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INTRA ORGANISATIONAL PERCEPTIONS OF AFFIRMATIVE ACTION

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A research report submitted to the Faculty of Management, University of the Witwatersrand, in partial fulfillment of the requirements for the degree of Master of Business Administration.

February, 1999

ABSTRACT

Recent developments in South Africa and the impending changes in the workplace, have placed new challenges and demands on managers of both big and small organisations. One of these challenges is the introduction and implementation of successful Affirmative Action (AA) programme. However, preparatory to this, it is important to gain an understanding of the perceptions of employees concerning AA because the way perceptions of employees may influence the manner in which such programmes are implemented in companies.

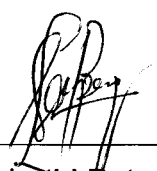
The Employment Equity Act No. 55 (Republic of South Africa,1998) makes it clear that every designated employer must, in order to achieve employment equity, implement AA measures.

A survey method was used in this study, and opinions were sought from 209 supervisors and junior managers at Eskom Head Office, Megawatt Park. The results were analysed quantitatively in order to gain an insight into their perceptions of issues concerning AA.

The results reveal that there are differences of opinion about AA amongst the junior and middle management employees. The differences are mainly racially based. There is no common understanding of AA and this leads to a dysfunctional effort in the implementation of this change. As resistance to change is a natural behavior of organisations and its members, naturally AA can be expected to be resisted by most employees. The present study suggests ways to overcome this problem and identifies the need for intervention to be undertaken concerning changing perceptions before AA can be understood and successfully implemented.

DECLARATION

I declare that this research report is my own, unaided work. It is submitted in partial fulfillment of the requirements of the degree of Master of Business Administration in the University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination in any other University.



Selwalephuthi Peter Leopeng

February 1999.

ACKNOWLEDGEMENTS

I am sincerely grateful to all those who assisted me in completing this research report. The following people deserve special mention:

My supervisor, Dr Adèle Thomas, who was tirelessly supportive, not only for this research report, but also in matters that were affecting me personally.

Mrs Margie Sutherland, for her encouragement and assistance with the statistical analysis.

Mr Bongani Khumalo, Eskom's Executive Director: Human Resources, for his support and sponsorship of this research.

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CHAPTER 1: INTRODUCTION

1.1 Background

Since South Africa has progressed to the status of a democracy, many organisations are attempting to introduce the concept of equality of career opportunity into their human resources policies.

These organisations, whose management structure has previously been dominated by white males, are appointing black people to senior positions in response to Employment Equity legislation.

Many of these attempts have failed due to a variety of reasons. The most often quoted ones are the following:

- mobility of blacks within the job sector ('job-hopping'). This can be attributed to several factors such as the general shortage of well qualified and experienced black people. This results in pressures on the few who are sought after, and leads to inflated remuneration and unrealistic expectations from these AA candidates (Qunta, 1995);
- insufficient time and effort in the training and development of AA candidates (Human, 1991);
- a reluctance of those in power to accept fully the changes that are involved in AA implementation, especially cultural ones (Schneider & Barsoux, 1997); and
- failure to win the support of previously privileged white employees who perceive AA as a threat to them (Sonn, 1993).

Other reasons cited for the failure of AA include educational disadvantage and cultural unfamiliarity (Hofmeyr & Templer, 1991), and fear of resistance from whites (Icely, 1986; Franks,1987;

Koorts, 1987; Kamfer, 1989; Brook, 1991; Day, 1991; Human, 1991).

✓Eskom has been at the forefront of AA implementation; indeed Eskom was seen as a leading organisation in matters relating to AA (Curtin, 1993a, 1993b, 1993c; Malunga, 1993; Beeld, 1994).

The Breakwater Monitor (1998) is a regular survey of major South African companies detailing progress in the area AA. It is administered by the Graduate School of Business at the University of Cape Town. This publication rated Eskom in the top three companies from 1992 to 1995. Because of this report, many organisations have followed Eskom's example and method of implementing AA programmes.

Although not the last edition, the Breakwater Monitor (1996) edition, which was the last to mention companies by name, indicated that Eskom is no longer among the top 10 companies with regard to AA. In terms of black representation at managerial level, Eskom was ranked 15th. The electrical utility was ranked 63rd out of 101 in the C-Paterson Grade. This is a disturbing situation for a company that won the Black Management Forum's (BMF) 'Black Advancement Programme Award in 1991'.

Eskom, being the major electricity supplier in South Africa, consists of different groups of people of different cultures. Such differences are mainly based on race. In the past, the policies of the National Party (NP) apartheid government, segregated South Africa's people according to race and limited them in many ways. For instance, the NP government declared the Western Cape a 'coloured' area and through influx control laws decreed that Africans were aliens in that region. Africans had to carry passes (identity documents), but 'coloureds' and Indians did not. Thus, whereas whites were given 'first class' citizenship status, blacks 'third class', 'coloureds' and

Indians were given a sort of 'second class' citizenship status. This was a government strategy to create the perception among South Africans that different races belonged to different classes in the society. Qunta (1995) believes that this preferential treatment of the 'coloureds' and Indians over blacks did not imply that the NP government had a high opinion of these two groups but that it was an effective way to apply the principle of 'divide and rule'.

Qunta (1995, p18) notes: "This strategy was to some extent successful. People began to see themselves as entirely different from each other with different interests". The NP used the same strategy to win the Western Cape Province in the 1994 democratic elections. Qunta (1995) feels that this notion was transmitted effectively to a large number of 'coloured' people who saw the 1994 democratic elections as a threat to their 'second class' citizenship status.

As a result, cultures between different peoples in South Africa are more pronounced than in other countries. In most countries, whereas there are differences in cultures amongst different groups, there exists a common culture for that particular country (Hofstede, 1991). In this country, there appears to be no such thing as South African culture (Koorts, 1987). Equally, Eskom, representing a microcosm of the bigger South Africa, cannot have a single organisational culture. Different people in Eskom bring to it their different cultural perspectives. As a result, it is suggested that different groups of people within Eskom perceive issues such as AA differently.

1.2 Eskom – The Organisation

Eskom is South Africa's national electricity utility, supplying more than 95 percent of the electricity used in South Africa, and more than half the total electricity consumed on the African continent.

Eskom, with a staff compliment of around 40 000, is a self financing utility operating on business principles of long term viability, customer focus, efficient use of scarce and valuable resources, and continuous improvement. It has no shareholders, is a legal separate entity and is funded entirely from debt and accumulated reserves.

Operating under the Eskom Act of 1987 and the Electricity Act of 1987 (Republic of South Africa, Eskom and Electricity Amendment Act, 1995) Eskom's policies and objectives are determined by the Electricity Council, a non-Executive body appointed by the Government, consisting of independent experts, representatives of consumers, organised labour and Government. The Management Board is appointed by the Council and is the executive body responsible for the day-to-day running of the business.

Eskom operates 20 power stations which are distributed throughout the country but mainly in the Mpumalanga province because of the abundance of coal there. It's head office, Megawatt Park (MWP) is situated in the Gauteng province, outside Johannesburg.

Eskom management resolved that by the year 2000, 50 percent of all positions according to the Paterson grading system in the C-band and above (i.e. M, E, and F bands), should be occupied by blacks (including 'coloureds' and Indians). The Black Management Forum (BMF) recommendation is that 70 percent of all the supervisors on the Paterson C band should be black by the year 2000 (The Black Leader, 1994). It is therefore at these levels (C and M), where the most AA activity is taking place at Eskom.

1.3 The Research Problem

AA has been a common practice since shortly before the 1994 democratic elections. However, the real intentions of managers regarding AA have never been clear (Ramudzuli & Menne 1994).

The feeling amongst employees in companies like Eskom is that the primary aim for managers is just to meet AA targets (numbers), even though it may be to the detriment of their organisations.

