
Perceptions of employment equity implementation at a major South African multi-national financial corporations

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Introduction

This paper, based on a research project of the same name, investigates the perceptions around the implementation of Employment Equity at one of the biggest multi-national financial institutions in South Africa.

South Africa has a population of about 46 million people. 76.6 percent of the population are African; 11.3 percent are white; 8.3 percent are coloured and 2.4 percent are Indian/Asian.¹ Females comprise 52 percent of the total population. Despite the fact that there are more women than men in South Africa, women only constitute 38 percent of total employment. However the labour force participation rate for women in South Africa is different when compared to men due to many women taking on the parenting role and not choosing to work. In 2000 only 40 percent of all employees recruited were women. 13 percent of all top management positions are held by women and of that, only 1.2 percent are African women. 13 percent of top management consists of black employees with the vast majority at 87 percent being white and predominantly male.² People with disabilities have been largely ignored in the employment equity process. This is just an example of the kinds of statistics that are being gathered that show the serious disparity that still exists within South Africa's workforce.

The Employment Equity Act was legislated in 1998. Businesses throughout South Africa have had six years to make a start at implementing the legislation. The Employment Equity Act was brought in to help businesses "create a more equitable workplace by promoting equal opportunity and fair treatment through the elimination of unfair discrimination and by implementing affirmative action measures to redress the disadvantages experienced by designated groups."³ Government has made it quite clear that all organisations have to comply with the legislation and if they do not they will have to pay fines. The intention of the legislation is to remove discrimination that has prevented the vast majority of the population from attaining adequate levels of education and jobs. It also provides for a level of preferential treatment for those who were previously disadvantaged.

Firstly, it is necessary to deal with a few terms that are essential to a better understanding of this topic. 'Equal Opportunity' is a buzzword in contemporary South Africa and describes the ideal situation whereby all individuals have the same opportunities when applying for a job, this includes promoting fairness of procedures in employment, training, recruitment and selection. 'Affirmative action' is another important concept, which describes the process whereby one group is given preferential treatment in selection and training procedures over any other group in order to compensate for previous discrimination of that group. A 'designated group' means black people, women or people with disabilities.

Employment equity applies to several different groups of designated people. Black Africans, Coloureds, Asians, women and people with disabilities all fall under the 'previously

disadvantaged' classification. However black Africans are the group most considered due to the previous administration's policies of apartheid. Traditionally women and people with disabilities have been largely ignored from discussions on employment equity and in many ways this is a big discrepancy as it highlights the longstanding issues of discrimination that have existed for a lot longer than apartheid was around. Although it is both necessary and important to include both these groups in my study, as a result of time and also due to the size of the study it was not possible to tackle these contentious issues in the detail they deserve. However, one cannot merely ignore them and that by including them (albeit briefly) the scope of the project is enhanced.

Employment Equity and Affirmative Action are two aspects of the greater process of Transformation. Transformation is the process whereby an institution actively promotes and engages in steps that lead to a working environment where there is no discrimination and all employees can enjoy equal opportunities. A transformed workplace is one where all members understand and respect their colleagues, which leads to a more harmonious and productive working environment. In order to achieve Employment Equity and Affirmative Action employees, managers and the country at large needs to understand the Diversity that there is in this country and learn how to work with it. These four concepts are intrinsically linked to one another and in order for the entire process to succeed all four should to be recognised as equally important.

This paper looks at one of the leading financial organisations in South Africa and takes a thermometer reading of the climate around employment equity in June and July 2004. As one of the largest and most important organisations in South African business this company is seen as a 'trend setter,' a leader in its field. The company website has nothing but praise for the progress that this company is making towards its targets. This, of course, makes sense, as it would be bad marketing to say otherwise. It is therefore interesting to take a look at this organisation a little closer to find out what is really happening around employment equity. I wanted to speak to the ordinary staff members and hear what they had to say on the matter. I then wanted to compare this with what management at various levels had to say and with the promises that were made in the Employment Equity Plan.

