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Ubuntu, the Profit Motive and the Quest for Meaning in a Firm.

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Abstract

My research report addresses the question of how adopting Ubuntu values in order to promote meaning in the lives of employees working in a firm can be reconciled with the profit motive. How can a CEO add more meaning to the lives of employees by implementing Ubuntu values in the workplace? My aim is to explore how relationships within a firm can become more worthwhile or meaningful from an Ubuntu perspective. The central argument in my report is that a CEO should promote meaning in workers lives, should do so via Ubuntu and should adopt and implement policies and practices in the workplace such as worker consultation or participation in the decision-making process, employee profit-sharing, share ownership and voting. I recommend an innovative and practical method to increase employee participation, collaboration and involvement in running the firm using a visual mapping or storyboard process. My thesis is that the democratic idea of employees participating in meetings and being involved in the decision- making process as well as having shares in the firm is better from both an Ubuntu and a meaning perspective.

Ubuntu, the Profit Motive and the Quest for Meaning in a Firm.

Costa Ayiotis

"Do more than belong, participate. Do more than care, help. Do more than believe, practice. Do more than be fair, be kind. Do more than forgive, forget. Do more than dream, work."

W. Ward.

A. INTRODUCTION

At the outset this research report largely accepts the validity of ubuntu, the profit motive and the capitalist system. I take them all for granted. I view Ubuntu as appropriate and necessary in South African society and particularly in business because it is collaborative, consensus-seeking and consultative. I view the capitalist market economy as essential because it is within this firmly established framework that the conditions of work and the relationship between capital and labour are established or created. The market after all regulates the supply and demand of goods and services and this has a significant impact on workers' lives and the work environment. My report seeks to answer the question of whether the pursuit of the profit motive in firms can be reconciled with Ubuntu values and meaning in the lives of employees. Can they co-exist in the workplace? Put differently, within the context of a capitalist market economy and with the profit-motive taken as a given, how can a CEO add more meaning to the lives of employees by implementing essential African or Ubuntu values in the workplace?

I recognise a prima facie or inherent tension between Ubuntu and capitalist markets because while Ubuntu values people and seeks as its primary aim to advance harmonious communal relationships between people, the capitalist market economy values wealth creation and prioritises profits above people. When businesses and corporations occasionally acknowledge the role and participation of their people it is done with the profit motive in mind. So while some corporations and business leaders may not reject Ubuntu altogether as a philosophy they might question what it recommends in the workplace. Nonetheless, I believe that ubuntu offers useful ideas about how to soften or humanise capitalism so that it would be more conducive to meaning in the lives of workers.

My report examines the activities in a firm that Ubuntu suggests would be admirable and worth pursuing despite the profit motive. The focus falls more on how the operations of a firm impact on the internal dynamics or relationships within a firm as a community of people in a shared working environment, rather than on the firm's relationships with external communities or even customers.

My report further explores how relationships within the firm can become more worthwhile or meaningful from an Ubuntu perspective. In this sense, the values of Ubuntu need to become the default position of the CEO when there is doubt or conflict. Alternatively, the values of Ubuntu become the moral foundation or ethical compass of the CEO with regard to her workers.

The question of how we reconcile Ubuntu, the profit motive and meaning in a business is important because inter-personal relationships matter a great deal. We

want to know how we ought to treat one another in the workplace and what real measures can be implemented in a firm to make Ubuntu workable. The central argument in my report is that a CEO should promote meaning in workers lives, should do so via Ubuntu and should adopt and implement policies and practices in the workplace such as worker consultation or participation in the decision-making process, profit-sharing, share ownership and voting.

It is my contention that the existing literature on Ubuntu attempts to provide a general account of Ubuntu values in the workplace but does not go far enough to explain the full extent to which Ubuntu can and should operate in the workplace. My report focuses on several important functional areas including managerial decision-making and worker participation in decision-making; employee profit-sharing; share ownership and voting; and lastly the quality of labour. In each of these areas I discuss which authors are relevant or have had a contribution to make on the topic. Most of the literature on the subject falls short in that it is too abstract in orientation and provides little real or concrete guidelines to a CEO seeking recommendations on how to implement the more democratic and collaborative Ubuntu principles in a firm in practical terms.

In part B my report begins with some general comments about the African humanistic philosophy of Ubuntu. I then proceed to offer a preferred theoretical interpretation of Ubuntu that I will rely upon in my report and go on to explain how some leading writers on the subject view Ubuntu's core values. I consider and reject some alternative arguments that articulate prima facie attractive conceptions of meaning that do not come via Ubuntu. I also address and reply to the Stockholder Theory main

argument that it's the primary duty and responsibility of a CEO to keep her promise to shareholders to maximise profits and not to implement Ubuntu.

In part C and the sections that follow, I look at what Ubuntu entails for different facets of the workplace and critically explore the existing literature on the operation of Ubuntu values in this sphere. This includes, where relevant or appropriate, the work of Reuel Khoza, Lovemore Mbigi, Augustine Shutte, Segun Gbadegesin and Johann Broodryk.

More specifically in part C section I of my report, I examine how Ubuntu applies in managerial decision-making and equally important how workers can and should participate in this process. I discuss Khoza's concept of consensus and I recommend an innovative and practical method to increase employee participation, collaboration and involvement in running the firm using a visual mapping or storyboard process like the Participlan Group Facilitation tool. I will explain how this information gathering and group thinking process works and show how it relies on the philosophy that groups tend to make better decisions than individuals acting alone. The power of harnessing teamwork and collective thinking and idea generation becomes in my opinion paramount to instilling Ubuntu values in the workplace.

I go on to examine the case study of the Axiz IT Company which recommends participative management. I reply to several criticisms including the objection that Ubuntu is not obviously opposed to hierarchy and may even recommend it because according to this view a more direct and hierarchical communication style is quicker, more efficient in the long run, gives employees greater certainty and direction and

therefore provides greater meaning in employees' lives. I will also reply to objections and concerns from friends of Ubuntu or people who accept Ubuntu as a philosophy and do not challenge its validity outright yet they might nevertheless question what Ubuntu recommends and in so doing resist the implementation of certain Ubuntu values in the workplace. More specifically I will address the critics that may challenge the consensus seeking approach I associate with Ubuntu.

In part C section II, I discuss the Axiz approach in more detail and more specifically how employee profit-sharing and share ownership as well as a fair and democratic system of employee voting on key issues is applied in practice in the different levels of a firm as a way to promote Ubuntu values in the workplace and to add more meaning to the lives of workers. I also examine the issue of board membership.

In part C section III, I look at how Ubuntu applies when the quality of labour is an issue. This issue is important because it deals with the way in which firms treat their employees. Typically most western firms or CEOs prioritise performance at all costs and place work demands and pressures before the needs of their people. This often creates worker burnout and a climate of fear and mistrust. A CEO inspired by Ubuntu values would actively promote harmonious relationships with employees in order to motivate them, to instil a greater sense of well-being and belonging at work. This CEO would show greater empathy or compassion when dealing with non-performing or problem employees and by placing greater value on people and their needs would significantly add more meaning to their lives.

I conclude in part D that the “telling versus engaging” model and the “command and control” approach favoured by the military is not the ideal way to promote Ubuntu values and to seek meaning in the workplace. My thesis is that the more democratic idea of people being allowed to air their views with informal and non-hierarchical participation in meetings and involvement in the decision- making process by all the employees is better from both an Ubuntu and a meaning perspective. A highly consultative, collaborative, consensus-seeking decision-making approach recommended by a group facilitation method or tool like Participlan, combined with employee share ownership and employee voting, offers in my judgement the best solution to accommodate Ubuntu values, the profit-motive and the quest for meaning in the lives of employees working for a firm. In this regard the CEO as an important part of her duties should play an active role to promote meaning in the lives of employees via Ubuntu.

B. THE PHILOSOPHY OF UBUNTU

"Ubuntu" is a Zulu word that means “humanness”. Its essence is captured in the principle: “a person is a person through other persons.” A person’s value as a human being depends on acting for the sake of community and promoting community interests before individual interest. The concept of community is a core Ubuntu value in African thinking about humanity.