From the many discussions, both formal and informal, that the writer has had with employees in organisations, particularly in Eskom, the perception from black people is that AA is not only blocked by whites protecting the status quo, but also by some black senior managers who are threatened by competition.

Negota (in Koorts, 1987, p715), states that "black advancement is not a favour that white companies are bestowing upon blacks, but is a necessary process which the country itself should go through in the interest of the economy now and for the future."

The challenge for Eskom is to manage the increased diversity in their organisation, with a view to a successful future. Since Eskom has always been considered a forerunner and pioneer of AA (Curtin, 1993a, 1993b, 1993c; Malunga, 1993), it is imperative for management to be aware of their employees' perceptions in order to sustain this status. Perhaps, this will assist Eskom in regaining its position as the forerunner in terms of AA.

The annual World Competitiveness Report (IMD,1998) provides an illustration of how countries compare with each other in the international marketplace. The analysis features 46 industrialised and emerging economies. This latest report ranks South Africa number 42, one place above Venezuela, Colombia, Poland and Russia. This is two places above the position held by South Africa in 1997(IMD,1997). Although South Africa rates modestly in areas such as finance (31st place) and infrastructure (35th place), it is ranked last in the field of human resources development. As it has held this position since 1993, this indicates that little is being achieved to harness the unused talent in this country which is so

rich with diversity of human resources. This lack of awareness in terms of the abilities of people or human potential, manifests itself in many ways.

Thomas (1996, p1) notes: "In many cases, white South Africa was surprised to find that a black employee assigned a menial job in an organisation, was a strong community or civic leader outside the workplace."

(Bowmaker-Falconer & Horwitz, 1994) state that as well as this deficiency in the area of human resource development, there is also an inverse skills profile, with 76 percent of the workforce located in the semi-skilled and unskilled categories. (Bowmaker-Falconer & Horwitz, 1994) say that the international norm for this figure is 40 percent .

In our country, therefore, there is both massive unemployment and a simultaneous critical skills shortage. This is demonstrated by estimates of 210 000 vacant management posts by the year 2000 (Leresche, 1993). The need for AA in this country is exacerbated by this skills shortage, changing consumer profiles, international pressure, and the changing socio-political environment (Craayenstein, 1994).

The challenge facing many South African companies is to develop, train and educate their workforce in order to address these imbalances. It will not be easy: one-third of all of all black South Africans (excluding 'coloureds' and Indians) have received no formal education, 80 percent have not been to high school (Leresche, 1993), and 60 percent of the economically active population is functionally illiterate (Innes, 1992). AA is therefore not only a political imperative; solving this dilemma is critical to economic development and competitiveness in this country (Ruiters, 1995).

The question now is whether or not Eskom recognises this situation, and if so, whether it is aware of the different perceptions of its employees, and whether it will take advantage of the diversity of its workforce in order to attain world class status (Robbins, 1993) , and to continue to strive to provide the world's lowest cost electricity.

1.4 The Objective of the Research

Top management in Eskom imposed AA targets by certain dates. These targets are that 30 percent of middle and senior management should be black, Indian or 'coloured' by the end of 1996. This figure should reach 50 percent by the year 2000.

The aim of this research was to explore the perceptions of employees regarding the nature and practices of AA within Eskom. Such perceptions of employees can make or break AA programmes.

1.5 Limitations of the Research

This study aimed to explore perceptions concerning AA in Eskom. Because of constraints regarding time, finances and manpower, the survey was limited to 209 respondents at Eskom's head-office, Megawatt Park. Therefore, it may be difficult to generalise the findings to the entire Eskom employee population.

Secondly, the sample was drawn from C and M bands Paterson grading only. Other bands may have different views on AA in the organisation. Again the results cannot be generalised to the entire Eskom population.

Thirdly, since AA is a sensitive and emotional issue, there could be distortions in the responses. However, it is hoped that respondents answered the questionnaire truthfully since anonymity and confidentiality were guaranteed by the nature of the questionnaire.

The implication here is that some respondents may have answered questions in the way they think should be right, as opposed to what they truly believe. In that case, there could be distortions in the results analysed.

Fourthly, a certain number of respondents did not return their questionnaires. It is difficult then to establish the reason for the non-response and to know the perception of such individuals on AA. An opportunity for a valuable input could have been missed. Again, based on this, there could be distortions in the results.

Fifthly, the researcher was not present to assist respondents if questions were not clearly understood in the questionnaire. This could have lead to responses that are unrelated to the question.

Sixthly, since the sampling method used for the focus group discussion was convenience sampling, the method is at times considered unscientific. Kroeber & LaForge (1980, p100) state: "Indeed, the term 'convenience sample' is sometimes used in a pejorative sense to ridicule what is believed to be an unscientific sample". The implication here is that the results from this method could somehow be biased.

Seventhly, although the moderator who conducted the focus group sessions was well known and respected at Eskom, the fact that he was white could have led to incorrect and 'socially acceptable' responses.

Finally, since the questions used were closed ended, this provided a limitation in choice for the respondents. These types of questions may have resulted in encouraging respondents to accept the researcher's response categories (O'Sullivan & Rassel, 1989).

1.6 Structure of the Report

This research report is structured in the following manner:

Chapter 2 : Literature Review

This chapter reviews the literature on the issue of AA, both locally and internationally. The concept of AA is defined, and the importance of the issue established. Related terms are explained, and the importance of establishing environments conducive to the effectiveness of AA recruits is investigated. Perceptions relating to AA are also explored.

Chapter 3 : Research Proposition

This chapter outlines the propositions which emanated from the literature review.

Chapter 4 : Research Methodology

This chapter discusses the methodology used to investigate the research propositions. It also explains how the questionnaire was constructed, the method of data collection, the sampling method and sample size, and the method of data analysis.

Chapter 5: Presentation and Analysis of Results

This chapter presents the results of the research obtained from the questionnaire responses.

Chapter 6: Interpretation of Results

The results of the research are discussed in this chapter in relation to the literature and propositions.

Chapter 7: Conclusion and Recommendations to Eskom and for Future Research

This chapter contains a summary of the research results and conclusions, and offers suggestions for further research.

CHAPTER 2: LITERATURE REVIEW

Current knowledge and literature on the subject of AA, indicating the basis of a successful AA programme and its implementation, are summarised in the following literature review. Perceptions on this topic, which are the basis for this research report, are also reviewed.

2.1 Terminology

The term 'Affirmative Action' has different meanings and sometimes different terminologies attached to it. Some terms reflect a negative image associated with AA, such as tokenism, reverse discrimination, etc. This has led to the creation of alternative terminologies as noted below.

Kemp (1992) distinguishes between 'equal opportunities' and 'affirmative action' by noting that whereas equal opportunities refers to non-discriminatory practises, affirmative action implies a distinct element of preferential treatment. Albertyn (1993) believes this is because AA entails essentially positive, remedial action which is taken in order to redress historical injustices.

Innes (1993, p4) distinguishes between 'affirmative action' and 'black advancement'. He describes the former as "a set of procedures aimed at pro-actively addressing the disadvantages experienced by sections of the community in the past." He emphasises that AA is not a single policy or strategy, but that there are a number of different ways of implementing it. Innes (1993, p4) continues, "Black advancement programmes are basically affirmative action programmes which are designed to redress the past disadvantages of blacks," and says may take a number of forms.

Wingrove (1994, p2) notes: "Most people have had some exposure to the term ' Affirmative Action' and have a general understanding of what the term implies, but due to the negativity related to the term, many South Africans have become very creative in the naming of their equalisation processes." She goes on to raise a concern about the motives behind the use of terms such as *'equal opportunity', 'democratisation', 'harmonisation', 'no talent lost', 'accelerated advancement',* and so forth, terms which could be a smoke's screen for AA.