This paper looks at the implementation process on several different levels. I asked participants to discuss any problems that had arisen. I wanted to find out from employees whether there was a perception that the organisation was playing a 'numbers game'; whether employees felt safe to speak out about sensitive issues that arose through this process; whether there is discrimination of any kind towards blacks or reverse discrimination against white males as a result of this process. I wanted to find out what employees felt about the level of management responsibility and leadership around the issue of employment equity. From management I wanted to gain the perception around the way the organisation is transforming, I wanted to gain a management point of view on discrimination and how it is being dealt with; I also wanted to find out how management is dealing with the pressures of implementation targets. In general I wanted to find out how blacks and other designated groups are managing in the current atmosphere around the legislation. I wanted to highlight any opportunities that have arisen from this process. I wanted to find out what kind of communication channels exist and how effective they are in keeping the entire organisation abreast of important issues. Are trade unions involved in this process; and to

what extent have they been involved? How has employment practices changed especially regarding recruitment and selection practices, and training and development? Are people with disabilities being catered for or are they being ignored, as is usually the case? How is the organisational culture being affected by employment equity and how does it affect the way employees react to the changes?

The Company

This company is one of the largest financial institutions in South Africa. The company has 4.6 million clients and 13 600 employees. This company provides a wide variety of investment products and retirement annuities as well as life, disability and health insurance products.

This company is divided up into Business Units each with its own management structure that reports to the Executive team. The Client Services department is the ‘support crew’ for these business units. Client Services manages the call centres where clients can call in and request information, make complaints or create new business. Client Services also has an extensive back office team that consolidates the new business and manages the old and current business. The company’s Cape Town office is the company’s head office and it comprises of just fewer than two thousand employees. This branch houses most of the call centres for each business unit and also the vast majority of back office production.

I focussed my study on the Client Services Business Unit and narrowed my study to only the Back Office employees. I did this because the logistics of getting appointments with members of the call centres was extremely difficult.

Employment equity Act 1998

Post-1994, South African legislation underwent a major reconstruction in order to remove all previous discrimination. The introduction of the Employment Equity Act in 1998 heralded a change in the structure and management of the labour force. ‘The purpose of the Act is to achieve equity in the workplace by’, firstly ‘promoting equal opportunity and fair treatment in employment through the elimination of unfair discrimination; and secondly ‘implementing affirmative action measures to redress the disadvantages in employment experienced by designated groups, in order to ensure their equitable representation in all occupational categories and levels in the workforce.’⁴ What this entails is that every employer must ensure that steps are taken to promote equal opportunity in the workplace and that no one is unfairly discriminated against – this prohibits medical testing unless specifically required for the job and psychological testing, also unless it is proven to be fair. The employer bears the burden of proving an allegation of unfair discrimination is in actual fact fair.

All designated employers, and by this the legislation means employers who employ more than 50 employees or businesses with a total annual turnover above a certain level, must ‘ensure that suitably qualified people from designated groups have equal employment opportunities.’⁵ Employers need to prepare an Equity Plan, which comprises of objectives to be fulfilled by the end of each year of the plan, a timetable stating the duration of the plan (no less than a year and no more than five years), the procedures that will be used to monitor and evaluate the implementation of the plan, consultation with employees, dispute resolution procedures and individuals that will be assigned the responsibility for making sure the plan is implemented.⁶

The introduction of the Employment Equity Act 1998 has led to major changes occurring in South Africa. Prior to 1998, businesses had free reign over who they recruited, now they have to be careful to make sure that their staff demographics match those of the country's as far as possible.

Methodology

This research study is a qualitative study aimed at assessing perceptions and attitudes regarding the implementation of employment equity. The best way to gain the greatest insight into peoples' perceptions would be to do in-depth interviews. A random stratified sample of about 55 employees of the back office of the Client Services department was chosen. This sample was chosen off employee lists and the respondents were picked according to race, gender and job grade in order to get as broad a spread as possible. The interview schedule was based on an interview schedule created by Adele Thomas and was found in an article in the South African Journal of Labour Relations. A copy of the interview schedule used is in the Appendix of this paper. Each interview was transcribed and then analysed using Nvivo, a computer aided qualitative data analysis tool.