Desmond Tutu states that having Ubuntu in one's life and "being human" means embracing the values of generosity, hospitality, friendliness, care and compassion.[1] Tutu explains the central tenets of Ubuntu in the following way:

> Harmony, friendliness, community are great goods. Social harmony is for us the *summum bonum* – the greatest good. Anything that subverts or undermines this sought-after good is to be avoided like the plague. Anger, resentment, lust for revenge, even success through aggressive competitiveness, are corrosive of the good. [2]

Khoza states that in essence Ubuntu is about relationships and focuses on "mutual respect and care" that people should display to one another.[3] Mike Boon similarly points out that Ubuntu exists only where there are mutual or reciprocal relationships between people in a community. People act for the good of each other and for the welfare of the community.[4] He goes on to emphasize the importance of the group in this way:

> One's humanity can, therefore only be defined through interaction with others…..the group is as important as the individual and a person's most effective behaviour is in the group. All efforts working towards this common good are lauded and encouraged, as are all acts of kindness, compassion and care, and the great need for human dignity, self-respect and integrity. [5]

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[1] Desmond Tutu, *No Future Without Forgiveness* (Johannesburg: Rider Books, 2000), p.34.
[2] Ibid, p.35.
[3] Reuel Khoza, *Let Africa Lead: African Transformational Leadership for 21st Century Business* (Johannesburg: Vezubuntu, 2006), p.6.
[4] Mike Boon, *The African Way: The Power of Interactive Leadership* (Sandton: Zebra, 1996), p. 32.
[5] Ibid, p. 32.

The interpretation of Ubuntu I'll be relying on in my thesis comes mainly from Thaddeus Metz,[6] because he is to my knowledge the only author that has produced a coherent theory of Ubuntu. The Metz account goes further than other authors to seek an interpretation of Ubuntu that is not only theoretical in nature but also anchored in key African values as opposed to Western values.

For example, authors like Shutte and Mbigi to some extent introduce key Western values into their accounts of Ubuntu by emphasising personal growth or individual self-actualisation through community. [7] Other accounts look at considerations of the welfare of the group and group solidarity or they value humanity and human dignity. For Metz these aspects, though important, are less vital and the most important work in Ubuntu is done by advancing harmonious communal relationships. In the Metz interpretation of Ubuntu "harmony" is a significant factor and it is a synonym for positive communal relationships or community relationships of the right kind.

Many of the Ubuntu authors have examined Ubuntu from a moral perspective in trying to formulate Ubuntu as a guide to right action or moral decision-making. In terms of this approach the focus falls on trying to determine which actions are *pro tanto* immoral under Ubuntu. Examples here that Ubuntu would consider wrong or immoral would include actions that undermine social harmony, reconciliation, group consensus and solidarity.

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[6] Thaddeus Metz, "Toward an African Moral Theory," *Journal of Political Philosophy* 15 (2007), pp. 334-340.
[7] See Augustine Shutte, *Ubuntu: An Ethic for a New South Africa* (Pietermaritzburg: Cluster Publications, 2001), p.166; and Lovemore Mbigi, *In Search of the African Business Renaissance: An African Cultural Perspective,* (Randburg: Knowledge Resources, 2000), pp.6-7.

The purpose of my report differs somewhat in that it does not look at Ubuntu solely or primarily in terms of morality or right versus wrong action. My aim is to establish rather which core Ubuntu values should be embraced and which policies and actions should follow if a CEO were to promote meaningful lives in a firm. My major claim is that a CEO should adopt Ubuntu because an important part of a CEO's duties involves creating an environment in the firm that significantly adds meaning to the lives of employees or workers. Essentially meaning or a sense of well-being is created in the lives of employees in a firm by actions that promote harmonious communal relationships without using discordant means. Communal relationships are those that aim to advance relationships so that the group collectively benefits. Actions that damage relationships within the group or that weaken group unity are to be avoided from a meaning perspective.

Metz offers two inter-connected meanings of "harmony." [8] The one he interprets as meaning that a person sees herself as being a member of a group and is accepted by the group as such. For instance employees in a firm see themselves as members of a group and they have what Metz calls a "shared identity"[9] because they share similar goals. They have mutual interests and are unified by a common purpose or in a joint endeavour and are not opposed to each other or to each other's goals.

The other interpretation of "harmony" that Metz offers, involves what he calls "good-will". [10] This implies a large measure of altruism or acting to help others or for the sake of others. In the Metz account "harmony" or community relationships of the right kind are best achieved or maximised when both "shared identity" and group

[8] Thaddeus Metz, "Toward an African Moral Theory", p.335.
[9] Ibid, p.335.
[10] Ibid, p.336.

solidarity are present. Examples of this outside the workplace that Metz provides include members of a social club, a school, church or family. Others could include members of a sports team or a military regiment.

Turning to the workplace, Metz uses the example of typical interactions between employees and the managers in a company. A group or “we are one” mentality might prevail here but there is often no “good-will” as employees may not act for the good of the managers or owners of the firm. This becomes relevant later in my report especially in section I, where I address the question of how a CEO and the management team can promote both “shared identity” and “good-will” in a firm and in this way add meaning to the lives of employees, in practical terms by implementing Ubuntu values and by relying on increased employee consultation and participation in the decision-making process.

Criticisms and Counter-Arguments

An alternative and prima facie attractive conception of meaning might argue that meaning in life is not necessarily only found in the Ubuntu notion of promoting positive and harmonious relationships between people. Many people find meaning by being altruistic, ethical or moral and they can do so anonymously without having a “shared identity” with other people. In addition, they might focus on developing their talents in a host of creative, artistic, aesthetic or sporting endeavours. People find meaning in life by joining clubs, taking up hobbies and going to church or religious gatherings. Some may find meaning in raising their children and providing for the needs of their families. People may also find meaning in pursuing personal goals or

interests and the idea of enjoying community with others and striving for group welfare or goals is not important to them. Many other people may find meaning in developing their careers, writing a book or Masters Research Report, excelling at work or leaving behind a positive legacy. Finally people may also confer meaning on their lives by identifying with external global causes outside their own internal or narrow selfish interests and with supererogatory actions go beyond the call of duty to devote their time, effort, money and services to causes that they deem worthwhile.

The above instances are not necessarily counter-examples to Ubuntu. Many of these cases could be instances of Ubuntu. For example social pursuits and team sporting activities, raising a family and helping worthwhile global causes could all have meaning from an Ubuntu perspective. What these activities all have in common is that they shift the focus of our lives from our narrower selfish and more solitary pursuits towards group activities where we rely on improving inter-personal relationships with other people. We identify with the group and see ourselves as members of the group. We also strive to act for the sake of others, to help them, to do things for them or to join/unite with others to share similar goals and pursue common endeavours.

Even when it comes to more apparently individual endeavours or achieving personal goals, Ubuntu does not necessarily view these activities as meaningless. Ubuntu is clearly not opposed to personal growth and self-actualisation through community and can explain these as instances of meaning. For example if I obtain an academic qualification which both satisfies my need for personal growth or self-actualisation and will also better equip me to serve or improve the welfare or well-being of my community, then Ubuntu can account for this as an instance of conferring meaning.

Ubuntu however may take issue with more narrow and selfish pursuits like amassing great personal wealth for its own sake and aggressive competition in business that comes at the expense of community or harmonious relationships between people. Ubuntu would not view these as cases of meaning. Similarly when it comes to a conflict or a choice between pursuing individual goals and group welfare then Ubuntu will always grant precedence and confer greater value and meaning to community goals.

Following from the above, Ubuntu offers in my view an attractive account of meaning in life because it relies on the concepts of inter-dependence, group solidarity, mutual care and co-operation between people in joint or communal endeavours in stark contrast to the more selfish Western idea which prizes unrestrained individualism or individual effort. We are after all social beings not meant to live in isolation and most of us live and work in shared environments or communities. In essence then meaning in life comes from interacting with people and promoting more positive or harmonious relationships between people of a communal sort.

Milton Friedman's Stockholder Theory[11] counter-argument or objection to my central claim argues that it is the primary role and fiduciary duty of a CEO to maximise profits for shareholders, provided of course the CEO does nothing illegal and causes no harm to others. Even many friends of stakeholder theory would agree with that claim. Most Western businesses subscribe to this theory and prioritise profits before people, although they may pay some lip service to the importance of human capital.