Thomas (1996, p5) agrees with this and makes an assessment that "to further complicate the issue, new buzz words and terms have sprung up, supported by suitably confusing off-the-shelf programmes designed to 'assist' organisations, in what often amounts to simply being politically correct. Some of these terms include: valuing differences, understanding differences, equal employment opportunity, and managing diversity, all of which mingle in a stew of jargon and are used interchangeably and often substituted for the term 'affirmative action' as being more palatable and less threatening to management."

Thomas (1996, p5) goes on to indicate that "it is no wonder then that with such confusion, top management has often relegated issues such as affirmative action to the ' human resources people' - that is, to those people dealing with the so-called soft side of the business."

The choice of which term to use is an indication of the perceptions of people about AA. There is no doubt that there is as much support for AA as there is resistance to it. Ncholo (1994, p37) encapsulates this thought when he states: "There is little agreement as to what AA entails, what its true terminology is, and what justifications are behind the idea. In general it seems that those opposing the practice tend to use harsher terms such as 'reverse discrimination'

or 'positive discrimination' while those supportive of the idea tend to use softer terms such as 'corrective action', 'compensatory action' or 'affirmative action'."

2.2 Legislating AA – The Employment Equity Act No.55 of 1998

Ramudzuli & Menne (1994, p20) state that "One of the disconcerting responses by the productive sector has been the rather superficial application of quota systems". They claim that these have been introduced primarily through the recruitment of blacks into non-executive directorships positions. However, these quota systems have been the prerogative of essentially white males with old-style management skills.

Ramudzuli & Menne (1994, p20) note that "Recent surveys indicate that still fewer than one senior managerial positions are held by blacks, with the average annual increase in the number of black managers being appointed ranging between 1.7 percent and 2 percent" (sic). According to The Breakwater Monitor report (1998), 86.57% of all managers in South Africa are white, 93.2% of all senior managers are white, 92.9% of all executive managers are white. Africans make up 6.21% of all managers, women make up 15.49% of all managers, and African women make up 6.2% of all women in management.

In 1996, The Breakwater Monitor made a projection with regard to management in the year 2000. The report stated that amongst the top 15 organisations (performing a good deal ahead of the national norm) it would require a 60% increase in black management representation each half year in order to achieve an overall 32% representation of black managers by 1998, and 50% by the year 2000. The Breakwater Monitor (1998) reports that this rate of change has not materialised. The purpose of the projection by the

Breakwater Monitor was to demonstrate the kind of effort required to achieve real change.

In The Employment Equity Bill (Republic of South Africa, 1997), a forerunner of the Employment Equity Act No.55 (Republic of South Africa, 1998) black people , women and people with disabilities, are described as 'designated people'. The Bill (Republic of South Africa,1997, p11) stated that "One of the measures to accelerate the advancement of designated groups is affirmative action". The Bill thus took a broader view of the end result and this was reflected in the reference to Employment Equity and to employment equity plans. The Bill took cognisance of the fact that in most instances, there would be a need for more specific plans and efforts that would involve preferential treatment in appointments and promotions. These plans and accelerated development and advancement measures are commonly referred to as affirmative action measures.

The Bill (Republic of South Africa,1997, p12) also set out the steps national departments and provinces must take, and stated "responsibility for Affirmative Action (will no longer be) the preserve of the Affirmative Action specialist but of every manager, supervisor and human resources practitioner, who will be required to implement Affirmative Action plans and be held responsible for these". The success for the implementation of Affirmative Action policies will be implemented into the performance objectives of managers and into the performance contracts of directors-general. The government previously set Affirmative Action targets, but these have now been declared 'minimum national targets', to be reviewed and reset by government by the end of 2000 and every three years thereafter. The present targets require that 50 percent of the public service must comprise black people and 30 percent women at management level, plus two percent people with disabilities by next year. But it is stressed that these figures do not represent the ultimate goal, which is that all groups and levels within the public

service should be representative of the broader society. The government hopes that the new AA policy will be viewed as 'equally relevant' to the wider public sector and, therefore, will be of assistance to local government and state enterprises like Eskom.

The Bill (Republic of South Africa, 1997) makes it clear that AA should not be seen as an activity undertaken in addition to other administrative tasks, but as an essential tool for achieving the organisation's strategic and operational goals.

The Employment Equity Bill (Republic of South Africa, 1997) became an Act of Parliament and was published on the 19th of October 1998 in the Government Gazette.

It is mentioned that the purpose of the Act No.55 (Republic of South Africa, 1998) is to achieve equity in the workplace by doing the following:

a) promoting equal opportunity and fair treatment in the workplace by eliminating unfair treatment; and

b) implementing AA measures to redress the disadvantages in employment experienced by designated groups.

The Act (No.55 Republic of South Africa, 1998) states that in order to achieve employment equity, every designated employer must implement AA measures for people from designated groups. The Act (Republic of South Africa, 1998) describes a designated employer as one who employs 50 or more employees or one who has an annual turnover that is equal to or above the applicable annual turnover of a small business in terms of Schedule 4 of this Act.

According to the Act (Republic of South Africa, 1998), AA is a process whereby an organisation implements a programme of action over a specific period. The programme aims at changing the

nature of the workforce by bringing as many previously disadvantaged people into the organisation as possible. Employment Equity is a concept which goes much further than equal employment opportunity or AA. It in fact includes equal employment opportunity, AA and black economic advancement, and also looks at fairness in all employment practices from recruitment to selection, career path planning, training and development etc.

Every designated employer must prepare an employment equity plan and report to the Director-General on progress made in implementing it. The Act describes AA measures as measures designed to ensure that suitably qualified people from designated groups have equal employment opportunities. Such people should be equitably represented in all occupational categories and levels in the workforce.

These measures however, include preferential treatment and numerical goals, but exclude quotas. An employer should not take any decision concerning an employment policy or practice that would establish an absolute barrier to the prospective or continued employment or advancement of people who are not from designated groups. A designated employer should however, conduct an analysis within each occupational category and level in order to determine the degree of underrepresentation of people from designated groups.

2.3 AA: The International Experience

The concept of AA is not unique to South Africa. It has been written about, debated and practised with varying degrees of success all over the world. In 1993 the Urban Foundation invited an international team of scholars to South Africa to share the Asian and the American experience in AA matters.

2.3.1 India

Beteille (1993) mentions that reservations are used as the predominant instrument for achieving equity among social groups in India. This is one particular form of AA and there are some problems associated with this approach. Finance was a factor for Indian policy makers when decisions were made to go for reservations. Reservation became a low cost substitute for policies directed at enhancing abilities among the disadvantaged members of the Indian community. Although low cost financially, reservations were expensive in other respects.

The Indian government concentrated on reservations for jobs and admission into universities, but neglected the mass education of people generally. There was no compulsory primary education, or any means of ensuring that Indian children attend school. This resulted in half the adult population in India being illiterate.

The second problem in India revolves around the definition of the beneficiaries of AA. Understandably most members of the population wished to take advantage of what was offered. The system of reservations created a situation of demand for the expansion of entitlements. The result was political conflict regarding who should benefit and who should be left out, and what criteria to employ in making these decisions.

At present, since AA is a time limited process, India is at a point where AA programmes should be terminated (Beteille, 1993). Eskom management has decided that when 50% of managers in the organisation are black, then the AA programme will be terminated. It is hoped that this milestone will be achieved by the year 2000 (Eskom's Affirmative Action Initiative, 1994).

As in South Africa, India's economy is growing very slowly. This situation leads to acute competition among groups. Beteille (1993, p2) states "A programme of AA of any sort in the context of slow growth exacerbates tensions between beneficiaries and non-beneficiaries."

2.3.2 Malaysia

The Malaysian experience is discussed by Puthucheary (1993) where she mentions that Malaysia offers South Africa a comparative case of AA in that the target group in both Malaysia and South Africa, is the majority group, the difference being that unlike South Africa the non targeted group in Malaysia has never been in position of political power.