Discussion of findings

Regardless of whether people had a positive or a negative attitude towards the implementation of Employment Equity, nearly each individual mentioned a perceived problem area or something that the company needed to address in order to improve the status quo.

a. Compliance vs. transformation

The implementation of the legislation and the severe consequences to companies that don't comply with it have forced many managers into 'compliance mode'. For many companies, the need to comply has overshadowed the need to transform due to the financial implications that come as a result of not complying (companies are fined if they don't comply with the legislation). This company has attempted to do both, comply in a manner that creates a sufficiently transformed business. However the Client Services department is in a difficult position. It is a service business and they are finding it difficult to create jobs when they are trying to shed them. This is the reality of the business but there are still expectations from government and black employees to change the demography of the organisation. This has led to some people claiming that this company has taken a 'numbers' approach to employment equity.

(Other financial companies), offer the same products and the same investment opportunities so there's competition. Bottom line is service is what gets you the client, as long as the workplace is disruptive and people are being employed and people are leaving it affects the production and efficiency of the company. I agree with what they're trying to do but not with how they're going about it. Can't put a time line to it. I believe it should take 8 years for the matter to resolve itself if you look at it from an education point of view. If we look at everyone getting a fair education. In 8 years time you can't discriminate because everyone should have had the opportunity to get the same education. (White Back Office Staff member)

This quote highlights the difficulties that companies are facing when transformation is moving slowly and the effects it has on the core business of the company i.e. providing a good service to their clients. The process of transformation is a slow one that will take several years to achieve. During this time the company is going to experience challenges as a result of the changes it is trying to bring about. This company is currently in this difficult stage.

Although it seems that some managers are trying to stress ‘equality of opportunity’ through institutional transformation, due to the shortage of vacancies that are opening the organisation has had to take the ‘quota approach’ and stress “equality of results”⁷. This clashes with the goal of transformation. The quota system depersonalises people and views them only as numbers. Under certain conditions the quota system can be effective, namely, that there has to be a concerted effort to train and develop the beneficiaries of this system so that it doesn’t end up harming the very people affirmative action is intended to benefit.⁸

b. Managerial commitment to transformation: the sole transformation manager

This company is in a difficult position; it has to play the ‘numbers game’ in order to comply with the legislation but it risks creating negative attitudes in this manner. However this company is in the fortunate position that it has the means by which it can approach this differently and it is; there has been an attempt to approach this in a more holistic manner. A key part of the company’s Growth, Equity and Transformation strategy is ‘Transformation.’ The Employment Equity Plan stresses the importance of transforming the organisation and understanding and appreciating its diversity. The Employment Equity Manager states that by “challenging employees to take personal ownership of diversity in the workplace and by recognising that all people have a particular worldview and set of skills, then we can enrich the workplace and employment equity will work.”⁹ These are very noble plans however it appears that changing words into action is a more difficult task. The responsibility for transformation, as is implied in the Employment Equity Plan, lies with the entire organisation. This company has given the challenge of transformation to one individual – a transformation manager. The majority of employees who mentioned transformation in their interviews commented on the fact that it isn’t working and also that they don’t see how responsibility for it could have been given to one individual.

Giving transformation to one individual is seen as a non-commitment from senior management to do anything about it. They’re not walking the talk. The obvious lack of transformation at the top level shows this. It’s very convenient to say things at top management and then give the driving of it to middle management. If you’re not willing to transform top management, then how can you set an example? (Asian Manager)

The transformation of an organisation needs to be initiated and managed by top management: “Without the active participation of top management the implementation of (employment equity, affirmative action, and transformation) is unlikely to succeed.”¹⁰ At this company the task of transforming the organisation has been given to one individual who is at a middle management level. He reports to the Human Resources Department and not to the Executive, which is where the majority of those interviewed believed he should be reporting. Ideally transformation should be run straight out of the Executive. The Executive team are the ones responsible and, as was admitted by the Executive General Manager, are the ones monitoring the implementation of

employment equity. Employment equity is a key aspect of the transformation process and therefore transformation should be elevated and given to someone with greater influence in order to effect change.

The bigger problem that emerges from this issue is that of management's commitment to this process. This is an issue that was raised by nearly all the people I interviewed. The managers I spoke to were even more critical of their fellow managers and the level of commitment there is towards change in the company. There were several comments of 'anti-transformation behaviour' from managers and the 'stumbling block' of middle management. A reason for this may be the fact that the Client Services department is not a growth business so most of the employees have been working there for between five and twenty years. When I asked about the work environment almost all employees, and certainly all those who had been there for a significant length of time, said that they were happy in their sections and that everyone worked together well, they also said that there had been few changes in the staff and very few areas had had new recruits in the six months prior to the interview. Senior management has also not changed much. The company's Executive team has seen a few black faces being brought in but the majority of top management has remained white and male.