[11] Milton Friedman, "The Social Responsibility of Business is to Increase its Profits", *The New York Times Magazine*, September 13, 1970.

When firms do place value on people, teamwork and participation, it is done with the specific purpose to promote profits.

Stockholder theory argues that the CEO answers only to the shareholders who appointed her in the first place, in contrast to Ubuntu which maintains that the CEO and the board of directors must be accountable to everyone in the company and to some outside the company as well such as the immediate community within which we live. Friedman would argue against the implementation of Ubuntu policies if they are not authorised by shareholders. In this instance by "shareholders" is meant the institutional investors and owner investors of the firm and not the employee profit-sharers.

Friedman's main objection against the Ubuntu notion of sharing profits with workers would be that the CEO has either implicitly or explicitly promised to make profits for shareholders, meaning that the CEO is contractually bound to the owners of the firm.[12] This does not include using the firm's money to benefit non-shareholders or employees. Friedman argues that an executive as the agent and employee of the shareholders has "a direct responsibility to his employers." This is a CEO's "primary responsibility." [13] If the CEO, say, distributes profits and shares to employees or workers, this represents the unauthorised use of an employer's money. In doing so the CEO is breaking a promise made to the shareholders and it may even be in breach of contract. A friend of stockholder theory could object to employees owning or being given shares by arguing that these unauthorised actions by the CEO constitute a form of theft of shareholder value. On the face of it then Stockholder Theory and Ubuntu

[12]Ibid.
[13] Ibid.

appear to be incompatible or irreconcilable because instead of following Ubuntu a CEO or manager should keep her promise to shareholders to maximise wealth.

A friend of Ubuntu would reject Stockholder Theory by pointing out that this excessive emphasis on the profit motive and neglecting or ignoring the needs of people may diminish meaning in employees' lives by placing greater value on the accumulation of wealth than on advancing inter-personal relationships of a communal sort at work. From an Ubuntu perspective, when the pursuit of profit prevents us from promoting harmonious relationships or community with other people, then it is inappropriate. Simply put, to promote meaning in employees' lives, people must sometimes come before profits. I favour the Ubuntu perspective because Ubuntu does considerably more work than Stockholder Theory to promote harmonious relationships of the right kind between people in the workplace. On reflection though, in an instrumental sense Stockholder Theory may not necessarily exclude or object to Ubuntu where promoting positive relationships and meaning in workers lives leads to long term benefits for the firm and greater profits for the shareholders. However, where the pursuit of harmony and meaning by the CEO comes at the cost of profits or maximising wealth for shareholders, Stockholder Theory clearly opposes and rejects Ubuntu.

Ubuntu is in my view a more all embracing approach that calls on the CEO to implement actions, policies and conditions in the workplace that benefit the whole group collectively and not just a few shareholders who have all the power, money and resources at their disposal. Ubuntu creates the right conditions at work to ensure that a group identity or mentality prevails and that everyone acts to for the sake of each

other to support each others goals. The narrower and more elitist focus inherent in Stockholder Theory almost exclusively serves only the interests and goals of shareholders and is therefore rejected by Ubuntu as inappropriate and undemocratic.

A relevant example that highlights how meaning is destroyed in employees' lives in pursuit of greater profitability is the practice among many firms to freeze or cut positions in the organisation without consulting or even warning employees. The favoured terms currently used include euphemisms such as "rationalisation," "re-engineering" or "downsizing." Streamlining operations for greater efficiency is the usual reason provided, but the ultimate motive is to save money or to boost profitability. The consequences are that the people still employed in the firm have to work harder than before, often doing the work of three people without recognition. These actions impact negatively on people, creating a climate of distrust, uncertainty and fear. Employees increasingly feel stressed, exploited, demoralised and suffer from "burn-out." Staff turnover increases. People in a position to do so resign because of the intolerable, increased pressure to perform, while those who cannot continue to suffer in silence because they need the job and don't have a choice.

The question remains however whether the quest to add meaning in employees' lives takes precedence over the CEO's promise to make profits for the owners or shareholders. In practical terms if the CEO broke her promise to shareholders and gave away shares through unauthorised transactions or eroded the firm's profitability then she would not hold onto her job for very long. The only way out of this dilemma requires the firm to be prepared to sacrifice some short term profitability for the sake of adding meaning to employees' lives without compromising or threatening the

commercial viability of the company. Ideally a CEO inspired or motivated by Ubuntu values and principles should not have to break her promise to the shareholders. The CEO should rather rely on her powers of persuasion to get the shareholders/owners to agree to and authorise profit distribution and share transfers.

I favour the view articulated by Khoza that it is part of the CEO's role to promote communal, caring and egalitarian or equitable relationships between all the stakeholders in a firm, so that employees' lives become more meaningful.[14] Ultimately positive relationships between people make life meaningful and we do after all spend a significant part of our life at work. The quest for harmony and the drive to find consensus then become the primary attributes of the CEO in the role of servant leader, who should then as part of her duties promote meaning in the lives of employees via Ubuntu preferably without breaking promises or compromising profits.

C. APPLYING UBUNTU VALUES IN THE WORKPLACE

I. Managerial Decision Making, Consensus and Meaning.

In most South African firms, managers usually make major decisions without much consultation or discussion with workers or employees. For example decisions may need to be made about a host of issues including the strategic direction a firm should take or the setting of performance goals and targets. Alternatively, a firm may want to identify and clarify its core values in order to introduce an incentive scheme for employees that encourages, recognises, measures and rewards certain clearly identifiable and desirable workplace behaviours. Typically the way this would happen

[14] Khoza, *Let Africa Lead*, p. 255.

is that the executive committee or EXCO of the firm, consisting of the CEO, the Chief Financial Officer, the Chief Operations Officer, the Chief Information Officer and the Human Resources Director would meet around the boardroom table and make the relevant decisions. Priorities would be decided fairly quickly by the senior management team and enforced with little or no debate. Depending on the size of the organisation, the EXCO might at best consult and obtain the input of senior line or middle managers who form steering committees below the EXCO. Other employees or workers directly affected by any decisions taken at EXCO level would simply be informed and told what to do without being involved or participating in the whole process.

Khoza also develops the theme of "cohabitation" in his book. By this he means celebrating and embracing diversity in the workplace as a way to enhance harmonious relationships.[15] Khoza's concept of "co-habitation" is drawn from the African tradition of humanism. It becomes important in the workplace especially when viewed from the perspective that greater co-operation, worker participation and tolerance will significantly add more meaning to the lives of employees.

Of all the African or Ubuntu values that Khoza discusses in his book, his chapter on consensus and his definition of "sufficient consensus" is the most significant for the purposes of my study. Especially important is the question of whether from an Ubuntu perspective Khoza provides an adequate account of participation in the decision-making process by a majority of the parties and whether increased participation, engagement and involvement of employees leads to greater meaning in their lives. [16]

[15] Ibid, pp. 20-21.
[16] Ibid, pp. 81-101.