Puthucheary (1993) explains that the Malaysian experience with AA was based upon a political pact between the Chinese and the Malay political elite. At that stage the Chinese held the economic power. A coalition government which included the major Malay and Chinese dominated parties agreed to a New Economic Policy under which Malays were given preference in employment in the administration services. The heart of the strategy was that if the economy grew, the Malays would benefit through AA. The result was an extraordinarily high economic growth rate, significant reduction in poverty among the Malays, improvement in the distribution of wealth, and continued wealth for the Chinese business community.

Even so, many problems persisted due to conflicts between the dominant Malays and other indigenous groups. This resulted in a feeling of second class citizenship among many Chinese, and tension existed between the groups. Despite this, however, the Chinese/Malay political alliance has thus far resulted in a successful high economic growth rate.

2.3.3 Sri Lanka

Samarasinghe (1993) raises the question of whether an AA programme to achieve greater equality among ethnic groups leads to a reduction or exacerbation of ethnic conflict. This occurred between the relatively 'better off' minority, the Tamils, and the majority Sinhalese-speaking community in Sri Lanka. However, the special AA policies introduced to benefit the Sinhalese in Government employment and in university admissions, intensified the political divisions and culminated in a civil war which was destructive for the entire country.

Samarasinghe (1993) explains that the Sinhalese community which took control of the political system unilaterally, put in place a policy which shattered the Tamil sense of justice and destroyed their belief in the legitimacy of the political system itself.

The previously privileged Tamil community found themselves increasingly excluded from the higher educational system and government employment. Militant groups were then launched in an armed struggle against the Sinhalese government. Samarasinghe (1993, p40) states, "Had the Government engaged in dialogue and negotiations to reach an agreement between the Sinhalese and Tamils on a strategy to achieve great equality, they might have avoided the deep political divisions which have been so destructive of the lives of people in both communities."

2.3.4 United States

Kennedy (1993) believes that most people in the United States of America feel that AA should be a temporary measure, but does not suggest a time frame for this.

Americans argue about timetables, goals and quotas because they have this very deep historic commitment to strengthen the equality

of opportunity. These two different ways of thinking about equality are contradictory at many levels, (Kennedy, 1993).

Qunta (1995) believes that racism in the United States runs deep in their society and that racial polarisation is far more pronounced than most outsiders realise. She mentions the race riots in Watts in the 1960s, Miami in 1980 and 1989 and Los Angeles in 1992, as symptoms of the racial tension that exists in the American society.

Qunta (1995, p30) states that "The Office of Contract Compliance Programs ensures that the number of African-American and female staff members in a company is in direct proportion to the number of qualified staff available in the total workforce. Companies have to ensure that their staff complexion reflects the population figures at large."

2.4 Definition and Description of Affirmative Action

Wingrove (1994) notes that the term 'affirmative action' was first introduced in America by President Kennedy in 1961. But it was only legislated for the first time in the United States by LB Johnson in 1965.

Charlton & Van Niekerk (1994, pxviii) explain that "the adjective 'affirmative' implies both giving of preference and putting right what has previously been wrong/unfair". They say that this term "is used to refer to the overcoming of barriers and access to opportunity in general, and equal employment opportunity in particular - primarily with respect to the integration of black people and females into managerial positions."

Thomas (1996, p5) points out that "although the term 'affirmative action' appears on corporate agendas, is being debated at national conferences, and has been the topic of the moment for research in

South Africa, when one questions the understanding of the term, a lack of consensus becomes evident."

This point is re-emphasised by Ramudzuli & Menne (1994, p18), who contend that "there is some disagreement on what constitutes affirmative action and to whom it should apply, with possibly the only point of agreement being that not enough progress has occurred."

Thomas (1996, p6) expands on this: "In a broad context, affirmative action has been seen as a means of correcting historical injustices and as an attempt to work from there to eventually creating level playing fields where everyone can compete, based upon equal access to education, training and other opportunities formerly restricted to the white minority population."

Wingrove (1994) contends that 'affirmative action' is an anti-discrimination measure that is reinforced by legislation and judicial intervention. It finds its roots in the Universal Declaration of Human Rights formulated in the 1940's by the International Labour Organisation which states that everyone is entitled to pursue his/her material well-being and spiritual development in conditions of freedom and dignity without discrimination on the grounds of race, colour, sex, language, religion, political views, national extraction, social origins, property, birth or any other status.

Sonn (1993, p1) suggests that "there can be no gainsaying the need for positive and constructive measures to redress the imbalance of racial discrimination in general and apartheid in particular. Clearly justice is not going to be restored by the mere adoption of a just constitution. Deliberate and practical steps will have to be implemented to eliminate inequalities which were created by deliberate design." Sonn (1993, p1) believes that "this is not a moral issue of right and wrong but a practical and rational

method to achieve restitution for years of denial, deprivation, devaluation and dispossession. Therefore, AA is both in the interest of the oppressed as well as of the business sector itself."

To discourage or discredit AA, some people use derogatory terms to describe the process. Sonn (1993, p2) gives his opinion: "terms like 'racism-in-reverse' or 'reverse discrimination' or the argument 'if it was wrong for Afrikaaners it does not make it right for blacks', are unhelpful rationalisations and this way of argument clearly is nothing more than a last ditch puerile effort to defend the indefensible." He agrees that "AA is based on the argument that whites have a right to the positions from which they will be excluded if blacks are appointed to them, or it suggests that AA and nepotism in favour of whites did not place them at the kind of advantage they enjoy and it says nothing of the calculated exclusion of blacks."

Sonn (1993, p2) feels that: "The process of 'equal opportunity' does not and will not solve the problem. Moreover, it is not able to correct the socio-economic imbalances soon enough. We cannot overlook the fact that it was exactly the deliberate intention of apartheid to ensure that blacks were in fact not equal. If apartheid can be granted any success, it is that it succeeded in ensuring inequality. In this sense therefore, 'equal opportunities' could be viewed as a subtle and more insidious form of apartheid."

Nelson Mandela (October, 1991)[1], in his address to the ANC conference on AA, noted that "The primary aim of AA must be to redress the imbalances created by apartheid. We are not asking for handouts for anyone. Nor are we saying that just as a white skin was a passport to privilege in the past, so a black skin should be the basis of privilege in the future. Nor is it our aim to do away with qualifications. What we are against is not the upholding of

[1] Transcript of recording of Nelson Mandela's speech (October 1991), University of the Western Cape: Cape Town.

standards as such but the sustaining of barriers to the attainment of standards; the special measures that we envisage to overcome the legacy of past discrimination are not intended to ensure the advancement of unqualified persons, but to see to it that those who have been denied access to qualifications in the past can become qualified now, and that those who have been qualified all along but overlooked because of past discrimination, are at last given their due."

A further concern is the point at which preference should be given when choosing between black and white candidates. Sonn (1993) believes that blacks with the minimum qualifications required should be given preference over whites with maximum qualifications. He says the issue is not promoting or advancing unqualified people.

Qunta (1995) describes AA as a systematic, planned process whereby the effects of colonialism and racial discrimination are reversed. She says this reversal should occur in all areas of life, and she offers a distinction between AA and tokenism, noting that, whereas AA provides opportunities not previously available to black people, tokenism is the haphazard sprinkling of black people in visible positions. If implemented correctly, she feels, AA will remove or at least minimise the incidence of racial and sexual discrimination in the corporate world.

Innes' (1993) definition of AA is in line with that of Qunta (1995). With regard to whether AA can be seen as a single policy or strategy, Innes (1993) believes it cannot. He says there can be a number of different ways of implementing AA which are designed to redress the issue of the past disadvantages suffered by blacks.

The question always arises as to when AA can be seen to have had some effect. Qunta (1995, p2) offers an answer: "Affirmative action is about the economic and social empowerment of Black people.