Employees in the OMCS Back Office					
	Female				Female Total
EE Occupational Category	African	Coloured	Indian	White	
Top Management				3	3
Professionals					
Service and Sales Workers					
Technicians and Associate Professionals	6	33	6	73	118
Clerks	44	111	4	108	267
Total Female	50	144	10	184	388
	Male				Male Total
EE Occupational Category	African	Coloured	Indian	White	
Top Management		1		1	2
Professionals	1	1		2	4
Service and Sales Workers	1	2		1	4
Technicians and Associate Professionals	7	55	1	36	99
Clerks	31	119	1	15	166
Total Male	40	178	2	55	275
Total Male and Female	90	322	12	239	663

The Client Services department top management is also largely white but with the exception that there are more women in senior positions. The majority of employees complained that there hasn't been enough change in top management. Most of the comments were that white males still hold most of the top positions. It is assumed that these comments were with regard to the company in general because the picture within the Client Services department is slightly different.

c. Responsibility and commitment within line management: management vs. leadership

The most important steps that need to be taken in implementing employment equity at the organisational level are ensuring line responsibility and line commitment. Even though the ability and willingness to develop is an individual responsibility, providing opportunity and support for this development is the responsibility of line managers.¹¹ In the Client Services department the majority of line managers are white, closely followed by coloured managers, and there appears to be a lack of commitment to succession planning and the transfer of skills because people fear for their jobs. The threat perceived by white males is affecting their ability to effectively manage transformation in their sections: “Managers who lack skill in supervising people whose gender, culture, race or socio-economic background are different from their own often unintentionally operate out of biased or stereotypical frames of reference.”¹² Managers who are uncomfortable managing affirmative action appointees may react by becoming paternalistic towards them. In the Client Services department, despite the statements of diversity training in the Employment Equity Plan, there appears to have been no formal diversity training. It is largely left up to the individual managers to interpret diversity management as they see fit. There are several managers who have succeeded in this area but many of the older managers have not. In these cases one cannot ‘fire’ a manager who isn’t adept at managing diversity so the status quo doesn’t change unless they leave of themselves. There is also the perception amongst a lot of the older managers especially that the role of a manager is to ‘manage’, however it was stressed by the Executive General Manager that leadership is vital in this process: “The problem with many organisations is that they tend to be over-managed and under-led. Managers are people who do things right; leaders are people who do the right things.”¹³

Fuhr states that managers become leaders when they believe that responsibility for change doesn’t lie exclusively in their hands; when they draw out involvement and commitment to the change process from all levels in the organisation; and when they address the fear and reactive positions of various groups in the organisation.¹⁴ The Client Services department has plenty of managers just not enough leaders.

d. Talking to each other: the importance of communication

“Communication with all staff is essential from the outset, both to allow them to voice their fears and concerns and to ensure that all understand its objectives.”¹⁵ The acceptance of change can only happen through common understanding of what is necessary to achieve change. Communication is vital in creating this common understanding. The most successful way of creating this understanding is by developing a communication strategy that uses both formal and informal structures in the organisation. Making sure that information on how the company is doing with regard to targets and greater transformation issues is distributed on a regular basis. Also opportunities to ask questions and have them answered and regular briefing on what is happening in the organisation with regard to employment equity.¹⁶

This company has set up an Employment Equity Forum that is represented in each Business Unit by facilitators. Each facilitator heads up an EE committee that comprises of representatives from each department. These representatives make sure that information is fed back to employees and that issues are dealt with in the proper manner. When the Employment Equity Act was first implemented there was a lot of communication around this issue. However, it appears that the structures aren’t working very well anymore and nearly all those interviewed said that the EE

committees weren't effective and that there wasn't much said about employment equity. Communication on employment equity seems to have become almost non-existent unless an individual takes the initiative and finds out for him/herself.

The transformation manager and the HR managers are all responsible for communicating to the staff however there seems to be a problem of capacity. The transformation manager has been kept occupied with compliance issues and the only time communication becomes the top priority is when it is an emergency. HR also claims it hasn't the capacity to deal with communicating employment equity but another issue that was raised in this regard is that many on the HR team aren't 'sold' on the process and this affects their attitude to dealing with it.