Here Khoza is influenced by Fink Haysom who states that "sufficient consensus does not require unanimity, but it does require significant consensus…between the major players." [17] It is never decision-making by numbers and leaders do not expect absolute unanimity. It seems Khoza contradicts himself here because he goes on to say that "leadership must be even-handed enough to consider all stakeholders, not just the chosen few."[18] The important point, however, Khoza makes is that consensus means that "participants proactively shape the direction to be taken by the leadership."[19]

Khoza is in my view persuasive when he identifies broad relevant themes such as consensus, cohabitation and leaders as servants. He then successfully relates or links these concepts to the business world in a coherent way. A weakness in his book is that it contains a lot of abstract models and it does not always address the practical ways in which participation in decision making can be increased at all levels in a firm. Khoza uses wider terms of reference and does not specifically mention how frequently teams should meet for consultations. When he speaks of trying to achieve "sufficient consensus" in a firm, he does not spell this out more fully other than to say that issues need to be aired in transparent or public hearings and that the leader's decisions are ultimately judged by the community.[20] The crux of "sufficient consensus" is that time is taken to gauge the feelings and views of the community. After lengthy discussions involving trade-offs, bargaining and compromise, the majority accept that some of the more useful minority views will be included in the final decision. Khoza admits,

[17] Ibid, p.81.
[18] Ibid, p.85.
[19] Ibid, p.84.
[20] Ibid, pp.83- 86.

however, that corporations are not democracies and it is often difficult to accommodate the type of community participation and more informal exchange of views required by Ubuntu. [21]

When it comes to managerial decision-making, Khoza does however present an Ubuntu alternative that is very different to the scenario sketched earlier where firms in South Africa usually make decisions without broad based consultation with employees. Khoza expects server leaders to stimulate a level of innovation by energetically promoting what he calls “active participation” by stakeholders such as employees. Khoza elaborates to some degree how this increase in participation will be achieved in practice when he discusses the need for decentralization.[22] For Khoza the CEO needs to start implementing these changes using the principles of Ubuntu by allowing power to be decentralised in a firm. What this means in practice is that decision making authority would be distributed throughout the firm to lower level leaders or employees.[23] This would promote greater interaction or contact between people, improve relationships and in turn stimulate creative idea generation. The mechanism, however, to achieve this is not fully explained.

I believe that there are proven, concrete and practical ways in which consensus can be achieved among all the stakeholders in a firm and not just between the major players. A relevant example here that offers a CEO an innovative solution to increase employee participation in the decision-making process via Ubuntu is the powerful visual mapping or storyboard approach followed by the South African developed Participlan Group Facilitation method. This tool can be very useful to harness the

[21] Ibid, p. 94.
[22] Ibid, p.49.
[23] Ibid, p. 13.

energy of collective thinking and to create a non-intimidating atmosphere for the collective generation and exchange of ideas. A high degree of employee engagement or involvement can be achieved by getting employees at all levels in the firm to agree to an acceptable and workable level of consultation. Teams could be drawn from different levels and divisions of the firm several times a year or even weekly or monthly as the need arises to come up with ideas or solutions on how to tackle key or burning issues in the firm such as how to improve relationships or working conditions in the firm. Based on my understanding of what Lovemore Mbigi and Johannes Broodryk have written, they would both endorse this approach or at least an approach that encourages group discussions or forums. Alternatively employees could be engaged by posing powerful open-ended questions to participating teams throughout the firm.

Useful examples here could include: “We are a firm that upholds the values of Ubuntu. What do we believe? What do Ubuntu values or terms such as social harmony, group solidarity, group consensus, interdependency, caring, sharing, goodwill, co-operation and mutual respect mean to me or us in our present work environment? How should we act and what should we do differently? What measurable and observable behaviours or actions will demonstrate the living of these Ubuntu values? When will we know that we have meaning in our work lives?”

The Participlan process is characterised by positive, non-threatening group discussions, to collect information, to find innovative solutions to problems, to make group meetings or discussions more efficient and to speed up decision making. It can be used at all levels in an organisation and works best when applied to group

discussions, conflict resolution meetings and group planning workshops involving anything from four to twenty five people. Employees communicate freely and openly. They collaborate more effectively, producing results that participants buy into because they have been totally involved from the start. The process keeps everyone focused and fast-tracks group discussions, decision-making and goal setting.

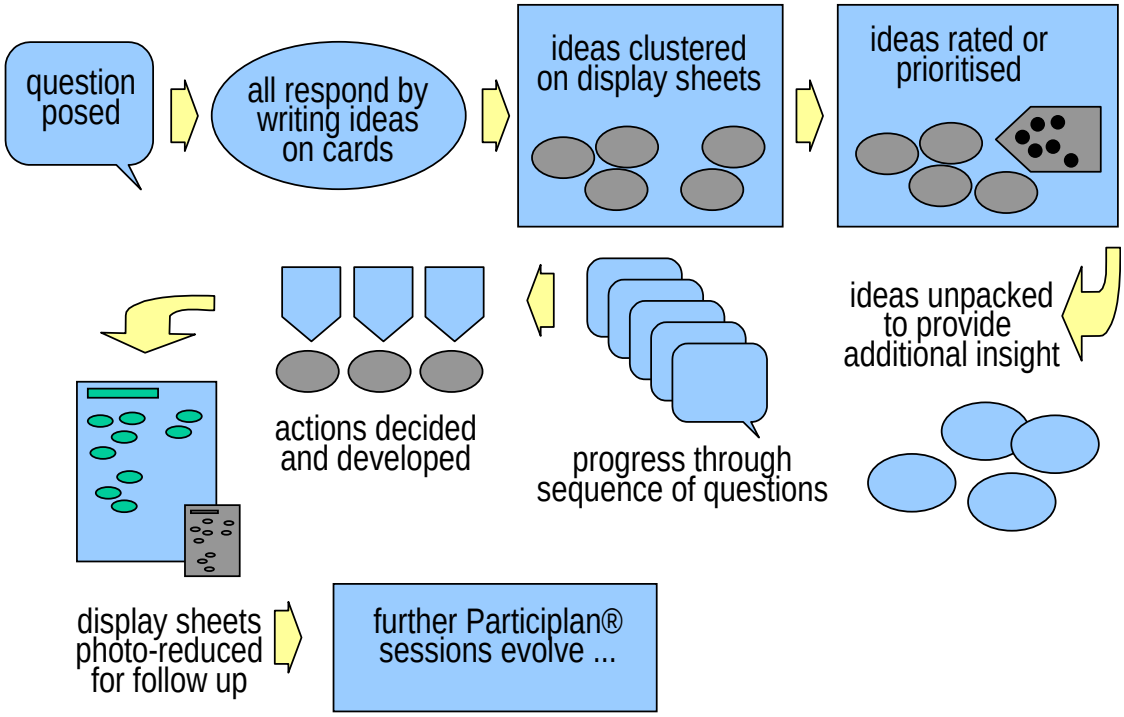
People, regardless of their rank, position, status or importance in an organisation typically gather in a meeting room or venue and sit next to each other in a semi-circle. This immediately eliminates hierarchy; so, a secretary or storekeeper could sit next to the CEO as equals and their ideas or contribution is treated with the same value as the CEOs. Powerful open ended questions are either formulated or framed in advance in pre-meeting consultations with group participants as the initial stage of their interaction or simply as an issue arises. These questions typically deal with issues involving the vision, mission, policies, values, short and long term goals, enabling strategies, project planning and implementation in an organisation. Other issues that could be covered include industrial relations, personnel problems or production concerns.

A non-participating facilitator guides the process and acts as an impartial emotional shock absorber in instances of conflict. The questions are displayed on large adhesive sheets that are stuck on the wall. Employees or participants are stimulated visually and respond silently, simultaneously and anonymously to the questions posed by writing as many ideas as possible in a given time on oval cards.

If literacy level is an issue, or the size of the group is too large, then a call out method is used and people call out their idea or opinion to a given question. Some anonymity is lost but each participant's contribution is captured and written on an oval card by the facilitator. Similar anonymous ideas or opinions generated through this technique are clustered on the sheets and rated or prioritised through an anonymous voting process. Through a sequence of follow up questions more ideas are generated, unpacked, explained and displayed. The participants decide how similar ideas are clustered and are free to challenge an idea cluster, or seek clarification, but they do not attack or criticise any other participant.

The entire process is structured and facilitated in such a way that a person in a position of power in the firm is not allowed to dominate, control or influence the proceedings. In addition the process allows weaker or less confident members of a team to make a contribution. One of the neutral facilitator's roles is to ensure that the dignity of the participants is not impaired. Once an idea goes up on a wall-sheet, it stays up and is never removed, signifying that each idea has merit even it garners fewer votes. Action plans are decided by the group and displayed on the sheets. The sheets displaying the questions, idea clusters, voting on issues by colour coded dots and the action plans are digitally captured and photo-reduced to A4 size and act as minutes of the meeting, thereby cutting future meeting times.