One of the effective ways to economically empower Africans is of course for them to acquire and create major corporations that are essential for the smooth running of the economy." She continues by quoting the example of the acquisition of a controlling stake by the black owned New Africa Investment Limited in Metropolitan Life.

2.5 Environments Conducive to AA

Organisations often implement AA without first preparing their employees for the 'cultural shock'. The result is often unsuccessful, with the appointees feeling no sense of belonging, and often leaving the organisation (Thomas, 1996).

Ramudzuli & Menne (1994, p20) expand on this point, "Where the advancement of blacks has taken place, it has often given rise to marginalised individuals". They say the pervasiveness and tenacity of racially determined systems have not been designed to readily incorporate black and female managers, noting, too, that many informal and formal interactions which form the fabric and texture of an organisation, and with which the traditional white incumbent interacts on a daily basis, simply do not exist for the AA candidate.

Thomas (1996, p7) says that "AA, introduced in isolation to organisational environments where management believes that a few black or female faces will make the organisation appear to look politically correct, usually results in the 'revolving door' syndrome." She says organisational culture and related systems, historically created by white management, are not conducive to the development of the new recruits, saying these new recruits feel excluded and become disillusioned and eventually leave the organisation. Thomas (1996) goes on to say that this is often misinterpreted by top management in their prejudices that black employees and women cannot make the grade in the corporate environment. In this way untapped potential has been wasted.

With regard to changing the attitudes of people to facilitate successful AA, Thomas (1996, p6) explains that, "many organisations in South Africa have embarked upon experiential programmes aimed at 'understanding differences', 'valuing differences', and 'appreciating diversity'". She says whereas there are reputable programmes in the market place seeking genuinely to educate employees about understanding themselves in relation to their colleagues different from them in race, gender, religion, cultural background or disability, all too often such workshops unwittingly promote what Thomas (1996, p6) calls "corporate psychotherapy". She explains this as an endeavour to "create a warm blush of togetherness" among employees. She suggests that this as a 'quick-fix' solution with short-term sustainability.

The sustainability of such programmes seems to be the problem. Thomas (1996, p10) expands on this by writing: "What is not being addressed, however, are the issues most critical to the success of developing and maintaining a truly diverse and productive workforce at all levels". She mentions that such issues include organisational culture, structure and policies. She says that if these issues are not adjusted to the process, in all likelihood the positive effects of all other efforts will be rendered null and void. Diversity cannot be achieved without the introduction of AA. With AA comes the diversity that is so necessary for successful organisations. But diversity has to be properly managed. Thomas (1996, p12) believes that "Managing diversity is a long-term process which demands top management identification and commitment to set in motion mechanisms to unbridle the potential of all employees."

2.6 The Constituents of a Successful AA Programme

Policies on AA have sometimes been prepared with little thought given to how they will be implemented, or how the organisation will determine the effectiveness of their implementation.

Thomas (1996, p2) points out that "it cannot be denied that at a superficial glance, it appears that, prompted by the socio-political changes in the country, a lot is happening in the area of human resources". She says that major companies embark on programmes of AA and training in an attempt to address educational and skills deficits, historically promoted in the country's majority population group. She goes on to say that management of the diverse workforce in this country, especially in the lower ranks, is not receiving enough attention.

According to Ramphele (1993, p11), "discussions revolving around affirmative action are very frustrating." She questions who is being affirmed and for what reason. Consequently she prefers to consider a model of equity incorporating AA strategies to achieve the agreed equity model. Ramphele (1993, p11) concludes, "You won't have whites affirming blacks or men affirming women; you will rather find South Africans working together to establish a more equitable society,"

Charlton & Van Niekerk (1994, pxix) concur that "the process of continual improvement of all human resources, or as Japanese say, *kaizen,* is never really complete". They say that where a change of heart and attitude is concerned, accelerated development of human competence is a time consuming process that the Japanese culture, for example, has shown us can take centuries. They emphasise that this change is a process, and not a once-off task that we have to grin and bear and throw money at without pausing from the business to think about it.

Charlton & Van Niekerk (1994, pxix) believe that "South African business is poorly positioned in general to begin this process of continually investing in people". The reason given by most companies they say is that '*because we don't want to or we don't know how to'.* They go on to mention that organisations in South

Africa, judging from their dismal productivity record, clearly pay lip service to human development. They say human potential is destroyed by the dearth of competent leadership, minimal (relative to other countries) investment in appropriate training and development, and hierarchical organisational structures.

Charlton & Van Niekerk (1994, pxx) believe that "black people and women have borne the brunt of this lack of commitment". The underlying premise of the incompetence of all people, they say, will remain after organisations have been forced to redress inequalities through a short-term, one-off AA programme. Organisations will perhaps, then simply find another 'scapegoat' or more sophisticated excuses for not being committed to people.

2.7 Perceptions Relating to AA

From the above literature review, it is clear that AA like many other issues, can and will be influenced by perceptions of people. Robbins (1993), states that perception is a process by which individuals organise and interpret their sensory impressions in order to make sense or give meaning to what is happening around them. He, however, notes that what one perceives can be significantly different from objective reality. Robbins (1993) says although it need not be, there is often disagreement.

Robbins (1993) believes that perception is important because the behaviour of people is not based on what reality is, but on their perception of what reality is. He explains that individuals may look at the same thing, and yet perceive it differently. Robbins (1993, p126) concludes: "A number of factors operate to shape and sometimes distort perception. These factors can reside in the *perceiver,* in the object or *target* being perceived, or in the context of the *situation* in which the perception is made". Employees at Eskom are also subjected to factors that will influence their

perception about AA. Some of the statements based on perception about AA follow:

- 'AA is reverse racism'. Whites who espouse this view fully understand the implications of discrimination against other groups of people. If they themselves benefited from apartheid and enjoyed the extensive opportunities available to them, the opposite is likely to take place, with whites being disadvantaged. Qunta (1995) feels that this view is understandable from those who benefited in the past from education, wealth and comfortable lifestyles. However, she attacks the argument that AA is racism in reverse. Racism, she explains, is a negative word which suggests that one group of people is superior to the other. AA policies in fact do not imply that whites are inferior or incapable of performing certain tasks. Whites cannot be alone in benefiting from life's opportunities (Qunta 1995). Charlton & Van Niekerk (1994) warn that AA, just like apartheid, perpetuates racial discrimination and exacerbates tensions. They say that to benefit blacks by the use of quotas, the government must deny opportunities for whites.

- 'AA will simply not work'. The implementation of AA is part of the broader process of transformation and democracy in South Africa. Robbins (1993, p670) writes, "One of the most well-documented findings from studies of individual and organisational behaviour, is that organisations and their members resist change." He feels that this is positive in the sense that if there was no resistance, organisational behaviour would take on a random characteristic which would lead to chaos. Qunta (1995, p20) concurs: "White business tends to be ambivalent towards affirmative action. Part of the reason for this ambivalence is the fear of change, especially when that change involves a radical re-thinking of past strategies."

- 'AA leads to job losses for whites'. The perception here is that people who advocate the implementation of AA, are top

management and are themselves not adversely affected by it. Junior to middle management (M and C bands) employees find it hard to commit themselves to something that is perceived to be detrimental to them (Ernstzen, 1993). Qunta (1995) believes that commitment to AA is shown only at the top echelons of companies, and not at the middle and lower levels where blacks usually enter the company, and where whites are directly affected.

- 'I agree with the principle, but not the manner'. This surely is the biggest challenge facing South African companies trying to implement AA. There appears to be no universal plan agreed upon in the literature. Qunta (1995, p20) notes that, "Even where the principle is accepted, strategies for effective implementation are hardly ever agreed upon." She explains that this is experienced not only in this country, and she cites the example of the United States of America where the subject of AA still generates serious argument, even where AA has been practised for many years.

