted these organisations to re-evaluate existing personnel policies and administration. In particular, external factors such as government policy, the national and international economy, and the national and regional labour market influence management career paths and strategies. Internal factors such as whether the organisation operates in an internal labour market or whether it adopts a planned career structure also drives career policies (as do the kinds of career anchors managers have, and at what career stages they are).

The proposed model suggests that career development policy (what priority is given to career development and what responsibility the organisation assumes for it) will influence what MCD practices and procedures are employed. So, for example, an organisation with a “strong” career development policy is likely to take responsibility for MCD, give it high priority, and express it in a written form, as well as offer more “relational” contracts, succession-planning and planned career structures. Perhaps it will also attract, select and retain DSGNS with particular career anchors.

The kind of policy that is adopted is likely to influence the outputs of career development practice (an organisation with a “strong policy” is likely to carry out more

of the required activities across the whole spectrum and those with a “weak policy” may do much less, or restrict themselves to activities that merely encourage individual career planning). In turn, output development is likely to promote satisfaction with career advancement, positive assessments of policy processes, procedure success rates and their impact on the organisation.

Top management should re-engineer its policies and practices, particularly those involving DSGN MCD, around five fundamental guidelines (Van der Krogt & Warmerdam, 1997):

- Develop and establish an employment equity task team that is bound by a workplace constitution to eliminate unfair discrimination and promote equal opportunities for all.
- Implement affirmative action measures to redress the employment disadvantages experienced by designated groups, in order to ensure their equitable representation at all occupational categories and levels in the workforce.
- Participate in policy decisions related to the integrated success of Employment Equity for
 - the employment equity policy;
 - the affirmative action policy;
 - the employment equity plan;
 - training and career development goals and initiatives;
 - deviation control procedures;
 - dispute resolution related to employment equity;
 - socio-economic empowerment policy; and
 - all HRM polices throughout the employment cycle.
- Improve the quality of life for all employees.
- Promote black empowerment (DSGN) issues for social and economic equality.

3.6.7 HRM function focus

The term “HRM” tends to be used in three ways (Watson, 2002):

- to refer to an academic area of study which brings together what were previously the separate fields of personnel management, industrial relations and aspects of “organisational behaviour”, such as motivation, leadership and work design;

- to refer to all those aspects of managerial work that deal with employees (sometimes used interchangeably with “people management”); and
- to refer to those activities that were once referred to as personnel management, but justify a re-labelling to “HRM” when they take on the features identified in the left-hand column of Figure 3.10 (overleaf). In this usage, “HRM” is a new approach to handling human resources and employment issues in organisations (HRM functions are listed in Figure 3.8b).

With the impact of the Labour Relations Act (Republic of South Africa, 1995b) and the proposals on Employment Equity (Republic of South Africa, 1998a), a new thrust has evolved in human resources planning in South African automotive organisations, with the emphasis on redress, workplace demographics, welcoming diversity, work re-organisation, career-pathing and development. This sub-component flowing from human resources policies and administration is bound by a single link to the core of the internal monitoring structure. DSGN development and affirmative action policies require expanded role functions and human resources activities. Hence, the functions or activities are extended to the human resources department and are consequently added responsibilities for human resources director/managers.

Key features aspired to by “HRM functions”	Alleged characteristics of personnel management rejected by “HRM functions”
HRM functions take on a strategic emphasis and a strong business or “bottom-line awareness” (see Figure 3.8b).	Personnel management is said to concentrate on managing conflicts with employees.
With HRM functions, employment and resourcing issues become the concern of all managers.	Personnel management is said to keep employment and resourcing issues as its own specialist concern.
HRM specialists’ work as “business partners” with other managers (insofar as human resources specialists are retained, rather than their expertise being outsourced or “bought in” from consultants).	Personnel managers are said to relate to other managers, sometimes, by advising them on employee issues and, at other times, by policing them to ensure compliance with corporate personnel policies and procedures.
HRM functions develop a personal and high commitment relationship between the employer and each individual employee.	Personnel management is said to find it acceptable to have either a low commitment, arms-length relationship with each individual employee or to relate to employees’ collectively through the mediation of a trade union.
HRM functions are associated with a high trust organisational culture, making significant use of teamwork and other “indirect control” devices that make close supervision, detailed procedures and strict hierarchies unnecessary.	Personnel management is said to be associated with lower trust relationships with employees, more “direct” management controls and relatively bureaucratic structures and procedures.

Figure 3.10: Summary of key features on HRM contrasted with traditional personnel management (Storey & Edwards, 1997:43)

The Employment Equity Act, No 55 of 1998 (Republic of South Africa, 1998a), raises the issue of external monitoring of equity plans and other policy documents with subtle measures regarding incentives and sanctions. Some HRM functions are to establish an equity forum task team model (see Figure 3.8b) to monitor human resources processes.

These activities should be redefined to include:

- human resources planning (staff personnel planning and career development);
- recruitment, pre-and post-selection;
- compensation policies and benefits;
- working conditions;
- training and development;

- flexible work practices;
- social responsibility; and
- industrial relations dynamics.

HRM planning, as suggested by Anthony *et al.* (1996), should dovetail with the macro-strategic planning process and the HRM strategy, and translate objectives into future quantitative and qualitative personnel requirements.

According to Morobe and Raubenheimer (1994), it has become necessary to develop a framework for organisations to quantify the future human resources needs of organisations. Thereafter organisations should commit themselves to specific targets for DSGN career development. Beach (1980) states that organisations that experience an undersupply of required skills should reduce their dependency on external recruitment by formulating retention, retraining and human resources development strategies.

The purpose of the Skills Development Act (Republic of South Africa, 1998b) is to strengthen, restructure and address the shortages of DSGN talents, especially in the professional, technical and executive fields. This is of particular concern to automotive organisations in South Africa. The Act stresses the need to initiate MCD plans internally.

Recruitment and selection procedures need to be carefully reviewed to avoid any form of perceived discrimination. It is therefore important to formulate policy guidelines on recruitment and selection which are consistent with HRM strategy, so that discrimination is not perceived to exist. In this regard, job specifications and a careful synthesis of job evaluation need to be re-visited. Key attributes and qualities should be listed to avoid any form of discrimination. Similarly, job advertisements should be carefully framed and worded and placed in the media aimed at a black audience as well in traditionally white media to avoid discrimination and accusations of unfair methods of recruitment (Storey & Edwards, 1997).

3.6.8 MCD strategies/programmes/activities

In Figures 3.8a and 3.8b, the sub-components of “MCD”, career-pathing and development initiatives for the occupational advancement of D_{SGN}, include career planning, succession planning, mentoring/coaching and replacement planning. This initiative should be a guide to the development of internal D_{SGN} to ensure leadership capabilities for the future.

Social responsibility is part of an organisation’s social investment and should not be confined within corporate boundaries. It also extends to involvement in social upliftment in communities. Some automotive organisations, especially Original Equipment Manufacturers (OEMs) and 1st tier companies, have made tangible contributions in this domain. These contributions are seen in the organisations’ responses to HIV/AIDS, their sponsoring of community projects such as rural infrastructural development, of clinics, schools, sports fields and recreational facilities. In a company-specific milieu, top management is committed to the health and safety of its workforce, particularly with regard to the proliferation of AIDS and to programmes to combat AIDS. In recognising the historical disadvantages of black employees, organisations should address their social, health and developmental needs as well (AIDC, 2002).

3.6.9 External environment component – macro-variables

The last component of the model in Figures 3.8a and 3.8b shows the outer boundary, outside the company-specific environment. It consists of two sub-components, namely external monitoring: inputs and macro-variables. Each sub-component is linked by a single line that, with the central internal monitoring structure, signifies communication flow lines, as there is ongoing interaction between the two. This provides a rationale for HRM, aligning the organisational external macro-environment with internal networking flow lines and indicating the areas which could be managed by means of a strategic approach to HRM. As is explained in Figures 3.8a and 3.8b, as a result of environmental uncertainties, strategic planning is implemented to cope with changes in the environment. These changes require HRM practitioners to anticipate long-term HRM needs, instead of concentrating only on short-term needs.

There are various elements of the external environment (macro variables) that prompt strategic MCD planning. Some of them are discussed below. It is no longer possible to take a short-term view and decide how to deal with these issues as they occur. It is essential to anticipate and, where possible, to prevent these problems, for the following reasons:

- Human factors such as creativity or productivity become more important when there is competition with foreign markets. South Africa is now part of a global economy which makes many new demands. The strategic business plan must accommodate and manage changes if the organisation wants to survive economically.
- HRM must be alert to technological changes in the world, to ensure the continued growth of MCD skills relevant to the market.
- Government and political changes often result in changes in the law. So, for example, as a result of major political changes in South Africa, the following labour legislation has been promulgated and has had a significant strategic impact on HRM:

- the Labour Relations Act, No 66 of 1995 (Republic of South Africa, 1995b);
- the South African Qualifications Authority Act, No 58 of 1995 (Republic of South Africa, 1995a);
- the Skills Development Act, No 97 of 1998 (Republic of South Africa, 1998b); and
- the Employment Equity Act, No 55 of 1998 (Republic of South Africa, 1998a).

The external environment changes all the time and HRM practitioners must remain up-to-date by following media reports, talking to important role players and service providers in an attempt to promote MCD for business relevance.

The aspects contained in the sub-component of the macro-variables are labour market signals, external stakeholders, leadership assessment and development, economic/social, political/government policies, global business economy and culture. Each of these variables, depending on labour market flexibility, exerts pressure on automotive organisations. The most notable amongst these for South African automotive organisations is the State's interest in the implementation of the Employment Equity

Act (Republic of South Africa, 1998a), the ramifications of the new Labour Relations Act, No 66 of 1995 (Republic of South Africa, 1995a) and the new Skills Development Act (Republic of South Africa, 1998b). The influence of this legislation on human resources career development for the majority population and on employer organisations cannot be overemphasised in this study.

The External Monitoring (Inputs) sub-component falls outside the scope of company operations. It is linked to the sub-components of key interest groups (professional institutes, trade unions, SACOB, etc.) and macro variables, revealing their mutual interaction.

3.6.10 The Core Advisory Forum (internal monitoring and evaluation structure)

The “core internal monitoring structure” is shown as the real core of all the organisational components for corporate executive action. It is linked to the HRM department component, which influences strategy formulation and implementation. Both monitoring mechanisms are crucial for the integration of a designated MCD strategy. For the implementation of strategic plans in accordance with stated strategic objectives to be successful, the dimension of monitoring and evaluation requires special attention.

After implementing the strategic planning process depicted in Figures 3.8a and 3.8b, the final phase must be the evaluation by the Chief Executive Officer, HRM Officer, the Affirmative Action Officer and the Workplace Forum Officer/Employees’ Representative. This phase is intended to identify any inherent gaps, deficiencies or loopholes in the planned strategy. It leads to corrective action which may subsequently entail a process of dynamic re-planning if inherent deficiencies are discovered. The element of control falls within the jurisdiction of top management, whose prerogative it is to monitor the success or failure of the strategy implemented.

In Figures 3.8a and 3.8b a distinct core component is included to reflect the importance of internal monitoring mechanisms, aligned with the external sub-components of monitoring. This main core component, the “Core Advisory Forum” is the internal monitoring and evaluation mechanism linked to the HRM department. It falls under the

main domain of the “Strategic HRM action structuring” component. The “External Monitoring” component is located directly below the “External environment” links of the model.

Often well-planned mission statements and corporate strategy formulation lose their intended direction because of a fatal flaw in the way the policy has been formulated or a lack of proper control mechanisms to monitor the implementation of the intervention. Within the scope of this study and for the success of the proposed model, it is critical for an internal monitoring body to be established to oversee the implementation of the designated MCD strategy and employment equity plans. This initiative involves the establishment of an internal monitoring body to serve as a control and audit mechanism, which will facilitate networking with any external monitoring body.

The establishment, scope and functions of the internal monitoring mechanism are partially influenced by the statutory role of the external monitoring body under the auspices of the Department of Labour. Automotive organisations have to submit equity plans for external audit and must have their own in-house monitoring body, namely a “Workplace Forum Officer”. The Department of Labour may also conduct an organisational audit to evaluate the workforce profile of a company at all occupational levels.

The model shows the sub-component “Internal Monitoring” under the main component headed by “Strategic Action Formulation”. Its position reflects the notion that the final accountability of the Core Advisory Forum as an internal monitoring structure rests with the Chief Executive Officer. However, it is envisaged that the responsibility may be delegated to the HRM Director/Manager and the Affirmative Action and Workplace Forum Officers for action. The model shows multiple lines joining all functional components of the model to the Core Advisory Forum for “internal monitoring”, to indicate ongoing interaction and communication with and feedback to top management. Consequently, the main core component of the Core Advisory Forum for the purposes of internal monitoring should not be seen as a mere appendage to the organisation.

Figure 3.11 illustrates the Core Advisory Forum’s reflection of the commitment by top management motivational process and HRM’s strategic demonstration that it can effectively deliver the designated MCD programme (as articulated in the strategic

business plan in Figures 3.8a and 3.8b). It is the responsibility and role of the HRM director to incorporate several strategic functions that support the overall organisation's HRM career development programmes so that they can be effectively integrated with the strategic business plan focus.

The following "snapshot" of the Core Advisory Forum's internal monitoring and evaluation structure process provides a clear set of guidelines for the development of potential DSGNS, as emerging from this study (see Figures 3.8a and 3.8b). It is these guidelines which constitute this development model's Core Advisory Forum, as shown in Figure 3.11. This model motivates the strategic MCD process to establish targets and plans to promote and advance designated managers up the corporate ladder. The strategic HRM process plan in Figure 3.11 should alleviate the critical shortages of designated skills and management personnel by allowing designated staff to move to senior career-pathing positions through the Core Advisory Forum's involvement, as stated by Leibowitz, Kaye & Farren (1990):

- human resources personnel planning;
- the identification of management potential;
- the identification of MCD needs; and
- the MCD strategic planned process (needs analysis, assessment, recommendations, problem-solving, design, implementation, monitoring and evaluation).

Kotter (1996) reveals that forming a Core Advisory Action Forum allows top management to demonstrate its support and commitment to designated MCD programmes by sharing their expertises of importance and urgency. It also signals a belief in collaboration and teamwork, which may be a new message in some organisations. It also links organisational needs with individual career opportunities. It harnesses potential competency and addresses the need for designated MCD, provides challenges, matches interests, values and personal styles.

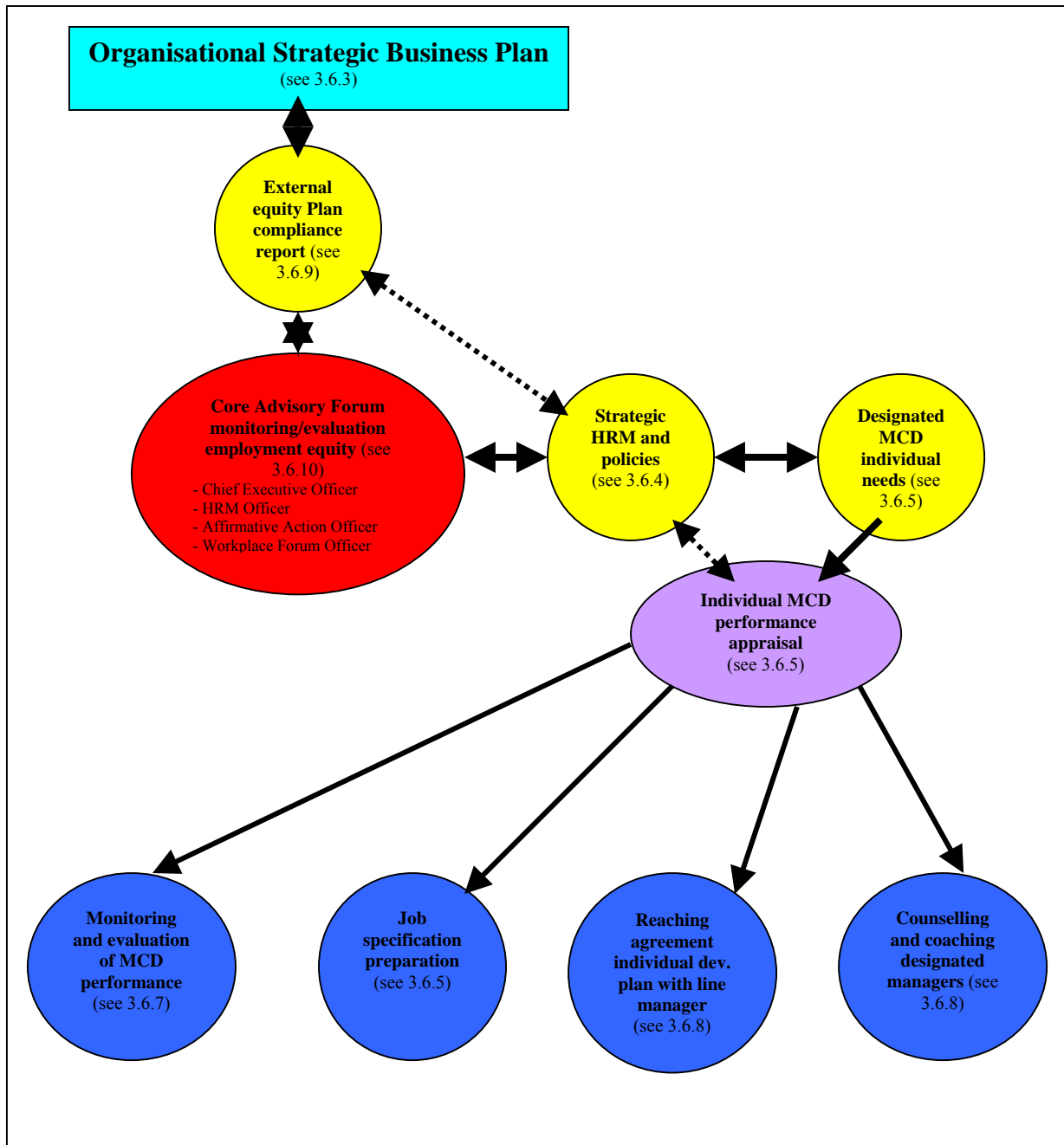


Figure 3.11: Core Advisory Forum's strategic HRM motivational process

The following strategic functions illustrated in Figure 3.11 are necessary within the Core Advisory Forum:

- two-way communication between HRM and business managers before a strategy is finalised (this implies that HRM managers are accepted as valuable and contributing members of the strategic management team);
- the support of organisational strategy by HRM managers on a number of fronts (the strategic HRM should be designated to support organisational strategy; HRM staff

should be involved in designing the strategy to ensure that they have ownership of the strategy and are motivated to implement it);

- HRM processes with a common architecture, for example, an appraisal scheme which measures the same behaviour with regard to individual MCD needs (this behaviour is developed via the MCD programme and may be rewarded by means of a numeration system);
- a reporting function performed for top management, line managers and all employees using multilateral communication networks and feedback assessments;
- effective and timeous reviews of human resources strategies, policies, procedures, methods and functions, in consultation with top management as soon as new information comes to light or when a review is pending;
- linkages and ongoing networking with members of the external monitoring body to ensure that the employment equity plans (together with the other policy interventions) are consistent with executive action to accord with strategy and the business plan; and
- close liaison with the Affirmative Action Officer and line managers to ensure that targets are set so that the MCD of D_{SGNS} is aligned with the corporate objectives that have been agreed upon.

The thick lines with two-way arrows emanating from the Core Advisory Forum's internal monitoring structure and connecting with components situated inside and outside the organisation indicate the communication flow and feedback. This communication occurs after the Workplace Forum Officer has completed his/her organisational audit of equity plans and policy documents. The Core Advisory Forum's internal monitoring body evaluates the feedback report(s) and, depending on the nature of the report(s), engages in corrective action or remedial measures with the purpose of reviewing the corporate strategic plan and business objectives. It also monitors the implementation of internal plans concerning affirmative action and D_{SGN} development policies that address skills shortages. The ongoing feedback provided by line managers acts as a feeder enabling an evaluation of any gaps that are experienced and these may entail revising corporate strategy and mission.

This process is represented by the thick lines and two-way arrows, showing the link between the Core Advisory Forum's internal monitoring structure component and the

Strategic Action Formulation component. The element of control is vested in the office of the Chief Executive Officer, who becomes the custodian responsible for policy implementation and is ably assisted by the senior managers/directors who form the top echelon of corporate management. The in-house Core Advisory Forum's internal monitoring body or structure should include

- the Chief Executive Officer/or a member of top management;
- the HRM director/manager;
- an Affirmative Action officer; and
- a Workplace Forum Officer/Representative nominated by staff.

It is possible to include other senior managers, but care should be taken not to make the body too unwieldy. At the same time, a broader representation of all parties for inclusive participation and transparency is essential. The chairperson of the Core Advisory Forum's internal monitoring body should be the Chief Executive Officer, with the HRM managing director/manager as the vice-chairperson. It is imperative for top management to be seen to be actively involved to reflect genuine commitment.

More importantly, the commitment of top management is demonstrated by the provision of the necessary budget for the effective delivery of designated MCD programmes, as articulated in the corporate mission statement and strategic business plan. Since the HRM director/manager, as vice-chairperson, acts as the chief advisor, the role of this incumbent is of major significance, according to Van der Krogt and Warmerdam (1997).

It is important for all parties in the organisation, including employees at the operating management level, to be kept up-to-date by means of open and regular communication to ensure that there is no gate-keeping of information. This creates a climate of mutual trust and interaction, where an opportunity is accorded to all employees, including managers, to debate issues, free-wheel ideas and solicit co-operation and support.

Thus, evaluation and control of the integrated designated MCD strategy, as the final phase of strategy implementation, falls under the curatorship of the central internal monitoring body. The review process indicated by the lines occurs frequently, as and

when information is communicated by an external monitoring body regarding the evaluation of equity plans and policy interventions.

Lastly, strategic HRM planning should be justified by applying one or more of the following two techniques (in the internal HRM functions and linked with a single line to the central core monitoring forum):

- Identify how the HRM function can be used as a high-leverage variable to enhance performance. This involves indicating opportunities which have been lost or not taken advantage of because of a lack of strategic HRM planning, obtaining the results of research on strategic HRM planning, or indicating the advantages of strategic HRM planning (for example, increases in the organisation's commitment to MCD).
- Gain acceptance by means of coalition-building. Include key line and staff managers in the HRM information process. The HRM practitioner has the choice of adopting a direct approach to convince top management, or of gradually building a support base.

3.6.11 External monitoring structure – macro-environment

In terms of the equity plans framework outlined in the Employment Equity Act (Republic of South Africa, 1998a), policy documents submitted by employers are subject to an audit by an external monitoring statutory body. The external monitoring body is promulgated by law and its composition is envisaged to include representatives predominantly from State bodies, and possible non-statutory bodies. In the case of the automotive industry, these may include the following:

- the Department of Labour;
- the Motor Engineering Related Sectorial Training Authority (MERSETA);
- the Council for Conciliation, Mediation and Arbitration (CCMA);
- Affirmative Action Commission representatives;
- the Employment Equity Advisory Council (EEAC);
- the Education and Training Quality Assurers (ETQA); and
- key interest groups' representation from recognised trade unions and the Black Management Forum (BMF).

The exact composition of the external monitoring body is not dictated. It has been contended that representation from the above bodies will legitimise the establishment of the body. Representatives from the Affirmative Action Commission must establish an Affirmative Action Policy Development Forum working committee with achievable aims similar to those of the external monitoring body. This vision emphasises promoting the interests of designated groups and administration (De Villiers, 1996). Hence, external monitoring of equal opportunity policy is significant. Similarly, the inclusion of State representation from the Education and Training Quality Assurers (ETQA) body as an offshoot of the Department of Labour is necessary for accreditation purposes. It is anticipated that Employment Equity legislation will oversee the establishment of an external monitoring body to conduct organisational audits, evaluate equity plans submitted by employer organisations, make recommendations, and be empowered to impose sanctions and offer incentives. Its role is critical in the light of the evaluation of training and development initiatives by employer organisations for historically disadvantaged groups (MERSETA, 2002).

3.7 CONCLUSION

There has been a significant shift in South African industries in the drive to align organisational HRM infrastructure with labour legislation. The career advancement forces of MCD are moving away from quick-fix education and training initiatives towards a more integrated, system-oriented approach. Strategic players in MCD and HRM are changing and redefining their roles and boundaries. Rare opportunities to shape the future are emerging for those organisations that understand the forces at work.

Executive education and MCD, viewed from the strategic context described in this chapter, can have a powerful, positive impact on corporate performance. For that to happen, however, an organisation must have a well-defined, well-aligned set of strategic imperatives that frame how it plans to build its competitive advantage in the market. This strategic agenda must then serve as the basis for the establishment of developmental processes that facilitate progress toward the future. Competency models are created to help organisations institutionalise the “how”, as well as to define and delineate “who” is likely to succeed to a management position, how he/she will perform his/her duties, and how the company will assist people to develop to their fullest

potential. Together, these elements comprise the basic tool kit for creating a strategic MCD process.

MCD initiatives are mounted not to “run programmes”, but to address potential gaps in career management skills that could impair an organisation’s ability to achieve its strategic imperatives. Therefore, it is essential that evaluation and assessment focus on performance, both individual and organisational. The first step in the evaluation process, then, should be an assessment of the MCD task on hand. A plan of action should draw heavily on the HRM strategic system’s framework for MCD, and efforts that facilitate progress towards strategic imperatives. Finally, techniques for assessing and evaluating effectiveness need to be built in throughout the system to ensure its integrity. The MCD plan must be frequently discussed by the employee and his/her senior and updated as agreed during MCD discussions. It is critical that MCD is a joint process involving both the individual and manager.

The strategic MCD model proposed in this study is presented against the background of the constraints that have been imposed on D_{SGN} MCD by the lack of adequate research on D_{SGN} career development in the South African context thus far. This MCD model contextualises discussions around the four cycle dimensions’ stages that lead to HRM organisational strategy (namely contextual aspects or inputs, the career development policy framework, activities and outputs and the outcomes or impacts of the executive Core Advisory Forum).

Briefly, MCD will become increasingly influential in a digital-based economy. This will be the real driver of professional continuous MCD. D_{SGNS} will have to appreciate the need for MCD for future job (or employability) security and mobility. Strategic HRM models will assist considerably in ensuring that D_{SGN} MCD creates, absorbs and transfers knowledge and applications that will eventually address the need to create a pool of D_{SGNS} who possess scarce competencies in the automotive sector. There is also a contingency factor in this model, such as the nature of labour markets and career patterns which influence the general nature of the specifically required competencies, that will adjust the balance between the external and internal MCD policy updates.

There is a need to create a shared vision to improve understanding and communication on all activities involving designated MCD, at all hierarchical levels and between sub-systems, to enhance organisational effectiveness and efficiency. The automotive sector's top management should be prepared for greater individual responsibility and to help develop strategic career-pathing interventions, with the focus on developing an adequate cadre of D_{SGNS} for the future.

The MCD model that is proposed in this chapter shows a systemic integrated approach linked to HRM strategy. High priority investment in a D_{SGN} MCD model linked to the strategic business plans of organisations will contribute to and support the automotive sector's quest for D_{SGN} career advancement processes (black people, people with disabilities and all women) and ND_{SGN} (white male) groupings. The next chapter describes the research methodology utilised to support this survey to formulate the MCD model characteristics required for career advancement.

CHAPTER 4

RESEARCH DESIGN AND METHODOLOGY

People change in significant ways as they make their voyage through life.

William Shakespeare

4.1 INTRODUCTION

In the previous chapters the research problem was identified and formulated against the background of existing literature and theoretical frameworks. Since the next step in the research process involved choosing an appropriate empirical research design, this chapter focuses on the choice of the empirical research design as well as its methodological implications for the sampling, the data collection and the development of a measuring instrument in this study.

As was explained in Chapter 1, this study aimed to formulate a MCD planning model to address the acute shortage of skilled managers in general and skilled designated managers in the automotive sector in particular and to enhance the managerial career-pathing effectiveness of a life-long learning process that can sustain production activities within the changing and challenging automotive manufacturing environment. With this in mind, the validity of the new model (proposed in Chapter Three) has been investigated by constructing a questionnaire and distributing it among managers in selected automotive companies. Hakim (1987) argues that discussing research methodology is like putting together a plan or an initial design for a building. In the rest of this chapter, therefore, this process is described to show all the factors that may have had an impact on the answers found to the research question.