Figure1. The Participlan Process [24]



This method allows a CEO and the management team to embrace a more democratic, participative and consultative leadership style in contrast to the more direct and less engaging traditional “manage by telling” approach. The process is non-threatening and allows all people regardless of their position in the firm to express their true feelings, opinions and ideas without fear. This method of open communication builds confidence, respect and trust and becomes vital to promote collaboration and co-operation between team members.[25] In this sense, then, properly guided group facilitation becomes a valuable and practical tool that a CEO can employ to promote

[24] Figure 1, reproduced with the kind permission of Peter Thomas, Paul Tomes, Business Presentation Group and Participlan Group Facilitation (Pty) Ltd, the registered owners and custodians of the Participlan methodology and brand.

[25] Mike Boon, The African Way: The Power of Interactive Leadership (Sandton: Zebra, 1996), pp. 89-90. Boon writes about a similar process in his book. He calls these group gatherings "interactive discussion forums" or "*umhlanganos"* from the Nguni word meaning discussion or interaction. See also Broodryk who writes about a similar approach and also refers to *umhlanganos* in his article “The Philosophy of Ubuntu: To Improve Business Success”, *Management Today*, Vol. 7 (2006), p. 21.

Ubuntu values and more meaning in the workplace without compromising profits or efficiency. The highly participative decision-making method recommended by Participlan better reflects the core Ubuntu value of interdependency.

Greater employee participation using the Participlan method would in my view promote meaning to a greater or more noticeable degree. Although Khoza does not specifically rely on or recommend the Participlan method, he does state that a leader is morally obliged to create consensus because it "brings people together, improves the quality of human relationships and delivers benefits to reduce conflict and raise confidence."[26] Ultimately achieving consensus is about building positive relationships with employees, listening to their views and "choosing the most harmonious course of action."[27]

Khoza relies then on the values of Ubuntu as a management tool to introduce changes to the workplace.[28] According to him, the CEO should adopt a leadership style that is inclusive, nurturing and empathic. The server leader should not only seek consensus as explained previously but also issue fewer commands. The leader's influence ought to be used to empower teams to take joint responsibility for team actions and decisions. The leader's job is to facilitate problem-solving between employees in an even-handed manner rather than impose unilateral solutions.[29] This is very much in line with the collaborative group facilitation approach recommended by Participlan. The server leader as the main agent of change and renewal in a firm works towards

[26] Reuel Khoza, *Let Africa Lead*, p. 91.
[27] Ibid, p. 101.
[28] Ibid, p.56.
[29] Ibid, p.23.

"harmony in community."[30] Gbadegesin echoes Khoza's call for structural changes in the work environment. [31] Khoza also recognises that CEOs who are sensitive to the needs of their employees can run firms that are humane and compassionate while still pursuing the profit motive.

So, Ubuntu, profits and the quest for meaning in the lives of workers are compatible and need not be mutually exclusive. [32] Ubuntu makes it possible to reconcile profits and meaning because it values, respects and encourages the contribution of employees. Ubuntu promotes harmonious inter-personal and communal relationships in the workplace. In this empowering environment of greater tolerance, greater "goodwill" and increased worker participation, employees accept greater responsibility for their actions and find greater meaning in what they do.

The Axiz IT distribution business started by Anthony Fitzhenry is a good example of how Ubuntu values and principles can be applied in practice in a fairly large company to make a real difference to the lives of employees and significantly add more meaning to their lives. The company employs 550 people, has an annual turnover of US $ 354 million, grows by 30 % per annum and by most industry standards enjoys minimal absenteeism, employee turnover and stock shrinkage levels. [33]

The full participation of workers and their inclusion in the company's profit growth significantly adds to the sense of dignity, belonging, satisfaction and meaning in the

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[30] Ibid, p. 59.
[31] Segun Gbadegesin, *African Philosophy: Traditional Yoruba Philosophy and Contemporary Realities*, (New York: Peter Lang, 1991), p. 231. Gbadegesin agrees that employees at all levels should be allowed "adequate representation and effective participation."
[32] Reuel Khoza, *Let Africa Lead*, p. 60.
[33] Barbara Nussbaum, "Anthony Fitzhenry and the Axiz of Good Part 1 & 2", *World Business Academy, Merchants of Vision*, Vol. 20 (2006), p.1.

lives of employees. Axiz also removed the usual executive perks and privileges like exclusive parking bays and large corner offices. First names are used and everyone eats together in the same dining facility. The company discovered that running costs were reduced, theft and wastage came down and people became more accountable and committed to the firm, to each other and to what they were doing. Employee satisfaction, retention and productivity increased. [34]

At Axiz, Fitzhenry chose the route of full democracy with very positive results. He attributes the company's success to what he terms a "participative management style."[35] The most important aspect for him in all this is summarised by three things "meaningful participation, information and representation." [36] The employees run the company and the monthly staff meetings. Employees share the profits, receive shares on joining and vote in the directors who willingly embrace Khoza's idea of servant leadership. The servant leaders or directors have to answer questions at monthly meetings. Even employees without the benefit of a higher education are encouraged to ask questions and propose solutions at monthly internal community meetings.

In this way the company has created a system of real and broad based empowerment. Fitzhenry wanted to implement a fair and democratic model in his company with a strong emphasis on consultation and decisions reached by consensus rather than by executive decree. He was influenced by African culture which places great importance on respecting every person and accepts the notion of people being inter-connected and inter-dependent or being dependent on an extended family or

[34] Ibid, p.4.
[35] Ibid, p.5.
[36] Ibid, p.6.

community.[37] The approach Fitzhenry adopted was to create an atmosphere that permitted and even urged all employees to ask and answer questions. He calls this a "responsive system" that respects the voice and the contribution of each individual employee. [38] In trying to reach decisions by consensus each person's opinion matters equally.

Criticisms and Counter-Arguments

Mbigi offers an interesting alternative to my recommended Participlan approach. The emphasis he places on traditional rituals, mass rallies, collective singing, drumming, chanting, trance-dancing, praying and other ceremonies suggests a more religious or quasi religious approach to engage and motivate workers via Ubuntu and add meaning to their lives. In my view Mbigi's approach may work in a more rural environment or in the labour intensive mining industry, and it appears he did have had some success with the workers at the Eastern Highlands Tea Estate plantation. I believe the Participlan method I recommend is a quicker and more efficient way to engage employees in meaningful group discussions than the mass rituals and ceremonies advocated by Mbigi. [39] Although my approach and Mbigi's both value collective or collaborative solutions, they apply in different environments. Mbigi's approach contains a strong element of celebration and rejoicing to motivate workers and in my mind is similar to what motivational speakers do to get people fired up and enthusiastic. I have doubts whether the positive effects or feelings of euphoria are lasting or sustainable. Participlan relies less on motivational techniques and more on

[37] Ibid, p.4.
[38] Ibid, pp.4-5.
[39] Lovemore Mbigi, *In Search of the African Business Renaissance: An African Cultural Perspective*, (Randburg: Knowledge Resources, 2000), p.49.

driving action and is therefore in my judgement more appropriate in a modern and sophisticated corporate environment. In this context employees are not a homogenous body and one has to deal with multi-cultural diversity and various belief or value systems. In this situation Participlan can move rapidly and flexibly from collective or group idea generation to goal setting and action plans with concomitant accountability within half a day to a day depending on the size of the group.

Segun Gbadegesin lends support to my recommended approach by stating that without adequate consultation on important decisions workers become de-motivated, disgruntled and frustrated. He states that people naturally want to be respected and taken seriously.[40] By consulting workers and allowing greater participation in decision-making, workers would display a healthier, positive attitude to work and more self-discipline. There would be less reliance on externally imposed discipline which is resented and resisted.[41] At the Axiz IT company an enthusiastic attitude to work and greater self-discipline among employees proved to be just some of the many positive benefits emanating from implementing Ubuntu principles in the workplace.