- 'Recruitment should be based on merit'. Here, the term 'merit' is not fully defined. Kemp (1994) notes that some black people feel that 'merit' in this context has no measurable, consistent meaning, and that the extensively discussed concept of 'standards' is also subjective. Qunta (1995) quotes Lot Ndlovu, former Executive Director of the BMF, who, when addressing a meeting in 1994, said that if for instance, the son of a major donor at the University of Witwatersrand applied to study there, he would most probably not be turned down even if his application did not meet all the requirements for entry. He also said that people feel comfortable with those who are similar to them, and attribute to them positive qualities which they do not acknowledge in those who are dissimilar to them.

- 'AA will not end'. Eskom's Chief Executive, Allen Morgan predicts that after the year 2000, there will be no need for AA as the natural

process will take over, i.e. there will be more blacks than other groups graduating from universities according to demographic reality[2]. Those who argue against AA do not believe this, and think that AA will continue forever. Hofstede (1991) identifies this as one of the four 'value' dimensions on which countries, organisations and individuals differ. He calls it *Uncertainty Avoidance*, which refers to people's discomfort with uncertainty, and preference for predictability and stability.

- 'AA will lead to drop in standards'. This statement is heard repeatedly. If unsuitable, unqualified people with no potential are appointed to posts, then standards will definitely drop (Brook, 1991). New appointments should be linked to relevant training for the appointees no matter who they are. Qunta (1995) argues that should people believe that AA has nothing to do with appointing unqualified people, then the fears of those who are genuinely concerned about maintaining standards will be shown to be unfounded. She notes that people might need further training in certain areas, so it will be necessary then to upgrade their basic skills and ~~the~~ develop their potential. Mkhwanazi & Rall (1994), indicate that the immediate short-term cost of developing black employees needs to be seen against the long-term need to advance blacks. They state: "it is true that there is a lot of money involved in developing blacks, but this has to be taken as an investment with a bigger payoff in the longer term," (Mkhwanazi & Rall 1994, p49). They also note that the economy of this country depends on how well companies invest in the development of their workforce. Kemp (1992) found that 90 percent of the organisations he surveyed mentioned that recruiting the right person was a constraint to the implementation of AA.

[2] Allen Morgan, CEO of Eskom in one of his addresses to Eskom employees about AA, September 1996.

- 'With AA, productivity goes out of the window'. Productivity in any organisation is a function of motivation (Du Plessis, 1995). Black employees, realising that their advancement is no longer determined by the colour of their skins, will be motivated to work hard and strive to educate themselves in order to be considered for higher positions. Barling (1983) notes that motivation constitutes a crucial element in determining work performance and productivity.

- 'AA is happening too fast'. It was apparent that different people view AA differently. The differences in perceptions of AA are generally racially related. Whereas most white employees felt, for instance, that AA was being implemented too fast, black employees feel that it is happening too slowly. Qunta (1995) notes that in her frequent discussions on the topic of AA with her white colleagues, she often feels that they are not in favour of significant change for the foreseeable future. She believes that her white colleagues are proposing an almost imperceptible pace of reform.

The basis for whites' perception that AA is happening too fast, can be traced back to 'white fears' (Qunta 1995). Perhaps this is the reason that South African organisations, as well as individuals, are reluctant to make any medium or long-term plans for AA. Wingrove (1994) says that organisations are not able to plan their manpower effectively, but they are still expected to do so in order to satisfy the demographic realities and political demands of their environment.

Resistance to change, especially culture change, seem to be a hindrance to many interventions introduced in companies, and employees will justify their reluctance to AA with all sorts of statements, including the above (Ncholo, 1994). Robbins (1993) notes that it is well documented from many studies of individual and

organisational behaviour that organisations and their members resist change.

2.8 Conclusion

The topic of AA is not an easy one to deal with. From the literature surveyed, it seems that there is no single solution for companies implementing AA. For such companies, there will be uncertainty for employees, followed by a great deal of resistance. All this could be due in part to different perceptions about AA. Perceptions should not be dismissed lightly. Robbins (1993), says individuals use shortcut techniques when judging others, and that however, an understanding of such shortcuts can be helpful in recognising when they can result in significant distortions.

Lessons about AA can be drawn from the experiences in different countries to suit the South African situation. Obviously South African companies should import what is best for our country and avoid the pitfalls experienced in other countries. For instance, it is essential for South Africa that any policy of AA introduced in this country should not be divisive, in order to avoid a repetition of the Sri Lankan experience, which could have been caused by perceptions on the issue of AA.

Perceptions can also act as a barrier to Employment Equity. Based on what people believe and understand, organisations and their employees will interpret the Employment Equity Act (Republic of South Africa, 1998) as it suits them.

CHAPTER 3: RESEARCH PROPOSITIONS

3.1 The Research Problem

This study attempts to identify perceptions of Eskom employees about AA. The study explores perceptions of employees at different levels and belonging to different race groups in the organisation.

3.2 Proposition 1

Black, white, 'coloured' and Indian employees have different perceptions regarding the definition of AA.

Brook (1991) argues that white civil servants did not perceive the definition of AA as Africans and the so-called 'coloureds'. Kamfer (1989) supports this view, saying that the majority of whites think that AA will not achieve that for which it is intended.

3.3 Proposition 2

Employees at different levels of seniority in the organisation have different perceptions about the benefits of AA.

Hofmeyr & Templer (1991) found that although AA is generally supported, employees at different levels of seniority in the organisation will have different reasons for the necessity of AA. Innes (1992) found that in the majority of cases, economic reasons were always cited as reasons for effective AA programmes.

3.4 Proposition 3

Black, white, 'coloured' and Indian employees have different perceptions regarding the emigration of highly qualified and skilled people as a result of AA, resulting in lower standards in the organisation.

Qunta (1995) argues that, the emigration of white people who feel threatened by AA, should be seen as an opportunity to develop black people who should later occupy those positions. Human (1993) adopts a softer tone and suggests that development of people should be an ongoing process so that South Africa can strive to claim its rightful place in the global village.

3.5 Proposition 4

Employees of all racial groups agree that racial intolerance is significantly responsible for non-effective implementation of AA.

Most literature reviewed by the author found that racism is always quoted as one of the reasons AA is not being successful (Adams, 1993; Innes, 1993; Ramudzuli & Menne, 1994; Wingrove, 1994.).

3.6 Proposition 5

Employees perceive that AA is concerned with increasing numbers of black employees and not about adding value, and that it does not impact positively on the organisation.

An earlier survey conducted in Eskom, found that majority of employees express the view that AA at Eskom is all about numbers only (Eskom's Affirmative Action Initiative, 1994).

CHAPTER 4: RESEARCH METHODOLOGY

4.1 Introduction

The aim of this chapter is to discuss the methodology used to investigate the research propositions discussed in the previous chapter. The researcher will discuss the design of the research , the construction of the focus group discussion outline, the methods that were used to collect the data, the sampling method and the sample size for the two phases, Phase 1 and Phase 2. In the latter phase, the survey method will be used.

The literature was reviewed in order to apply theory to the research questions, that is, to find out which issues are generally perceived as pertinent to AA. The research was carried out in two phases:

4.2 Phase 1: Focus Groups

The purpose of this section was to generate a questionnaire for Phase 2. The data required for the research was obtained from Eskom employees.

4.2.1 Population and Sampling Method –Focus Groups

The population for the Focus Group discussion was all Eskom MWP C and M band levels (Paterson Grading). C Paterson band is a level just below management, and is typically dominated by new graduates direct from universities or technikons, (C lower), and those ready to get to management level (C upper). M band is a level that includes junior management (M lower), and middle management (M upper). The researcher invited people that he either worked with, or had close working relations with at MWP. The main aim was to obtain a fairly representative profile in the focus groups so that the comments would be reliable as indicators of the opinions of the C and M band employees at Eskom.