You tend to reserve your comments with regards EE and AA, because you don't want to involve yourself in arguments. People fear speaking out because they become a target to management, management wants to know whom it was that spoke out and they attack you for whatever you say. So instead just sit down and relax and do your work." (Black Back Office Clerk)

Both employees and managers said that there is a fear of speaking out about employment equity issues. There are cases of discrimination occurring and people are too scared to say something in case they get targeted as a troublemaker. This issue can only be remedied if management makes a point of encouraging people to speak out. The Executive General Manager recognises this but it takes more than one high-powered individual to drive this sort of thing. The entire management body, including middle management needs to promote an open environment where people can speak out and challenge ideas without being targeted.

e. Organisational culture: whose culture?

Organisational culture is the cement that binds an organisation together, however it also excludes others. The majority of South African businesses are based on Western cultural norms and blacks have traditionally been excluded from involvement in the majority of economic life in this country. The pressure from government and legislation has now forced businesses to reassess their culture. This has happened very slowly and blacks continue to find it very difficult to fit into the dominant organisational culture of many businesses. The main reason for this is that blacks are expected to conform to a culture that is inherently foreign to them and if they don't then they aren't able to qualify for promotional opportunities.

Khoza emphasises that: "If economic democratisation is the key to (organisational) culture change, then worker participation is the key to economic democratisation."¹⁷ Historically the black workforce has been deprived of all aspects of control in their work. Black workers were traditionally not involved in any part of the productive process. This is one of the key reasons why black workers are indifferent to productivity. Affirmative action is the means whereby organisations create the educational and training opportunities to prepare black workers and managers so that they can assume greater responsibility and authority within the organisation.¹⁸ In the interviews, it was found that many of the employees were unhappy with the organisational culture. Most blacks felt that nothing had changed and that designated employees have a hard time being accepted. Accelerated Development Programmes have been introduced but these are mostly given to people outside the organisation and employees already working there are

overlooked. Many people felt that designated employees weren't given enough support and that they were immediately at a disadvantage when they entered the organisation. Several employees said that black people had to prove themselves twice as hard as white employees in order to show that they are capable. As a result of this many black employees are leaving. The turnover of black employees is far higher than of any other category or group.

Discrimination does happen within this company but it is subtly covert. The organisation has a mini-mall on its ground floor that provides several shops, a pharmacy, a post office, travel agent and a hairdresser among other services. The hairdresser is only geared to cut white peoples' hair. All of the HR practices and benefits are based on a Western framework. Medical aid doesn't make provision for visiting traditional healers, for example. Language is also an area where discrimination has occurred. Several managers and employees have commented that Afrikaans is spoken in meetings. When this is challenged the reaction is incredulous from Afrikaans speakers, however in instances where blacks have spoken in their language the reaction is outrage from those that cannot understand. Many second or third language English speakers have also mentioned that first language English speakers are often visibly impatient when people don't speak at the same speed or level that they do. It is important to address language issues because it forces us to look at the type of education that blacks received under the previous dispensation. They were not encouraged to think critically or independently, tuition was often vastly inferior to what whites were receiving. With that in mind it is necessary to understand why it is so difficult for blacks to operate in their second or third language.¹⁹

f. Women within the organisation: the position of women

In the interviews, when employees were asked if they had noticed any isolation of groups, the vast majority of responses were negative. However two key informants mentioned that women are neglected in the organisation. This company doesn't provide flexibility for women with regards to their family roles and needs. In many Western countries women make the choice between having a family and having a successful career. In South Africa the situation is somewhat different. Black women have children from a very young age. Companies are trying to attract more blacks and especially black women. If their needs as mothers are disregarded it makes it very difficult for them to work and parent. At this company the trade unions have attempted to take up this issue but it doesn't seem to have made it onto any management agenda. There has been much written about the difference between men and women, and the struggle for women to exert their equal status. Due to the role of primary caregiver women have been excluded from many kinds of work for their inability to have the same complete focus on the job. However this is deeply discriminatory (and hugely contested) and "if we are serious about treating women as equals, we need to develop a model of equality which can cater for difference as well as sameness."²⁰

g. Training and development: "Earmarked for greatness"