On the issue of employee decision-making and voting and on which issues, a critic or shareholder in a larger firm might object to lower level or non-managerial staff such as cleaning staff, caterers, storeroom clerks and delivery drivers making decisions and voting on key issues affecting the operational, marketing, sales, strategic direction and key goals of the company. This kind of complaint is natural because a prima facie problem here may be that lower level and non-managerial personnel might not be qualified to make these decisions. A lack of empowerment is often the issue in that

[40] Segun Gbadegesin, *African Philosophy: Traditional Yoruba Philosophy and Contemporary Realities*, pp. 230-231.
[41] Ibid, p.232.

these workers may not possess the knowledge, skills, training, education or information to make a valuable contribution to the firms operations. A possible compromise solution to accommodate these workers is to allow them to instead vote on issues affecting their immediate working environment. For instance one might encourage suggestions on how workers would implement improvements to their working conditions. The experience at Axiz however and my experience running Particplan workshops has shown however that all ideas count equally or have value and even low level workers without a formal or tertiary education and secretaries are very capable of coming up with innovative solutions that the management teams frequently overlook or miss and they often offer the firm a fresh, different or alternative perspective that is very useful to the CEO.

A critic could also point out that decentralised power in a firm might slow down the decision-making process by requiring everyone's input. This in turn could slow down productivity, impair the firm's efficiency and in this way erode overall profitability. The relevant criticism here could be that adding meaning to workers' lives is possible in a firm only as long as the firm is productive, thriving and profitable; something that increased decentralisation and democracy would undermine and frustrate.

A friend of Ubuntu would reply that some short term profits might be sacrificed with broad based employee participation in the decision-making process but in the long term the benefits would likely outweigh any negative consequences. For Khoza Ubuntu does more than a hierarchical model to stimulate "a profound sense of purpose and mission in teams." [42] Decentralized decision-making might initially be a

[42] Reuel Khoza, *Let Africa Lead*, p.242.

more time consuming process but it would create a work force that is more enthusiastic, engaged, loyal and committed to whatever plan or strategy is decided upon. Workers would more readily buy into a plan or process in which they have been consulted and played an integral part. Greater worker participation and responsibility might impair some profits initially but by respecting and valuing their contribution, workers would feel empowered and this would add more meaning to their lives and may even increase the sustainability and longevity of the business. There would be higher morale, less staff turnover and less industrial or labour action. A CEO advocating a more democratic or broad based decision making and management style would promote better open dialogue, harmony and community between people in the workplace. This is more in keeping with the traditional African idea of gathering or sitting under a tree and exchanging individual views and opinions while the chief listens. As Khoza explains, this was "a form of direct, informal democracy."[43]

An additional objection could be lodged against the lack of hierarchy, in that less hierarchy could adversely affect the firm's strategic direction and hence could also cost the firm some profits. Ubuntu may not be that obviously opposed to hierarchy when it comes to the CEO making a final ruling or decision and may even recommend it because a more direct, hierarchical communication style similar to the traditional Western "command and control" or top down "tell" model, less time is wasted consulting everyone lower down in the firm, decision-making is usually swift and everyone down the line knows what is expected of them. This is more efficient in the long run in the highly competitive global economic environment where time equals

[43] Ibid, p. 87-88.

money. Employees enjoy greater certainty and direction and therefore this management style provides greater meaning in employees' lives.

A critic could also point out that in a military context or in the army hierarchy is necessary and appropriate. The chain of command is vital to ensure a well ordered, disciplined and efficient military establishment run with a high degree of certainty. Surely Ubuntu would not object to hierarchy in the military.

An advocate of Ubuntu would reply that in modern businesses there is increasingly less reliance on the cult of leadership and individual leadership brilliance and far more reliance on team work and team co-operation to achieve better results. Khoza believes that "pure individualism has run its course everywhere and that, globally organisations and their leaders are searching for new formulae to establish trust and promote teamwork."[44] Firms run multiple complex projects requiring the input of several multi-disciplinary teams that need to work together harmoniously and with common goals and a shared sense of purpose to ensure success. Hierarchy and the chain of command might be appropriate in the military but a modern business is not an army camp. Engaging people in a positive, constructive and respectful manner will in the long run energise and inspire people to deliver better results than telling or ordering them what to do. Even in the modern military environment a lot of strategic planning takes place behind the scenes that requires team input, co-operation and participation.

[44] Ibid, p.64.

A potential danger or difficulty with a highly participative management approach may be that a situation arises where a majority of employees either favour or vote for a solution or approach to a business issue that the CEO refuses to follow. There have also been instances where a majority of employees vote anonymously in favour of removing the CEO because they view the CEO as the source of the firm's problems. In both these situations where the CEO either refuses to compromise or budge then this stalemate could have a negative impact on morale, productivity and ultimately work efficiency.

Ubuntu would require that all efforts must be exhausted to compromise and reach consensus in such situations. Another way to avoid a possible impasse or stalemate between employees and the firm's management is for the CEO to first conduct broad consultations with employees at all levels in a firm and to then set specific goals or strategic targets for the firm and then engage the employees in facilitated group sessions and ask employees to come up with ideas on how to achieve certain clearly defined goals.

A situation could also arise in a firm where a significant minority of employees either resist or express their dislike for the highly participative nature of an Ubuntu management approach. Some disadvantaged or less educated workers doing menial jobs may find more direction, certainty and meaning in being told what to do without consultations or extensive discussions. In this situation, meaning itself might be compromised by the Ubuntu policies and procedures that I am recommending.

Or in the case of a firm's legal, auditing and corporate governance or compliance arms, their preferred working style may be to work on their own in silos and get down to the task of providing a CEO with expert professional advice in certain legal, labour or financial matters without seeing the need to consult others, build consensus or to engage the advice or participation of others in the firm in lengthy or exhaustive talk shops and debating sessions.

The way they deal with such a situation at Axiz is to allow a minority view which represents more than 4% of the community to make alternative suggestions or proposals to the majority. If the minority view is well argued and convincing then the majority are prepared to make the necessary changes. Where the minority views is unconvincing, their view still has to be accommodated and respected by the majority with the onus on the majority to exhaust all efforts to negotiate and compromise in order to reach consensus. Fitzhenry points out that this time-consuming process creates a great deal of trust and any group of more than 5% of the firm's workers can stop the process. [45]

Clearly as Khoza admits, the business world is a different and more complex world to traditional African societies, and so it might make sense in some instances to adopt a hybrid approach that takes the best practices from both worlds i.e. the Western management approach that relies on power relations and occasionally telling people what to do and the Ubuntu approach that seeks to promote creative co-operation and participation. Either of the two approaches may be appropriate depending on the situation that the CEO faces and a lot will depend on the inter-personal skills of the

[45] Barbara Nussbaum, "Anthony Fitzhenry and the Axiz of Good Part 1 & 2", *World Business Academy, Merchants of Vision*, Vol. 20 (2006), p.8-9.

CEO. Khoza endorses this view when he states that there is no reason why an Ubuntu business culture cannot develop in concert with the best of American, Japanese and German business practices. [46]

Finally there is a valid concern that in a large listed company with multiple institutional investors the situation may be more difficult and complex and the democratic impulse may be stifled and limited in application. In a more cohesive family run enterprise like Axiz with fewer rival stakeholders and shareholders it could be considerably easier to achieve, provided there is a shared will and common purpose.

Nonetheless larger firms can and should in my view strive for the more democratic course adopted by smaller firms. Axiz is a good example and role model that larger firms could easily follow. The principles being applied are the same and apply equally to small and large firms. The experience at Axiz proves to shareholders in larger firms that Ubuntu is a successful and winning formula in the workplace and that Ubuntu and pursuing the profit-motive or wealth creation are not mutually exclusive. Before considering profit distribution and employee share ownership, larger firms can start fairly quickly and easily by first implementing a more consultative and participative management style without alarming shareholders unduly.

[46]Reuel Khoza, *Let Africa Lead*, p. 79.

II. Profit Distribution, Employee Share Ownership, Voting and Board Membership.

In most South African firms employees are not usually included in profit distribution, share-ownership and voting on key issues. Employees receive their monthly salary and in some firms where reward and recognition programmes are in place workers may be awarded bonuses or prizes where they exceed certain performance targets. The prizes offered to employees are either in the form of cash, gift certificates, paid holiday excursions, or gifts of consumer goods or appliances such as watches, fridges and TV sets. Profit distribution, share ownership and share incentive schemes, paying of dividends and voting on key issues are usually reserved for the firms EXCO, board members, directors and share holders.