Thirty people were invited to participate in each of the four groups, which were made up of racially homogeneous groups, i.e. 120 employees in total. The black group included 'coloureds' and Indians. The response rate is indicated in Table 4.1.

Table 4.1: Focus Group Participants

GROUP	C-BAND	M-BAND	TOTAL
BLACK	25	20	45
WHITE	27	26	53
TOTAL	52	46	98

The reason for the homogeneity of the four groups was that people were free to express their opinions without engaging in black versus white debates. Because the researcher targeted homogenous groups, plus the fact that members of these groups were his acquaintances, the sampling method could be described as convenience sampling. Kroeber & LaForge (1980) warn that in any convenience sample, the representativeness of the sample is suspect and unscientific.

With the permission of each member of each group, the discussions were recorded in order to be transcribed verbatim. Since the researcher is an Eskom employee, results would have been contaminated if he conducted the focus group discussions himself. Some respondents might have given answers that were socially acceptable. For this reason, an outside moderator was invited to conduct these sessions and lead the discussions in the area of AA. The moderator who conducted these sessions was white but is well known and respected by all employees at Eskom as he had previously conducted similar workshops. All the participants said they felt comfortable for him to play that role. Each session lasted for one and half hours. The results of the focus group meetings were used to refine the earlier questionnaire to test the propositions.

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4.2.2 Design of the Interview Guide

The design of the interview guide was done with the following in mind:

1. That each question was linked or associated with a particular proposition;
2. That no leading questions were included;
3. That the interviews remained focused and concise in order to respect the respondents' time.

To achieve this, the following aspect was adopted in the design of the interview guide:

In order to establish a 'qualitative feel for the gestalt' of the culture of Eskom, and to formulate issues to be included in the interview guide (Hofstede, Neuijen, Ohayv, and Sanders, 1990), a few interviews with C and M band employees were conducted in Eskom. This was done in conjunction with the literature reviewed, the researcher's own knowledge of Eskom, and the researcher's own mental thought process.

4.3 Method of Data Analysis for Focus Groups

4.3.1 Background

Tapes from the discussion groups were handed over to the researcher, who transcribed them and had them written on paper. From the literature reviewed, themes, models and topics relating to AA were identified. These were grouped together under themes relating to the five propositions.

All statements in the questionnaire emanated from these focus groups. In choosing the statements, the researcher was careful to

include only questions which related to AA, and discarded those that seemed irrelevant.

4.3.2 Content Analysis-Focus Groups

Content analysis was applied to data obtained from the focus group discussions. Themes not disclosed by the literature were sought. Weber (1985, p10) indicates the usefulness of content analysis in "generating cultural indicators that point to the state of beliefs, values, ideologies, or other cultural systems...".Pirow (1990), points out that the objective of the content analysis is to transform verbal, non-quantitative data into quantitative data. According to Pirow (1990, p182), "content analysis is a methodological procedure for extracting thematic data from a wide range of communication media".

This method of analysis is supported by Smith (1975, p219) who says that "good content analysis is disciplined by theoretical considerations just as any research method. Hence, content analysis should start with a theoretical problem rather than with the already existing data".

Hence data from the focus group discussion was analysed at two levels, explanatory and exploratory. The reason for this level of analysis was to reduce the accumulated data from the respondents into manageable statements. It was also to develop suggestive recommendations for future quantitative research along the lines of rigorous statistical testing. The following steps were followed in using the content analysis methodology:

- Making sure that interview questions were relating to the five propositions;
- Reviewing the transcripts of the interview questions at least more than once;

- Transferring the responses to each question onto a matrix, with rows denoting the responses and the columns denoting the emergent themes;
- Converting long descriptions into summaries without losing the content and meaning of the sentences. Weber (1985) describes this as generally being regarded a central problem of content analysis;
- Where original constructs were similar, in-depth meaning of the data was provided by including additional descriptive words to original constructs;
- Exploring and applying casual and association analysis of the constructs against the following pre-determined criteria:-
  1. the extent to which the respondents showed consistency on the sub-issues and definitions identified;
  2. the extent of the contradictions and divergent views on the sub-issues and definitions;
  3. identifying underlying sources of the contradictions and divergent views; and
  4. determining the relationship between the sub-issues;

Appendix 1 details the final interview guide designed for the focus group discussion.

4.3.3 Questionnaire Refinement and Piloting

Before the final questionnaire was distributed to respondents in Phase 2, it was administered to a sample of eight people as follows:

Table 4.2: Pilot Group Participants

GROUP	C-BAND	M-BAND	TOTAL
BLACK	2	2	4
WHITE	2	2	4
TOTAL	4	4	8

This was undertaken in order to establish the average time involved in completing the questionnaire, and to evaluate the format and clarity of the questions. The feedback led to minor changes to the questionnaire. A sample of the final questionnaire plus the covering letter are contained in Appendix 2.

4.4 Phase 2: The Survey

4.4.1 Introduction

When a researcher wishes to elicit opinions and not 'hard facts', the survey method is generally used (Pirow 1993). The questionnaire used was developed in Phase 1, and a survey was conducted. This approach was considered appropriate for the following reasons:

- Questionnaires can cover a wide sample (Oppenheim, 1976);
- It is much affordable and less time consuming to prepare a questionnaire than to conduct an interview (Oppenheim, 1976);
- Questionnaires provide assurance of anonymity for respondents (Bailey, 1982).

Although the questionnaire method was chosen above the interview method in phase 2, the questionnaire for this research was designed with the following in mind:

- The researcher would not be present to assist the respondent if questions were not clearly understood. For this reason, complex and ambiguous questions were avoided (Bryman, 1992);
- Since AA is a sensitive and emotional topic, respondents might select a normative response (Bailey, 1982). To overcome this, Phillips (in Bailey, 1982) suggests that questions requiring respondents to admit that they engage in socially undesirable behaviour (e.g. support racism), should be phrased in a manner that disguises the fact that the respondent engages in that behaviour, or

to word the question so as to presume that there is no consensus regarding the norm, or to indicate that the behaviour is not deviant but in fact widely practised;

- Questions may be worded in such a way that they lead the respondent to a particular response (Bailey, 1982). In this case, questions should be phrased in a neutral manner. The following number of responses were aimed for:

4.4.2 Population and Sampling Method

The population that the author sampled was all C and M-bands employees at Eskom's MWP. The latest figures (April 1998) (Appendix 3) show that of the total 3093 employees at MWP, about 2513 are broadly in the M and C band categories, and of these, the following is the approximate breakdown:

Table 4.3 : C and M Band Breakdown

GROUP	C-BAND	M-BAND	TOTAL
BLACK	353	195	548
WHITE	940	812	1752
COLOURED & INDIAN	125	88	213
TOTAL	1418	400	2513

The author obtained the names of all the employees at Eskom MWP office in the C and M band categories. These were divided into the following: C-band (white), C-band (black), C-band ('coloured and India), M-band (white), M-band (black), M-band ('coloured and Indian). Each name in each group was then numbered. These names were then placed in a random number generator (RNG).

The author then selected the first appropriate numbers of the respondents as shown in Table 4.4, plus extra names on the RNG; i.e. for instance for White C band, the first 50 plus 10 names on the RNG were selected. The additional people (10 for white C band) were included in case some of the respondents did not fill in their questionnaires or did not bring them back on time. In this way, the

sampling method constituted random sampling, where all C and M band employees at MWP made up the population.

Table 4.4: Expected Responses

GROUP	C-BAND	M-BAND
BLACK	50	50
WHITE	50	50
COLOURED & INDIAN	30	20

4.4.3 Data Collection

From the compiled list of names in the C and M bands, the researcher sent out the questionnaires to each respondent. Each questionnaire was delivered to the desks of the respondents, and it contained a covering letter explaining the purpose of the survey. As previously noted a copy of the covering letter is contained in Appendix 2. Participants were asked to return a completed questionnaires to an address identified in the covering letter.