Training and development is an essential aspect to the effective implementation of employment equity. South Africa is in the unique position that beneficiaries of affirmative action represent a group that is unfavourably positioned when it comes to the rest of the population. This is as a result of imbalances in education, training and experience. It is thus very important to take this into account when recruiting previously disadvantaged individuals in designated posts. Training and development helps these individuals to catch up with those employees that have had a better

education. However one must be careful when implying that all blacks need training and development. There is a huge assumption made with that sort of statement and many of the employees commented on this being objectionable. It re-enforces the stereotype of whites being 'better', 'more qualified', and 'more desirable' than blacks. It's a very fine line to tread because the majority of blacks do need assistance in up-skilling but one must beware of enforcing old stereotypes. It is far better to imply that everyone needs training and give extra training where it is needed regardless of race, gender or disability.

If you've been 'ear marked for greatness' then the training and support is better e.g. management school, project management, etc. There is a commitment to training the others (the rest of the staff) more in life skills e.g. advanced interactions, making affirmations. There's definitely (management) commitment, however development is dependent on where (the Company) wants you to be and not necessarily on where you feel you should be. (Coloured EE Rep)

At this company, the majority of employees receive job-related training unless they are on a management-training programme. Although there is a perception that the company strongly encourages training and there are ample opportunities provided, some employees are not happy with the system. They feel that the company should be helping them in furthering their development outside of their job-function. Management was very clear on this issue:

"The philosophy is largely based on what individuals aspire for themselves. So they're putting the ball into the lap of the individual asking what they want to do with their life and career. Managers can help to develop a plan around that but it's got to be self-driven, self generated and self monitored. Its not for 'us' to tell the employees what they must go on its for them to be part of their development. Management provides the supportive environment around that and the encouragement, help with finance within specific defined areas, and monitor the development as part of the performance appraisals." (Executive General Manager)

h. People with Disabilities

People with disabilities are consistently overlooked in all spheres of the working world. Although affirmative action is supposed to give consideration to the disabled this very rarely happens. In South Africa the majority of the disabled population is black, in the Client Services department the majority of disabled employees fall into this category however only one of them is African. Converting a business environment into a disability-friendly environment is often not prioritised. Most able-bodied individuals don't think of the ease with which they move from their car to their office, or when they urgently need to use bathroom facilities, just how long it takes to get to a toilet in a wheelchair. The company has made a start at changing its head office into a disability-friendly environment, its main lifts are fitted with voice prompts telling the occupants which floor they're on, the new buildings are all far more disability-friendly than the older buildings – having been built expressly with the needs of people with disabilities in mind, people in wheelchairs have their desks modified. However these are just a start. There are still curbs that look innocent but in a wheelchair they're very difficult to negotiate, there aren't enough toilets for people with disabilities, which mean that wheelchair-bound employees have to travel far to reach their facilities. Even for an able-bodied person, the head office building is enormous and fairly ominous.

The visible disabilities have been fairly well provided for however those that have less visible or obvious disabilities are not provided for and often feel that they cannot ask for special treatment in the fear of being treated inferiorly. People with debilitating illnesses often aren't recognised as disabled and many don't want to be. If there was a more proactive and supportive environment for these people, more of them would come forward and life for them would be easier. One individual that I interviewed who is on medication for epilepsy, which had side effects that gave her migraines and left her incredibly run down, said that she'd rather take fifty pills to hide the side effects than ask for special treatment.

A major reason for the lack of people with disabilities at this company (and I would assume that other organisations are having a similar problem) is that there are very few job agencies that recruit for people with disabilities and only those that apply directly to the organisation are considered. This doesn't excuse this company from sourcing more people with disabilities and providing them with their rightful slice of employment within the organisation, but it does highlight the greater problem in our society – there are very few facilities that provide for the normal functioning of people with disabilities. Blakemore and Drake sum up the challenge for people with disabilities and argue that: “people are disabled not by their impairments, but by the attitudes of society and thus their unequal economic and social position that comes from discrimination and lack of access to power”.²¹

i. Positive Features: Not Just Bad News

So far I have focussed mainly on the negatives. It is very easy to criticise organisations for their inability to comply or transform to legislation and the greater transformation process. However it is only in an ideal world that something as enormous as this could happen within a space of ten years. In South Africa the Employment Equity legislation was implemented in 1998, we are still in the teething stages of this process. This company is one of the leading financial companies in South Africa. It has an obligation to set a good example. Recently there has been a nasty racism case that made it into the newspapers and created a lot of bad publicity. The organisation used this as a way of showing its employees and the rest of the country that it doesn't stand for racial (or any other) discrimination.