4.2 RESEARCH PROBLEM

The problem to be researched (as identified in this study) was a solution to the acute shortage of skilled designated managers in the automotive sector. Affirmative action development programmes in this sector are increasingly criticized for failing to facilitate designated manager promotion through the ranks in the private sector and for producing poor results. The automotive sector, on the other hand, maintains that there are insufficient skilled designated personnel in the labour market pool (Department of

Labour, 2001). A recent publication of the world competitiveness report (*Business Day*, 2002) highlighted some concerns about designated MCD growth in the automotive industry:

- Individuals see their career as disappointing, due to irrelevant MCD and education with little importance and few organisational pay-offs.
- There is a lack of appraisal systems that link and trigger MCD and MCD is useless without a helpful starting point.
- Designated managers sometimes fail to admit that they have training needs, because they have low self-confidence or self-esteem or maybe because they have a legacy of failure.
- Negative attitudes can be connected with a generational dimension, in which an individual feels too old (or too senior) to need MCD.
- Designated managers must acquire specific skills to resolve complex problems in order to function well in the competitive automotive world.

4.3 OBJECTIVES OF THE STUDY

The intention of this research was to engage in the effective and scientific development of an MCD model for previously disadvantaged managers in the workplace. The concepts of MCD are not always well understood by all levels of employees and misconceptions may prevail regarding career expectations. Management is often not properly trained and can be uninformed regarding the process of career management and development. It is hoped that this research will provide explanations of the importance of understanding career management, and also that both managers and employees will be encouraged by the results of this research to be actively involved in MCD.

The primary objective of this study was

- to explore and formulate a new strategic model to enhance the MCD potential of designated managers (to ensure that the lack in South Africa's automotive sector of appropriate and adequate managerial skills development is addressed).

The secondary objectives of the study are

- to investigate the commitment of top management to the career-pathing and development of designated and non-designated managers in middle/lower management and to define their roles clearly;
- to examine the role of automotive organisations in South Africa, with reference to MCD and development strategies for future D_{SGNS} (Black men, women and disabled persons);
- to provide an in-depth literature study on concepts which have a significant impact on MCD intervention within automotive organisations in respect of the training and development of future designated managers; and
- to investigate additional literature and obtain professional expert advice on the concepts and applications of “MCD models” with the following control measures and guidelines:
 - to ascertain whether the HRM component of the organisation has put in place management development programmes and, if so, whether they are effective for both designated and non-designated managers;
 - to ascertain whether the HRM component is activating the organisational strategic plan by implementing a relevant MCD programme;
 - to determine whether a standardised MCD model (of any nature) is in place, and whether there is a difference between its effectiveness for ND_{SGN} and D_{SGN} managers;
 - to ascertain the perceptions of top management about the establishment of internal and external programme monitoring bodies to evaluate and align employment equity with the expected plans for designated MCD programmes;
 - to formulate HRM strategies to accelerate the management development potential of future D_{SGN} managers to meet the needs of the automotive sector;
 - to develop an exploratory integrated model linked to D_{SGN} MCD and strategic HRM activities; and
 - to ascertain whether processes for an advisory HRM focus group that can link and formulate strategies around a company’s human resources planning requirements have been set in motion.

4.3.1 Demographic characteristics of local automotive organisations

Figure 4.1 sets out the main characteristics of the automotive sector positioning against the demographic backdrop of South African economy.

Table 4.1: Summary of the main characteristics of local automotive organisations

Number of employees	250 000 employees	9480 managers
Annual Turnover	R146 billion	Annual exports R84 billion
Demographics of Sector	Kwa-Zulu Natal (10%) Eastern Cape (East London) (15%) Eastern Cape (Port Elizabeth) (15%) Gauteng (60%)	Toyota Daimler Chrysler Delta and VW Volkswagen BMW, Ford and Nissan
Nationality of ownership	Japanese South African German Swedish United States of America	Toyota, Nissan Vehicle components and body pressing parts BMW, Daimler Chrysler and VW Volvo Ford (includes Land Rover & Mazda)
GDP for the Sector	Manufacturing (contributes 5,7% of GDP: 3 rd largest economic sector after Mining and Agriculture)	The 2002 domestic automobile demand was 366 000 units with an addition of export units totaling 124 500, with current constant growth.
Number of managers	NDSGN = 450 DSGN = 9030	Intended original sample size = 600. Actual sample size = 227 (from 51 companies).
Number of automotive business service sites	200 (1 st tier component manufacturers and suppliers to the OEMs). Each automobile manufacturer purchases components from between 100 to 140 1 st tier suppliers.	7 companies of Automotive Assembly Plants (OEMs), 13 brands and approximately 40 different models are manufactured with an annual production of 400 000 units.
Anticipated designated management staffing in the year 2003	The DSGN will increase by enforcing employment equity plans to resolve past imbalances in previous management structuring (companies avoid Government employment equity fines and penalties for non-compliance to the equity plan).	An increased rate of 35% of selection and recruitment of DSGN is currently taking place within organisations (2003).
Anticipated NDSGN staffing in one year's time (white managers)	In the year 2003 there was a decrease of NDSGN timed for early retirement that were offered attractive packages.	An anticipated rate in 2003 of 40% turnover of white managers in the organisations were to be replaced by DSGN.

Source: Adapted from *Business Report (2002)*

4.4 RESEARCH DESIGN

For the purposes of this study both quantitative and qualitative research methods were selected and supported the result findings. Research in the automotive sector, particularly in a large division within an organisation, is much more suited to this approach. It is now recognised that automotive organisations are old establishments in South Africa that encourage the use of quantitative methods of scientific inquiry (Shaw & Perkins, 1992). The research design technique chosen using selected items from the instrument of the Career Dimension Questionnaire, which was subjected to Exploratory Factor analysis to determine the underlying factor structure, as suggested by Cooper and Hair (1998:577), that forms part of the discussions in this chapter.

Quantitative data can be classified into various data types using a hierarchy of measurement, the data often a finite ending order of numerical precision (Saunders, Lewis & Thornhill, 1997). These different levels of numerical measurement dictate the range of techniques available for the presentation and analysis of the data.

Quantitative data can be divided into two distinct groups: categorical and quantifiable. Categorical data refer to data whose values cannot be measured numerically but whose values can be classified into sets (categories) and can be further subdivided into descriptive data and ranked. They are placed in a ranked order (they are then known as nominal data). Ranked or ordinal data are more precise. The data are collected and coded using precise numerical measurements that can be regrouped to a less precise level so that the data can be analysed. Quantitative research is not only about “counting and numbers”, but is embedded in theory. The scientific quality of the concepts and the measures/instruments is of critical importance in quantitative research. In essence, the term “quality” as it is used here refers to the reliability and validity of an approach (internal validity, external validity, reliability and objectivity). These data types should also be explicitly tested and reported on before proceeding to the rest of the analysis, interpretation and reporting, which form the focus steps set out by Mouton (2001).

It is difficult to put a precise meaning to qualitative research, but it can be described as an umbrella for interpretative methods that describe, translate or come to a conclusion without using a “number crunching” exercise (Van Maanen, 1983). Although qualitative

research has not been refined to reproduce the same degree of preciseness as quantitative research, a number of important factors should be looked at (Saunders *et al.*, 1997). These factors are listed below together with their application in the present study.

- **Qualitative research is inductive** – A qualitative researcher must be able to develop his/her own concepts, insights and understanding from the research results. (The aim of this study was to develop an understanding of the way that D_{SGN} and ND_{SGN} managers and the organisation see the problem).
- **Qualitative research is holistic** – People, groups, and settings are viewed as a whole, and are not reduced to variables. (The beliefs, thoughts and needs of the D_{SGN} and ND_{SGN} managers were used in the perspective areas of approach of the research questions).
- **Qualitative researchers are sensitive to the effects of the study on the respondents** – Interaction with the respondents must be as natural and unobtrusive as possible. (Employees were interviewed in familiar surroundings by an interviewer who was familiar to them).
- **Qualitative researchers try to understand the subjects from their own frame of reference** – All experiences as described by the respondents are presented in their exact wording. (The questions used in the questionnaire elicited the personal views and thoughts of the employees).
- **Qualitative researchers set aside their own beliefs and perspectives** – Nothing is taken for granted and everything said or discussed is subject to enquiry by the researcher. (The researcher's own perspectives and beliefs were set aside as far as possible during the evaluation process).
- **Qualitative researchers take all perspectives as valuable views** – The purpose of qualitative research is to seek a proper understanding of the employees' perspectives regarding the career management process. (The respondents were given an

opportunity to express exactly how they felt about the specific issues in question. All these thoughts and perspectives were used in drawing final conclusions).

- **Qualitative methods are humanistic** – The methodology used in qualitative research is as non-obstructive to formal proceedings as possible and this research study is conducted in familiar automotive sector settings.

- **Qualitative researchers put a lot of emphasis on the validity of their study** – Qualitative research methods allow researchers to stay close to the empirical world. (Validity in this research was questioned at all times, in other words, “are we measuring what we are suppose to measure?”).

4.5 PILOT STUDY

A pilot study was undertaken to determine the validity and reliability of the questionnaire, with a view to making necessary changes in the procedure before the actual study was undertaken. A self-administrated questionnaire was then prepared and used as a measuring instrument after 20 lower/middle managers in ten different companies had used it in a pilot test. It consisted of ten questions, some with subsections. Where relevant, a five-point Likert scale was employed. Respondents were invited to provide additional remarks, criticism or recommendations, and ample space was provided for them to do so. The questionnaire was completed anonymously. This pilot survey revealed the non-existence of Affirmative Action career-pathing models or any staff succession planning and highlighted the need to emphasise “Management Career Development”, which was confirmed to be lacking in the companies that were surveyed.

4.5.1 The design of the measuring instrument

A questionnaire was developed to collect the required data from individual managers rather than their organisations. (A copy of the questionnaire is attached in Appendix A). It was post-coded later (see Appendix B). The questionnaires were printed on one side of sheets only and not back to back to facilitate data capturing. The instrument used for this survey consisted of a pre-coded and self-administered questionnaire, which was carefully constructed to facilitate maximum response and, at the same time, obtain detailed information. The questionnaire was developed by taking into account some of the general rules laid out by Baker (1988) for questionnaire construction:

- Include only questions which address your research concerns and which you plan to analyse.
- Make the questionnaire as appealing as possible to the respondents.
- Keep the questionnaire as short as will suffice to elicit the information necessary to analyse the primary concerns. Be sure, however, to include questions on all aspects of the research problem that you need to address.
- If the questionnaire is self-administered, keep the instructions brief, but make sure they contain all the information required to complete and send back the questionnaire.
- Consider in advance all the issues that a respondent might raise when he/she receives this instrument. Be sure that the questionnaire addresses these issues.

Most types of questionnaires include a combination of open and closed-ended questions. Open-ended questions allow respondents to give answers in their own way (Shaw & Perkins, 1992). Baker (1988:173-174) is of the opinion that closed-ended questions force the respondent to select a single response from a list. However, Saunders, Lewis & Thornhill (1997) indicates that closed-ended questions with forced choice responses are more likely to be completed by respondents than open-ended questions.

A large portion of closed-ended questions were used. Care was taken to ensure that the lists of responses from which the respondent was instructed to choose covered as many alternative answers as possible. However, in some instances, the nature of the issue

addressed dictated the use of open-ended questions, and space was therefore provided for respondents to write out their answers.

The questionnaire was designed according to the objectives of this study, as stated in Section 4.3. The questions took cognizance of the current affirmative action implementation in the light of the struggle by the automotive industry to reduce inequalities among managers. The aim was to ascertain the respondents' points of view of top management responsibilities for and commitment to the identification of potential talents and the implementation of MCD interventions.

The questions were structured to examine the respondents' views on career management, and included categories such as first and current job functions, formal education, gender, tokenism in job placement, privileges, job responsibilities measured against job descriptions, adequate training for current functions, decision-making power on important issues, promotion prospects, relationships to immediate superiors, current company training programmes, the availability of coaching or mentorship programmes; freedom of the organisation and available resources, making critical and important contributions to the organisation, existing training models and personal involvement.

The respondents' personal feelings about and views on the people's understanding of the organisation and its strategies of both the NDSGN/DSGN groups' perceived magnitude of the MCD problems were assessed to evaluate top management commitment. For this questionnaire, the five point Likert scale was used to elicit the degree of agreement or disagreement, and provision was made for a neutral column for each of a series of statements related to the study object. Regarding the design of such statements, Loubser (1996:228) asserts that the "statements must be closely connected with the subject and approximately half of them should be positive and half negative" (Loubser, 1996:228).

The cover page of the questionnaire contained instruction notes to assist the respondents in completing the questionnaire. The questionnaire consisted of 62 questions that elicited detailed information from the respondents selected for the survey. A covering letter addressed to the respondent outlined the importance of the study, the aim of the questionnaire and the value of participation. The respondents were assured of

confidentiality and anonymity to allay any anxiety, whilst the importance of MCD for automotive organisations in South Africa was stressed.

4.5.2 Validation of the measuring instrument

The difference between the information required and the information obtained is referred to as measurement error, and it is important to avoid this pitfall in designing a questionnaire. According to Churchill (1987:382), “a measuring instrument is valid to the extent that differences in scores among objects reflect true differences of the objects on the characteristics that the instrument tries to measure”.

Content validity involves assessing the representativeness or the sampling adequacy of the items contained in the measuring instrument. According to Bless and Higson-Smith (1996:137), content validity is achieved by referring to the literature relating to the area of study. In this regard the design of the questionnaire enjoyed high content validity and the techniques used were evaluated by pretesting to ensure that the instrument measured what it was supposed to measure.

Construct validity achieves its purpose when the researcher “makes a list of different pieces of information that the instrument is required to uncover and then designs questions to secure the information” (Bless & Higson-Smith, 1996:138). The measuring instrument used for this study was closely linked to the theory relevant to the scope of the study and was confined to the variables to be tested in the areas of human resources policies and practices, affirmative action initiatives and MCD. The research variable items were identified and constructed on the basis of the literature review and a sample review of questionnaires used for other studies that broadly pertain to the scope of the research. This conformed to the criterion for internal validity, which was supported by further pretesting of the instrument. The pretesting must also determine the reliability of the measuring instrument and test “how consistently a measuring instrument measures whatever concept it is measuring” (Sekaran, 1992:171).

The questionnaire developed for this research focused on the theoretical dimensions of the study and ensured that the variable items were relevant to the research objectives, as well as applicable to the respondents with regard to ensuring face validity Bless and

Higson-Smith (1996:139) stress the importance of the instrument's being tailored to the needs of the respondents for whom it is intended. The questionnaire was designed to contain the key elements of structured questionnaires in order to obtain maximum detail from the respondents. Also, part of a questionnaire developed by the International Department of Management and Technology for the HRD Management Survey (AIDC, 2002) was used and questions and ideas from it were adapted for this study.

The following associations and service providers were consulted and this questionnaire development was discussed with the CSIR, a Clinical Psychologist, major automotive companies such as Nissan, Ford, BMW and Toyota (Pty) Ltd, the University of Pretoria and Ryan Bramble Management Consultants.

4.5.3 Factor analysis technique

The items of the Career Dimension Questionnaire were subjected to Exploratory Factor analysis to determine the underlying factor structure. Factor analysis is a generic name for a group of multivariate statistical methods whose primary purpose is to define the underlying structure of a set of variables and to reduce a set of variables, measures or items to a small set of common factors. Variables that correlate highly with each other, as identified from a correlation matrix, are grouped together under a single factor. Each distinct grouping of highly correlated original variables represents a separate factor (Cooper & Hair, 1998:577). This instrument was used in this research to position the perceptions and assessments of the respondents' organisations on a three-point scale. The main applications of factor analysis are, firstly, to reduce the number of variables and, secondly, to detect a structure in the relationships between variables, that is to classify variables. Therefore, factor analysis was applied as a data reduction or structure detection method.

4.5.4 Framework of the questionnaire

The instrument used for this survey consisted of a pre-coded questionnaire which was carefully constructed to facilitate maximum response and at the same time, obtain detailed information. The automotive organisation questionnaire was directed at the Senior General Human Resources Managers of the targeted organisations.

The questionnaire contained three sections: biographical data, individual data and organisational data, and a Career Dimension Survey. These are discussed in detail below.

4.5.4.1 Section A: Biographical data

The biographical data questionnaire was used to obtain information on each respondent's profile and data in connection with organisational information.

4.5.4.2 Section B: Survey on individual and organisational data

In this section, data relating to the HRM component's organisational strategy for designated managers' career-pathing and development was gathered. The questions were designed to obtain a broad picture of a respondent's views on the topic, and aimed to produce a descriptive overview of the respondent's thoughts, feelings, values and emotions. Specific questions were related to the context and meanings of activities in the respondent's world. They were used to organise the researcher's perceptions of how the respondent views reality. Seven important themes were identified, and an attempt was made to analyse the data obtained from the questionnaire using these themes (listed briefly below):

- Theme One: Does the HRM department of the organisation have an MCD programme in place, and, if so, are is it effective for both D_{SGNS} and ND_{SGNS}?
- Theme Two: Is HRM realising the organisational strategic plan by implementing relevant MCD programmes?
- Theme Three: If there is a standardised MCD model (of any nature) in place, is there a difference between its effectiveness for ND_{SGN} and D_{SGN} managers?
- Theme Four: Are the designated MCD programmes aligned with employment equity expectations, and are these programmes monitored?
- Theme Five: What are the effects of employment equity on D_{SGNS}' MCD?
- Theme Six: Do managers have a sense of security in their organisation?
- Theme Seven: How do the respondents perceive their organisation's response to their personal MCD needs?

4.5.4.3 Section C: A Career Dimension Survey

In this section, data in connection with each respondent's scoring of the perceptions of the organisational dimension were assessed on a three-point scale. These questions aimed to reveal the following perceptions and assessments of each respondent's organisation:

- the future perspective;
- the work design;
- organisational systems;
- managerial support; and
- individual concerns.

4.6 TARGET GROUP AND DEMOGRAPHICS

The sample was selected from computerised random numbers to select **51** companies from the target population of 120, situated across South Africa, of automotive manufacturers and 1st tier component supplier companies. A selection of **44** companies was made from 1st tier automotive component suppliers falling under NAACAM. They manufacture products to the value of R30 000 million (leather seats, metal components, catalytic converters, exhaust systems, aluminium wheels, raw materials and body panel pressings). A further **7** OEMs (Original Equipment Manufacturers) and vehicle assemblers under NAAMSA were selected (BMW, VW-SA, Toyota SA, Delta Motors, Daimler Chrysler SA, Ford Motor Company and Nissan SA), to whom the 1st tier suppliers deliver their components with a total industry export value of approximately 18.6 billion Rand per annum (*Logistics News*, 2002).

A computer programme using statistical computer language was written specifically to draw the sample size of the total companies. This computer programme generated the random numbers, and selected the sample size under the registered licence software of NAAMSA. It was written by a colleague of the researcher and was also used to draw samples for other marketing activities. Since the target population of 120 companies was tabulated in numerical sequence for each company, the assigned numbers were matched to the corresponding computer-generated numbers on the composite schedule and ringed accordingly. Thus, the 51 companies ringed became the sample for the survey.

According to Bless and Higson-Smith (1996), an important issue in the field of surveys is determining an optimal sampling size. Whilst a large sample may be more representative, it could be very costly. A small sample could be less accurate, but more convenient. For this study, the sample size of 51 companies (>40%) is more than the significant level required from the target population of 120 companies (in other words, the seven individual OEMs represent more than 50% of the managers of the population).

The questionnaire was distributed nationally to all targeted groups of D_{SGNS} (previously disadvantaged managers' placement) and N_{DSGNS} (white males) available across the 51 automotive companies. The Senior General Human Resources Managers and Chief Executive Officers representing these companies administered the questionnaire by randomly selecting a sample of both designated and non-designated managers willing and able to participate. The criteria and characteristics of the sample for managers' participation were that they had to

- be employed by the automotive industry private sector within the four demographic national segments;
- work in the disciplines of engineering, human resources, administration, finance, technical work or production;
- be aged between 27 and 55;
- be in the middle-to-lower management job categories; and
- be N_{DSGN} and D_{SGN} managers identified by assigning appropriate ticks on a pre-coded questionnaire to separate the groups.

Each company's senior representative received a formal letter and a self-administered questionnaire in batches of ten and met individually with the respondents to discuss the contents of the research project. The discussions reached all the members of the companies that met the criteria for participation. The respondents were supplied with return post envelopes (continued support and comments were received via electronic mail). The targeted sample size was approximately 600 for the total N_{DSGN} (white male) managers and D_{SGN} managers (which included white/black women, disabled persons, and previously disadvantaged managers).

Table 4.2 forms part of the unit of analysis of middle/lower management respondents. Some 600 questionnaires were electronically mailed and administered by hand to the national automotive assemblers and component manufacturers, facilitated by the NAAMSA/NAACAM automotive associations.

4.6.1 Geographic distribution of the selected sample

The automotive industry is largely concentrated in four provinces, namely in the coastal belt of Kwa-Zulu Natal (10%), the Eastern Cape (10%), the Western Cape (20%) and Gauteng (60%). It is the largest manufacturing segment, and the highest single contributor to the GDP. A total of 600 questionnaires were distributed to all four provinces, according to the demographics shown in the Table 4.1.

Table 4.2: Geographic distribution of the selected automotive companies

Provinces/ demographics	Distributed randomly/ province	No of unusable responses received	No of responses received (less spoilt copies)	No of responses not received	Frequency sample received
Kwa-Zulu Natal	60	3	53	4	93
Eastern/Western Cape	180	2	40	138	23
Gauteng	360	4	134	222	38
Total sample	600	9	227	364	39

From the above table it can be seen that 227 respondents completed the questionnaires and 51 out of the 60 companies responded. This translates to a response of 39% of all the managers. The overall sample from the total designated lower/middle management respondents is reasonably well represented among the organisations and *sample quota* coverage was achieved. The difference between the numbers of companies contacted and those who responded is due to the lack of availability of D_{SGN} persons responsible for HRM. Of the ND_{SGN} respondents, 61% failed to complete the questionnaire.

4.6.2 Analysis of the data collected

Editing entails a thorough and critical examination of a completed questionnaire in terms of compliance with the criteria for collecting meaningful data, and in order to deal with questionnaires not fully completed (Martins, Loubser & Van Wyk, 1996:295). It is therefore essential that the data be checked for completeness and accuracy before data are accepted for coding and capturing (see Coding: Appendix B). The editing of the data for this study was conducted by the researcher with the assistance of STATOMET at the University of Pretoria. Each completed questionnaire was scrutinised, and carefully edited to ensure that the criteria of completeness had been met. A random audit check of the respondents was also made to determine that the meeting had taken place with the selected respondent and that the questionnaire was administered professionally. For the purposes of this study, the significant level was set at 0.05%, (chi-square testing can be accepted when the p-value is smaller than 0.05).

The second part of the questionnaire data were edited and encoded into forms, making analysis more manageable using a processing system and data storage. The codes follow various decision rules that the researcher devised to assist with the sorting, tabulation and analysis, with the assistance of STATOMET at the University of Pretoria. The data analysis was influenced by a factor analysis technique process that reduces the data to a meaningful size, developing summaries, looking for patterns and applying the factor analysis statistical technique.

Furthermore, the researcher interpreted these findings in the light of the research questions and checked for consistency within the primary objectives and theories. Explorations of the problem in factor analysis data collection were accomplished through familiarization with the available literature, interviews with experts and focus groups. The management data aspects of the second part of the research questionnaire was a desirable outcome for exploring the factor analysis technique further in order to enhance the researcher's understanding of the options available for developing a successful data collection design. This data analysis identified patterns among the primary variables and a combination of the original underlying factors supporting the study.

The factor analysis was aimed at discovering key career dimensions that need to improve, and investigating outcomes that enable an organisation to build a successful career development process model (that is, an effective career development system uniting the employee's aspirations with the strategic direction of the organisation).

According to Farren and Kaye (1998), this designed research questionnaire for this study identifies five key areas, namely future perspective, organisational systems and practices, work design, managerial support, and individual career-management concerns. The Career Dimension Questionnaire/Survey section contained 20 items that had to be rated on a scale of one (not true) to five (very true). Respondents were asked to rate the 20 items according to how they perceived their organisation (or division) as responding to their personal career needs. Respondents were instructed to mark their answers directly on the answer sheet, and had a time limit of 20 minutes to complete it.

4.7 CONCLUSION

In this chapter the research methodology was discussed with the aim to establish whether there are significant differences between designated managers and non-designated managers for certain MCD objectives being observed. This study set six objectives and a preposition that address the research problem, primary/secondary objectives and how the sample was drawn from the target population of the automotive sector. The data from the questionnaire were captured and analysed by using a software package from the Statistics Department of University of Pretoria.

The next chapter will present an overview of the analysis of the results obtained by this research.

CHAPTER 5

RESULTS AND FINDINGS

A journey of a thousand miles must start with a single step.

Chinese proverb

5.1 INTRODUCTION

The seven themes in the organisational questionnaire dealt with the effectiveness of MCD activities and programmes for both the ND_{SGN} and D_{SGN} groups within each organisation. A standardised MCD model for both ND_{SGNS} and D_{SGNS} must be aligned to meet the requirements for effectiveness set in the research objectives.

In this chapter, Section 5.2 deals with the descriptive statistics. With the assistance of frequency tables and charts illustrations of key demographic variables are highlighted. In Section 5.3, the two groups' (ND_{SGN} and D_{SGN}) variables are compared with regard to the age categories of the respondents (measured on a nominal scale application of the two-sample chi-square test). Section 5.3 is based on a comparison of observed versus expected frequencies. The two-sample chi-square test determines whether there is a difference between the two groups, taking into account the relative frequency with which the group members fall into various categories of the variable of interest.

The reason for focusing on relative rather than absolute frequencies is that the two groups have unequal sample sizes, and this has to be taken into account in the calculation of expected frequencies. If the observed frequencies depart significantly from the expected frequencies, according to the significant differences level theory (with the significant level set at 5%, $p < 0.05$), one can conclude that the two groups differ in terms of the variable of interest. If, on the other hand, the discrepancies between the observed and expected frequencies are small and non-significant (a level greater than 5%, $p > 0.05$, is obtained), then there is no difference between the two groups.

The statistical programme used for the analysis of the data was the SAS Version 8.2 statistical analysis programme, which allows an effective visual presentation of data in

tabulated form, and reduces the time and energy needed for calculations. This quantitative analysis of data was undertaken by the computer services support section of the Statistics Department at University of Pretoria (STATOMET).

5.2 DESCRIPTIVE STATISTICS – SAMPLE PROFILE (RESPONDENTS' BIOGRAPHICAL DATA)

5.2.1 Introduction: a summary of statistics and general findings

This section provides an overview of the demographic profile of the managers who participated in the survey. They are henceforth referred to as “the sample”. The statistical data is presented in the form of frequency tables and charts. Meaningful results are also contextualised with regard to the objectives of the study. The reader can also refer to the questionnaire in Appendix A for more detail.

In Table 5.1 (below), a demographic breakdown is given of the sample according to province. The largest number of responses came from the Gauteng Province (59%), followed by Kwa-Zulu Natal (23%) and the Eastern Cape (18%).

Table 5.1: Demographics of the total sample

RESPONDENTS	Group 1 NDSGN No of respondents	Group 1 NDSGN Frequency %	Group 2 DSGN No of respondents	Group 2 DSGN Frequency %	Total Frequency %
Demographics of responses by province:					
Gauteng Province	61	71	73	52	59
Kwa-Zulu Natal	12	14	41	29	23
Eastern Cape	13	15	27	19	18
Total	86	100	141	100	100

In Table 5.2 (overleaf), the demographic breakdown is given of the sample according to sector representation by province.