In contrast to the prevailing status quo, Ubuntu recommends structural changes in firms to facilitate greater democracy. These changes include profit-distribution for employees, employee share ownership, voting and possibly board membership. I argue in favour of more egalitarian measures in favour of employees as adopted at the Axiz IT Company. I'll also consider some relevant objections to these measures.

Augustine Shutte states that Ubuntu ultimately values "personal growth and community" and he recommends that profits should be shared with workers.[47] Shutte writes about re-organising the workplace so that workers enjoy co-ownership. Ownership here means "being in charge of what you possess."[48] But can we all be in charge? For Shutte the answer is yes in the sense of ownership as meaning "shared responsibility" and "full participation." Shutte explains when all are owners,

[47] Augustine Shutte, *Ubuntu: An Ethic for a New South Africa* (Pietermaritzburg: Cluster Publications, 2001), p. 166.
[48] Ibid, p.170.

"ownership changes its meaning"[49] because there is no longer any tension or conflict between employees and owners. Shutte does not elaborate any further nor does he explain how profits would be actually distributed in practice, and so a CEO has little to go on from this source.

At the Axiz IT company the founder and CEO, Fitzhenry, has created and abides by democratic principles in a system where share ownership by employees is compulsory and each employee has a vote regardless of how many shares they hold. Fitzhenry acted to remove the tension, ill-will and division that usually exists in firms between the owners, management and the workers. The way he did this was to move from initial profit sharing with employees to extending share or equity ownership rights and advantages to all employees. Fitzhenry adopted the "One Community"[50] idea which meant that all employees became owners and vice versa. Everyone at the firm carries business cards with the words "employee/owner" printed on them. All the stakeholders are stockholders and view themselves as an internal community immune to outside interference. Employees receive dividends each year, they enjoy the capital growth of their share value as the company's performance improves and they get paid performance bonuses.

Another secret to the company's success was to introduce open discussion forums to discuss the employee ownership issue, to get the employees to become involved and participate in drafting the firm's constitution. Minority views were acknowledged and accommodated through a process of negotiation and compromise in order to reach

[49] Ibid.
[50] Barbara Nussbaum, "Anthony Fitzhenry and the Axiz of Good Part 2", *World Business Academy, Merchants of Vision*, Vol. 20 (2006), p.3.

broad based consensus. When it came to more difficult issues that some employees could not understand, respected elders were appointed as storytellers to communicate and engage with employees in their own language.

Mogobe Ramose, although coming from a more socialist perspective, would support the approach adopted by Fitzhenry at Axiz. Ramose argues in favour of greater social and economic justice in the global economy and this has significant implications in the workplace when it comes to redistributing wealth and increasing worker participation in the decision-making process on a more egalitarian basis. For Ramose pursuing profits is wrong when it entrenches "structural inequalities," meaning he would call for worker representation and participation on a firm's board. [51] He views mutual interdependence and sharing with others as being far more important than amassing great profits or protecting individual wealth. [52] Following this line of thinking employees at all levels of the firm including cleaning staff, drivers, catering staff, storekeepers, filing staff, receptionists and secretaries may need to share the firm's profits and participate more fully in all decision making in order to promote meaning in workers' lives. Distributing profits, employee share ownership and voting are all measures that exhibit a greater sense of goodwill and "shared identity" between people. The normal or typical divisions that cause conflict and tension between owners, employers and employees are removed. A greater sense of community and belonging is promoted that in turn leads to harmonious communal relationships at work. People enjoy, share and identify with common goals and mutual interests. They co-operate and act for the sake of each other because they are bound by a common purpose in a joint commercial endeavour that benefits everyone.

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[51] Mogobe Ramose, *African Philosophy Through Ubuntu* (Harare, Mond Books, 1999), p. 186.
[52] Ibid, p.194.

Larger companies can easily adopt the Axiz approach by gradually proceeding to incentivise and reward employees with profits and shares. Shareholders may initially object to sharing the spoils, but all firms regardless of their size recognise the benefits of a having a stable, motivated and committed workforce that is not plagued by low morale, labour militancy, low productivity, high absenteeism levels and frequent staff turnover or losses. There is established precedent for employee share ownership and broader stakeholder inclusion in the economic rewards and benefits. Even in large firms that do not subscribe to Ubuntu values, employee share ownership schemes (ESOPS) have been around and implemented in South Africa and abroad for several years now. Employees usually are required to hold their shares for several years and the firm usually receives significant tax breaks or benefits.

When it comes to board membership the existing literature on Ubuntu does not offer much guidance on whether workers should sit on a firm's board. At Axiz, Fitzhenry addresses the issue indirectly by saying that all workers or employees vote for the directors who sit on the board and who run the company. The company holds meetings once a month which are run by the employees. The workers/employees are encouraged to ask the servant directors questions on how the firm is being run. This is similar to what would typically happen in a conventional listed company where shareholders and board members pose questions to the CEO on the running, performance and future direction of the company. This kind of employee involvement would promote the idea of "harmony" by creating conditions conducive to "shared identity" and "good will." Greater acceptance of each other would result as employees and managers would view each other as being members of the same group. They would share a similar goals, mutual interests and be unified by a common

purpose. In addition employees and managers would help each others or act for the sake of each other and not be opposed to each other or each others goals.

Criticisms and Counter-arguments

A critic may accept Ubuntu as an appropriate philosophy but nevertheless question whether it should recommend that a CEO give employees shares without authorisation. A friend of Ubuntu could argue against creating a culture of entitlement and point out that if employees want to become shareholders they should buy shares on the open market or stock exchange with their own money that they have earned, seeing that a CEO does not have the right to give them shares without the approval of the owners or shareholders.

In reality it would be easier and preferable to convince the owners or try to persuade them to consider the needs of employees and share the some of the spoils, in firms enjoying high profit growth as is clearly the case at Axiz. Even so, a pertinent question or objection arises centered around the allocation of risks and rewards. Shareholders or the owners of the company place their money at risk by investing in the company. In return for exposure to this risk they expect a profit or anticipate a reasonable return on their investment. Why should employees who do not risk their own money be offered the same privileges and expect to receive profits and shares? One way to reply to these questions is to point out that the community of employees are valuable stakeholders forming an integral part of the success of a firm and play as important a part as the executive or management team. CEOs and senior executives also do not risk their own money when they are appointed by shareholders to run a

company. Share packages, options and other incentives are allocated or given to them and huge, sometimes obscene remuneration and salary packages are negotiated and awarded up front before they even commence their duties. These substantial payouts are usually justified by shareholders as necessary in order to attract top talent with proven and capable business expertise. Yet all too frequently CEOs resign after a few years, some retire, while others are asked to leave after failing dismally to improve a firm's performance. Despite this they are still rewarded handsomely for failure while others (including shareholders) pay for their mistakes and employees face the heightened risk or prospect of losing their jobs and livelihood for blunders made by executives.

One of the reasons that profit sharing and employee share ownership works at Axiz is because turnover and profits have increased significantly over the years. A relevant question and objection could be what would happen when profit-sharing does not create more profits but actually erodes profitability at the firm? Should workers still be shareholders and should profits and or losses still be shared? From an Ubuntu perspective contributing to and being part of a harmonious community is more important than money, and if we embrace Fitzhenry's "One Community" idea of every employee treated as an owner then everything is shared including profits during boom times and losses in leaner periods. Sometimes the community in the workplace thrives and there will be times when it doesn't. More important is the sense of belonging, solidarity and purpose in this community and the greater meaning this "shared identity" provides. One has to concede however that there are practical limits and restraints that may operate. In situations where a firm faces the prospect of

bankruptcy or adverse financial circumstances then employee profit-sharing may have to be deferred until business conditions improve.

Similarly when it comes to the issue of the composition of and participation on a firm's board, a critic may accept the general validity of Ubuntu yet question whether Ubuntu should recommend employee membership or representation on a firm's board. The legitimate concern arises that employees might conceivably vote for policies that would adversely affect a firm's ability to compete globally. For example workers might vote for higher wages and a shorter work week and in this way compromise profitability and productivity.