The majority of employees had a positive outlook when it came to the opportunities that employment equity has provided for the company. Many commented on the increased possibilities for previously disadvantaged persons. Others said that there is a greater focus on valuing the individual, a greater understanding of the diversity of the workforce, and a realisation of the need to transform the business as opposed to just complying with the legislation.

This company is a very large and hugely stratified organisation. Trying to implement change in this organisation is like trying to turn a tanker; it takes time. There are many people who feel that progress is happening too slowly but in order for real transformation to occur there needs to be time taken to assess, make changes, and then reassess before making more changes.

Conclusion

The challenge of transforming a nation is such an enormous task that it has this ominous and never-ending feel to it. In a country with a history like ours this task is that much greater. The necessity to succeed is that much bigger and the stakes are that much higher. South Africa has already made history with its peaceful transition to democracy and it is once again making

history by showing the rest of the world that it can change a previously inherently racially discriminatory society into one that is equitable and, most importantly, productive.

The tools that the government has provided are presented in the labour legislation. The Employment Equity Act sets out a clear process that organisations have to follow in order to comply with the legislation. How effective this process has been is slowly becoming apparent as companies align with the expectations of government and ultimately the expectations of a large percentage of this country.

This company has embarked on a thorough transformation process including all the aspects necessary in the process of affirmative action. My research at this company, although limited, highlighted the difficulties faced by a large established company. The conundrum of having to maintain productivity and yet comply with the legislation has been the cause of much debate and consternation within this company. Do you replace the long-standing white senior executives that have helped the organisation to become one of the most successful in South Africa with black executives that have not yet had the opportunity to prove themselves for the sake of setting an example? Or do you keep the existing executive, add some black faces, and try to push transformation at the lower levels at the risk of appearing hypocritical, but for the sake of maintaining the status quo in a production sense? These are difficult questions (and by no means the only ones) being asked by and of top management in all organisations in this country.

The findings show that the Client Services department is trying very hard to comply with the legislation despite the fact that it isn't a growth business. However, one wondered whether too much effort was being put into complying with the legislation and not enough put into transforming the company. It is evident that the findings support this contention. Both employees and management highlighted mostly the same problems, the fear of speaking out, existence of systemic discrimination, turnover problems and questions over leadership. Management stressed the difficulties of retaining black people within the organisation and the issue of transformation came up repeatedly. Nearly all participants admitted that there were opportunities arising from this process albeit not for everyone. The overriding perception from both employees and management is that management at all levels isn't totally committed to the process. Communication was initially good when EE was first brought in but has deteriorated to a level where very little information gets to employees, this wasn't only an EE problem. Trade unions are not involved in the EE process. Recruitment is officially limited to only Blacks due to the few vacancies that are available and the need for more blacks, however the reality is that people from non-designated groups are being hired because they can't find the right people and in a low inflation environment they can't just accept anyone, they need to remain competitive. Training and development is good although employees wanted to be put on more courses to further their careers, not just on-the-job training. There are people with disabilities in the Client Services department and they seem to be fairly well provided for but there is still much to be done with regards recruitment. The organisational culture is a hegemonic culture that hasn't made it easy for designated employees to fit in well.

This company has implemented the legislation to the best of their ability. They have not succeeded yet but are making small progress at a steady rate. The inflated expectations of black employees and the negative attitudes of many white employees and managers have not helped

the process. The issue around the transformation manager is serious and, in my opinion, if this was made a priority by the *entire* executive then it will do a lot better than it has been up to now. One of the participants made the suggestion that employment equity should be made into a project. This individual stressed that employment equity shouldn't sit in HR or with one individual:

There needs to be a strategy. There needs to be a clear focus for a short period of time where governance and processes are set up and then you can hand over. At the moment it's the way you as a line manager interpret the role/need. There needs to be a better structure of how to apply the legislation. If you create a project out of it then you're creating a focus, there's no focus right now. There are projects around efficiency that are driven and have focus but not around transformation. (Coloured Manager)

Although transformation is a key part of this company's business strategy it has not been managed properly. If this company were to make transformation into a project and it was managed as such, communication would be aided, there would be greater accountability, greater feedback, and no single person would be responsible, but rather it would be a team effort and ultimately an organisation-wide project. With greater communication and accountability attitudes would change and organisational culture would change along with it.