Table 5.2: Sector representation of the sample by province

RESPONDENTS	Group 1 NDSGN No of respondents	Group 1 NDSGN Frequency %	Group 2 DSGN No of respondents	Group 2 DSGN Frequency %
<u>Original equipment manufacturers (OEMs):</u>				
Gauteng Province	35	41	35	25
Kwa-Zulu Natal	9	10	23	16
Eastern Cape	7	8	13	9
Sub-total of OEM companies	51	59	71	50
<u>Component manufacturing suppliers (Tier 1):</u>				
Gauteng province	26	30	38	27
Kwa-Zulu Natal	3	4	18	13
Eastern Cape	6	7	14	10
Sub-total of Tier One Companies	35	41	70	50
TOTAL RESPONSES	86	100	141	100

The largest percentage of respondents came from OEM companies (59% NDSGNS, with a corresponding percentage of 50% DSGN managers). The Component Manufacturing Suppliers' sectors were represented by 50% DSGNS and 41% NDSGNS.

In Table 5.3 (below) and Figure 5.1 (overleaf), the age distribution of the sample is given.

Table 5.3: Degree of representation of age groups of respondents

Age category responses	No of respondents	Frequency %
25 to 29	25	11
30 to 34	55	24
35 to 39	59	26
40 to 44	56	25
45 to 49	22	10
50 +	10	4
Total responses	227	100

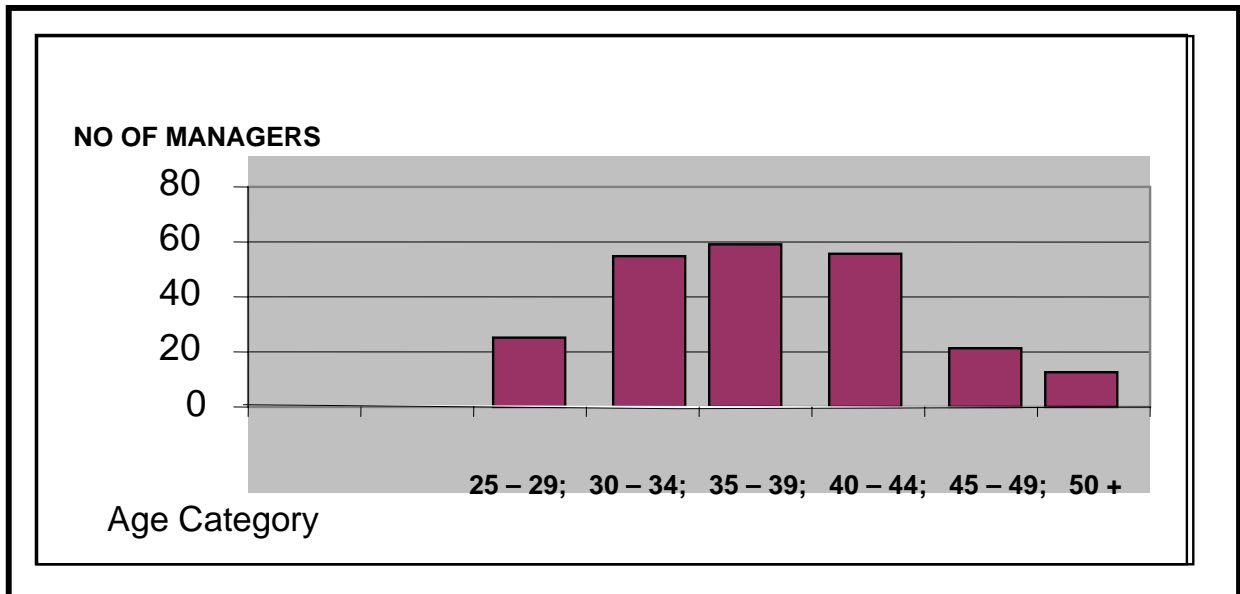


Figure 5.1: Age distribution of the total sample population

The age distribution tends to be slightly skewed to the right, especially due to skills shortages and a previously white-dominated market. The distribution is therefore skewed towards the 30 to 44 year categories. Some of the respondents appeared with an evenly distributed margins that were in age categories from 25 to 29 years and 45 to 49 years respectively. It is suspected that this age distribution would be typical of all manufacturing type automotive companies. In a highly technical environment, organisations tend to recruit qualified, highly energetic and dynamic employees with some years' work experience. This may be the reason for the higher number of employees in the three aforementioned age groups.

In Table 5.4 (overleaf), a breakdown is given of respondents' years of experience in their particular organisation.

Table 5.4: Length of respondents' experience in their current organisation

Respondents according to length of time employed in the company	Group 1 NDSGN No of respondents	Group 1 NDSGN Frequency %	Group 2 DSGN No of respondents	Group 2 DSGN Frequency %
Up to 3 years	29	34	30	21
4 to 6 years	11	13	35	25
7 to 9 years	15	17	32	23
More than 10 years	31	36	44	31
Total	86	100	141	100

It appears that most respondents (between 31 and 36 per cent) have worked in their current organisation for more than ten years (first category), whilst the second largest category of NDSGNS (34%) have worked only up to three years in the same organisation. A slightly smaller percentage of DSGNS – between 23 and 25 per cent – has a total work experience of between four and nine years.

From the responses, one gets the impression that many of the respondents do not put down roots – they move from company to company in search of greener pastures, or they are affirmative action candidates who are job-hopping to attain attractive positions with market-related salaries. This, in turn, could adversely affect their upward mobility within organisations. It is normally good human resources practice to promote internally to senior level rather than to recruit from outside. This is in line with human resources succession planning. However, if there are no candidates suitable from within, external recruitment and appointments may be justified (NDSGN managers reveals 34 per cent at early stage recruitment), mainly due to designated managers' headcount turnover rate.

Table 5.5 (overleaf) reflects the lower career positions previously held by the respondents within the organisations in which they held their first jobs in technical positions and lower management positions.

Table 5.5: Previous position of respondents

Previous job levels held in the company	Group 1 NDSGN No of respondents	Group 1 NDSGN Frequency %	Group 2 DSGN No of respondents	Group 2 DSGN Frequency %
Executive level	-	-	-	-
Senior management level	-	-	-	-
Middle management level	4	5	17	12
Lower management level	17	20	43	31
Professional level	10	12	19	13
Technical level	37	43	31	22
Consultant level	10	12	22	16
Non-managerial jobs	8	8	9	6
Total responses	86	100	141	100

Of the NDSGNS, 43 per cent started off in a technical position, compared to 22 per cent of DSGNS. Those appointed at managerial levels were largely in lower managerial ranks (31 per cent DSGNS). This observation confirms the problem statement of this research, namely that DSGNS have largely held lower managerial ranks in this sector. Approximately the same number of NDSGNS and DSGNS started off in the professional and consultant level categories. Only six to eight per cent started in non-managerial jobs as clerks and blue-collar workers, for example.

Table 5.6 (overleaf) reflects the fact that most of the DSGN management respondents (37 per cent) held indirect production support functions (such as material handling, stock control and production logistics) and 24 per cent held managerial positions in direct production. This is probably due to this automotive sectors being highly unionised by a black majority. Negotiation seems to be much easier for a company using a DSGNS to provide representation and feedback in focus group sessions.

Table 5.6: Departmental function or discipline distribution

Function /responsibility levels held in the company	Group 1 NDSGN No of respondents	Group 1 NDSGN Frequency %	Group 2 DSGN No of respondents	Group 2 DSGN Frequency %
Staff development	14	16	22	16
Service department	11	13	52	37
Production department	10	12	34	24
Marketing and sales department	15	17	18	13
Finance department	2	2	3	2
Human resources development department	9	11	11	8
Industrial relations department	-	-	1	-
Industrial and process engineering	24	28	-	-
Other	1	1	-	-
Total	86	100	141	100

In industrial and process engineering departments, NDSGNS accounted for 28 per cent, and in the marketing and sales departments for 17 per cent. These functions in the OEMs seem to employ NDSGNS due to acute shortages of DSGNS with technical support skills. This suggests that few designated respondents in this sample category (in finance and engineering) are employed in departments where they perceive no individual career planning to be available. The feelings of DSGNS about promotion are revealed in comments such as the following: “We have normally moved up, but operationally not much has changed....” “We still do not have control over issues even at departmental level.” “We do not head departments, we do not have control over budgets and we are only in charge of blacks.” From the discussion it is evident that blacks still operate at the black-white interface and largely deal with other DSGNS. They seem to be “specialising” in African issues.

In human resources staff development functions, the numbers of NDSGN and DSGN respondents are close (11 and eight per cent respectively for the sample unit of job function levels). In the OEMs, it seems to be common to employ DSGN personnel

managers in those jobs that will bring about the most harmonious relationships between the masses of designated workforce and top management (union-driven committees or employment equity forums). On the other hand companies would like to win their customer relationship confidence with the black empowerment business clients.

In Table 5.7 (below), the educational levels of the respondents are listed. It appears that the majority of the respondents (33 per cent) have completed a degree, 25 per cent have completed a diploma, 24 per cent have an honours degree and a small number (9 per cent) only have a Grade 12 (Matric).

Table 5.7: Highest educational qualification of respondents

Level of educational qualification of managers	No of respondents	Frequency %
Matric (NQF – level 4)	21	9
Diploma (NQF – level 4/5)	57	25
Degree (NQF - level 5)	74	33
Honours (NQF – level 6)	55	24
Masters (NQF – level 7)	18	8
Doctorate and Research (NQF – level 8)	2	1
Total	227	100

The reason for the high percentage of respondents with some form of post-matriculation qualification is the introduction of the requirement of a diploma or degree as a minimum qualification for appointment into a salaried manager's position. Within a company, most junior level managers have diplomas, and middle and top managers have first degrees or post-graduate degrees. The positive aspect of this is that the prerequisite qualification can form the basis for relevant informal skills training for specific job functions (such as technical and managerial competencies for scarce skills). The reliance of the corporate world on university degrees when making appointments for managerial positions is evident from the respondents' answers. For external recruits, a degree is a must for a managerial position.

It would seem, therefore, that the minimum educational requirement for a managerial position is a basic degree. Of particular importance for fair employment practices, however, is the value of a basic degree for performance on the job. If such a job entry requirement does have a predictive value, the private sector may have to develop strategies for active participation in support of the process of increasing the pool of designated graduates. Given the poor socio-economic background of many candidates and their relatively limited knowledge regarding career options and choices, this increase in the pool of competent DSGNS is important.

The questionnaire used in the survey was directed at low/middle managers, who formed the unit of analysis. Table 5.8 (below) indicates that more than half of the respondents (64 per cent) of the NDSGNS and DSGNS (54 per cent) hold middle management positions. This observation needs to be checked by the strategic HRM planning against the company's business plan for scarce competency and skills needed by the organisation for real career advancement of DSGNS to take place.

Table 5.8: Current job level of respondents

Current job levels held in the company	Group 1 NDSGN No of respondents	Group 1 NDSGN Frequency %	Group 2 DSGN No of respondents	Group 2 DSGN Frequency %
Executive level	-	-		-
Senior management level	-	-		-
Middle management level	57	67	77	54
Lower management level	29	33	64	46
Total	86	100	141	100

The finding that all the respondents are in managerial positions has to be considered with caution, since it is possible to be in a high-ranking job (and also be in an influential department) while having little positional power (or authority and accountability). Of the DSGN respondents who held positions at a lower managerial level, 46 per cent indicated having some positive career direction in order to reach the goal of top senior positions.

Table 5.9 sets out what formal educational institutions respondents attended in preparing for a career. The responses reveal that ND_{SGN} respondents favour universities (46 per cent) and technikons (30 per cent) as playing an important role in the provision of formal education and MCD. Following closely, 38 per cent of D_{SGN} respondents have attended technikons and universities (35 per cent). Of the D_{SGN} respondents, 27 per cent considered their company's in-house informal training colleges and educational service providers to have been of value.

Table 5.9: Educational institutions attended by respondents for career building

Institutions where they completed their academic careers	Group 1 ND_{SGN} No of respondents	Group 1 ND_{SGN} Frequency %	Group 2 D_{SGN} No of respondents	Group 2 D_{SGN} Frequency %
Universities (tertiary educational institutes with higher educational study levels)	41	46	75	35
Technikon (Administrative, Commerce and Technical studies)	26	30	81	38
Colleges (in-house service providers and study programmes)	21	24	60	27
Total responses	88	100	216	100

Table 5.10 (overleaf) shows the gender distribution of the sample. It reveals the high level of male dominance in management posts, with only between 21 and 26 per cent of female managers. Female managers are mostly involved in the service departments supportive of “soft skill” competencies.

Table 5.10: Gender distribution

Gender	Group 1 NDSGN No of respondents	Group 1 NDSGN Frequency %	Group 2 DSGN No of respondents	Group 2 DSGN Frequency %
Male	64	74	112	79
Female	22	26	29	21
Total responses	86	100	141	100

The suspicion that the male-female ratio in any manufacturing company would tend towards a higher male composition is confirmed by the findings set out in the above table. The reason for this is possibly the fact that males still tend to choose careers that are more technically oriented.

5.3 STATISTICAL RESULTS OF QUESTIONNAIRE DATA

This section uses the two-sample chi-square test to compare two groups (DSGNS and NDSGNS in terms of a variable, measured on the nominal scale (Cooper & Schindler, 1998). The two-sample chi-square test is based on a comparison of an observation in accordance with expected frequencies in various categories of the theme of interest. At the end of the previous chapter, seven important themes were identified, and an attempt is made in this section to analyse the data obtained from the questionnaire, using these themes. They are again listed briefly:

- Theme One: Does the HRM department of the organisation have an MCD programme in place, and, if so, is it effective for both DSGNS and NDSGNS?
- Theme Two: Is HRM realising the organisational strategic plan by implementing relevant MCD programmes?
- Theme Three: If there is a standardised MCD model (of any nature) in place, is there a difference between its effectiveness for NDSGN and DSGN managers?
- Theme Four: Are the designated MCD programmes aligned with employment equity expectations, and are these programmes monitored?
- Theme Five: What are the effects of employment equity on DSGNS' MCD?
- Theme Six: Do managers have a sense of security in their organisation?
- Theme Seven: How do the respondents perceive their organisation's response to their personal MCD needs?

5.3.1 Theme One: Does the HRM department of the organisation have an MCD programme in place, and, if so, is it effective for both D_{SGNS} and ND_{SGNS}?

The researcher wants to investigate the current situation with regard to the career-pathing, development, training and placement of persons from the designated groups in order to identify MCD models so that successful managers are placed on merit.

The findings corresponding to the questions relevant to the theme (see Appendix A) are tabulated and the responses are indicated in terms of frequency and percentages for each statement.

Q13. This question was designed to collect information regarding the perceptions of D_{SGN} and ND_{SGN} top managers' commitment to MCD programmes within the organisation.

As set out in Table 5.11 (below), the results indicate that there is a significant difference between some career programme activities and the perceptions of D_{SGN} and ND_{SGN} managers.

Table 5.11: Are the current organisational MCD programmes and top managers' commitment strongly linked?

Career programmes process type (Multiple career development method variables)		p<0.05 Chi-square significance level	Group 1 ND _{SGN} No of respondents	Group 1 ND _{SGN} Frequency %	Group 2 D _{SGN} No of respondents	Group 2 D _{SGN} Frequency %
1. Performance management	Yes	p = 0.4114	73	85	112	81
	No		13	15	27	19
2. Succession planning	Yes	p = 0.0382	17	20	14	10
	No		69	80	126	90
3. Projects by teams	Yes	p = 0.0051	31	36	27	19
	No		55	64	113	81

The chi-square significance test reveals a significant relationship between organisational in-house career and development models linked to succession planning (p=0.0382) and models linked to project-by-team (p=0.0051) career programmes for D_{SGNS} (p<0.05). It was mostly the ND_{SGNS} who were in favour of organisational adjustments to career

development in project-by-teams and succession planning. These two dimensions of the MCD assessment development framework apply to the policy career activity weaknesses in respect of the sector's development of both their ND_{SGN} and D_{SGN} managers. The performance management appraisals are used as a means of diagnosing training needs and seem to be less effective in MCD plans according to both the ND_{SGN} and D_{SGN} managers widespread of succession planning and project by team activities.

The researcher's experiences within this sector reveal that performance management and appraisals are often strongly linked to remuneration and promotion possibilities. Performance management and appraisals are not always used for the benefits of MCD evaluation in multi-national companies (Raper *et al.*, 1997). A high number of respondents indicated a need for a stronger focus on MCD capacity in operators, people, finance and, most interestingly, information technology.

A link between an organisational HRM strategy with succession planning and the strong integration of mentoring/coaching with organisational MCD programmes can create a high priority system to fast-track MCD activities for D_{SGNS}. There is a perception by D_{SGNS} that there is no registered career programme infrastructure in place for future managers. According to the researcher's experience, D_{SGNS} believe that there is still a need for MCD to be the focus of the organisation's highest commitment and to fast-track and conduct succession planning programmes for the development of future managers.

Q18. The aim of the question was to obtain information regarding the most favoured career development techniques used by respondents for their personal career development.

Table 5.12 (overleaf) shows the results of the respondents' rankings (on a five-point scale) of the career advancement techniques they prefer.

Table 5.12: The preferred MCD techniques within organisations

The most favoured career programme techniques	NDSGN (Group 1) and DSGN (Group 2)	P<0.05 Chi-square significance levels	High priority Frequency % 1	Good Frequency % 2	Average Frequency % 3	Lowest priority Frequency % 4	Poor Frequency % 5
1. Job rotation	Group 1	p = 0.2229	2.3	9.3	24.4	43.0	20.9
	Group 2		6.4	7.1	30.5	30.5	25.5
2. In-company MCD programmes	Group 1	p = 0.8914	4.7	18.8	27.1	27.1	22.4
	Group 2		5.7	17.7	22.0	31.9	22.7
3. Task forces/ Special Projects	Group 1	p = 0.4830	7.0	14.0	38.4	32.6	8.1
	Group 2		3.6	19.9	35.5	29.1	12.1
4. External MCD Programs	Group 1	p = 0.0494	7.0	24.4	22.1	31.4	15.1
	Group 2		8.7	13.8	22.5	36.2	30.4
5. On-the-job training	Group 1	p = 0.4386	15.1	17.4	31.4	24.4	11.6
	Group 2		9.2	20.6	36.2	18.4	15.6
6. Coaching/ mentoring	Group 1	p = 0.5899	5.8	23.2	24.4	36.1	10.5
	Group 2		7.1	17.0	23.4	35.5	17.0
7. Performance Feedback	Group 1	p = 0.0482	10.5	18.6	24.4	33.7	12.8
	Group 2		3.6	25.0	30.7	22.1	18.6
8. Teaching / consulting with other employers	Group 1	p = 0.8303	3.5	16.3	25.6	30.2	24.4
	Group 2		4.3	17.1	20.7	36.4	21.4

According to these respondents, employers do not provide in-house career development programmes and enough opportunities for both the NDSGN and DSGN groups' development. However, on the basis of these results, it appears be worthwhile for a company to provide in-house development programmes for what is seen as the highest priority. Table 5.12 (above) represents highly significant results for both the DSGN and NDSGN groups with regard to performance feedback and external MCD programmes as methods of development. The fact that the lowest priority was given to in-house MCD programmes within the companies was highly significant for DSGN managers. It is clear that in some companies strategic commitment by HRM to MCD does not exist.

Table 5.13 (overleaf) represents the results with regard to the automotive sector's most favoured MCD techniques.

Table 5.13: Ranking of the most favoured MCD techniques in the automotive industry

MCD techniques	Ranking by frequency % NDSGN (Group 1)	Ranking by No sequence NDSGN (Group 1)	Ranking by frequency % DSGN (Group 2)	Ranking by No sequence DSGN (Group 2)
1. Job rotation	12	7	14	6
2. In-company MCD programmes	14	6	23	4
3. Task forces/special Projects	21	4	24	3
4. External MCD Programmes	31	2	23	4
5. On-the-job training	33	1	30	1
6. Coaching/mentoring	29	3	24	3
7. Performance feedback	29	3	29	2
8. Teaching/consulting with other employees	20	5	21	5

The responses on the MCD concepts most favoured by management can be summarised as follows: the first ranked of the most favoured MCD technique for both the designated and non-designated groups was on-the-job training. This identifies and provides the key work experiences and knowledge required for MCD in the workplace. The external programmes used by larger employers to deliver MCD to managers are increasingly becoming decentralised because of flattening hierarchies and the greater accountability expected of functional and departmental management.

The manufacturing quality movement has also encouraged greater communication and flexibility in the delivery of coaching/mentoring programmes, which were highly favoured MCD programmes among both sets of respondents. The concerns with measuring and assessing these MCD techniques have moved to how learning can be interwoven with everyday activities at the workplace. The focus is now on MCD learning through re-training to solve workplace problems, self-determined development, unfreezing barriers to NDSGNS' and DSGNS' learning, and understanding what it means to become a learning organisation.

These types of programmes are linked to numeration and promotion possibilities. Some external MCD multinational parent companies' in-house programmes are highly favoured and are commonly used in South African automotive multinationals. From the respondents' rankings, it is clear that they require more focused MCD. The availability of MCD on-the-job programmes is what the respondents want. The respondents request HRM strategic infrastructure to fast-track their MCD process for effectiveness and top management commitment.

For the South African automotive sector to create superior organisational capabilities, MCD issues must be addressed by a systems approach, as indicated by Vicere (1997). This systems approach includes establishing priorities for MCD initiatives, linked to the HRM strategic imperatives of the organisation, and to innovative approaches to MCD to create and maintain positive organisational momentum. This type of process is focused not only on individual development, but also on the ongoing development of the organisation as a whole.

Q21. This question focused on top management actions to promote career development planning activities for designated managers' life-long learning.

In Table 5.14 (overleaf), managers' views on senior and executive involvement in and commitment to MCD programmes are listed. There is a significant relationship between D_{SGNS}' and ND_{SGNS}' responses. Many D_{SGNS} feel that senior and executive management do not carry out or commit to succession planning ($p < 0.0071$).

Table 5.14: Top management's involvement in career development planning activities and life-long learning

Top management actions for career programme planning activities and their commitment to life-long learning	NDSGN (Group 1) and DSGN (Group 2)	p<0.05 Chi-square significance levels	Unsure 1 frequency %	Not attained 2 frequency %	Activities attained 3 frequency %
1. Monitoring of specific individual career plans	Group 1	p = 0.2162	8.1	62.8	29.1
	Group 2		14.9	63.1	22.0
2. Succession planning discussions carried out by your senior manager and career counselling	Group 1	p = 0.0071	9.3	58.1	32.6
	Group 2		12.8	72.3	14.9
3. Enforcement of career planning and career management activities	Group 1	p = 0.1285	9.3	73.3	17.4
	Group 2		17.7	70.9	11.4
4. Focus on a career that is stable, long-term, predictable and organisation-driven	Group 1	p = 0.9670	15.1	66.3	18.6
	Group 2		15.0	65.0	20.0
5. Promotion of mobility, job transfers and job rotation activities within the organisation	Group 1	p = 0.1612	10.5	59.3	30.2
	Group 2		18.4	59.6	22.0
6. Promote certification learning programs (i.e. SAQA accredited) and assessment activities	Group 1	p = 0.4706	20.0	33.0	47.1
	Group 2		14.9	30.5	54.6

The researcher focused on establishing the respondents' feelings regarding the company's current involvement and contribution to their careers. The results indicate that the majority of respondents feel that top management is not involved in career planning activities and committed to life-long learning. This finding indicates a need for organisational MCD programmes that are fully integrated with strategic HRM structures.

Q30. The question focused on the respondents' perceptions about their current superior's management style.

Table 5.15: Managers' perceptions about their current superior's management style

Organisational management styles	NDSGN (Group 1) and DSGN (Group 2)	No of respondents	Frequency %
1. Dictatorial approach	Group 1	40	46.5
	Group 2	73	51.8
2. Open management	Group 1	26	30.2
	Group 2	30	21.3
3. Sharing management	Group 1	8	9.3
	Group 2	24	17.0
4. Participative management	Group 1	12	14.0
	Group 2	14	9.9
p<0.05 Chi-square significance level	p = 0.1684		

Table 5.15 indicates that there is no significant relationship between the NDSGNs' and DSGNs' perceptions with regard to their superiors' management styles. There is a high frequency of responses between (51.8 and 46.5 per cent) indicating that a dictatorial style of management is used, whereas only 21 to 20 per cent of the respondents indicated that an open management style is used. Whether a company's management style is effective can be associated with the company's career development process for employees. Van Buren and Werner (1996) propose that a DSGN manager's approach to management style effectiveness depends not only upon a leader's power, but also upon how the leader uses his/her influence to encourage subordinates to work towards career goals. They also indicate that a significant proportion of a leader's potential power derives from his/her own personal characteristics and style.

The respondents indicated that their superiors' management style was mainly dictatorial and not fully committed to the effectiveness of NDSGN/DSGN MCD programme planning processes. An employee can have a high level of motivation for developing his/her career, but will not continue to pursue career goals in the face of obstacles and setbacks that lie in his/her superiors' management style or leadership quality (or lack thereof).

An organisation's strategic HRM model's thrust is what drives MCD planning issues. It should stress the total integration of external and internal needs and the alignment of resources to the organisation's strategic business plan approach. That is, the strategy of the organisation must be aligned with the mission, goals, beliefs and values that are

characteristic of the organisation. The internal and external needs must also be aligned with the various sub-systems that make up the organisation. Some areas that need to be addressed include management practices (how employees are managed and treated, how much employees participate in decision-making and individual career development motivation).

Q39. This question concerned career support effectiveness

The results of the respondents' views of their company's expected support of career improvement programmes are set out in Table 5.16 below.

Table 5.16: Forms of organisational support expected from career improvement programmes

Organisational effectiveness in management career improvement programmes	NDSGN (Group 1) and DSGN (Group 2)	No of respondents	%
1. Financial assistance approach	Group 1 Group 2	15 30	17.4 21.4
2. Assistance with study loans	Group 1 Group 2	10 16	11.6 11.4
3. Mentorship programme	Group 1 Group 2	55 87	64.0 62.1
4. None	Group 1 Group 2	6 7	7.0 5.0
p<0.05 Chi-square significance level	P = 0.8454		

Table 5.16 shows that the form of support respondents most expect from MCD programmes is mentorship. MCD needs more HRM structuring: significantly more responsibility needs to be taken by the organisation than by the individual concerning organisational career development structuring. On-the-job training methods (mentorship programmes) are the most common form of support, where a senior manager is paired with a junior manager in a supportive role, so that the junior manager can learn the ropes and be prepared for increasing responsibility. There is no significant difference between the perceptions of the two groups with regard to expected management support for their careers ($p>0.05$).

The respondents perceived a need for a response to their career needs and financial assistance for MCD to be channelled through an established Employment Equity/HRM forum or advisory committee. The role of this advisory forum would be to meet regularly and review needs, assess and evaluate data and offer advice on the type and content of HRM management career programmes and policies. It is to be offered in conjunction with the organisational strategic objectives. The advisory committee should be composed of members from a cross-section of the organisation. This provides different perspectives on HRM needs and creates a broader level of support from all parts of the organisation.

In conclusion, this theme was designed to collect information regarding the understanding of the term MCD, plans, problems, organisational commitment and involvement, and the respondents' career-pathing suggestions. The respondents highlighted clearly that they feel that their superiors are not committed to MCD programmes, mainly due to managements' dictatorial styles, lack of skills and ineffectiveness in enhancing the formulation of their MCD future plans.

5.3.2 Theme Two: Is HRM realising the organisational strategic plan by implementing relevant MCD programmes?

The findings corresponding to questions relevant to this theme are tabulated below and the responses are indicated in terms of the frequencies and percentages for each statement.

Q17. This question focused on managers' perceptions about the concept of a career within their development programme process.

Table 5.17 (overleaf) set out NDSGNS' and DSGNS' perceptions of the meaning of the term "career" within MCD advancement activities.