I believe this kind of doubt about employee competence, representation and participation on a firm's board is unwarranted. In reply to this concern Fitzhenry points out that at Axiz workers do not vote for policies that are detrimental to the firm's sustainability. He talks about understanding the new dynamic at work that flows from the sense of pride that comes with increased employee ownership.[53] Employees take greater care of the firm's equipment and furniture and place greater value on satisfying customers and on the economic growth and prosperity of the firm. When employees are owners or shareholders from day one and when as owners they vote on key issues then one cannot really speak in terms of theft of shareholder value.

[53]Barbara Nussbaum, "Anthony Fitzhenry and the Axiz of Good Part 2", *World Business Academy, Merchants of Vision,* Vol. 20 (2006), p.7.

III) The Quality of Labour.

Relevant questions that apply here include, how does a CEO deal with labour issues and problem employee cases and how does the CEO of a firm treat a non-performing or under-achieving employee? These questions have a direct bearing on the topic of meaningfulness because as I stated at the outset, meaning in the workplace is found in the Ubuntu notion of promoting positive and harmonious relationships between people. From an Ubuntu perspective it is inappropriate for CEOs or managers to create a climate of fear, distrust, division, discord and anxiety at work by applying insensitive and inflexible disciplinary measures.

The following example may illustrate the dilemma faced in real life situations: A particular employee is popular and well liked by everyone in the firm, including fellow employees and by management, but is not very effective in his role and does not handle pressure very well. A more autocratic and aggressive CEO in a typical South African company, focused and motivated only by profits or the bottom line would be intolerant and unsympathetic towards such poor performance and apply rigid disciplinary measures. The CEO would first consult the firm's legal advisor, ensure that there was legal compliance and after serving the legally required formal notices or warnings, fire the non-performing employee with little or no consultation with others and regardless of the consequences for the firm or for the employee. The prevailing corporate culture in most South African companies when it comes to treating employees can be characterised as “mercenary” or predatory as opposed to the more “communal”, flexible and tolerant culture under Ubuntu.[54] These companies

[54] Rob Goffee and Gareth Jones, “What Holds the Modern Company Together?” *Harvard Business Review*, Reprint 96603, November-December (1996): pp. 133-148.

usually put the demands of work before the needs of people. They prize compliance and push for work performance over building positive and harmonious relationships with employees and there would be very little concern that this pressure to perform at work often comes at great personal cost to employees. The impact on their private lives and wellbeing may be detrimental. Their health may suffer or work and family relationships may be damaged. As a result employees would typically display less loyalty and commitment towards the firm and find less meaning in their working environment.

The more inflexible and intolerant approach to work performance described above undermines the Ubuntu idea of "harmony" which prescribes the promotion of "shared identity" and "good will". A CEO or firm should rather focus on creating conditions of group loyalty and unity, i.e. we are in this endeavour together. The CEO and managers should help employees in difficulty and all members of the firm should not be opposed to each other but rather help each other to pursue common goals. This in my view would constitute advancing and nurturing positive work relationships of the right kind. Khoza emphasises that it is vital to build trust by embracing mutual problem-solving. He states: "It becomes a case of we are both in this together – it's us against the problem"[55]

When it comes to retrenchment of workers, Khoza believes that this can be done in a caring and pragmatic way following Ubuntu values. He states that workers quickly become very demotivated unless the firm show that it cares about them. When CEOs are compelled to cut down their workforce they can show some compassion by up-

[55] Reuel Khoza, *Let Africa Lead*, p.23.

skilling or “retraining workers for more skilled work or they can contractually outsource workers” to other firms to lessen the blow of retrenchment. [56]

“Good will” prescribes a large measure of altruism or acting to help others or for the sake of others therefore a CEO influenced by an Ubuntu values may still be assertive in dealing with the problem employee but will show a greater degree of empathy or compassion. Emotional and moral considerations would be taken into account. The CEO or managers would spend time assessing why the employee is not performing and try to seek consensus on how the problem should be dealt with. Creative solutions to the problem would be pursued in consultation with the employee and the views of others would be engaged. The CEO would be open and receptive to listen to and discuss the ideas and views of members of the firm.

The employee might be re-assigned to a different job in the firm that better suits the employee’s temperament and abilities or a coach/mentor might be appointed to help the employee improve. There would be an appreciation of the potentially demoralising consequences that firing would have on the internal community of employees in the firm, i.e. the anger, fear, ill-will, division and resentment that might result in firing a well-liked employee. The employee would be treated with respect and also be viewed sympathetically in the context of the broader impact that firing would have on the immediate external community i.e. the employee’s role as a breadwinner/provider in his/her family. There might be adverse conditions at home or other circumstances such as transport problems that impact on the employee’s performance.

[56] Ibid, p.64.

This is the approach taken by one of the managers at the Johannesburg Zoo when dealing with difficult personnel problems. [57] A particular employee was absent from work frequently, often because of alcohol abuse. Instead of adopting an inflexible approach and laying down the law by warning and subsequently firing the employee, the manager spent a lot of time trying to understand the causes of employee's negative behaviour and the underlying domestic problems. The manager was supportive throughout and adopted a counselling approach. The manager holds frequent weekly group sessions with workers where conflict situations are openly aired and not avoided. Emotions often run high at these meetings but in the end the issues raised by the workers are discussed at length and resolved. Workers in the group feel that the manager cares about them and makes the time to listen to their problems. Successes are celebrated in the group. The employees that work for this particular manager are loyal and happy to work for the manager and staff turnover in his department is very low.

Criticism and counter-arguments

A friend of Ubuntu might object to a CEO consulting the opinions or views of outsiders or other staff members when evaluating a non-performing employee because in conventional management or human resource practice this may be viewed as unwarranted "invasion" of the worker's privacy. In my view this concern about privacy is unfounded here because in Ubuntu it is viewed part of the normal process of consulting the internal community at work, seeking group consensus and unanimity on the issue. Even in a non-Ubuntu influenced work environment, firms increasingly

[57] Discussion held with Jennifer Grey, former CEO of the Johannesburg Zoo.

rely on 360 degree feedback from peers and various other parties when reviewing the performance of employees and managers. Their participation or involvement in the solution seeking process would be encouraged.

D. CONCLUSION

The more abstract ideas about Ubuntu values found in the Khoza, Mbigi and Shutte texts can be spelt out more fully and successfully applied in practice in the workplace using a highly interactive and consultative group facilitation method like Participlan. A workable solution to possibly reconcile Ubuntu, the profit motive and meaning in the lives of employees may be a compromise or middle path approach between the rigid and autocratic "telling people what to do" hierarchy versus trying to achieve consensus on all decisions. This means that minority views have to be accommodated and respected by the majority with the onus on the majority to exhaust all efforts to negotiate and compromise in order to reach consensus.

Ubuntu is a winning or successful formula in the workplace and it is compatible with the profit-motive and the quest for meaning in a firm even though sometimes people's needs compete with the profit imperative and with explicit or implicit promises made to shareholders. Ideally in the spirit of Ubuntu a working compromise is required between the CEO, the employees and the shareholders so that everyone is in agreement or reaches consensus on how the firm is run and on how the rewards are distributed without promises being broken. In my judgement the factors that most contribute to instilling Ubuntu values in a firm and that add greater meaning in employee's lives include full employee participation or involvement in the decision-

making process and running of the firm, employee profit sharing, employee share ownership and voting rights. The CEO plays a central role in the entire process and should as an integral part of her duties promote harmonious relationships between people and meaning in their lives at work via Ubuntu. These measures do most of the work needed to promote Metz's twin and interrelated concepts of "shared identity" and "goodwill" among the members of a firm. One needs to offer tangible measures and benefits that make a real difference in employees working lives and that go further than just emphasising the usual jargon or values such as respect, recognition and dignity. In successful and profitable enterprises the servant leader CEO that Khoza writes about can do a lot to persuade enlightened boards and shareholders to consider all the stakeholders in a firm and agree to greater democracy. In this way wealth creation and the profit motive can be reconciled with the Ubuntu values of caring, sharing and inter-dependence because ultimately Ubuntu does call for a more equitable and just distribution of economic benefits based on need and this is even more appropriate in South Africa given our past history of economic exclusion and injustice. A system that allows great or disproportionate wealth to be accumulated in the hands of a few would be inappropriate from both an Ubuntu and a meaning perspective.

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