The research at this company has raised a few questions that could produce further interesting research. This project took a very broad overview of the situation within this company. Each theme (e.g. communication, issues around transformation, etc) could be the subject of an entire research project of its own. It was quickly realised that one could only skim the surface for this project. It was also realised how important it is to explore these issues in a qualitative framework. Studying the reports that the Employment Equity Commission produces and company reports show a very limited side of this issue. Spending the time on interviewing people is essential as it gives one a greater understanding of the everyday issues that emerge from the changes that are happening. The scope for research in this area is huge.

When I first approached the company I was under the impression that I would be commenting on a 'best-case scenario', I didn't fully understand the issues and difficulties that organisations are facing in trying to comply with this legislation.

Employment equity is a long-term process that cannot be achieved in six or ten years. Because of this country's history there are many who are impatient for change to happen faster, however in order to implement change so that it will be satisfactory and lasting it cannot be rushed. Malaysia succeeded with its employment equity process over a time period of twenty years in a situation of high economic and employment growth; South Africa has had only six years and we haven't had the economic growth or formal expansion of employment, this all contributes to the difficult atmosphere in which Employment Equity is being implemented.

Appendix A

Interview Questions

Section one: Progress to date and perceived problems

1. Please could you discuss any problems that you have experienced with regard to employment equity at this company? (Probe for issues that go beyond setting numerical targets)
2. Has complying with the legislation created any special difficulties among employees at this company? (Probe for preference given to one specific category of designated group; for concerns about job security/promotion of white males)
3. Can you identify any opportunities that the introduction of practices to achieve EE has afforded this company?

Section Two: Management Responsibility

1. Who do you believe is responsible for the actual driving of the EE process at this company? (Probe whether this function rests with the CEO, senior mgt, line mgt, etc.)
2. Does this company have a group that monitors the implementation of practices to achieve EE? (Probe for employee involvement, op mgt commitment)
3. Do you believe line managers are held accountable for EE in their sections? (Probe for achievement of numerical targets, rewards for reaching targets)

Section Three: Consultation and Communication

1. What involvement do the trade union(s) and other employee groupings have in driving the EE process? (Probe for involvement beyond policy formulation, e.g. mentoring, communicating, raising EE issues with mgt)
2. Who communicates the EE process to staff? (Probe for top mgt and line mgt involvement in communication, the involvement of employee representatives, the use of the intranet)
3. What modes of communication are used in the company to inform employees about EE? (Probe for the use of memos, newsletters, face to face communication, suggestion boxes, forums, etc.)

Section Four: Employment Practices

1. Could you discuss the recruitment practices that this company uses in selecting its new employees?
2. Do the selection practices make provision for identifying potential in designated employees? (Probe for what is looked for)
3. What is the training and development philosophy at this company?

4. Are performance appraisals regularly undertaken? (Probe for how often)
5. Does this company have a mentoring programme?

Section Five: People with Disabilities

6. Is the physical structure of this company accessible to people with disabilities? (Probe for ramps, Braille in lifts, etc.)
7. Have any special measures been introduced for people with disabilities? (E.g. in the area of recruiting)

Section Six: Organisational Culture

1. Have you experienced the 'poaching' of your employees/ colleagues from designated groups? (Probe for issues in addition to those of remuneration)
2. Has there been any noticeable sabotage of the EE process at this company? (Probe for overt or covert, e.g. exclusion from info, 'club' cultures, etc.)
3. Are managers at this company trained specifically in understanding, valuing and utilising similarities and differences that exist among diverse employees?
4. Has this company embarked upon any strategy to address the management of employee diversity? (Probe for cultural awareness and sensitivity training, training on issues relating to disability and gender)
5. What are your views on designated employees fitting into the organisational culture? (Probe for assimilation being required which is unrelated to the job output, examples)
6. Do you think that certain categories of employees are isolated and alienated within the organisational culture of this company? (Examples)

Any further issues the participant feels the interviewer hasn't mentioned.

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