Table 5.17: Managers' perceptions of the meaning of the term "career"

The managers' perceptions about the term "career" within the organisation Variables	NDSGN (Group 1) and DSGN (Group 2)	p<0.05 Chi-square significance levels	Strongly Disagree 1 frequency %	Disagree 2 frequency %	Neither agree nor disagree 3 frequency %	Agree 4 frequency %	Strongly agree 5 frequency %
1. The property of an organisation or occupation (Sales or accounting within a college career)	Group 1	p =0.6133	16.2	27.9	34.9	18.6	2.3
	Group 2		17.9	34.3	25.0	20.0	2.9
2. Advancement (increasing success within occupation)	Group 1	p =0.6663	5.8	14.0	29.1	33.7	17.4
	Group 2		4.3	16.4	29.3	26.4	23.6
3. Status of a profession (a lawyer is said to have a career, while the carpenter is not)	Group 1	p =0.4295	14.0	45.3	14.0	24.4	2.3
	Group 2		14.3	53.6	15.0	14.3	2.9
4. Involvement in one's work (in a career one is extremely involved in the task)	Group 1	p =0.4156	1.2	5.8	16.3	48.8	27.9
	Group 2		2.9	9.3	9.3	47.1	31.4
5. Stability of a person's work pattern (a sequence of related jobs is said to describe a career, while a sequence of unrelated jobs is not)	Group 1	p =0.0376	3.5	15.1	22.1	34.9	24.4
	Group 2		0.7	22.1	12.9	27.1	37.1

The chi-square significance test indicated no significant relationship between the NDSGNS' and DSGNS' responses towards attitudes with regard to revealing strongly for agreed stability in a person's work pattern ($p < 0.0376$). There is a notion that a career encompasses a stable, long-term and organisation-driven position. Further analysis revealed no significant differences ($p > 0.05$) that an agreement between "no career is a status of a profession" and "no career a property of an organisation". Both sample categories, NDSGNS and DSGNS, agreed that they are primarily responsible for the implementation of their own career advancement planning within their occupational process career cycle. The overall process of career cycle development can be defined as an "on-going process by which individual proceeds through a series of stages, each of which is characterised by a relatively unique set of issues, themes and tasks influenced by the organisation" (Greenhaus *et al.*, 2000). Respondents agreed that MCD programmes are the organisation's responsibility for both NDSGN and DSGN career processes ($p = 0.6133$). Strong involvement in one's work and the amount of information

provided by the organisation can be complementary aspects to career management activities and can reinforce each other.

Q19. The respondents' views on how organisational MCD should be integrated with certain organisational actions were investigated.

In Table 5.18 (overleaf), the chi-square significance test indicated no significant relationship between the ND_{SGN} and D_{SGN} responses in respect of whether MCD should be an integrated approach and requires commitment to certain organisational actions ($p > 0.05$).

Table 5.18: The organisational MCD should be an integrated approach with certain organisational actions

Action required by top executive management	NDSGN (Group 1) and DSGN (Group 2)	P<0.05 Chi-square significance level	Agree 3 Frequency %	Disagree 2 Frequency %	Neither agree nor disagree 1 Frequency %
1. Forms part of the organisational HRD strategies (what do we want to achieve?)	Group 1	p = 0.8799	4.7	3.5	91.9
	Group 2		3.6	2.8	93.6
2. Identify key management and leadership competencies (what type of people do we have?)	Group 1	p = 0.4100	2.3	1.2	96.5
	Group 2		2.8	4.3	92.9
3. Identify these competencies by reviews and referrals.	Group 1	p = 0.0930	10.5	3.5	86.1
	Group 2		4.3	7.8	87.9
4. Be developed by using established training and development frameworks.	Group 1	p = 0.3956	15.1	2.3	82.6
	Group 2		9.2	2.8	87.9
5. The organisation recognises individual development in (bi-annual incentive reviews)	Group 1	p = 0.2402	5.8	8.1	86.1
	Group 2		12.8	7.1	80.1

The findings revealed that the respondents' organisations' top management actions were genuinely concerned with the lack of participation and attempts of their HRD approaches and commitment to addressing the issues of designated MCD. This is indicated by an action average that ranged between 80 and 97 per cent in the tabulated responses.

There seems to be some indication of acceptance of the organisational role played in MCD. Respondents clearly agreed on the identification of competencies by reviews and referrals, establishing a training and development framework and recognition of individual development with incentive reviews. One of the MCD challenges faced by HRM professionals is aligning career MCD objectives more closely with strategic and organisational objectives, something that sounds logical and easy, but is very difficult to do. The challenge is that MCD has become a more professional field, with its own language, specialties and specialists. The catalyst for this perspective is a focus on the organisations' strategic imperatives, the core drivers to a reappraisal of MCD activities

and a greater push for the development of an HRM strategic and systematic approach to the function (Greenhaus *et al.*, 2000).

Q20. The respondents' views about the quality of HRM strategies in the automotive industry were investigated.

Table 5.19: A manager's perceptions when thinking about the HRM strategies ranked within his/her organisation

Managers' perceptions of HRM strategies within the organisation	NDSGN (Group 1) and DSGN (Group 2)	p<0.05 Chi-square significance level	Excellent 1 frequency %	Good 2 frequency %	Average 3 frequency %	Lowest priority 4 frequency %	Poor 5 frequency %
1. Develop all employees to close the skills gap.	Group 1	p = 0.5939	4.7	16.2	30.2	31.4	17.4
	Group 2		4.3	12.1	37.6	24.8	21.3
2. Foster MCD programmes.	Group 1	p = 0.3570	2.3	9.3	37.2	38.4	12.8
	Group 2		2.8	9.2	29.1	35.5	23.4
3. Improve the nature of employee relationships.	Group 1	p = 0.0101	1.2	17.4	29.1	44.2	8.1
	Group 2		1.4	14.9	37.6	24.8	21.3
4. Create a new life-long learning organisation culture.	Group 1	p = 0.2376	2.3	15.1	24.4	36.1	22.1
	Group 2		5.0	9.9	29.8	41.8	13.5
5. Individual entitlement towards job security and stability.	Group 1	p = 0.3630	3.5	10.5	40.1	30.2	15.1
	Group 2		1.4	12.8	29.8	36.9	24.8
6. Individual career progress in terms of promotion and incentives.	Group 1	p = 0.0279	1.2	15.1	30.2	38.4	15.1
	Group 2		3.6	9.9	15.6	46.1	24.8
7. Performance feedback	Group 1	p = 0.7241	7.1	12.9	35.3	34.1	10.6
	Group 2		5.0	15.6	39.7	27.0	12.8
8. Work hard and stay out of trouble.	Group 1	p = 0.7286	4.7	14.0	44.2	26.7	10.5
	Group 2		6.4	17.9	36.4	25.7	13.6
9. Create a new "diversity" employment relationship.	Group 1	p = 0.7870	3.6	15.5	34.5	31.0	15.5
	Group 2		4.4	15.6	33.3	25.2	21.5

The majority of the respondents felt that the organisational HRM strategies have very low implications for personal growth and relative power over all career development resources. The respondents were not very positive, as indicated by the frustration expressed in individual responses. There is a significant tendency for organisational HRM strategy to give preference to the improvement of the nature of employee

relationships and individual career progress in terms of promotion and incentives in preference to MCD. The chi-square significance test revealed a significant relationship of 0.0279 in this regard.

Table 5.20 (below) indicates the respondents' perceptions about whether to encourage a link between MCD activities and strategic HRM structure.

Table 5.20: The responses to favour the MCD linkage to strategic HRM

Managers' perceptions of organisational linkage requirements within HRM strategy	High priority ranking	
	NDSGN frequency %	DSGN frequency %
Develop all employees to close the skills gap (p=0.5939)	48.8	46.1
Foster the issues of career development programmes (p=0.3570)	51.2	58.9
Improve the nature of employee relationship (p=0.0101)	52.3	46.1
Create a new life-long learning organisational culture (p=0.2376)	58.2	55.3
Individual entitlement towards job security and stability (p=0.3630)	45.3	61.7
Individual career progress in terms of promotion and incentives (p=0.0279)	53.5	70.9
Give performance feedback (p=0.7241)	44.7	39.8
Create a new "diversity" organisation (p=0.7870)	46.5	46.7

In a recent survey of organisational HRM strategies, minimising lay-offs was viewed as the most likely action to promote a high level of skill and career development efforts among managers (Charness & Levine, 2000). At the same time, there is strong agreement that under the new Skills Development Act, Act No 97 of 1998 (Republic of South Africa, 1998b) employers should provide opportunities for skills development, training and career development and employee involvement in decision-making, assistance with career management (for example, by offering coaching and mentoring) and performance-based compensation (Roehling *et al.*, 2000).

MCD can be a key aspect of top management's efforts to carry out HRM strategy. Top management can make an attempt to achieve and improve their goals over time by creating a "new" employment environment that enhances career assignments and career management activities. Performance management and appraisal can be a helpful catalyst for real career learning and represents an important aspect of organisational transformation towards greater empowerment of staff (Alimo-Metcalfe, 1998:43).

Whenever a diagnostic approach is adopted, the outcome is usually a more thoughtful set of development targets for the individual, and specified MCD and training activities, perhaps incorporated into a personal development plan. According to the ND_{SGN} and D_{SGN} respondents, overall low research ratings using formal performance appraisals that can be associated with a helpful catalyst (performance agreement) for real learning were an organisational HRM strategic plans and policies will affect on MCD transformation towards greater empowerment of staff. The respondents' held separate views regarding the sum of the three frequencies data percentage scales that are presented as a combination of "average", "lowest priority" and "poor" with both the ND_{SGN} and D_{SGN} reveal weaknesses to make an impact on MCD.

The aim of Theme Two was to highlight the respondents' perceptions with regard to and to obtain information with regard to the individuals' in-house MCD processes, ranking their opinions on HRM strategies, actions and the commitment of top management to addressing MCD issues.

In summary, the respondents' views about MCD needs, responsibilities and the expectations of individual ND_{SGNS} and D_{SGNS} were the following:

- Respondents were convinced that their superiors know exactly what their career needs and expectations are.
- Respondents felt that these new challenging managerial positions require the creation of a new life-long learning culture for MCD purposes.
- The ranking of HRM strategy indicated that it was the lowest organisational priority. This should be addressed, especially the skills gap in respect of MCD internal communication, up-the-career-ladder promotions, job insecurity and the organisation's own vision for MCD in order to establish the required types of career resources.
- Respondents' perceptions will be about strategic MCD processes when the organisations' strategic HRM department introduces systems like an advisory focus group to expose respondents to different departments or disciplines to build transfer learning design networks.

5.3.3 Theme Three: If there is a standardised MCD model (of any nature) in place, is there a difference between its effectiveness for the ND_{SGN} and D_{SGN} managers?

The findings corresponding to questions relevant to the theme are tabulated and the responses are indicated in terms of the frequencies and percentages for each statement.

Q25. Respondents needed to identify what factors they would rank as the most important to them in terms of their promotion and its effectiveness.

Table 5.21 (overleaf) shows the rankings indicated by the ND_{SGN} and D_{SGN} respondents in respect of commitment factors contributing to promotion, competencies and the organisation's progress toward an integrated MCD approach. The ranked findings provide strong evidence that there is a lack of supportive contributing factors leading to promotion within the company for D_{SGNS}. There was a significant relationship between the two groupings of managers' and the organisations' attitudes towards the most important responses to promotion, management competencies, personal performance, greater responsibility and commitment to the future development of D_{SGNS}.

Table 5.21: Ranking the importance of what both groups perceive to be contributing factors to their promotion within the company

First most important (ranked from highest to lowest)	Second most important (ranked from highest to lowest)	Third most important (ranked from highest to lowest)
<p>1. Workplace competencies and experience transfer learning through a mentorship programme, industry networking and rotational learning with external technical knowledge and expertise to achieve business plan objectives.</p> <p>2. Perceptions created with no interest in Employment Equity due to high white dominance amongst decision-makers, i.e. too much favouritism with the absence of affirmative action and the issue of gender consideration – white females are strategically promoted by Employment Equity (advertisement where candidates are already pre-selected).</p> <p>3. Competence, efficiency and merit.</p> <p>4. Positive personal performance and employee impact on available positions.</p> <p>5. Attitude and capability.</p> <p>6. Willingness to accept greater responsibility (tenacity).</p>	<p>1. Skills and academic record in appropriate education levels, relevant competencies and skills.</p> <p>2. Accountability, commitment and positive track record.</p> <p>3. Diversity in workplace: breaking cultural barriers and white domination factor with Employment Equity in place.</p> <p>4. Networking with the right people for affiliation in mentorship programmes (who you know) and for transferring skills.</p> <p>5. Responsibility of leadership skills with career-pathing and succession planning “to walk the extra mile”.</p> <p>6. Stability, assertiveness, drive and personality.</p> <p>7. Quality of human relations.</p> <p>8. Remain behind to assist in solving problems that occur and not leave when work day is completed.</p> <p>9. Having the right attitude and getting rid of past failures and political baggage.</p>	<p>1. Political Employment Equity affiliation may be favoured.</p> <p>2. Being in the right department, contributing towards organisational stability, profitability and growth that is value-adding to the organisation (longitudinal communication).</p> <p>3. A track record in delivering projects (job experience, performance to full potential qualifications, time, attendance and profitability), can be seen as different aspects in terms of performance output levels.</p> <p>4. No recognition for promotion for black people holding such position (no availability of positions).</p> <p>5. Aptitude, dedication and accountability.</p> <p>6. Self-motivation with sabbatical leave.</p> <p>7. Marketing skills and talents in leadership.</p> <p>8. Good relationship with subordinates, firm but fair.</p>

Q26. The respondents’ views were asked on each of the important factors that contribute to job success.

The information in Table 5.22 (overleaf) shows that approximately 90 per cent of the respondents in the D_{SGN} management group regard education as necessary for job success in management positions. The ND_{SGN} management tends to opt more for contributing factors such as individual effort and job experience. The chi-square significance test confirmed this difference as being highly significant ($p < 0.05$).

Table 5.22: The respondents' assessment of the most important factors contributing to their job success

The respondents' views regarding the main contributing factors to their job success	NDSGN (Group 1) and DSGN (Group 2)	p<0.05 Chi-square significance level	Very unimportant frequency %	Unimportant frequency %	Neither important nor unimportant frequency %	Important frequency %	Very important frequency %
1. Individual effort	Group 1	p = 0.5617	2.3	1.2	1.2	39.5	55.8
	Group 2		2.1	-	2.1	41.8	52.5
2. Education	Group 1	p = 0.0434	3.5	3.5	15.1	43.0	34.9
	Group 2		1.4	1.4	7.8	41.1	48.9
3. Experience	Group 1	p = 0.1875	4.7	-	5.8	55.8	33.7
	Group 2		0.7	1.4	6.4	50.0	41.4
4. Connections	Group 1	p = 0.4736	7.0	15.1	29.1	26.7	22.1
	Group 2		12.8	12.8	22.0	25.5	27.0
5. Heritage	Group 1	p = 0.5187	18.6	23.3	31.4	18.6	8.1
	Group 2		22.0	15.6	32.6	24.1	5.7
6. Luck	Group 1	p = 0.4740	20.9	27.9	22.1	16.3	12.8
	Group 2		27.1	19.3	25.0	12.9	15.7
7. Tricks	Group 1	p = 0.9527	32.6	37.2	24.4	3.5	2.3
	Group 2		35.0	35.7	21.4	4.3	3.6
8. Race	Group 1	p = 0.3302	15.1	16.3	20.9	24.4	23.3
	Group 2		20.6	10.6	13.5	28.4	27.0
9. Ideology (the way of thinking)	Group 1	p = 0.7486	14.3	10.7	23.8	44.1	7.1
	Group 2		12.2	6.5	24.5	46.8	10.1
10. Other	Group 1	p = 0.1627	43.5	30.4	-	-	26.1
	Group 2		25.8	25.8	6.5	16.1	25.8

Table 5.23: Respondents' views about factors contributing to job success

Respondents' views about factors contributing to job success	High agreement Frequency % NDSGN Group 1	High agreement Frequency % DSGN Group 2
Individual effort (p=0.5617)	95.3	94.3
Education (p=0.0434)	77.9	90.0
Experience (p=0.1875)	89.5	91.4
Ideology (way of thinking, p=0.7486)	51.2	56.9

Table 5.23 reveals no significant differences between the views of NDSGN and DSGN managers with regard to perceptions about individual effort, experience and ideology, which seem to be perceived as important determinants of job career success. Most NDSGN and DSGN respondents in this sample seem to rank the first four career success

factors as meaningful in the interpretation of respondents' commitment to MCD in their organisations. In Table 5.23 (previous page), the first four factors with high priority efforts can be motivators to assist managers to determine future training and career development paths (career reviews, relying on information on job vacancies, career-paths and fast-track programmes). As noted by Woodall and Winstanley (1998), however, more organisations have been inclined to adopt structured career development tools like assessment centres, career planning workshops and psychometric testing. Typically, the above categories form a strong foundation that link career development priorities to a meaningful MCD programme.

Chan (2000) has identified four elements that seem to characterise what researchers describe as the need to be adaptive:

- changes and uncertainty in the work situation create novel and ill-defined problems;
- problems make new work demands on individuals;
- established and routine behaviours that were successful in previous work situations become irrelevant, suboptimal, or less useful in the new situation; and
- adaptive behaviours in some qualitatively different form are established routines and are successful in the new situation.

Training and development education have a major impact on managerial career advancement. Human capital in terms of education and work experience, but also mental ability, can be related to career choices for more prestigious and professional jobs and short tenure and a frequent change of jobs, which in turn increases MCD levels (Melamed, 1996).

Q33. The respondents' perceptions were asked regarding which department, in terms of competencies, is more capable of contributing to organisational survival.

Table 5.24: Managers' perceptions of the most important departments contributing to organisational survival (control over resources)

Departments making important contributions to organisational survival and control over resources	NDSGN (Group 1) and DSGN (Group 2)	Most important 1 Frequency %	Second most important 2 Frequency %	Third most important 3 Frequency %
1. Staff departments	Group 1	10.6	9.1	13.3
	Group 2	9.2	9.3	13.2
2. Service departments	Group 1	38.8	20.8	18.7
	Group 2	30.5	23.3	25.6
3. Production departments	Group 1	23.5	20.8	13.3
	Group 2	26.2	23.3	8.5
4. Marketing departments	Group 1	14.1	9.1	6.7
	Group 2	12.1	4.7	5.4
5. Finance	Group 1	8.2	20.8	32
	Group 2	12.1	19.4	38.8
6. Engineering	Group 1	4.7	19.5	16.0
	Group 2	7.8	20.2	8.5
7. Don't know	Group 1	-		
	Group 2	2.1		
P<0.05 Chi-square significance level		p = 0.5649	p = 0.8719	p = 0.4014

Table 5.24 shows that NDSGN respondents (38.8%) and DSGN respondents (30.5%) favoured the service departments (for example, organising/planning and production control) as high priority disciplines for MCD. The chi-square significance test was highly insignificant differences between both the groups ($p=0.5649$, $p=0.8719$, $p0.4014$). Both groups of respondents indicated a need to develop service and production managers in automotive firms with the above abilities, competencies and skills similar to those of their counterparts in medium-sized and large firms, which are under greater pressure to develop multi-functional competencies. Many companies operate within strong resource constraints and have a limited range of responsibilities. Therefore their MCD needs are likely to be both specialised and more intense. This is an area that has been fairly well researched in terms of basic management skills. The research by Bolton (1971) on eight areas more than a quarter of a century ago still

seems to be valid in terms of career management targets today, although the content and relative importance of these eight areas has certainly changed considerably. These eight areas are:

- raising and using finance;
- costing and control information;
- organisation and delegation;
- marketing;
- information use and retrieval;
- personnel management;
- technological change; and
- production scheduling and purchase control.

Clearly the importance of information-gathering and knowledge management has increased enormously for today's companies and the bureaucratic side of personnel management has made room for more behaviourally-based ideas with regard to HRM (which is basically the subject in this entire study). The respondents in this study also indicated that the need for all organisations and all managers to keep abreast of changes in technology has intensified enormously as the applications of new information and communication technologies have proliferated.

As Table 5.25 (overleaf) reveals, there is a strong response in relation to the functional areas of management (Service departments). There is also strong emphasis on the development of production scheduling and purchase control (Production departments) and on finance, costing and control of information (Finance). Lastly, there is a need for greater technological change competencies and skills (Engineering). Both groups of respondents' main interests appear to reflect a stronger reliance on the organisational internal provision of MCD support (informal courses, mentoring and coaching, on-the-job-training and so on).

Table 5.25: Respondents' views about MCD importance for sustainable business growth

Important career development for organisational survival (p=0.5649)	High importance Group 1 Frequency %	High importance Group 2 Frequency %
Service department	38.8	30.5
Production department	23.5	26.2
Finance	32.0	38.8
Engineering	19.5	20.2

Q34. The aim of the question was to get respondents to identify the important attributes for job-related factors in their employing organisations.

The following section is devoted to the respondents' impressions of their employing organisations with regard to empowerment-related issues. Control over valued resources, having access to important people, having the right to make decisions and the right to make suggestions (see Table 5.27, overleaf), were highlighted as significant to both the groups.

Table 5.26: Respondent's impressions of the main important contributing job factors in relation to the organisation

The respondent's views about main contributing job factors in relation to the organisation.	NDSGN (Group 1) and DSGN (Group 2)	p<0.05 Chi-square significance level	Strongly Disagree 1 frequency %	Disagree 2 frequency %	Neither agree nor disagree 3 frequency %	Agree 4 frequency %	Strongly agree 5 frequency %
1. I have control over valued resources like information.	Group 1 Group 2	p = 0.0496	4.7 4.3	3.5 14.2	15.1 18.4	58.1 52.5	18.6 10.6
2. I have access to important people in my organisation.	Group 1 Group 2	p = 0.0136	1.2 6.4	14.0 12.1	5.8 17.7	48.8 45.4	30.2 18.4
3. Relatively speaking, my departments are influential and powerful.	Group 1 Group 2	p = 0.4935	7.0 2.8	12.8 17.0	19.8 20.6	38.4 41.8	22.1 17.7
4. My position within the department is meaningful in terms of control.	Group 1 Group 2	p = 0.8812	5.8 4.3	12.8 12.1	16.3 19.9	48.8 51.1	16.3 12.8
5. I know who the important people in my organisation are.	Group 1 Group 2	p = 0.2671	3.5 1.4	9.3 5.0	8.1 13.5	46.5 53.9	32.6 26.2
6. I have the right to consultation.	Group 1 Group 2	p = 0.0759	2.3 3.6	14.0 5.0	11.6 21.3	41.9 43.3	30.2 27.0
7. I have the right to co-decision.	Group 1 Group 2	p = 0.3482	2.3 2.8	11.6 14.9	16.3 24.8	47.7 43.3	22.1 14.2
8. I have the right to make decisions.	Group 1 Group 2	p = 0.0497	- 2.8	5.8 15.6	16.3 19.2	53.5 45.4	24.4 17.0
9. I have the right to make suggestions.	Group 1 Group 2	p = 0.0001	- 3.6	15.1 3.6	1.2 10.7	39.5 56.4	44.2 25.7
10. I can change things that affect my life at work.	Group 1 Group 2	p = 0.1972	5.8 5.0	11.6 7.9	17.4 30.7	47.7 45.0	17.4 11.4

Tables 5.26 and 5.27 indicate, a highly significant level of disagreement responses within the three contributing factors in relationship to employees' empowerment transformation to the employing organisations. These findings emphasise management empowerment by allowing managers access to important people in the organisation, the right to make suggestions and control over valued resources like information ($P < 0.05$).

Table 5.27: Respondents' views about job-related factors (ranked on a five-point scale)

Respondents' views about job-related factors with significance level ($p < 0.05$)	High level of agreement (Scales 4 and 5 added) Group 1 Frequency %	High level of agreement (Scales 4 and 5 added) Group 2 Frequency %
Control over valued resources like information.	76.7	63.1
Access to important people in my organisation.	79.0	63.8
The right to make decisions.	77.9	62.4
The right to make suggestions.	83.7	82.1

Taking the respondents' job-related views into account, the respondents who score high on these factors are expected to have strong positive feelings about their positions with the employing organisations. The decisive role is measured by the extent to which managers, on such work issues, are indeed empowering designated managers to make progress in the workplace. This data provides a snapshot of respondents' situations, usually measuring some potential or existing problem areas and stimulating change in the organisation.

Q36. Respondents were asked to identify the responsibility for MCD within the respondents' organisations.

As can be seen from Table 5.28 (overleaf), the majority of the NDSGNS (52.9%) and DSGNS (54.6%) favoured human resources development, individual responsibility and top management commitment for individuals as a high combination priority for MCD programmes. The chi-square test results were insignificant ($p > 0.1813$). Some respondents (NDSGNS, 24.7 % and DSGNS, 20.6%) felt that it is the individual's responsibility and control over his/her own career development activities and not reliance on organisation's top management support that is important.

Table 5.28: Managers' perceptions about who should be responsible for MCD within the organisation

Responses on MCD responsibility within the organisation.	NDSGN (Group 1) and DSGN (Group 2)	No of respondents	Frequency %
1. Your own responsibility	Group 1	21	24.7
	Group 2	29	20.6
2. Management	Group 1	9	10.6
	Group 2	7	5.0
3. Human resources development	Group 1	10	11.8
	Group 2	28	19.9
4. External consultant	Group 1	-	-
	Group 2	-	-
5. Combination	Group 1	45	52.9
	Group 2	77	54.6
P<0.05 Chi-square significance level	p = 0.1813		

The researcher's experiences and observations confirm that the automotive sector often drives managerial careers, and that new technology facilitates managements' future competency requirements, therefore should be linked to the MCD business plans. Organisations will become increasingly cellular structures were managers become leaders of team cells, responsible for a range of activities, development of career management and self-governance skills.

Kotter (1999) has shown that management careers in the 21st century no longer involve hierarchies, but cellular organisations more akin to minimalist, professional service organisations. Respondents may increasingly control their own careers, with limited assistance from and reliance on an organisation's knowledge-based technical specialty, cross-functional and international experiences, collaborative leadership, self-management (including career-planning and time management). Continuous learning traits such as flexibility, integrity and trustworthiness are key attributes of successful managerial careers in cellular organisations. Managerial careers can increasingly be seen as do-it-yourself projects: the organisations of the future will have fewer employees but more tools to advance careers. In Table 5.28, in each case, it is suggested that the respondents of both groupings and the organisation or rather a combination appear to be responsible for MCD programmes. On the other hand, 20 per cent of the respondents accept responsibility for their own career development.

Q37. and Q14. Respondents were asked to rate their own managerial skills for an alternative career.

Table 5.29 (below) shows no difference between the ratings of NDSGNS and DSGNS with regard to managerial skills and their commitment to future organisational career development.

Table 5.29: Respondents' ratings of their managerial skills

The respondents' own skills assessment.	NDSGN (Group 1) and DSGN (Group 2)	p<0.05 Chi-square significance levels	Excellent 1 Frequency %	Very Good 2 Frequency %	Good 3 Frequency %	Average 4 Frequency %	Poor 5 Frequency %
Individual skills rating	Group 1 Group 2	p = 0.9939	2.3 2.9	17.4 17.9	55.8 54.3	23.3 24.3	1.2 0.7

The results show that ratings between good and average for NDSGNS' (55.8%) and DSGNS' (54.3%) management responses are given. This supports the research argument that furthering the MCD programmes in both management groups is a matter of urgency.

Kotter (1999) maintains that some organisations make a conscious effort to provide their potential managers with opportunities to learn, grow and change, in the hope of producing, in the long term, a cadre of managers with the skills necessary to function effectively in the organisation. Respondents felt that MCD should be seen as a specific priority for the particular organisation and that it should be directly linked to the HRM activities and business plan strategy, that is, it must meet the organisation's business needs if it is to be a sound human capital investment and ultimately successful. MCD can be described as having three main components: management education, management training and on-the-job experience.

Table 5.30 (overleaf) shows that there is no significant relationship between the rating on the individual status of the NDSGN and DSGN respondents with multiple managerial skills in terms of alternative employment (in case of company downsizing) and their commitment to future organisational career development (p=0.4616).

Table 5.30: Respondents' rating of their multiple skilled status for alternative employment or a career change in case of job loss or retrenchment

The respondent's own skills assessment in case of his/her job loss or retrenchment	NDSGN (Group 1) and DSGN (Group 2)	p<0.05 Chi-square significance level	Excellent 1 frequency %	Very Good 2 frequency %	Good 3 frequency %	Average 4 frequency %	Poor 5 frequency %
Individual multi-skilled rating	Group 1 Group 2	p = 0.4616	11.9 6.4	21.4 20.0	40.5 45.7	23.8 22.1	2.4 5.7

A positive result is displayed for own skills assessment in both NDSGN (40.5%) and DSGN (45.7%) managers, followed by ratings of between 23.8 and 22.1 per cent on average respectively. This supports the research argument for the urgency for furthering MCD programmes in both management groups for career mobility.

In conclusion, Theme Three covered the respondents' perceptions regarding a standardised MCD model and differences in its effectiveness within companies. The respondents felt that there is little opportunity for career growth. If an opportunity does arise, they are not given the chance to enquire about the vacancy. The following assessment and outcomes set out in Table 5.30 (above) reveal what managers' perceptions were:

- The respondents felt that added learning through mentoring/coaching with external knowledge should be part of the standardised MCD model.
- For a candidate to be identified in the MCD process plan, he/she must acquire appropriate educational levels, potential competencies and establish the right career goals.
- The respondents felt that they have no control over valued resources, little access to important people, little right to make suggestions and few opportunities to discuss their career plans with their superiors.
- The respondents felt that the responsibility for MCD programme contribution within the organisations must be a combination between the efforts of the individual, management and HRM strategy.

5.3.4 Theme Four: Are the DSGN MCD programmes aligned with employment equity expectations, and are these programmes monitored?

The findings corresponding to the questions relevant to the theme are tabulated below and the responses are indicated in terms of the frequencies and percentages for each statement.

Q15. The respondents' opinions were elicited on what should be done to improve MCD programmes for employees in their organisations.

Table 5.31 (overleaf) indicates that both manager groups feel that upgrading the organisations' current performance management systems forms part of the respondents' development at the HRM strategic monitoring level. Most of the respondents' opinions indicated that more successful implementation of programmes with upgraded performance management or psychometric testing/assessment systems should be linked to the business plan. This process should result directly in an effective opening-up of communication channels and increased sensitivity to cultural and gender differences. The respondents also indicated the need for compliance with the Employment Equity Act, Act No 55 of 1998 (Republic of South Africa, 1998a) and the Skills Development Act, Act No 97 of 1998 (Republic of South Africa, 1998b), as revealed in Table 5.31 (overleaf).

Table 5.31: Respondent's opinions on what should be done to improve MCD programmes for employees in management in their organisation

Respondent's opinion on MCD programmes to improve employees within the company	NDSGN (Group 1) and DSGN (Group 2)	No of respondents	Frequency %
1. Upgrade the current performance management system that will form part of the organisational business process plan and monitor employees' careers at an executive HRD strategic level that monitors and evaluates the MCD programmes.	Group 1	49	59.0
	Group 2	76	54.3
2. Incorporate diversity in MCD programmes with the company's employment equity strategy for DSGNS.	Group 1	13	15.7
	Group 2	25	17.9
3. Conduct an in-house survey to establish MCD programme needs and interests in order to create more employee mobility and opportunities for a learning organisation.	Group 1	7	8.4
	Group 2	23	16.4
4. Develop the current managers with ongoing mentoring and coaching career support programmes.	Group 1	1	1.2
	Group 2	4	2.9
5. Integrate/implement rotational training with identified MCD plans.	Group 1	13	15.7
	Group 2	12	8.6
P<0.05 Chi-square significance level	p = 0.2142		

Both the management groupings favoured improved career programmes. Of the NDSGNS, 15.7 per cent felt that rotational training should be part of the organisational career development plan. Of the DSGNS, 17.9 per cent identified with incorporating the diversity MCD programme with the company's employment equity strategy plan.

Respondents' views about maintaining effective performance management and encouraging superior performance is of interest, not only with regard to eliminating poor performance, but to ensuring that good performance remains effective or becomes even better. This implies that employees should be rewarded for effective performance, and superior performers should be provided with the necessary support and opportunities. Anthony *et al.* (1996) indicate that motivational approaches, including career goal-setting, job re-designing, employee participation programmes and the like are ways of increasing employees' sense of ownership of their performance, thereby encouraging them to remain successful.

Q22. The aim of this question was to identify whether respondents have adequate skills to achieve the business goals of their current functions.

Table 5.32 (overleaf) shows that 47.9 per cent of the DSGNS feel they are not adequately trained for their current jobs, whereas 54.5 per cent of the NDSGNS feel they are adequately trained. A chi-square significance test produced a significant difference between the two groups ($p < 0.05$).

Table 5.32: Respondents' views about whether they are adequately trained for their present job functions

The respondent's views about whether or not he/she is adequately trained in his/her current job.	P<0.05 Chi-square significance level	Group 1 NDSGN No of respondents	Group 1 NDSGN %	Group 2 DSGN No of respondents	Group 2 DSGN %		
a. Are you trained adequately for this present job? 1. Not adequately trained 2. Don't know 3. Adequately trained 4. Over-trained	p=0.0024	20 10 47 9	23.3 11.6 54.5 10.5	67 15 48 10	47.9 10.7 34.3 7.1		
b. If not adequately trained: i. In what areas do you think you are inadequately trained? 1. World-class management techniques and HR policies. 2. Informal learning on IT management, decision-making, finance management and performance management.	P=0.2991	3 31	8.8 91.2	6 73	7.6 92.4		
ii. What can you do to acquire such skills? 1. Enrolment for informal education with tertiary institutions or service providers 2. The company internal mentorship and training programs can improve DSGN'S career development plans.	p=0.8076	24 10	70.6 29.4	56 25	69.1 30.9		
iii. Does the company have succession planning? <table border="1" style="margin-left: 20px;"><tr><td>Yes</td></tr><tr><td>No</td></tr></table>	Yes	No	p=0.2415	13 73	15.1 84.9	14 127	9.9 90.1
Yes							
No							
iv. If YES, please specify: 1. Currently, Senior Top Management competencies are identified for informal career education. 2. Succession plans for leadership programmes for senior levels and higher positions only.	P=0.4640	12 5	70.6 29.4	24 6	80.0 20.0		

Both the management groups indicated that they feel they are inadequately trained in terms of information management, decision-making, finance management and performance management. A chi-square significance test produced an insignificant difference between the two groups ($p=0.2991$). Both management groups indicated that to acquire such skills they must enrol with tertiary educational institutes or service

providers. Of the NDSGNS, 84.9 per cent, and of the DSGNS, 90.1 per cent indicated that their organisations did not have a proper staff succession planning process for MCD (a chi-square significance test produced an insignificant result of $p=0.2415$).

Q31. The aim of this question was to identify the respondents' involvement in any company in-house development and training programmes.

Table 5.33 (overleaf) shows a breakdown of the in-house training programmes in which the respondents participated. The chi-square significance test shows no significant difference ($p=0.1708$). The indication is that 71.8 per cent of NDSGNS and 62.9 per cent of DSGN managers are involved in some sort of informal in-house training (short courses in team leadership, planning and organising and IT software knowledge).

Table 5.33: In-house development training programmes and activities that require the respondents' participation

The respondent's involvement in the career development activities in the company.	p<0.05 Chi-square significance level	NDSGN Group 1 No of respondents	NDSGN Group 1 %	DSGN Group 2 No of respondents	DSGN Group 2 %
a. The respondent's involvement in the MCD programme activities in the company.	p=0.1708	61	71.8	88	62.9
Yes		24	28.2	52	37.1
b. If "yes", have you led the project?	p=0.1452	8	10.3	22	17.7
Yes		70	89.7	102	82.3
c. What types of training practices?	p=0.8804	7	13.0	7	8.9
1. Logistical in-house training.		13	24.1	18	22.8
2. On the job training for IT software analysts and technical training improvement.		7	13.0	11	13.9
3. World class techniques, skills and quality training systems.		5	9.3	8	10.1
4. Health and Safety Training.		16	29.6	28	35.4
5. Short courses in team leadership, planning and organising disciplines.		6	11.1	7	8.9
6. Management project skill practice.					

Two-thirds of respondents (71.8 per cent of the NDSGNS and 62.9 per cent of the DSGNS) perceived their organisations as placing a high priority on informal educational development. They saw their organisation as giving this a high priority in the near future. Of the NDSGNS managers, 89.7 per cent and 82.3 per cent of the DSGN managers have not led any in-house development and informal training within their departments.

There should be a strong commitment in larger firms to supply resources for informal training and development, mainly due to the shift in competencies on the part of multinational parent companies to an on-going supply of new in-house career development interventions.

Q35. The respondents were asked whether they aim to map out their career goals to identify their own competency needs.

Table 5.34 (below) shows that both the NDSGN (90.7%) and DSGN (85.8%) management groups currently lack the skills needed for promotion, and require added competencies and skills development. A chi-square significance test produced no significant findings ($p=0.2779$).

Table 5.34: Managers' responses on additional competencies required for promotion

The respondents' requirements regarding added competencies for promotion.	P<0.05 Chi-square significance level	NDSGN Group 1 No of respondents	NDSGN Group 1 %	DSGN Group 2 No of respondents	DSGN Group 2 %		
a. Are there any competencies that you are required to develop to be promoted? <table border="1" style="margin-left: 20px;"> <tr><td>Yes</td></tr> <tr><td>No</td></tr> </table>	Yes	No	p=0.2779	78	90.7	121	85.8
Yes							
No							
8	9.3	20	14.2				
b. If "yes", do you have the means or opportunities to acquire them? <table border="1" style="margin-left: 20px;"> <tr><td>Yes</td></tr> <tr><td>No</td></tr> </table>	Yes	No	p=0.0358	45	53.6	54	39.1
Yes							
No							
39	46.4	84	60.9				
c. If "no", what are the constraints? 1. No available funds	p=0.1457	-	-	6	6.8		
2. Company's disapproval		5	11.9	4	4.6		
3. No career-pathing		36	85.7	77	87.5		
4. Other: Time constraints for furthering your studies due to work pressures and social life		1	2.4	1	1.1		

The study indicates a chi-square significance test difference between the two management groups regarding the means of acquiring added skills for promotion ($p<0.05$). Of the NDSGNS, 53.5 per cent indicated that they have the means to acquire opportunities for added competencies and for promotion, whilst 60.9 per cent of DSGNS indicated that they had no means of acquiring training resources. The third section of this question attempted to find out the constraints to further development. The chi-square significance test showed no significant differences ($p=0.1457$). NDSGNS (85.7%)

and DSGNS (87.5%) indicated that constraints lie in the fact that there is no organisational career-pathing for either group of managers.

Q38. The respondents' views were elicited about their own MCD path for the next five years.

Table 5.35 (below) indicates the NDSGN and DSGN managers' views and decisions about their MCD skills planning for the next five years.

Table 5.35: The respondents' views about their next five years' advancement MCD plans within the company

The respondents' views about their improved MCD skills over five years plan within the company	NDSGN Group 1 No of respondents	Frequency %	DSGN Group 2 No of respondents	Frequency %
1. A career plan to reach a departmental head position	10	11.6	23	16.4
2. Own MCD planning in ways to reach the top or alternatively look outside for next career opportunities	31	36.1	29	20.7
3. A career plan to reach a senior consultant level	1	1.2	4	2.9
4. A career plan to reach a general managerial level	11	12.8	19	13.4
5. Unsure of company's future – Uncertainty five year career planning for advancement because the company's future employment equity infrastructure and strategic plans are not in place	32	37.2	63	45.0
6. A career plan to reach the position of an executive member at board level	1	1.2	2	1.4

The respondents from both the NDSGN and DSGN groups (36.1 and 20.7 per cent respectively) have different views about their own future MCD for internal career planning. If internal management positions become saturated than external career positions will be the next career options. The NDSGN respondents indicated that a higher proportion of the MCD for future managers' planning was then aimed at internal promotion but alternative external market positions will be of a mobility career challenge for the staff's future interest. These figures indicate that about a third of the

companies' ND_{SGN} managers planned to reach career mobility after five years of MCD planning. The opinions reflected in Table 5.35 indicate that ND_{SGN} (31.8%) and D_{SGN} managers (34.1%) have a proper future attainment strategy plan to influence their MCD skills and will benefit from their long-term career goals (that is to become Departmental Head, Senior Consultant, General Manager and Board Executive).

The results on individual MCD planning constraints indicate that ND_{SGN} (37.2%) and D_{SGN} (45%) managers' views about their company's operational uncertainty will affect their long-term MCD five-year plan and that they find it difficult to assess their future career opportunities within the new labour legislation environment. Business Times Careers (2002a) highlights the critical success factors of employment equity – a network is needed to retain personnel and develop future managers' career development plans, so that the following criteria are met:

- diversity and change should be properly managed;
- a sound system of MCD consultation and participation must exist;
- it must be supported by open and regular MCD communication with all the role players;
- scientific data must be gathered on scarce MCD skills to satisfy business operational requirements; and
- employment equity should have its own support structures and there has to be a continuous MCD evaluation and equity monitoring.

In addition, top management must commit itself to an equitable system of equity employment, which forms part of the organisation's MCD strategic plan.

Q41. Respondents' views were elicited on how to increase awareness for individual MCD.

Table 5.36 (overleaf) shows the ND_{SGN} (37.2%) and D_{SGN} (60.1%) respondents' views on institutionalising the MCD system and linking it to the organisation's strategy and operational activities for a sustainable business.

Table 5.36: Respondents' views on how the company can make employees more aware of the importance of individual MCD

Respondent's views on improving MCD skills awareness and its importance within the company	NDSGN Group 1 No of respondents	Frequency %	DSGN Group 2 No of respondents	Frequency %
1. Communication through institutionalising the MCD system linked to the organisational strategies and activities.	32	37.2	84	60.1
2. The company cannot be responsible but the individual is primarily responsible for his/her own future, helped and facilitated by management, but the initiative lies with the individual.	7	8.1	8	5.7
3. The management commitment is to drive and communicate on career management and development participation programmes via equity forums or committee networking links.	1	1.2	3	2.1
4. Offering incentives and funded study programmes.	1	1.2	-	-
5. Advertising successful projects with practical HRD examples.	-	-	-	-
6. Strategic HRM should develop automated career data systems and set career fairs for individual MCD action plans with top management support.	45	52.3	45	32.1

Respondents emphasised the need for organisations to assist and monitor NDSGN and DSGN participation in the implementation of MCD, in their initial self-assessment, goal-setting and planning programmes. Secondly, 52.3 per cent of the NDSGNS and 32.1 per cent of the DSGNS indicated that career fairs must be set up to assist employees learn about various areas in an organization. Representatives from each division should be on hand to talk with employees about MCD opportunities in their areas of interest. Such fairs often begin with an overview of the MCD planning process and general career tips for establishing an individual development plan process.

Furthermore, the respondents indicated a need to automate the company's skills data base inventories that act as an individual support base, in line with the organisations' MCD strategic planning, forecasting and succession planning. These data base

inventories will contain information on employee skills, abilities, experience and education updates to give employees information on current and future options with regard to future MCD and advancement. Reliable up-to-date MCD skills inventories enable organisations to take full advantage of inside talent in recruiting and are often used in planning shorter-term project or rotational assignments.

Communicating and implementing individual action plans promotes top management support. One on one advisory discussions about MCD strategies can help bridge the gap between individual present needs and the organisation's vision of the future. The support of the organisation in promoting internal MCD advisory group approaches to guide the career system may be helpful.

In conclusion, this theme was aimed at establishing whether or not respondents' current MCD programmes were aligned with their organisations' strategic HRM expectations and whether those programmes were monitored. The responses can be summarised as follows:

- There is an indication that the successful implementation of personal career programmes is linked to business plans and individual development plans.
- It appears that many DSGNS are not adequately trained for their present job functions.
- Most of the in-house projects were not led by DSGN managers.
- Additional competencies are required for promotion and most DSGNS feel that they have no means to acquire them. This is mainly due to the absence of individual career plans.
- Respondents' views about gaining the support of top management is that it is an essential task for ensuring and supporting the attainment of individual career needs; creating the vision; developing and maintaining the process throughout; and for maintaining and updating change with the organisation's MCD system.

Most respondents were unsure about a five-year career plan and had no sense of job security due to the lack of MCD plans and the fact that future internal vacancies were already saturated. Therefore, respondents emphasised the need for organisations to assist them and to monitor NDSGN and DSGN participation in the implementation of MCD, during their initial self-assessment, goal-setting and planning programmes.

5.3.5 Theme Five: What are the effects of employment equity on DSGNS' MCD?

The findings corresponding to the questions relevant to this theme are tabulated and the responses are indicated in terms of the frequencies and percentages for each statement.

Q10. The respondents' perceptions about informal corporate clubs and gaining membership were gauged.

Table 5.37: Respondents' opinions about informal clubs and corporate membership

The respondents' opinions about corporate club memberships	P<0.05 Chi-square significance level	NDSGN Group 1 No of respondents	NDSGN Group 1 Frequency %	DSGN Group 2 No of respondents	DSGN Group 2 Frequency %		
a. Are there any informal corporate clubs? <table border="1" style="margin-left: 20px;"> <tr><td>Yes</td></tr> <tr><td>No</td></tr> </table>	Yes	No	p=0.8205	64 22	74.4 25.6	103 38	73.1 26.9
Yes							
No							
b. Are you a member of any of these clubs? <table border="1" style="margin-left: 20px;"> <tr><td>Yes</td></tr> <tr><td>No</td></tr> </table> Name the clubs: 1. Football Club 2. Golf, Tennis and Action Cricket clubs	Yes	No	p=0.0329 p=0.7148	34 49 18 44	41 59 29 71	38 102 27 72	27.1 72.9 27.3 72.7
Yes							
No							
c. i. Part one (1 st reasoning): Give two reasons why you are not a member. 1. Limited membership due to old establish white clubs. 2. Talents & interests are different. 3. No clubs 4. Work pressures on project deadlines and family commitments.	p=0.0190	8 17 14 5	18.2 38.6 31.8 11.4	40 20 27 6	43.0 21.5 29.0 6.5		
c. ii. Part two (2 nd reasoning): Give two reasons why you are not a member. 1. Limited membership due to old established clubs. 2. Talents & interests are different. 3. No clubs 4. Work pressures on project deadlines and family commitments.	p=0.0010 P=0.3206	4 9 5 22	10.0 22.5 12.5 55.0	8 41 1 37	9.2 41.1 1.2 42.5		
c. iii. Do you think there is anything you can do to become a member? <table border="1" style="margin-left: 20px;"> <tr><td>Yes</td></tr> <tr><td>No</td></tr> </table>	Yes	No		56 18	75.7 24.3	92 41	69.2 30.8
Yes							
No							

In Table 5.37, respondents' opinions about corporate club membership revealed that 75 per cent of the NDSGNS are members and only 27 per cent of the DSGNS are members of such clubs. This seems to be due to the NDSGNS' talents and interests being different. In respect of membership constraints due to the fact that such clubs are old established

white clubs, 43 per cent of the DSGN respondents revealed they had no problem in becoming a full member of the club (an indication of the increase in freedom of club association with accompanying attitudinal and social changes).

Corporate clubs do influence the perceptions of interpersonal relationships at managerial levels. Three general types of information may be exchanged in such situations, as stated by Greenhaus *et al.* (2000): information about job career openings, information needed to perform job functions and the politics of the organisation. This may result in visibility, better performance appraisals and a higher probability of promotion. In short, club membership may provide information that may increase the individual's expert power and, by promoting mobility, it may directly increase their position of power as well. The usefulness of the "old boys' network" or "old school" still exists. These findings pose a challenge to both DSGNS and NDSGNS to take another look at the corporate culture and how enabling or disabling that could be to all its members.

Q11. Respondents' opinions were asked about the relevance of formal written job descriptions.

Table 5.38: Respondents' opinions about formal written job descriptions

The respondents' views about written job descriptions	p<0.05 Chi-square significance level	NDSGN Group 1 No of respondents	NDSGN Group 1 Frequency %	DSGN Group 2 No of respondents	DSGN Group 2 Frequency %		
a. Are there any formal written down job descriptions? <table border="1" style="margin-left: auto; margin-right: auto;"><tr><td>Yes</td></tr><tr><td>No</td></tr></table>	Yes	No	p=0.1286	67 19	77.9 22.1	96 44	68.6 31.4
Yes							
No							
b. If "yes", is the job description tight or loose? <table border="1" style="margin-left: auto; margin-right: auto;"><tr><td>TIGHT</td></tr><tr><td>LOOSE</td></tr></table>	TIGHT	LOOSE	p=0.4267	30 43	41.1 58.9	41 75	35.3 64.7
TIGHT							
LOOSE							
c. If "yes", who compiled the job description? 1. Myself	p=0.4548	13	17.1	21	16.0		
2. My immediate superior		53	69.7	87	66.4		
3. My predecessor		1	1.3	9	6.9		
4. Don't know		9	11.9	14	10.7		

According to Table 5.38, in respect of formal written job descriptions, 69.7 and 66.4 per cent of NDSGNS and DSGNS have indicated that top management compile and evaluate their job description. The descriptions should be flexible or change according to the circumstances relating to job functions. The chi-square significance test revealed an insignificant difference ($p=0.4548$). In most cases it appears that the immediate superior compiles the job description. There is manager involvement and a shared responsibility for MCD, competency-based MCD and a higher usage of personnel development plans.

Some 58.9 per cent of NDSGNS and 64.7 per cent of DSGNS have loose job descriptions which accommodate flexible time periods for internal career development. The chi-square significance test revealed an insignificant result ($p=0.4267$). Lastly, most NDSGNS and DSGNS claimed that a formal job description is in place. This is one of the strong pre-requisites for a performance management appraisal system for this sector.

Q12. The respondents were asked whether the written job description measures up to the job responsibilities, and how often the job descriptions are reviewed.

Table 5.39: Respondent's opinions about their job descriptions are being reviewed periodically or not.

The respondent's views about written job descriptions.	P<0.05 Chi-square significance level	NDSGN Group 1 No of respondents	NDSGN Group 1 Frequency %	DSGN Group 2 No of respondents	DSGN Group 2 Frequency %			
a. How often is the job description reviewed with you? 1. Once a month 2. Bi-annually 3. Once a year 4. Not at all	p=0.5807	11 23 29 20	13.3 27.7 34.9 24.1	25 37 37 36	18.5 27.4 27.4 26.7			
b. And reviewed by whom? 1. Immediate manager/superior 2. Senior manager 3. Chief executive officer 4. General manager 5. Unsure or not at all 6. Reviewed by senior HR department		43 12 1 - 5 6	64.2 17.9 1.5 - 7.5 9.0	53 23 2 3 3 18	52.0 22.6 2.0 2.9 2.9 17.7			
c. Do the job responsibilities measure up to your job description? <table border="1" style="margin-left: 20px;"> <tr><td>Yes</td></tr> <tr><td>No</td></tr> <tr><td>Don't know</td></tr> </table>	Yes	No	Don't know	p=0.2254	42 27 14	50.6 32.5 16.9	57 42 36	42.2 31.1 26.7
Yes								
No								
Don't know								
d. If "no", give two reasons why you think this is so. 1. Insufficient responsibility and power 2. Job expects more professional direction and support. 3. Additional responsibility does not form part of the job description. 4. Responsibilities on the job description are endless an inaccurate activities		1 32 12 28	1.4 43.8 16.4 38.4	1 76 33 43	0.6 49.7 21.6 28.1			

It is shown in Table 5.39 that most DSGNS' job description reviews occur bi-annually or once a year, and that they are done by the immediate manager (52%). In some cases it can be measured against the job functions, for (42.2%) of DSGNS, but some negative responses to job descriptions were given by DSGNS (98.6%) and NDSGNS (99.4%), mainly due to the fact that

- job functions requires expert knowledge with more closer professional support and direction;
- additional responsibility does not form part of job description;
- responsibilities on the job description are endless an inaccurate activities; and
- large project work functions are outsourced due to a lack of internal skills.

This job function is done in order to seek more professional direction and support, since their job description of the respondents is of a specialised nature. The chi-square significance test revealed an insignificant finding of $p=0.5807$, $p=0.1925$, $p=0.2254$, in all cases job descriptions are reviewed periodically or not. Some of the respondents' approaches to job descriptions were based on boundary-less functions. Vicere (2001) reveals that managers today cross boundaries between organisations, departments, levels, functions and skill sets, either voluntarily or through organisational decisions that reflect a fundamental shift in thinking (see Figure 3.5).

Q16. Should a manager like yourself be given more intensive MCD to prepare the way for promotion up the corporate career ladder?

Table 5.40: Respondents' views about whether their career planning and development leads to promotion up the corporate ladder

The respondent's views about whether his/her career planning will lead to promotion.	p<0.05 Chi-square significance level	NDSGN Group 1 No of respondents	NDSGN Group 1 Frequency %	DSGN Group 2 No of respondents	DSGN Group 2 Frequency %	
a. Should a manager like you be given intensive career development for promotion up the corporate ladder?	p=0.0001	57	67.1	126	90.0	
<table border="1"> <tr> <td>Yes</td> </tr> <tr> <td>No</td> </tr> </table>		Yes	No	28	32.9	14
Yes						
No						
If "yes", briefly explain why.						
1. Top management is highly white dominant.		31	51.7	79	63.2	
2. Acquired own career planning goals advancement.		4	6.7	10	8.0	
3. Intensive mentorship with immediate manager.		22	36.7	35	28.0	
4. No career development in place for advancement.		3	5.0	1	0.8	
b. Does this activity take place within your organisation?	p=0.0741	21	24.7	21	15.11	
<table border="1"> <tr> <td>Yes</td> </tr> <tr> <td>No</td> </tr> </table>		Yes	No	64	75.3	118
Yes						
No						
If the answer is "no", briefly explain why.						
1. Employment Equity organisational alignment policies and plans are very slow.		16	25.0	36	30.5	
2. HRD/IR old policies and systems are in place.		5	7.8	5	4.2	
3. No supporting structures exist in top management within the HRD strategy.		35	54.7	68	57.6	
4. There is a lack of low training recruitment with no MCD application system.		3	4.7	3	2.5	
5. Lack of top skilled managers to drive the system		5	7.8	6	5.1	

Table 5.40 indicates that 90 per cent of DSGNs should like to be given intensive career MCD opportunities for promotion up the corporate ladder and 67.1 per cent of the NDSGN would like the same option. A chi-square significance test reveals highly significant findings ($p=0.0001$). A large number of respondents implied that top management levels are highly dominated by NDSGN managers. As many as 84.9 per cent of the respondents felt that the implementation of the Employment Equity Act is being

delayed by upper management and 57.6 per cent of the respondents indicated that no supporting structures exist within the organisational HRM strategy.

Q23. The respondents' frequency of meetings with the immediate managers were investigated.

Table 5.41: Respondent's relationship with immediate senior managers with regard to review meetings at the workplace

Review meetings with senior management	P<0.05 Chi-square significance level	NDSGN Group 1 No of respondents	NDSGN Group 1 Frequency %	DSGN Group 2 No of respondents	DSGN Group 2 Frequency %
a. How often does your senior management meet with their subordinates?	p=0.0415				
1. Weekly		39	45.4	48	34.0
2. Once a month		25	29.1	39	27.7
3. Bi-annually		17	19.8	29	20.6
4. Once a year		4	4.7	8	5.7
5. Not at all		1	1.2	17	12.1
b. How often does your senior management walk the shop-floor?	p=0.4599				
1. Daily		20	23.3	12	8.5
2. Weekly		22	25.6	17	12.1
3. Monthly		34	39.5	84	59.6
4. Not at all		10	11.6	28	19.9

According to Table 5.41, there is a significant relationship between NDSGN and DSGN managers' frequency of review meetings with their immediate seniors (as the respondents have indicated, 45.4 per cent of NDSGNS and 34 per cent of DSGNS have weekly sessions. Once a month and bi-annual meetings occur less. The number of times DSGNS and NDSGNS meet with their management is significant. There was no significant relationship between the views of NDSGNS (39.5%) and DSGNS (59.6%) on senior management's commitment to walking the shop-floor on a monthly basis (p=0.4599). Most of the NDSGN respondents (48.9%) reported that senior management does walk the shop-floor on a daily/weekly basis.

Q24. The respondents' views were asked of their promotion status compared to that of departmental colleagues.

In Table 5.42 (overleaf) sets out the respondents' views about their promotion status up the corporate ladder compared to that of departmental colleagues.

Table 5.42: Respondent's views about their promotion status compared to that of departmental colleagues

The respondent's views about his/her promotion within the department.	P<0.05 Chi-square significant level	NDSGN Group 1 No of respondents	NDSGN Group 1 Frequency %	DSGN Group 2 No of respondents	DSGN Group 2 Frequency %		
a. Do you think that your promotion status is as follows compared to that of departmental colleagues: 1. Faster 2. The same 3. Slower 4. Difficult to assess	p=0.0002	20 22 34 10	23.3 25.6 39.5 11.6	12 17 84 28	8.5 12.1 59.6 19.9		
b. Give reasons for your assessment. 1. High white dominated management with conservative approach that fears Employment Equity policies. 2. No company statistics available in terms of promotion. 3. Have more experience, exposure and acceptable performance and a clear career path. 4. No succession plan, and promotion is slow. 5. Good performance, well qualified and motivated person. 6. Flat management structures - colleagues are working at same levels.		14 3 6 44 14 4	16.5 3.5 7.1 51.8 16.5 4.7	82 2 6 42 7 2	58.2 1.4 4.3 29.8 5.0 1.4		
c. If Faster , 1. Were you trained for the position? <table border="1" style="margin-left: 20px;"><tr><td>Yes</td></tr><tr><td>No</td></tr></table>	Yes	No	p=0.5112	31 55	36.1 63.5	57 84	40.4 59.6
Yes							
No							
2. Are you comfortable in the position? <table border="1" style="margin-left: 20px;"><tr><td>Yes</td></tr><tr><td>No</td></tr></table>	Yes	No	p=0.0312	52 34	60.5 39.5	64 76	45.7 54.3
Yes							
No							
3. Do people accept your position? <table border="1" style="margin-left: 20px;"><tr><td>Yes</td></tr><tr><td>No</td></tr></table>	Yes	No	p=0.0044	63 23	73.3 26.7	76 64	54.3 45.7
Yes							
No							
3.1 Subordinates? <table border="1" style="margin-left: 20px;"><tr><td>Yes</td></tr><tr><td>No</td></tr></table>	Yes	No	p=0.7424	48 38	55.8 44.2	75 65	53.6 46.4
Yes							
No							
3.2 Superiors? <table border="1" style="margin-left: 20px;"><tr><td>Yes</td></tr><tr><td>No</td></tr></table>	Yes	No	p=0.0094	54 32	62.8 37.2	63 77	45.0 55.0
Yes							
No							

The D_{SGNS} feel they are promoted much more slowly than their ND_{SGN} counterparts (59.6%) and the reason for the respondents' perception is that the division has a highly white-dominated management with a conservative approach to employment equity policies. The ND_{SGN}' views about a slow rate of promotion are mainly due to the organisation's negative impact on staff succession planning and to the fact that promotion is slow ($p < 0.0002$).

The ND_{SGNS} claimed that they are very comfortable in their positions (60.5%), feel accepted by colleagues (73.3%) and feel accepted by superiors (62.8%). However, 55 per cent felt marginalised by the D_{SGNS}. There was a highly significant chi-square test level of $p < 0.0044$.

Q27. The respondents' belief and expectation that their promotion will give them full decision-making powers was investigated.

Table 5.43 (overleaf) sets out the responses regarding the respondents' views about their promotion expectations and whether they expect to attain decision-making powers. The respondents were asked to give two reasons to support their responses regarding their future decision-making powers.

Table 5.43: Respondents' views about their promotion status and expectations regarding full decision-making powers

The respondent's views about his/her expecting decision-making powers status and promotion	P<0.05 Chi-square significance level	NDSGN Group 1 No of respondents	NDSGN Group 1 Frequency %	DSGN Group 2 No of respondents	DSGN Group 2 Frequency %
a. How does your experience or promotional status influence decision-making in the company?	P=0.0004				
1. Full decision-making powers		25	29.1	14	10.0
2. Some decision-making powers		61	70.9	116	82.9
3. Don't know		-	-	5	3.6
4. No decision-making powers		-	-	5	3.6
b. Part one: Give first reasons for your assessment.					
1. Rigid senior management with dictatorship qualities protected against reporting structures.		23	27.1	68	48.2
2. Top management fears losing control of power after a job transfer.		11	12.9	8	5.7
3. Still to report to managers on follow-up operational issues.		4	4.7	13	9.2
4. Field experience and the right scarce technical competencies enable full decision-making.		16	18.8	14	9.9
5. Policy requirements place limitations on decision-making power.		8	9.4	18	12.8
6. Decision-making power is influenced and determined by the management structure levels over operational resources.		23	27.1	20	14.2
b. Part two: Give second reasons for your assessment.					
1. Rigid senior management with dictatorship qualities protected against reporting structures.		25	29.4	53	37.6
2. Top management fears losing control of power after a job transfer.		-	-	3	2.1
3. Still to report to managers on follow-up operational issues.		4	4.7	22	15.6
4. Field experience and the right scarce technical competencies enable full decision-making.		23	27.1	19	13.5
5. Policy requirements place limitations on decision-making power.		5	5.9	6	4.3
6. Decision-making power is influenced and determined by the management structure levels over operational resources.		28	32.9	38	27.0

Table 5.43 sets out the NDSGNS' and DSGNS' assessments and views their future decision-making choices. There is a difference between management empowerment and decision-making power choices with regard to their perceptions they hope to achieve through promotion. DSGNS' perceptions are negative (48.2%) and NDSGNS' perceptions reveal that decision-making about operational resources is determined by management structure levels (27.1%).

Q28. The respondents were asked about the type of relationship they have with their immediate superiors.

Table 5.44: Respondents' assessment of the relationship with their immediate superior

The respondent's own relationship assessment with immediate superior.	NDSGN (Group 1) and DSGN (Group 2)	P<0.05 Chi-square significance level	Positive (friendly, accepting, and honest) 1 Frequency %	Lukewarm 2 Frequency %	Difficult to access 3 Frequency %	No relationship 4 Frequency %	Negative 5 Frequency %
1. Individual's relationship ratings with immediate superior	Group 1 Group 2	p = 0.0054	67.4 44.7	27.9 42.6	3.5 5.7	1.2 7.1	- -

Table 5.44 shows that 67.4 per cent of the NDSGNS feel that they have a positive relationship with their immediate superiors, whilst more of the DSGNS reflect a positive response (44.7%) than a lukewarm response (42.6%) about the relationship with their immediate superiors. Significant levels emerged on a chi-square significance test difference between the two groups ($p < 0.0054$). The DSGNS group reveals that their immediate superior relationship opinions were evenly represented between friendly and lukewarm relationships. If MCD efforts are truly to provide value and add to an organisation's success there must be a connection with immediate managers and to the business strategy, as was argued forcefully by Seibert and Hall (1995).

Q29. The respondents assessed their relationship with immediate colleagues.

Table 5.45: Respondents' assessment ratings of the relationship with their colleagues

The respondent's assessment of their relationship with immediate colleagues.	p<0.05 Chi-square significance level	NDSGN Group 1 No of respondents	NDSGN Group 1 Frequency %	DSGN Group 2 No of respondents	DSGN Group 2 Frequency %
a. What type of relationship do you have with your colleagues? 1. Positive (friendly, co-operative, accepting, honest). 2. Lukewarm. 3. Difficult to assess. 4. No relationship. 5. Negative (unfriendly and tense).	p=0.3894	55	64	81	57.5
b. Part one: Give two reasons for your choice. 1. The Employment Equity Act enforces challenge on attitude change and diversity. 2. Mutual respect and honesty supports the spirit of co-operation at work. 3. Not friendly, just get the work done and operate as an individual. 4. Good team spirit for a common goal and objectives. 5. Not highly friendly or integrated but just work together on problem-solving and sharing work experiences.		25	29.4	31	22.0
		2	2.4	3	2.1
		13	15.3	33	23.4
		41	48.2	69	48.9
		4	4.7	5	3.6
b. Part two: Give two reasons for your choice. 1. The Employment Equity Act enforces challenge on attitude change and diversity. 2. Mutual respect and honesty supports the spirit of co-operation at work. 3. Not friendly, just get the work done and operate as an individual. 4. Good team spirit for a common goal and objectives. 5. Not highly friendly or integrated but just work together on problem-solving and sharing work experiences.		3	3.5	3	2.1
		10	11.8	5	3.6
		28	32.9	52	37.1
		6	7.1	8	5.7
		38	44.7	72	51.4

Table 5.45 indicates that there are no significant differences between DSGN and NDSGN's relationships with their colleagues ($p>0.05$). Both NDSGNS and DSGNS share the same views of a positive collegial relationship. In both groups, 48.9 per cent indicated that a good team spirit for a common goal and objectives is shared. Lastly, some respondents from both the management groups (44.7 and 51.4 per cent of NDSGNS and DSGNS respectively) indicated that they do not have friendly relations with colleagues, but that they just work together and share job-related activities or operate as an individual.

Q40. The respondents were asked about their career goals, whether their organisation is aware of their development needs and whether it does forms part of their performance appraisals.

Table 5.46: Respondent's views about awareness by the departmental manager of their career goals and needs

The respondent's views about his/her career goals and needs awareness on the part of the manager.	P<0.05 Chi-square significance level	NDSGN Group 1 No of respondents	NDSGN Group 1 Frequency %	DSGN Group 2 No of respondents	DSGN Group 2 Frequency %		
1. Is your manager aware of your career goals and needs? <table border="1" style="margin-left: auto; margin-right: auto;"> <tr><td>Yes</td></tr> <tr><td>No</td></tr> </table>	Yes	No	p=0.7719	58 28	67.4 32.6	97 43	69.3 30.7
Yes							
No							
2. Have you been on any career MCD/training within the company? <table border="1" style="margin-left: auto; margin-right: auto;"> <tr><td>Yes</td></tr> <tr><td>No</td></tr> </table>	Yes	No	p=0.0660	10 75	11.8 88.2	30 110	21.4 78.6
Yes							
No							
3. Does career development form an integral part of your performance evaluation and appraisals? <table border="1" style="margin-left: auto; margin-right: auto;"> <tr><td>Yes</td></tr> <tr><td>No</td></tr> </table>	Yes	No	P=0.0599	29 57	33.7 66.3	65 75	46.4 53.6
Yes							
No							

There is no significant relationship between the NDSGN'S (67.4%) and DSGN'S (69.3%) perceptions of awareness by top management of staff career needs and the commitment of departmental activities linked to career goals. Table 5.46 indicates that top management is perceived to be aware of respondents' career goals and the needs of both the NDSGNS (88.2%) and the DSGNS (78.6%), but the organisations do not appear to favour MCD and training and MCD does not form an integral part of the staff's performance appraisals and evaluations. Some 66.3 per cent of the NDSGNS and 53.6 per cent of the DSGNS held this view. The chi-square significance test had insignificant results (p=0.7719, p=0.0660 and p=0.0599).

In conclusion, Theme Five aimed to establish and highlight the importance of respondents' views of Employment Equity effects on D_{SGN}'S and ND_{SGN}'S MCD, as attached to their identified career paths. The following main points arose:

- Top management must direct MCD communication through performance appraisals (IDP) for identified individual career needs and staff career advancement (see Item 3 in Table 5.46).
- A lack of knowledge about basic career planning and practical experience in MCD causes ineffective career advancement and limits the decision-making powers of managers (see Item 1 in Table 5.46).
- Current yearly job reviews with superiors are not effective in giving professional advice, direction and support (see Item 3 in Table 5.46).
- There are no focus group discussions every month where D_{SGNS} can voice their experiences and problems (see Item 2 in Table 5.46).
- There is a lack of communication with D_{SGNS} on an intensive MCD plan and career agreement policy (see Item 2 in Table 5.46).
- The respondents stated that the top management are the primary decision-makers on designated MCD activities and action plans supporting Employment Equity managerial competencies (see Item 2 in Table 5.46).

5.3.6 Theme Six: Do managers have a sense of security in their organisation?

The findings corresponding to the questions relevant to this theme are tabulated and the responses are indicated in terms of the frequencies and percentages for each statement.

Q42. The respondents' perceptions of and feelings towards the organisation were ascertained.

The respondents were shown "face" images corresponding to emotions about their organisation, and were asked to choose the one that most accurately depicted their organisation. The results are shown in Table 5.47 (overleaf).

Table 5.47: Respondents’ first “face” impressions or feelings about their organisations

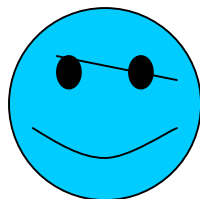
The respondent’s feelings about his/her organisation.	NDSGN (Group 1) and DSGN (Group 2)	P<0.05 Chi-square significance level	Very unhappy at work 1 frequency %	Unhappy 2 frequency %	Neutral at Work 3 frequency %	Happy at work 4 frequency %	Very happy at work 5 frequency %
1. Individual’s ratings on feelings about his/her organisation.	Group 1 Group 2	p = 0.0324	11.8 11.5	19.1 33.7	16.1 25.0	20.6 13.5	32.4 16.4

Table 5.47 shows that 33.7 per cent of the DSGN’s feelings about the issues in their organisations were unhappy, whilst 32.4 per cent of NDSGN’ had positive “very happy” perceptions. The chi-square test revealed a highly significant result ($p < 0.0324$):

DSGNS’ face impression (Frustrated) about their organisation.



NDSGNS’ face impression (Satisfied) about their organisation.



When presented with different face options that reflected different feelings and asked to choose the one that best depicted the feelings of most people like themselves about their organisations, the DSGNS’ response was to improve their frustrations by involving themselves in MCD. NDSGNS’ satisfied response was attributable to the fact that previously advantaged staff had over the years gained a wealth of managerial competencies and experience, which can be an advantage to the organisation and can

help the organisation to transfer this career support knowledge by bridging the MCD gap to assist the frustrated D_{SGNS}.

5.4 FACTOR ANALYSIS RESULTS OF CAREER DIMENSION SURVEY

5.4.1 Theme Seven: The career dimension survey is aimed at discovering key dimensions that need to improve an investigating outcome that enable an organisation to build a successful MCD process model.

The intention of this underlying structure trends is to engage in the effective and scientific development of a MCD model for previously disadvantaged managers in the workplace. The concepts of MCD are not always well understood by all levels of employees and misconceptions may prevail regarding career expectations. This is highly an effective MCD system that will unite the employees' aspirations with the strategic direction of the organisation. Factor analyses were performed on all the variables listed below to examine the organisations' ability to build a successful MCD process resulting from underlying patterns, understanding and communicating the following:

- to determine the future MCD perspective trends in the organisation and their implications for ND_{SGN} and D_{SGN} managers;
- to determine the influence of the organisational systems, practices, management resources and human resources development initiatives that interact and support the MCD system;
- to determine the variables in the work design in the organisation in relation to the degree to which respondents find their work satisfying and motivating;
- to determine the level of management support in the organisation and the ability of managers to support the development of their staff and teams; and
- to determine individual concerns in the organisation and the ability of individuals to self-manage their careers.

To establish the number of factors to be extracted the latent root criteria were used as a guideline. Only factors with latent roots or eigenvalues greater than one were considered significant; all factors with latent roots or eigenvalues less than one were considered insignificant and were discarded. In viewing the eigenvalues for the factors

in this study, two factors emerged. These factors were Factor 1: Future perspective of the organisation, and Factor 2: Organisational systems and practices.

Factor loadings represent the correlation between an original variable and its factors. Factor loadings greater than ± 0.30 were considered to meet the minimum level; loadings of ± 0.40 were considered more important; and if the loadings were ± 0.50 or greater, they were considered practically significant. Because a factor loading is the correlation of the variables and the factor, the squared loading is the sum of the variable's total variance accounted for by the factor (Cooper & Hair, 1998). Cooper & Hair (1998) argue that 0.80 and above is not typical and that the practical significance of the loadings is an important criterion when the sample size is 100 or larger.

When a satisfactory factor solution has been derived, some meaning must be assigned to variables, which involves substantive interpretation of the pattern of factor loadings for the variables. While all significant factor loadings are usually used in the interpretation process, it is suggested that, as a rule of thumb, variables with loadings less than 0.30 (Cooper & Hair, 1998) be ignored.

Factor rotation is a process of manipulating or adjusting the factor axes to achieve a simpler and pragmatically more meaningful factor solution. The orthogonal VARIMAX normalised rotation (axes are maintained at 90°) was performed to obtain a clear pattern of loadings, in other words factors were clearly marked by high loadings for some variables and low loadings for others in accordance with Cooper & Hair (1998).

One of the factors work design dimensions was later discarded when it was determined that although the eigenvalue of Factor Two was below 1, the loadings were lower than 0.5. For the purposes of this study, only loadings equal to or greater than 0.5 were used. The factor retained represented 40 per cent of the variance of the original variables. In Table 5.48 (overleaf) the results for the extraction of factors are set out.

Table 5.48: Results for the extraction of factors

Factor	Eigenvalue	Percentage of variance	Cumulative percentage of variance
1	3.855	5.965	0.2978
2	2.912	1.513	0.3735

An oblique rotation (direct oblimin) was then performed to obtain a clear pattern of loadings – that is, factors were clearly marked by high loadings for some variables and low loadings for others. The rows have been rearranged so that, for each successive factor, loadings greater than 0.50 appear first. Loadings less than 0.25 have been replaced by zero. See Table 5.49 (overleaf) for the results on the factor loadings.

Table 5.49: Factor loadings for the Career Dimension Survey

Item	Factor 1 Future perspective of the organisation	Factor 2 Organisational systems and practices
C7	0.762	0.000
C4	0.734	0.000
C5	0.706	0.000
C12	0.627	0.000
C10	0.620	0.000
C6	0.555	0.000
C17	0.000	0.818
16	0.000	0.629
C15	0.000	0.589
C8	0.000	0.551
C20	0.000	0.496
C11	0.000	0.449
C3	0.269	0.395
C18	0.281	0.347
C1	0.000	0.342
C9	0.443	0.282
C14	0.409	0.266
C13	0.468	0.000
C19	0.000	0.000
C2	0.403	0.000

Cronbach alpha for all variables = 0.8802

In terms of what is suggested by Cooper & Hair (1998), it was expected that the content would be a significant factor in organisational MCD process choice. Although the eigenvalues on the factor were above 1, the loadings were lower than 0.5, and as mentioned, only loadings equal to or greater than 0.5 were used.

Tables 5.50 and 5.51 (overleaf) provide the results for each individual factor and its factor loadings, as identified from the factor analysis.

Table 5.50: Factor 1: Future perspective in the organisation

Items	Statements	Factor loadings
C7	My manager advises me on my career options and alternatives within my organisation.	0.762
C4	My manager encourages me to develop skills that will qualify me for other jobs in my career field.	0.734
C5	My organisation/division uses succession planning to identify and prepare candidates for key positions.	0.706
C12	I have been told of my standing in the succession plan for key positions in my division.	0.627
C10	This division's expected work force requirements for the next two or more years have been explained to me.	0.620
C6	Information moves easily between my division and the senior of management of the organisation.	0.555

The above statements were expected, according to the literature, to reflect how important the respondents are when top management has to choose to encourage career development skills and use succession planning for future planning requirements, development skills career preparation for key positions and logical thinking processes for management strategic information flow.

The outcome can possibly be explained by statements by Saunders *et al.* (1997) that both the organisation and the respondents should develop an understanding of the organisational strategic HRM information flow from top management to others in the organisation.

Table 5.51: Factor 2: Organisational systems and practices in the organisation

Items	Statements	Factor loadings
C17	In my work, I am involved with many different tasks and/or projects.	0.818
C16	My manager has informed me of his/her personnel assessment of my current competence and ability in the past three months.	0.629
C15	I have initiated career discussions with my co-workers.	0.589
C8	My job allows me to decide how I am going to do my work, as long as I meet certain recognised standards.	0.551

Dimension assessments and evaluations by the respondents should contain a statement of equality, and are always assumed to be true unless they are rejected because of the factor testing and analysis procedure. These statements were expected, according to the literature, to reflect how important the respondent is in the organisation's MCD process choice. Contrary to the expectations of the researcher, the variables emerged as underlying variables on the various organisations used to develop managers' careers and also used in succession planning for designated and non-designated managers. These variables formed part of MCD planning requirements linked to the strategic HRM information flow.

- Statement C10 appears to be unimportant for the expected work force requirements for the next two or more years and has not been discussed with the designated and non-designated respondents in terms of their future plans. The views of the future held by the respondents who work in these organisations play a significant role in determining their choice of action. Organisations need to work at communicating their future needs in order to develop new competencies.
- Statements C17 and C8 appear to be unimportant to respondents' involvement with multiple projects and lack of decision-making empowerment to a significant degree. Organisational systems and practices do have an impact: MCD cannot succeed in a vacuum. MCD must be integrated with the organisation's strategic HRM career programmes and reviewed planning process.
- Statements C5, C12 and C6 reflect the degree to which respondents find their work satisfying and motivating. A low score in this section indicates a need to restructure jobs and foster employee involvement.

- Statements C16, C7 and C4 reflect managerial support in the organisation, in other words, the ability of managers to support the development of their staff and teams. A low score in this variable could indicate a need to help managers increase their effectiveness.
- Statement C15 reflects that to a significant degree individual concerns are regarded as unimportant in initiating career discussions with managers and the ability of the individual to self-manage their career. A low score in this factor could indicate a need to encourage employees to take responsibility for their own career development. If employees fail to acquire new skills, the organisation cannot keep ahead of the competition.

In conclusion, Theme Seven aimed to establish and highlight the importance of respondents' views, to assess and evaluate organisational applications of MCD models linked to a strategic HRM planning process. The following variables were extracted and signify the impact of automotive organisations' efforts on respondents' professional career development, linked with the organisations' strategic plans:

- It seems that organisational future perspectives, systems and practices, work designs, management support and individual concerns findings influence respondents' MCD strategic planning process.
- Future research on the influence of South African organisational culture in promoting life-long quality learning commitment is recommended.

5.5 CONCLUSION

The findings of this empirical research provide clear support for the argument that NDSGN and DSGN MCD must be linked to organisational HRM strategic business plans. Support by top management and commitment to life-long learning is also required. Development programmes, techniques, interventions such as special project assignments, job rotation, special projects, on-the-job training, coaching/mentoring and in-house MCD programmes are likely to bear fruit, especially if there is strong support in the form of an internal monitoring focus group. Such a group should oversee strategic HRM to ensure that it plays a positive role in creating programme momentum, to promote regulatory functioning of frequent feedback, continuous improvement of HRM techniques and top management commitment and dedication to MCD programmes.

The next chapter highlights the conclusions of the study and makes practical recommendations, including suggestions about directions that future research could take.

CHAPTER 6

CONCLUSIONS AND RECOMMENDATIONS

Do not go where the path may lead, go instead where there is no path and leave a trail.

Ralph Waldo Emerson

6.1 INTRODUCTION

As was set out at the start of the study, the primary focus of this study was to explore and formulate a new strategic model to enhance the MCD potential of designated managers. Such a model will hopefully help to ensure that the lack of appropriate and adequate managerial skills development in South Africa's automotive sector is addressed taking into account the current involvement of automotive business activities in MCD and in global competition. The study purpose was also to determine whether there is a difference between MCD for ND_{SGN} and D_{SGN} groups, taking into account the relative frequency with which the members of these groups fall into various categories of the variable themes of interest. Since the two groups had unequal sample sizes, the calculation of expected frequencies took this into account, with a significant difference level set at $p < 0.05$.

6.2 CONCLUSIONS

This study highlights several factors that are important determinants for D_{SGN} MCD in the South African automotive sector. There is strong support for developing a key target area for the assessment and evaluation of MCD processes for designated managers within a strategic monitoring focus. Such a strategic HRM focus will affirm organisations' efforts to gain increased capacity of D_{SGNS}' MCD achievements.

If D_{SGN} MCD meets global competitive criteria and legislation regarding labour policies is implemented, this should enhance new global pricing, promote a narrowing of labour costs and work force reduction. Organisations are expanding their technological competencies with advanced digital and IT attributes, which enables managers to do more and raise their expectations of empowerment. However, there is ample evidence to suggest the need for accelerating D_{SGN} so that the needs of organisations can be met. Three facets (career development, education and scarce competencies) should interface

with this strategic HRM planning process and top management commitment to build D_{SGN} capacity and strong support to monitor MCD progress. The respondents in this study have highlighted their superiors' lack of commitment to MCD programmes, mainly due to a dictatorial style of management, a lack of skills and ineffective formulation of their future MCD plans.

Strong views about MCD needs, and about the responsibilities and expectations of individual ND_{SGN} and D_{SGN} managers were voiced. The respondents felt that their superiors knew exactly what their career needs and expectations were, but frequently these superiors changed their responsibilities or careers. This makes it impossible to establish a trustworthy relationship with managers as required for MCD purposes. A person's work patterns must encompass a stable, long-term career position for an MCD programme to achieve meaningful results. A key finding showed that HRM strategy ranked as the lowest organisational priority.

Issues that should be addressed are the skills gap, MCD internal communication, promotions up the career ladder, job security and the organisation's own vision for MCD programmes. It was also useful to determine what the perceptions of the participants about a standardised MCD model were. The respondents felt that there is little opportunity for career growth, and if an opportunity does arise, they are not given the chance to enquire about the vacancy.

The respondents felt that added learning through mentoring/coaching with external knowledge should be part of the standardised MCD model. For a candidate to be identified in the MCD process plan, he/she must acquire appropriate educational levels, potential competencies and establish the right career goals. The ND_{SGN} and D_{SGN} respondents felt that they had no control over valued resources, access to important people, the right to make suggestions and opportunities to discuss their career plans with their superiors. The respondents also felt that the responsibility for MCD programme contributions within the organisation must be a combination of efforts on the part of the individual, management and HRM strategy.

In addition, it was also useful to determine what impact political pressure and affirmative action have on overall MCD initiatives. The D_{SGN} respondents felt that they

are not adequately trained for their present job functions, and that political pressures have no influence on actual affirmative action. For example, DSGNS are still not leading a significant number of in-house MCD projects. The DSGNS also have no means of acquiring additional competencies for promotion, due to an absence of individual career plans. There appears to be a lack of cohesion, as demonstrated by the absence of an HRM strategy linked to DSGN development. DSGN respondents felt that there were a five years career planning that leads to job insecurity and job guarantees due to an absence of employment equity plans and the fact that internal vacancies for promotions are saturated. Evidence suggests that DSGNS believe it is important to improve MCD programmes through performance appraisals (individual career development plans) that identify individual career needs and staff's career advancement needs.

Top management lacks practical experience and knowledge in basic career planning and does not allow for effective career advancement, thus limiting organisational decision-making powers. Yearly job description reviews with superiors are not sufficient to provide professional advice, direction and support. There are no focus group discussions every month where DSGNS could voice their experiences and problems. There is a lack of two-way communication with other DSGN managers, and an absence of MCD planning, DSGN's career development agreements and procurement policies.

The respondents stated that top management was mainly focused on decision-making within the management of designated MCD activities, and when it came to action plans on human resources supporting employment equity, management lacked leadership competencies. When presented with different face impressions that reflected different feelings about their organisations and asked to choose the one that best depicted the feelings of most people like themselves about their organisations, their choices revealed a need to improve the quality of life of DSGNS. The first impression of NDSGNS, on the other hand, showed that they were satisfied with their organisation and felt that they had a good relationship with their superiors.

Lastly, top management identification of, evaluation of and involvement with designated MCD programmes are essential from beginning to end. Organisational strategic HRM must use every possible intellectual and conceptual skill to build top management support for MCD programmes in every phase of the development that

links the human capital building process with the business's vision and action plan. The above evidence supports the need for a new proposed MCD model that meets the strategic need for a new paradigm vision, one which complements sustainable life-long learning and forms a vital part of the organisation's culture.

6.3 RECOMMENDATIONS FOR THE STRATEGIC HRM PROCESS

This study highlights the need to work through the strategic HRM process at a number of levels, rather than to see strategy merely as a "big picture". It examines a suitable infrastructure for managing MCD in a more strategic HRM way in the organisation. It is proposed that it be created out of

- the strategic HRM process itself, which involves four major elements:
 - overall strategy;
 - tools and process;
 - people reality; and
 - platforms for discussions;
- designated management's assessment of MCD potentials;
- the identification of scarce skills in management and the development of competencies;
- HRM for the MCD process and workshop activities; and
- mentoring/coaching and top management commitment and support.

This study also examines and discusses various models for implementing and managing MCD processes within the unique setting of the South African automotive sector. DSGN career advancement activities can also be utilised for effective human capital development for managerial functions. Eight main recommendations emanating from this research can be made for improved MCD. These recommendations are listed below and are briefly discussed in an attempt to enhance HRD activities:

6.3.1 Top management support, commitment and endorsement for linking designated MCD to the organisational mission statement

Top management need not be involved directly in the day-to-day activities of MCD programmes, but they must be involved in MCD design for competitive advantage.

They must also be committed to the mission and direction of the programme. Five key steps in complete support can be identified, and endorsements of each phase are essential. The form of top management involvement can vary. The goal throughout these phases is to secure the visible support of the top management guiding team so that people in the organisation can recognise that support is available.

▪ ***Step One: Increase urgency for a procedure and establish MCD policy guidance***

A policy on MCD must guide the company in terms of the implementation of the career plans of its designated managers and ensure that the company is entitled to claim for the different grants and reimbursements against Skills Development levies. Drawing up and managing the policies must include clear contractual arrangements such as bursaries for expensive training and development, or overseas training. The transfer of knowledge to other employees within the company should be encouraged.

▪ ***Step Two: Build up the guiding MCD linkages to the strategic HRM/Business plan***

Determining the need for MCD is the first and most important step in the process of evaluating the return-on-investment of a career plan. It is essential to establish an in-company MCD forum for consultation with regard to the required competency development levels of designated managers for the general effectiveness of MCD functions, achievement of the strategic objectives, MCD design, and delivery of a workplace skills plan which is aligned to the business plan.

▪ ***Step Three: Establish a sound vision of competency model building for designated MCD***

Top managers must be closely involved in the MCD programme, be the forces behind it, and spokespersons for it. The MCD mission statement itself has to have a central theme, be brief and easily understandable, and should use simple language. The MCD vision and model-building activities for top managers must include the following:

- talks with designated managers about the MCD programme;
- an MCD conference with staff/service providers/automotive stakeholders/tertiary institutes (invitation to participate on the programme);

- a video/DVD covering the MCD mission for designated managers;
- the formulation of the MCD programme in consultation with the MCD advisory forum;
- branding of the MCD programme; and
- integration of the MCD programme with performance appraisals (individual development plans) and strategic HRM planning.

▪ ***Step Four: Ensure buy-in during the MCD implementation phase***

During this phase, when the MCD idea moves from the drawing board into reality, a high level of top management support is of the greatest importance. In orchestrating the participation of top managers during implementation, trust is built and willingness to share is developed from the inception of the designated MCD programme. Top management involvement in activities during the MCD implementation phase can be achieved by

- briefing the managers on the MCD programmes;
- participation by top management/service providers in MCD workshops and seminars;
- top managers' acting as formal mentors;
- designated managers' listening to top management presentations and making recommendations;
- the Chief Executive Officer, HRM Officer, Affirmative Action/Employment Equity Officer and Workplace Forum Officer's forming part of the advisory MCD committee to resolve difficulties with the programme;
- the Chief Executive Officer/Top Management's sitting on the panels to answer questions on the corporate mission and objectives being met; and
- documenting the internal MCD programme kick-off process for future assessment and for recording the company's visual success stories.

Other ways to promote this high level of involvement and to help top managers work on their own careers to manage the MCD process are to arrange for participation in coaching skills development sessions with outside consultants and for participation in professional seminars to develop these internal support programmes at prestigious institutions.

▪ ***Step Five: Implement ongoing MCD programme assessment/evaluation***

These processes must build in accountability and responsibility from the launching of the MCD programme to the last phase of the programme. To build up management support for this process from the very beginning, the importance of the way things are transformed (visual recordings of the MCD phases as a basis for future reference) must be emphasised. Such data is also required for comparison, so that practical changes for the programme can be suggested, appropriate assistance can be given to other departments contemplating similar programmes, and effective discussion about the final results can be possible. Top management evaluation activities should include

- demanding pre- and post-programme measures in line with equity plan reports;
- redesigning rewards and procedures to reinforce the MCD goals;
- tracking designated MCD results and discussion at forum level;
- integrating the MCD data base with existing organisational overall performance statistics; and
- getting feedback from managers who have participated in the MCD programme.

6.3.2 Structured strategic HRM for designated MCD policies and equity plan interventions

Employment equity plans should be seen as a separate function, where the employment equity effort should be separated entirely from strategic HRM functions. Structured strategic HRM and designated MCD policies should start with a career audit for all designated employees to determine what skills, experience and knowledge are available in the company. Where an affirmative action process is being implemented, employees should be informed beforehand and should not be told afterwards that it was a designated MCD programme. Current research indicates that Equity Employment opportunities are likely to be under-resourced in terms of expertise and time (only a short-term policy exists), whereas for the strategic HRM activities designed for MCD to be effective, a programme for life-long learning on the part of DSGNS needs to be in place. The organisation's strategic policy ability to influence and link other HRM organisational activities (such as recruitment policy, performance appraisals, succession

planning, career planning, business plans, employment equity and skills development) should be recognised and utilised as part of the designated MCD policy alignment.

6.3.3 Decentralising MCD responsibility to line managers

The HRM must assist and guide line managers to become effective career developers. Whether this is achieved will become evident from looking at previous life cycle career records. The HRM should also promote line manager involvement and commitment to the designated MCD programme design and educate line managers about the programme's benefits. Greater involvement with designated managers' key results is an area for developing performance by line managers according to HRM/MCD policies and objectives to facilitate relevant competencies. There must be a strong connection between line managers' involvement and shared responsibility with higher competency-based MCD activities and the use of individual development plan assessments. Finally, the individual line managers must be seen to be empowered, committed, able to make sound judgments and assess MCD impacts that are linked to the strategic business plan and HRM policies.

Reporting by line managers must provide the HRM focus group with information regarding monthly MCD activities and individual progress, new activities in the MCD programme, certification, achievements awarded and individual test results. Line managers should ensure that all documentation and record-keeping for all MCD programmes and processes meet the employment equity statutory and regulatory requirements and measure up to the business plan. The line manager's responsibility is to:

- assist designated managers in identifying the competency needs of the job;
- assist in identifying MCD resources;
- assist in designing, developing and implementing MCD programme activities;
- ensure maximum effort and commitment to the MCD programme;
- audit the progress of the MCD programme; and
- maintain MCD documentation and individual development plan records.

6.3.4 Mapping the complete designated MCD programme cycle for continuous assessment and improvement

The way to manage the D_{SGN} MCD programme process is through performance management activities that improve and assess the individual's development plan for life-long learning and continuous programme improvement. This performance management process may be divided into three primary phases to monitor activities such as planning, coaching and reviewing performance. Each phase maps out the activities of the MCD programme process cycle relating to individual career performance activities. This performance management process acts as an HRM resource that provides the organisation with a systematic method to develop and maintain competent designated managers.

The system requires planning, managing and assessing the MCD plan to match the D_{SGN} managers' goals with the competencies required to achieve the business's objectives. This MCD process for a designated manager's performance improvement and monitoring consists of three phases and is discussed briefly as follows:

- MCD: Planning – critical goals, competencies, development plan, weighing goals and competencies;
- MCD: Coaching – informal coaching, periodic results reviews, critical goals, competencies development plan; and
- MCD: Review – critical goals, competencies, development plan, overall rating, final comments, signatures.

6.3.5 Managing diversity for a sustainable business and HRM advantage

Managing employee diversity can provide opportunities to enhance organisational D_{SGN} MCD programme performance, but poses several challenges. These challenges include resistance to change, the need for organisational policy fairness, open and honest communication, feedback sessions, retaining valued performers and maximising opportunities for all stakeholders. It is necessary to harness diversity for sustainable business by committing top managers to valuing diversity, MCD programmes, support groups, mentoring/coaching or action learning programmes, diversity audits and diversity management for responsibility and accountability.

The following recommendations are based on some of the challenges outlined in this study:

- Revisit problem decisions made to resolve employment equity-related issues with a clear policy and procedures to prevent problem incidents from occurring again.
- Increase the organisational scope to include diversity career management and competency development.
- Provide an opportunity of using an advisory forum to keep designated managers informed of the Employment Equity Act and how it relates to the Skills Development Act.
- Create awareness sessions about MCD, and its role in relation to the Employment Equity and Skills Development Acts.
- Explore other interventions that could follow on from Diversity Management Workshops. These may include
 - an MCD programme for designated managers;
 - teambuilding;
 - programme for developing competencies to manage a diverse team;
 - an emotional intelligence development programme; and
 - implementation of an HRM strategy to ensure that the MCD programme retains strategic designated competencies.

6.3.6 A recommended MCD competency model with a strategic focus

The ideal systemic strategic MCD model, discussed in Figure 6.2 (following), was considered to be both meaningful and important from a South African perspective, given its usefulness for both D_{SGN} and ND_{SGN} managers within a labour market facing high managerial skills shortages. Despite there being only limited literature available, several articles relevant to this study were found. The study focused on accelerating the pace of future D_{SGN}/ND_{SGN} managers' MCD in the automotive sector in the new South Africa.

There is a need for a new paradigm which incorporates a sustainable vision for continuous life-long learning and flexible MCD strategies in order to create relevant competency skills for the South African automotive industry. This learning must be flexible in order to accommodate the diverse needs of designated managers identified

for MCD. Organisations are undergoing a tremendous technological transformation with some strategic human resources diversification, which can pose a new HRM challenge to this new MCD model (see Figure 6.2, following).

This study determines a new direction and possibilities for learning techniques to create a MCD model for implementing a strategic focus that responds to an organisation's needs. Such a focus involves top managers and D_{SGN}/ND_{SGN} managers within existing HRM structures or in the establishment of new structures that suit the norms of the organisation. There are several steps in determining the strategic focus which require the participation of top management. The following topics should be discussed during the strategic focus session (see Figure 6.1, below):

- the purpose and use of competency models;
- the business direction and strategic business goals;
- the job competency modelling process;
- organisational core competency identification;
- a competency model format;
- the approach to implementing the MCD process; and
- the MCD plan.

Once all of the HRM activities have been identified, a plan and schedule to support the strategic MCD focus must be developed. The more involved top management is in the MCD competency development of the plan, the more likely management is to support all the activities that must take place. Such activities include

- identifying critical skills in the organisation;
- ensuring the best fit between designated management skills and the requirements of the organisation;
- providing performance measurement tools and support materials for designated managers to assess themselves and determine MCD targets; and
- providing support and structure for designated manager/senior manager career discussions.

A powerful component proposed for designated MCD is the action learning model (Thomson *et al.* 2001). This involves hands-on, practical exercises or activities where participants have to solve problems, perform tasks or achieve results, often within a

certain time frame. These activities may take the form of a simulation that is very similar to normal work activities. The concepts, skills and relevance of the exercise are often discussed after the exercise and arise out of the direct experience of the participants rather than an intellectual process. The MCD course must create several experimental exercises for managers to develop their own theory and guidelines for team dynamics and team building. Action learning is a more extended version of this approach, in that teams are organised to complete a workplace project over several months. The team helps each member and the total group learns as the project proceeds.

This model can thus become part of the working framework of analysis. It is presented in its most simple form in Figure 6.1 (overleaf), which essentially reflects a circular flowchart in the form of a clock, consisting of the various dimensions of designated management. It also provides a convenient MCD process mapping, as elaborated on in Figure 6.2 (following). These dimensions are the following:

- the **context** of management development, which becomes some of the main inputs from the external and internal structural and cultural environment and various aspects of wider organisational strategy outside management development;
- the **policy and responsibilities** in terms of which management development operates within the organisation business strategy, structure and responsibilities;
- the **practice** of management development, which can be split into two parts (first, there is the internal process, usually in the form of a development cycle, which is the mapping of the designated management development **process**; in addition, there are outputs in the form of methods and amounts of management development reported in-company job rotation, job observation, learning curve experiences doing the job, mentoring and job coaching);
- the impact of management development, which also represents its **outcome** (this is strategic assessments of designated management development and practical approaches to the evaluation of management development activities).

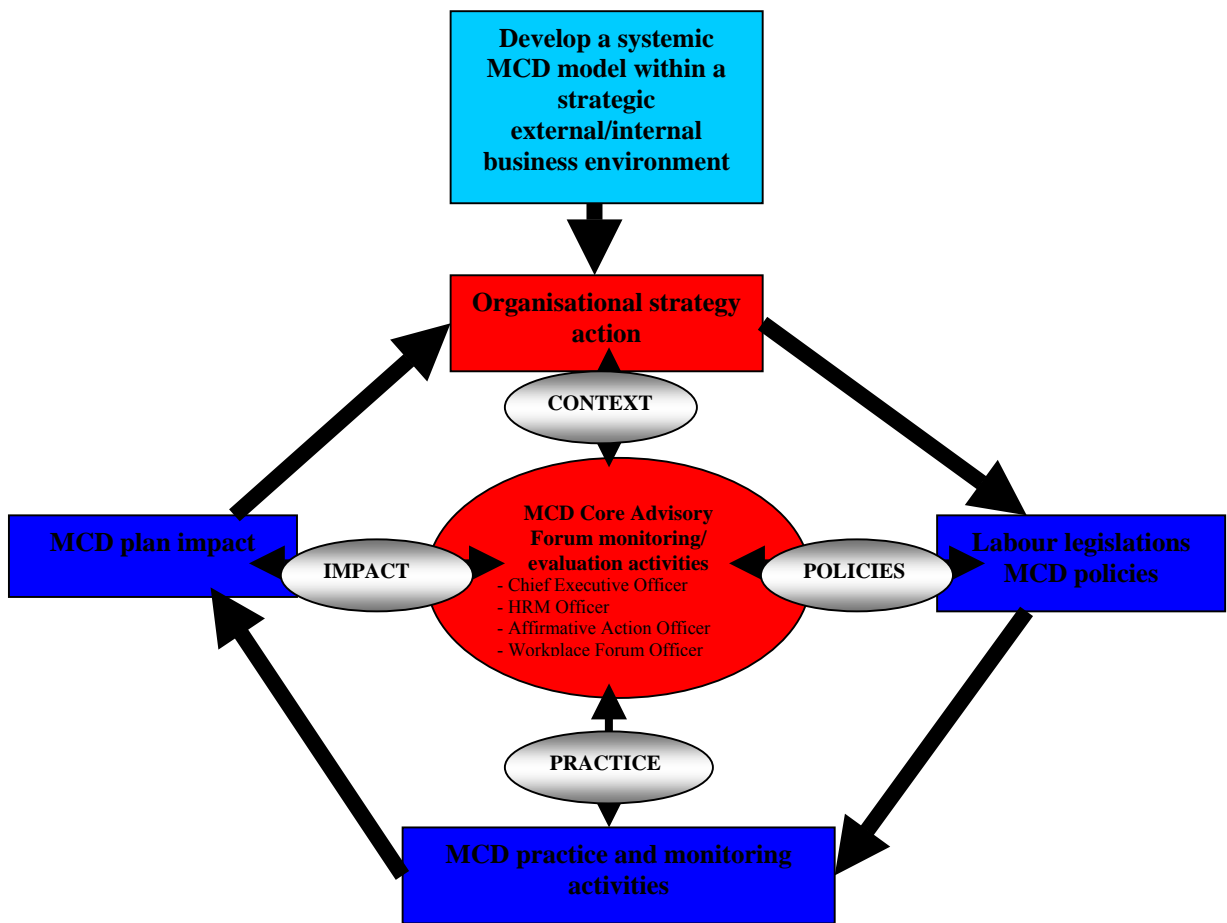


Figure 6.1: A summary of an MCD working model within the Core Advisory Forum

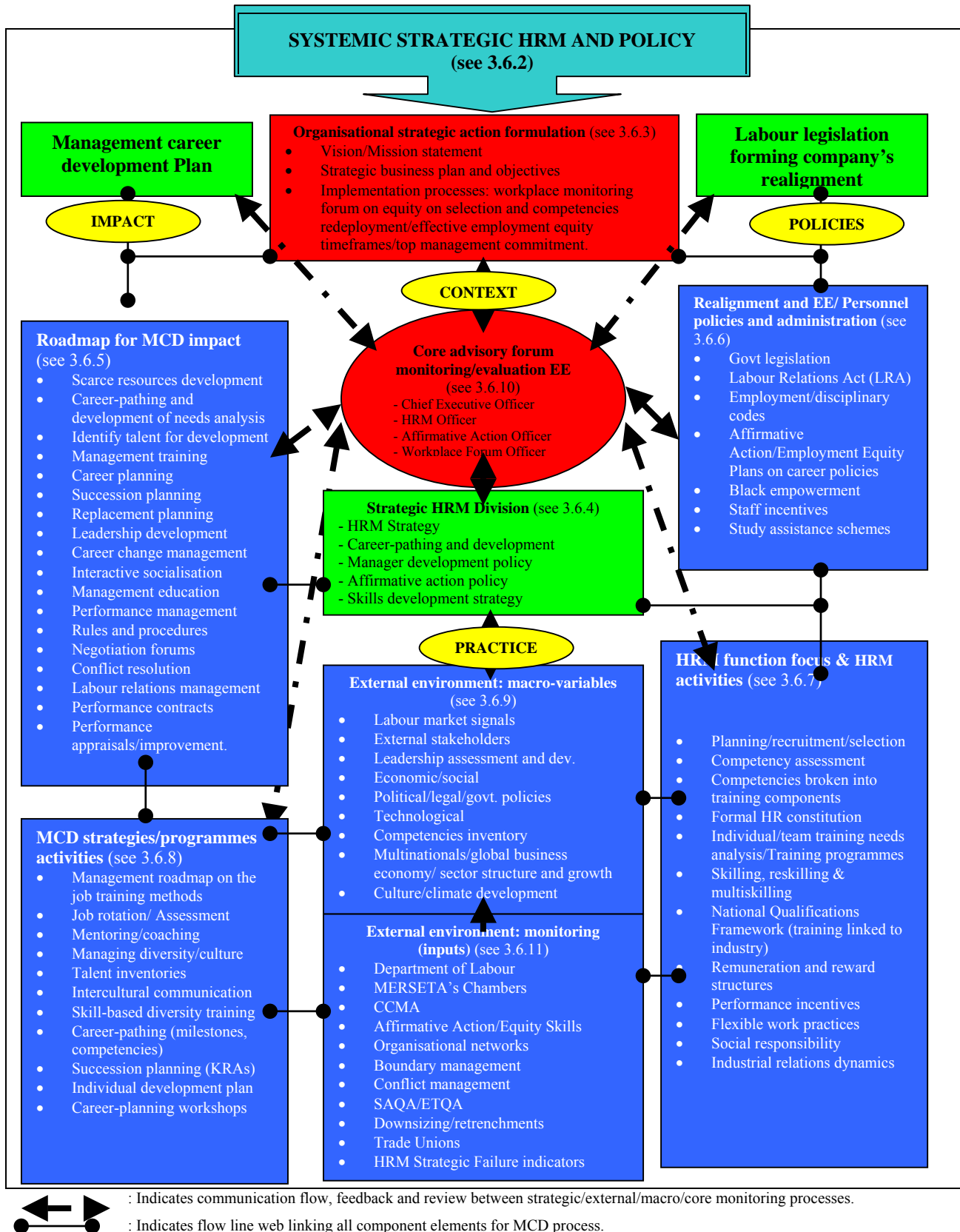


Figure 6.2: A proposed detailed formulated strategic model for designated MCD

(adapted from Thomson *et al.*, 2001:31)

6.3.7 Suggestions for future research

In Table 6.1 (below) some of the key elements of the MCD process meet and create new competency development challenges, which it lists as a source for organisations' competitive market advantages and MCD should be linked closely to the National Sector Educational Training Authorities (SETAs). The table further illustrates a great fundamental change from the 20th century to the 21st century organisation. The biggest argument offered against the need for transformation is that organisations can succeed, with incremental change, on adopting a future 21st century MCD learnership to get there fast enough (that is, within a structure, system and culture).

Table 6.1: Illustration of the key elements recommended in developing a 21st century MCD learnership

<i>Time frames</i>	<i>Past</i>	<i>Present</i>	<i>21st century</i>
Organisational key elements and dynamics	Traditional competencies	Learning transformation	Strategic HRM for change
1. Candidates	Classroom/Listener	Employee	Learner
2. Competency training design	Event	Curriculum	Continuous process
3. Career development intentions	Knowledge	Wisdom (based on trial and error)	Action learning
4. Service providers	Specialists	Generalist	Involvement of all stakeholders or partners
5. Project focus	Style	Content	Process/outcomes/projects
6. Development centres	Tertiary Educational Institutes	In-house training facilities	Anywhere

This evolution of managerial learnership development must include a growing commitment to continuous learning that shares the common goal of seeing training as a process of “life-long learning rather than as a place to get trained” (Kotter, 1996:25).

This model further illustrates in (see Table 6.1) that the paradigm of learnership development has evolved dramatically over the past few years, and that participants are expected not just to listen to information presented by experts, but also to put that information to work by engaging in case study discussions, debating recommendations or project alternatives, and sometimes in making presentations based on their conclusions. Kotter (1996) reveals that during the learning transformation period, these assignments were frequently related to a business case that had little connection to candidates' situations in operational activities. However, it was hoped that candidates

resolving their current workplace problems or working toward project outcomes in similar situations would present possible solutions.

In the evolving new world of future strategic HRM competency development, 21st century MCD understanding devotes a significant amount of time to demonstrating designated managers' ability to apply concepts to real challenges through some form of action learning initiatives in the real world. When managerial informal learning is made practical, interest and motivation increases. The end result in a MCD learnership programme is then for the participant to become more dedicated, measurable and effective. Therefore participants can mobilise the power of strategic HRM to facilitate designated managers' growth and career development to

- promote economic empowerment for all, especially black people, workers, people with a disability, women and youths;
- eradicate poverty and address a legacy of underdevelopment;
- strategically engage and position HRM in the global economy and ensure competitive advantage by introducing relevant skills and competencies;
- promote and mobilise new investment into business expansion that creates recruitment opportunities for more designated managers.

6.3.8 Using an advisory forum to build MCD participation, support and feedback

It is important to establish support throughout the organisation for MCD programmes before they are implemented. One of the best ways to ensure the necessary enthusiasm and participation is by forming an advisory group. This advisory committee, linked to the strategic HRM, can play an important role in defining the present system and its needs (see the proposed model in Chapter Three). This forum can also establish a sophisticated and effective process for evaluating the progress of designated managers towards meeting employment equity career planning objectives. Advisory groups are also useful in determining new directions and in setting new MCD visions and goals. The members can also identify line managers and key players within the MCD activities and keep human resources professionals as consultants rather than as advocates. In general, advisory groups become increasingly helpful and involved as MCD

programmes enter the design, strategic planning and implementation phases. The following are some of the benefits that can result from Core Advisory Forum activities:

- An advisory group allows top management to demonstrate its support and commitment to designated MCD programmes.
- The advisory group signals top management's belief in collaboration and teamwork, which may be a new message for changing organisations and can help meet new competency needs.
- Advisory groups also give top managers the opportunity to observe the performance and capabilities of designated managers (measured against internal policies and procedures).
- Top managers can gauge their potential to handle increased diversity, complexity and new pressures to sustain groupings of non-designated and designated MCD programmes.

Among the benefits to middle/lower managers and others in the designated groups are opportunities to enrich and expand their jobs, to develop an increased appreciation for the complexity of the organisation, for how to produce employment equity/affirmative action change and introduce new designated MCD interventions. Lastly, the members of the Core Advisory Forum will have exposure to other functional areas and people, building stronger MCD resource networks and new career opportunities. In so doing, it plays a strategic role as prescribed by legislation. For example, if an organisation chooses to develop a formal mentoring programme as one of its techniques to advance designated managers, three conditions are required to increase its chances of success, according to Kram and Bragar (1992):

- The programme should clearly be linked to the business strategy and existing HRM policies and practices so as to increase the chances that potential participants and senior management will accept and actively support the programme.
- Core components of the programme (objectives, guidelines, training and education, communication strategy, monitoring and evaluation and co-ordination) should be designed for effectiveness rather than expediency.
- Voluntary participation and flexible guidelines are critical to business. Therefore the HRM strategy system is critical for the implementation and encouragement of support for designated MCD programmes.

The MCD action plan specifies the HRM intervention strategy, specifying the objective of each change activity, as well as who will be involved, who is responsible, and when the activity will be completed. Implementation of the action plan involves carrying out each step in the organisational HRM intervention strategy. The top management should continually confer with the Core Advisory Forum members of the HRM strategic system to review results, get feedback and make appropriate adjustments. They should establish an internal auditing and reporting system with respect to the programme and activities linked to the organisational HRM strategies, with an underlying statement of the importance of employment equity policies. Lastly, they should develop support for affirmative action, both inside and outside the organisation, protect the designated groups (the underrepresented) in any area, and develop timetables and goals in order to achieve equality (Ivancevich & Gilbert, 2000).

6.4 LIMITATIONS OF THE STUDY

The sample data retrieved from the South African automotive workplace reveals high structural security in terms of “intellectual property barriers” due to the nature of business trading within the multi-nationals and parent companies’ competitive marketing strategies. The responses from NDSGN and DSGN managers also differed markedly in approach:

- South African automotive organisations are highly protective and closed business environments that are solely dependent on the multi-national parent companies for direction. Therefore barriers exist to sharing intellectual managerial properties, technical competencies and marketing competitive factors.
- The DSGNS indicated their frustration about the Employment Equity Act’s failure to obtain workplace equity. The NDSGNS felt that the Affirmative Action Act is targeted against them and exhibited a low level of support for in-house employment equity programmes. Leon (2003), the leader of the Democratic Alliance, has stated that the problem is not that employment equity policies are not being implemented, but that they are designed to fail. These policies do not address the core of the problem, namely the lack of opportunities and great shortage of designated managerial skills. Khoza (2002) reported that employment equity is not properly implemented and western competency models of managerial leadership are undermining Africa’s ability to achieve its goals.

- A few respondents could not be reached, as they were on leave.
- The cut-off period for all questionnaire returns was two months and even though this was extended, some companies refused to participate, despite repeated attempts at follow-up.
- A complaint often voiced by the respondents was that they were constantly inundated with mailed questionnaires throughout the year from university students engaged in research.
- The existence of the automotive sector depends on a weak South African currency, and the Motor Industry Development Programme (MIDP) that attracts business for export incentives and on addressing the shortage of designated managerial skills as the only avenues for sustainable business in South Africa.
- Constant change in the workplace makes career planning more difficult. Only well-defined designated MCD processes can provide guidance in short-term career planning.

Lastly, the overall sample results from the total designated lower/middle management respondents are satisfactory and reasonably represent the organisations and sample quota coverage was achieved.

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APPENDIX A

private and confidential

RESEARCH QUESTIONNAIRE: SURVEY**DEAR DELEGATE**

Please complete the attached research relevance questionnaire, which will form part of an important discussion and contribution to the topic below:

An evaluation of the process and impact on managers' placement in a challenging and changing technological manufacturing environment in South Africa

Your input and time will be of great importance in addressing the current industry management dilemma surrounding future career management placement systems, which are in place for the designated and non-designated groups in question. (What is the gap? Global economy depends on new organisational leadership challenges that are taking place).

Any additional input or material of importance will be appreciated and the completed research dissertation will be made available to the participating organisations and delegates who made this research possible.

Please post the copy of your completed questionnaire as per the postal details below.

Yours faithfully

**Anthony Naidoo
PhD Student (University of Pretoria)**

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Affirmative action development programmes in South Africa have come under increasing criticism on failing designated manager's promotion ranks in the private sector and producing poor results. This research examines the ways to improve their efficiency and effectiveness, and the sustainability for management career-pathing, development and life-long learning.

This research is designed to investigate the effectiveness of career management in your company. I would like to identify problem areas in the career management process in organisations, areas for improvement, see feelings of employees regarding the career management process, and individual career needs.

All information is strictly confidential. Please help us by answering all the questions.

ANTHONY NAIDOO

SEPTEMBER 2002

I would like to stress that this is a personal study. In no way is the company committed to any course of action. Thank you for taking the time to participate in the study. Your help, participation and the information collected are greatly appreciated.

General instructions:

Either a pen or pencil may be used to complete this questionnaire. There are three types of questions: single response; multiple responses; and written response questions. Most of the questions require a single response and may be answered by simply placing a circle around the relevant number. Multiple response questions are indicated by the words "choose as many as relevant". Where written responses are required, space is provided. However, you may fill in additional comments whenever you wish to do so. Please ignore the boxes beside the questions and answers; these are for office tabulation only.

SECTION A: BIOGRAPHICAL DATA		OFFICIAL USE	
<i>(Please CIRCLE only one choice unless asked for multiple choices)</i>		<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	1 - 3
		<input type="checkbox"/>	4
		<input type="checkbox"/>	5
		<input type="checkbox"/>	6
Q1. Within which category does your age fall?	<input type="checkbox"/>		
1. 25 - 29		<input type="checkbox"/>	7
2. 30 - 34			
3. 35 - 39			
4. 40 - 44			
5. 45 - 49			
6. 50 +			
Q2. How long have you worked in this company? (Time in years)	<input type="checkbox"/>	<input type="checkbox"/>	8
1. 1 – 3			
2. 4 – 6			
3. 7 – 9			
4. 10 +			
Q3. Tick the benefits you receive as part of your package.			
1. Company car	<input type="checkbox"/>	<input type="checkbox"/>	9
2. Own Office	<input type="checkbox"/>	<input type="checkbox"/>	10
3. Cell Phone	<input type="checkbox"/>	<input type="checkbox"/>	11
4. Housing subsidy	<input type="checkbox"/>	<input type="checkbox"/>	12
5. Shares/Stock/ Profit-sharing incentives	<input type="checkbox"/>	<input type="checkbox"/>	13
6. Other	<input type="checkbox"/>	<input type="checkbox"/>	14
Specify other: -----			
Q4. What is your highest educational qualification?	<input type="checkbox"/>	<input type="checkbox"/>	15
1. Matric (NQF 4)			
2. Diploma (NQF 4/5)			
3. Degree (NQF 5)			
4. Honours (NQF 6)			
5. Masters (NQF 7)			
6. Doctorate & Research (NQF 8)			
Q5. Within which category do you think your first job in the private sector fell?	<input type="checkbox"/>	<input type="checkbox"/>	16
1. Executive level			
2. Senior management level			
3. Middle management level			
4. Lower management level			
5. Professional level			
6. Technical level			
7. Consultant level			
8. Other			
If other, please specify: -----			

		OFFICIAL USE	
Q6.	Within which category does your present job level fall? []	[]	17
	1. Executive level		
	2. Senior management level		
	3. Middle management level		
	4. Lower management level		
	5. Professional level - previous post [] time in this post [] years		
Q7.	What is your department's function/responsibility within the organisation? []	[]	18
	1. Staff development	[]	19
	2. Service department	[]	20
	3. Production department		
	4. Marketing and sales department		
	5. Finance department		
	6. Human resources development department		
	7. Industrial relations department		
	8. Industrial and process engineering		
	9. Other		
Q8.	The following are institutions (in categories) from which men and women may graduate during their educational career. Please tick the university category (categories) from which you graduated. Choose as many as are relevant.		
	1. UniZulu, Bop, Fort Hare, UniNorth, UNITRA []	[]	21
	2. University of Western Cape []	[]	22
	3. Technikon []	[]	23
	4. University of Natal, Rhodes, UCT, Wits []	[]	24
	5. RAU, Pretoria, Stellenbosch, OFS, Potch []	[]	25
	6. University of Durban Westville/UNISA []	[]	26
	7. Other []	[]	27
	If other, please specify (i.e. overseas institution or immigration) -----		
Q9.	What is your gender? []	[]	28
	1. Male		
	2. Female		

<u>SECTION B: SURVEY ON INDIVIDUAL AND ORGANISATIONAL DATA</u>		OFFICIAL USE	
Q10. a. Are there any informal corporate clubs in your corporation (bowls, cricket, soccer, tennis, golf, etc.)?	[]		29
1. Yes			
2. No	[]		
b. Are you a member of any of these clubs?	[]		30
1. Yes			
2. No	[]		
Name the Club.....		[]	31
c. If no:			
i. Give two reasons why you are not a member	[]	[]	32
.....		[]	33
.....			
ii. Do you think there is anything you can do to become a member?	[]		34
1. Yes			
2. No	[]		
Q11. a. In your job, is there any formal (written down) job description?	[]		35
1. Yes			
2. No	[]		36
If YES: Is the description TIGHT or LOOSE? [T]/[L]			
b. If yes:			
Who compiled it? Choose as many as are relevant.		[]	37
1. Myself		[]	
2. My immediate superior		[]	
3. My predecessor		[]	
4. Don't know		[]	
5. Other		[]	
If other, please specify: -----			

		OFFICIAL USE
Q12.	a. How often is this job description reviewed with you? []	[] 38
	1. Once a month	
	2. Bi-annually	
	3. Once a year	
	4. Not at all	
	b. And reviewed by whom?	[] 39
	c. Do you think your job responsibilities measure up to your job description? []	[] 40
	1. Yes	
	2. No	
	3. Don't know	
	d. If no, give two reasons why you think this is so.	
	-----	[] 41
	-----	[] 42
Q13.	Is your organisational career and development programme strongly linked to:	
	A B	[] 43
	• Performance management 1 [Y] 1 [N]	[] 44
	• Succession planning 2 [Y] 2 [N]	[] 45
	• Educational planning resources 3 [Y] 3 [N]	[] 46
	• Mentoring/coaching 4 [Y] 4 [N]	[] 47
	• Projects by teams 5 [Y] 5 [N]	[] 48
	• Task force assignments 6 [Y] 6 [N]	[] 49
	• Action learning 7 [Y] 7 [N]	[] 50
	• Rotational assignments 8 [Y] 8 [N]	[] 51
	• Classroom education 9 [Y] 9 [N]	[] 52
	• Competency identification and development 10 [Y] 10 [N]	
Q14.	If you are involuntarily separated or retrenched from your organisation at any career stage or level, are you adequately multiple skilled for alternative employment or a career change? (√ - tick where applicable by using the scale below):	[] 53
	[Excellent] [Very good] [Good] [Poor] [Unsure]	
	(1) (2) (3) (4) (5)	

Q15.	In your own words what should be done to improve the employees' career-pathing programme in your organisation?	[] 54

					OFFICIAL USE		
Q16. a. Should a manager like yourself be given more intensive career-planning and development to prepare the way for promotion up the corporate career ladder?					[]	[]	55
1. [YES]							
2. [NO]							
If the answer is: "Yes", explain briefly why.					[]	[]	56
b. Does this activity take place within your organisation?					[]	[]	57
1. [YES]							
2. [NO]							
If the answer is: "NO", explain briefly why.					[]	[]	58
Q17. What comes to mind when you think of the word CAREER? Indicate the extent to which you agree with the following statements.							
Ranking of importance							
1	2	3	4	5			

Strongly disagree	Disagree	Neither agree	Agree	Strongly agree			
			Nor disagree				
	5.1	The property of an organisation or occupation (Sales or Accounting within a college career)		-----	[]	[]	59
	5.2	Advancement (increasing success within occupation)-----			[]	[]	60
	5.3	Status of a profession (a lawyer is said to have a career, while a carpenter is not)		-----	[]	[]	61
	5.4	Involvement in one's work (career is extremely involved in the task)		-----	[]	[]	62
	5.5	Stability of a person's work pattern (a sequence of related jobs is said to describe a career, while a sequence of unrelated jobs is not)		-----	[]	[]	63

Q21. What roles should employers, managers and HRD professionals play in managing employees' careers for life-long learning? Indicate whether or not the following types of career-development planning activities are actually used by your organisation or not? (✓ - tick where applicable by using the scale below):				OFFICIAL USE	
	Organisational actions	(3) Activities attained	(2) Not attained	(1) Unsure	
1	Monitoring of specific individual career plans				[] 86
2	Succession planning discussions carried out by your senior manager and career counselling				[] 87
3	Enforcement of career planning and career management activities				[] 88
4	Focus on a career, which is stable, long-term, predictable and organisation driven				[] 89
5	Promote mobility, job transfers and job rotational activities within the organisation				[] 90
6	Promote certification learning programs (i.e. SAQA accreditation courses) and assessment activities				[] 91
Q22. a. Do you think you are adequately trained for your present job or not?					[] 92
1. Not adequately trained 2. Don't know 3. Adequately trained 4. Overtrained					
b. If not adequately trained:					
i. In what areas do you think you are inadequately trained?					[] 93
-----					[]
-----					[] 94
ii. What can you do to acquire such skills?					[] 95

iii Does the company have succession plans?					[] 96
1. [YES] 2. [NO]					
If YES, please specify: -----					

		OFFICIAL USE	
Q23.	a. How often does your senior management meet with their subordinates? []	[]	97
	1. Weekly		
	2. Once a month		
	3. Bi-annually		
	4. Once a year		
	5. Not at all		
	b. How often does your senior management walk the shop-floor? []	[]	98
	1. Daily		
	2. Weekly		
	3. Monthly		
	4. Not at all		
Q24.	a. In terms of promotion, do you think you have moved faster or slower than or the same as your departmental colleagues? []	[]	99
	1. Faster		
	2. Same		
	3. Slower		
	4. Difficult to assess		
	b. Give two reasons for your assessment. []	[]	100

	[]		

If Faster:		A	B
	1. Where you trained for the position?	1[YES]	1[NO]
	2. Are you comfortable in the position?	2[YES]	2[NO]
	3. Do people accept your position?	3[YES]	3[NO]
	4. Subordinates?	4[YES]	4[NO]
	5. Superiors?	5[YES]	5[NO]
		[]	101
		[]	102
		[]	103
		[]	104
		[]	105
Q25.	In your company what factors do you think are the most important in contributing to your promotion? <u>(Give only three reasons rated in order of importance).</u>		
	Most important: []	[]	106

	Second most important: []	[]	107

	Third most important: []	[]	108

		OFFICIAL USE
Q26.	Carefully consider the following factors and use the scale given to assess the importance of each for job success. Scale: 1 = Very unimportant, 2 = Unimportant, 3 = Neither important nor unimportant, 4 = Important, 5 = Very important. Write your choice of number next to the factor.	
	1. Individual effort []	[] 109
	2. Education []	[] 110
	3. Experience []	[] 111
	4. Connections []	[] 112
	5. Heritage []	[] 113
	6. Luck []	[] 114
	7. Tricks []	[] 115
	8. Race []	[] 116
	9. Ideology (the way of thinking) []	[] 117
	10. Other []	[] 118
	If other, please specify: -----	
Q27.	a. Again, thinking about your experience in industry, did you expect promotion to give you some or full or no decision-making powers? []	[] 119
	1. Full decision-making powers	
	2. Some decision making powers	
	3. Don't know	
	4. No decision-making powers	
	b. Give two reasons for your answer. []	[] 120

	[]	[] 121

Q28.	a. What type of relationship would you say you have with your immediate superior? []	[] 122
	1. Positive (friendly, co-operative, accepting, honest)	
	2. Lukewarm	
	3. Difficult to assess	
	4. No relationship	
	5. Negative (unfriendly, unco-operative, tense)	

		OFFICIAL USE
Q29.	a. What type of relationship would you say you have with your colleagues (other managers in your company)?	
	[]	[] 123
	1. Positive (friendly, co-operative, accepting, honest)	
	2. Lukewarm	
	3. Difficult to assess	
	4. No relationship	
	5. Negative (unfriendly, unco-operative, tense)	
	b. Give two reasons for your choice.	
	[]	[] 124

	[]	[] 125

Q30.	What is your superior's management style?	
	1. Will it be dictatorial? (top-down instructional approach) []	
	2. Will it be open management? (Open-door policy) []	
	3. Will it be sharing management? (Continued staff updates on current business) []	[] 126
	4. Will it be participative management? (Team decision efforts on activities) []	
Q31.	a. Are there any in-house company developing training programmes, which you have been involved in?	
	[]	[] 127
	1. Yes	
	2. No	
	b. If yes? Have you led the project?	
	[]	[] 128
	1. Yes	
	2. No	
	i. What types of training practices? (Give examples).	
	[]	[] 129

	[]	[] 130

	[]	[] 131

	[]	

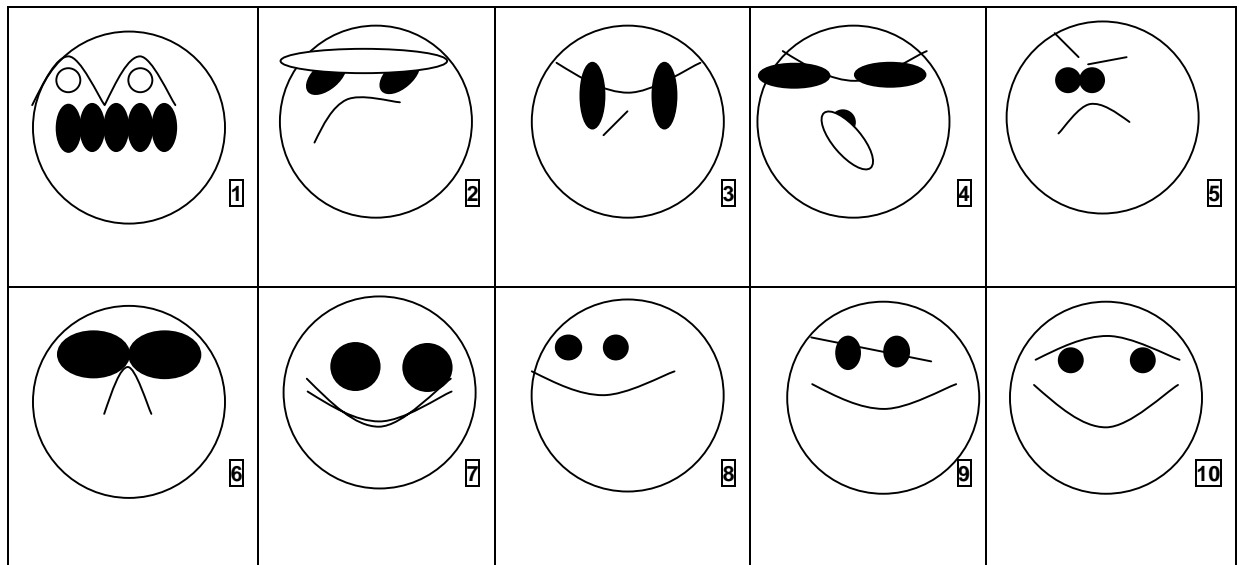
	[]	

		OFFICIAL USE
32.	<p>a. When you were still a novice at work, did you have an experienced person who gave you guidance and support (mentor, role model, coach)? []</p> <p>1. Yes</p> <p>2. No</p> <p>b. If yes:</p> <p>i. To which racial group did he/she belong? []</p> <p>1. White</p> <p>2. Black</p> <p>3. Indian</p> <p>4. Coloured</p> <p>ii. Did you find this relationship meaningful in terms of helping you in adapting to the work expectations? []</p> <p>1. Meaningful</p> <p>2. Don't know</p> <p>3. Not meaningful</p> <p>c. What do you think were the contributing factors to this? Give three reasons:</p> <p style="text-align: right;">[]</p> <p>-----</p> <p style="text-align: right;">[]</p> <p>-----</p> <p style="text-align: right;">[]</p> <p>-----</p>	<p>132</p> <p>133</p> <p>134</p> <p>135</p> <p>136</p> <p>137</p>
Q33.	<p>In your opinion which department do you think is more capable of making important contributions (like control over resources) critical to the organisation's survival in terms of competencies?(choose one only) []</p> <p>1. Staff departments</p> <p>2. Service departments</p> <p>3. Production departments</p> <p>4. Marketing departments</p> <p>5. Finance</p> <p>6. Engineering</p> <p>7. Don't know</p> <p>8. Other, please specify:-----</p>	<p>138</p> <p>139</p> <p>140</p>

					OFFICIAL USE
<p>Q34. Listed below are the impressions people like you may have in relation to their employing organisations. Please use the scale to indicate whether you:</p> <p style="text-align: center;">Ranking of importance</p> <p style="text-align: center;">1 2 3 4 5</p> <hr style="border-top: 1px dashed black;"/> <p>Strongly disagree Disagree Neither agree Agree Strongly agree Nor disagree</p> <p>Write your chosen number next to each impression.</p>					
	a. I have control over valued resources like information.	[]		[]	141
	b. I have access to important people in my organisation.	[]		[]	142
	c. Relatively speaking, my departments are influential and powerful.	[]		[]	143
	d. My position within the department is meaningful in terms of control.	[]		[]	144
	e. I know who the important people in my organisation are.	[]		[]	145
	f. I have the right to consultation.	[]		[]	146
	g. I have the right to co-decision.	[]		[]	147
	h. I have the right to make decisions.	[]		[]	148
	i. I have the right to make suggestions.	[]		[]	149
	j. I can change things that affect my life at work.	[]		[]	150
Q35.	a. Are there any competencies that you are required to develop to be promoted?	[]		[]	151
	1. Yes				
	2. No				
	b. If “Yes”, do you have the means or opportunities to acquire them?	[]		[]	152
	1. Yes				
	2. No				
	d. If “No”, what are the constraints?	[]		[]	153
	1. No available funds				
	2. Company’s disapproval				
	3. No career-pathing				
	4. Specify other: -----				
Q36.	Who should be responsible for career management and development?	[]		[]	154
	1. Your own responsibility				
	2. Management				
	3. Human Resources Development				
	4. External consultant				
	5. Combination				

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Q37.	How would you rate your own managerial skills? (√ - tick where applicable by using the scale below):					
	[Excellent]	[Very Good]	[Good]	[Average]	[Poor]	
	[<input type="checkbox"/>]	[<input type="checkbox"/>]	[<input type="checkbox"/>]	[<input type="checkbox"/>]	[<input type="checkbox"/>]	[<input type="checkbox"/>] 155
	I	I	I	I	I	
Q38.	How would you see your own career development path in your organisation in five years time?					
	-----					[<input type="checkbox"/>] 156
Q39.	What career support do you expect from your company:				[<input type="checkbox"/>]	[<input type="checkbox"/>] 157
	1. Financial assistance					
	2. Study loan					
	3. Mentorship programme					
	4. None					
Q40.	a. Is your manager aware of your career goals and needs?				[<input type="checkbox"/>]	[<input type="checkbox"/>] 158
	1. Yes					
	2. No					
	b. Have you been on any career management training within the company?				[<input type="checkbox"/>]	[<input type="checkbox"/>] 159
	1. Yes					
	2. No					
	c. Does career development form an integral part of your performance evaluation?				[<input type="checkbox"/>]	[<input type="checkbox"/>] 160
	1. Yes					
	2. No					
Q41.	Explain briefly. How can the company make the employees more aware of the importance of individual career management and development?					
	-----					[<input type="checkbox"/>] 161

Q42. Lastly, which face, in your organisation, shows the way most people like yourself feel about their organisation now? **Please make an animated choice below.**



(Copyright 2002 animation developed by the researcher)

[] CODE 182
[] CODE 183

- 1. Aggressive []
- 2. Negative []
- 3. Disappointed []
- 4. Frustrated []
- 5. Disbelieving []
- 6. Cautious []
- 7. Undecided []
- 8. Curious []
- 9. Satisfied []
- 10. Confident []

Scales:

- a) Very happy at work: 9 or 10
- b) Happy at work: 7 or 8,
- c) Neutral at work: 6 or 5,
- d) Unhappy at work: 4 or 3,
- e) Very unhappy at work: 1 or 2.

<u>SECTION C: THE CAREER-DIMENSION SURVEY</u> Caela Farren and Beverly Kaye		OFFICIAL USE			
<i>Instructions:</i> Respond to the items below by rating each from one (not true) to five (very true) for your organisation (or division).					
1	2	3	4	5	
Not true		Somewhat true		Very true	
1.	My organisation expects me to take the lead in managing my own career.		[]	[]	162
2.	I co-ordinate my professional development plans with the organisation's strategic plan.		[]	[]	163
3.	I am free to choose what tasks I will work on from day to day, as long as I deliver the expected final results.		[]	[]	164
4.	My manager encourages me to develop skills that will qualify me for other jobs in my career field.		[]	[]	165
5.	My organisation/division uses succession planning to identify and prepare candidates for key positions.		[]	[]	166
6.	Information moves easily between my division and the senior management of the organisation.		[]	[]	167
7.	My manager advises me on my career options and alternatives.		[]	[]	168
8.	My job allows me to decide how I am going to do my work, as long as I meet certain recognised standards.		[]	[]	169
9.	My manager discusses the probable impact of new technology on our work unit with me.		[]	[]	170
10.	This division's expected work force requirements for the next two or more years have been explained to me.		[]	[]	171

<i>Instructions:</i> Respond to the items below by rating each from one (not true) to five (very true) for your organisation (or division).		OFFICIAL USE		
1	2	3	4	5
Not true	Somewhat true		Very true	
11.	The final results of my work depend more on an effective team effort than on my individual contribution.		[]	172
12.	I have been told of my standing in the succession plan for key positions in my division.		[]	173
13.	A variety of desirable career options are available to me in this organisation.		[]	174
14.	This organisation assists me to prepare myself for technological changes in my field.		[]	175
15.	I initiated career discussions with my co-workers.		[]	176
16.	My manager informed me of his or her personal assessment of my current competence and ability in the past three months.		[]	177
17.	In my work I am involved with many different tasks and/or projects.		[]	178
18.	Special projects or rotational assignments are available to me for career development purposes.		[]	179
19.	I am not sure exactly what my career field or discipline is.		[]	180
20.	This organisation's long-term plans will result in the availability of more career options in my field.		[]	181

Thank you for your contribution to this research.

APPENDIX B

QUESTIONNAIRE PRE-CODING PROCEDURE AND DETAILED STATISTICAL DATA BY OBJECTIVES

SECTION A: QUESTIONNAIRE PRE-CODING PROCEDURE

In the construction of the questionnaire coded questions were used. Coding entails assigning numeric codes to each response which falls in a particular category. Codes facilitate data capturing. Coding frames were used for the post-coded open-ended questions. Most of the questions were pre-coded (as Figure 4.2 illustrates), with the exception of the qualitative type questions, which were open-ended.

Figure 4.2: Example of questionnaire pre-coding data

<p>Q18. In your opinion, rank the most favoured MCD techniques within your organisation: Ranking of importance</p> <table border="0" style="width: 100%; text-align: center;"> <tr> <td style="width: 20%;">1</td> <td style="width: 20%;">2</td> <td style="width: 20%;">3</td> <td style="width: 20%;">4</td> <td style="width: 20%;">5</td> </tr> <tr> <td colspan="5">-----</td> </tr> <tr> <td>High priority</td> <td>Good</td> <td>Average</td> <td>Lowest priority</td> <td>Poor</td> </tr> </table> <ul style="list-style-type: none"> • Job rotation 1 2 3 4 5 • In-company MCD programmes 1 2 3 4 5 • Task forces/Special projects 1 2 3 4 5 • External MCD programmes 1 2 3 4 5 • On-the-job training 1 2 3 4 5 • Coaching/Mentoring 1 2 3 4 5 • Performance feedback 1 2 3 4 5 • Teaching/Consulting with other employers 1 2 3 4 5 	1	2	3	4	5	-----					High priority	Good	Average	Lowest priority	Poor	<p>OFFICIAL USE</p> <p>[5] CODE 64</p> <p>[2] CODE 65</p> <p>[2] CODE 66</p> <p>[3] CODE 67</p> <p>[4] CODE 68</p> <p>[5] CODE 69</p> <p>[5] CODE 70</p> <p>[1] CODE 71</p>
1	2	3	4	5												

High priority	Good	Average	Lowest priority	Poor												
<p><u>SECTION A: BIOGRAPHICAL DATA</u> (Please CIRCLE only one choice unless asked for multiple choices)</p> <ul style="list-style-type: none"> ▪ Questionnaire sequence coding (3 digits): ▪ Areas of samples collected: Gauteng [1] KZN [2] Eastern Cape [3] ▪ Type of company: OEM [1] or Tier 1 [2] ▪ Race group: Managers: Non-designated [1] or Designated [2] 	<p>CODE</p> <p>1 2 3</p> <p><input type="text"/> <input type="text"/> <input type="text"/></p> <p><input type="checkbox"/> CODE 4</p> <p><input type="checkbox"/> CODE 5</p> <p><input type="checkbox"/> CODE 6</p>															

SECTION B: DETAILED STATISTICAL DATA PROCESSED BY THEMES

This section has seven important themes that were identified and an attempt was made in Chapter Five to analyse the data obtained from the questionnaire statistical responses based under the following briefly listed themes:

Theme One: Does the human resources department of the organisation have management development programmes in place, and, if so, are they effective for both D_{SGN} and ND_{SGN} managers?

1. Personal understanding of the term MCD.
2. The feelings regarding his/her own MCD plan.
3. The perceived magnitude of the MCD problems.
4. The feelings regarding the company's commitment to MCD.
5. The feelings about the involvement of his/her senior or executive managers and/or immediate superiors in the MCD process.
6. The perceptions of the skills required to formulate a MCD plan.
7. The manager's input regarding suggestions for improvements to enhance the effectiveness of MCD in the company.

Theme Two: Is HRM realising the organisational strategic plan by implementing relevant MCD programmes?

1. The manager's input regarding the integrated approach of a structured human resources strategy is included in the organisational plan, and the organisation's written policy on designated MCD.
2. The views on the role models played by HRM professionals in managing employees' careers for life-long learning.
3. The views on organisational perceptions towards future staffing levels of D_{SGN} within a standardised recruitment and MCD model.

Theme Three: If there is a standardised MCD model (of any nature) in place, is there a difference between its effectiveness for the NDSGN and DSGN managers?

1. The view on the type of organisational support programmes on MCD offered.
2. The views regarding top management's preference for a particular MCD programme and a structured human resources strategy.
3. Are there organisational significant relationships between the organisation's perceptions of MCD with a particular preference for educational qualifications for the recruitment of DSGN.
4. The views with regard to the categories of management responsible for the implementation of MCD programmes and perceptions towards commitment.
5. The manager's views of management responsibilities for identifying potential talent internally in the organisation, and those responsible for the implementation of MCD and development interventions.

Theme Four: Are the DSGN MCD programmes aligned with employment equity expectations, and are these programmes monitored?

1. The views on organisational employment equity plans for monitoring and evaluating DSGN's intensive career-planning and development preparations as the way for promotion up the corporate career ladder.
2. The views on the organisational commitment towards an internal monitoring body and commitment to designated MCD.
3. Is there a significant relationship between the age of the organisation and the DSGN's views on service years, on career-pathing and on development management?

Theme Five: What are the effects of employment equity on DSGN's MCD?

1. The DSGN's view on organisational career development on life-long learning roles played by the organisation's HRM professionals.
2. The significant view of the organisation's attitudes to redressing past imbalances with respect to DSGN, and their commitment to changing these staff levels.

3. The manager's views towards the organisation's attitudes towards commitment to designated MCD, and their human resources strategy.
4. The manager's view of the organisation's preserved respect for their commitment to designated MCD and preference for black advancement.

Theme Six: Do managers have a sense of security in their organisation? (Specify.)

1. Managers who are very happy at work.
2. Managers are just happy, but not very happy, at work.
3. Managers who are not happy but also not unhappy – they are in the middle (neutral).
4. Managers who are unhappy with life at work.
5. Managers who are very angry and impatient with life at work.

Theme Seven: The career-dimension survey: asking the right career-development questions that enable an organisation to build a successful career-development process

1. These questions assess the Future Perspective in the organisation: Understanding and communicating future trends and their implications for the workforce. A low score in this section could indicate a need to work at communicating the future needs of your organisation. It is important for managers to see where they fit in and how new competences will improve their marketability in the future.
2. These questions assess Organisational Systems and Practices in the organisation: Other management and human resources initiatives that interact and support the career-management system. A low score in this section could indicate a need to eliminate conflicting messages about what is said and what is done.
3. These questions assess Work Design in the organisation: the degree to which individuals find their work satisfying and motivating. A low score in this section indicates a need to restructure jobs and foster employee involvement. It is important to realise that the nature of the work managers do is one of the most influential elements in a manager's assessment of their career satisfaction and contribution.

4. These questions assess Managerial Support in the organisation: the ability of managers to support the development of their staff and teams. A low score in this section could indicate a need to help managers increase their effectiveness. It is important to realise that a manager's attitudes and behaviour exert a powerful influence on the productivity and professional development of employees.

5. These questions assess Individual Concerns in the organisation: the ability of an individual to self-manage his/her career. A low score in this section could indicate a need to encourage employees to take responsibility for their own career development. It is important to realise that if employees fail to acquire new skills, they will not keep the organisation ahead of the competition.