4.4.4 The Questionnaire

Appendix 2 contains a copy of the questionnaire that was sent to each respondent. Section 1 of the questionnaire dealt with the demographics, where respondents were asked to indicate the following:

- Race of the respondents;
- Home Language of the respondents
- Age of the respondents;
- Paterson Grading of the respondents;
- Period of service in Eskom; and
- Their level of education.

Section 2 dealt with proposition 1, which was covered by the first 15 questions on the questionnaire. Section 3, with questions 16 to 21 dealt with proposition 2. Questions 22 to 27 were in Section 4,

covering proposition 3. Section 4 covered proposition 4, with questions 28 to 33 in the questionnaire. The last 4 questions in the questionnaire, questions 34 to 37, covered proposition 5.

4.5 Data Capture

The data contained in the questionnaire was captured on an NCSS spreadsheet. The demographic questions were pre-coded, with the exception of question 4 which was post-coded. Question 4 referred to the Paterson band level. Here respondents were required to indicate whether they were M or C band.

The coding was done in the following manner:

Strongly disagree = 1; Disagree = 2; Neither agree nor disagree = 3; Agree = 4; Strongly agree = 5.

A key for the coding system for the demographical questions is presented in Appendix 4. The data collected is ordinal and was analysed by first calculating the median for different groups for each proposition. Then non-parametric ANOVA test was performed on the data to test the statistical significance of the results.

4.6 Method of Data Analysis

The data was analysed by each proposition. The responses for each statement were recorded in a table, and each table contained frequencies of the responses, followed by the medians of the responses. The median is used to summarise the data when one wants a typical, central value that does not suffer the distorting effects of extreme values (Hanke & Reitsch, 1994). The median could be used since data collected was ordinal. Two methods were used to analyse the results of the questionnaire. For Propositions 1, 3, 4 and 5, the Kruskal-Wallis Test was used to ascertain whether or

not there were differences in perceptions between black, white, and other ('coloured' & Indian) employees. The reason for using this test is that three different samples, and not two are compared.

The hypotheses for these propositions are:

H_o : The means are equal at the 0.05 level of significance.

H_1 : The means are not equal at the 0.05 level of significance.

For proposition 2, the Mann-Whitney U test was used. This test is used if two sample groups have been drawn from the same population. The Mann-Whitney U test is used when the assumptions of two normal populations with equal variances cannot be verified, and is useful for ordinal or ranked data (Hanke & Reitsch, 1994).

CHAPTER 5: ANALYSIS OF RESULTS

5.1 Introduction

This chapter discusses the analysis of the research results. Firstly, results of the content analysis undertaken on the focus group discussions is presented for Phase 1, then analyses are presented on the questionnaires sent out to respondents (Phase 2), which are then presented in terms of the propositions set out in Chapter 3.

5.2 Phase 1:Focus Group Discussion - Content Analysis

Following the advise of Smith (1975), pertinent questions were asked and the appropriate answers were not 'finished for'. Also, an instrument of control was established to guard against subjectivity.

Open ended questions included in Appendix 1 were coded. According to Jones (1985), the purpose of this method is to make sense of the data by providing a structure in the data and giving this meaning. In other words, the purpose is to "...take a verbal, non-quantitative document and transform it into quantitative data", (Pirow, 1993, p147).

In this method, categories are decided upon in advance and the data is coded. The researcher coded the responses according to the content analysis method described by Jones (1985).

The results obtained from this analysis are presented in Table 5.1. This table shows the number of times statements were mentioned by respondents, i.e. frequency of mention. The table also includes statements which were not central to the themes discussed and these are shown under 'other statements'.

Table 5.1: Frequency of Mention of Statements

DEFINITION OF AA	BLACK	COL	INDIAN	WHITE	TOTAL
Reverse racism	0	0	0	39	**39**
Addressing imbalances of the past	42	1	1	20	**64**
Detrimental to whites	15	4	6	37	**62**
Confusion	3	0	0	27	**30**
Black advancement	43	1	1	20	**65**
OTHER STATEMENTS					
Quick promotion for blacks	35	4	6	34	**79**
SA demographics should be reflected at Eskom	39	5	4	18	**66**
AA is a necessary evil	40	3	3	15	**61**
AA is about forcing whites out of jobs	0	1	0	34	**35**
Appointments should be based on merit only	12	2	1	37	**52**
BENEFITS OF AA	**BLACK**	**COL**	**INDIAN**	**WHITE**	**TOTAL**
AA creates more jobs	20	4	3	4	**31**
Better income distribution	40	4	1	10	**55**
Improve overall economy of country	17	2	1	20	**40**
No benefit at all from AA	2	1	1	15	**19**
Promotes black economic empowerment	32	2	1	9	**44**
EMIGRATION AND LOWERING STANDARDS	**BLACK**	**COL**	**INDIAN**	**WHITE**	**TOTAL**
Crime and other factors lead to skills loss	23	4	7	15	**49**
AA forces whites out of the country	6	0	0	34	**40**
Standards declined since inception of AA	0	1	0	45	**46**
Whites should be encouraged to leave for AA	23	0	0	3	**26**
OTHER STATEMENTS					
Whites taking packages and consulting	39	2	1	43	**85**
Those taking packages have no contribution	20	1	0	9	**30**
RACIAL INTOLERANCE AND AA	**BLACK**	**COL**	**INDIAN**	**WHITE**	**TOTAL**
Job hopping due to greedy blacks	10	3	1	37	**51**
No support for AA candidates from whites	23	4	3	6	**36**
Racism still exists in Eskom	33	2	1	7	**43**
Preferring to report to white manager	12	0	0	33	**45**
Blacks generally incompetent	0	0	0	13	**13**
AA ABOUT NUMBERS AND NO VALUE	**BLACK**	**COL**	**INDIAN**	**WHITE**	**TOTAL**
No value added by AA	32	2	3	12	**49**
Managers chasing figures on AA	23	1	0	34	**58**
Poaching of AA candidates	26	0	1	22	**49**

In summary, most conciliatory responses about AA came from black employees as the above table indicates, e.g. 'addressing the imbalances of the past'. However, most white employees showed extreme negative views, where statements like 'loss of identity', 'detrimental to me' were uttered.

The view that AA is all about the dropping of standards, came from the white focus groups. Black employees never shared this view.

The question that seemed to evoke some positive thinking about AA from some white employees, was the one asking what are the good things about AA. What this question did was to make some white employees admit after all that there were indeed some good things about AA, but that the implementation thereof created problems.

Where there seemed to be no major differences in opinion was on the question of increasing numbers of black employees in the organisation without adding any value.

5.3 Phase 2: Analysis of the Sample

The following section describes the sample characteristics of those who participated in the questionnaire survey.

5.3.1 Sample Description

Of the 340 questionnaires sent to out to the C and M bands, 211 were returned. This is a response rate of 62 percent and it is considered excellent (Moser & Kalton, 1977). In this instance the high response rate was attributed to the fact that the research was carried out 'in house'.

The tables in the following section show the sample details:

5.3.2 Sample Details

The following tables were drawn up for the six demographic questions. The 'coloured' and Indian sample numbers were individually small, and as a result they were collapsed into one category for the purpose of analysis. These cross tabulations are shown below:

Table 5.2: Racial Mix of the Sample

BLACK	WHITE	COLOURED & INDIAN	TOTAL
93	97	21	**211**
44%	46%	10%	**100%**

Table 5.2 indicates the total number of people in each group who responded and their percentages. The sample mix shows a wide spread of employees and is therefore representative of Eskom's C and M band level employees.

Table 5.2 indicates that almost the same number of blacks and whites responded. Of the total respondents who participated, whites represented the largest group (46 percent) followed by Blacks (44 percent). The rest (10 percent) were 'coloureds' and Indians.

Table 5.3: Paterson Grading of Respondents

PATERSON GRADING	BLACK	WHITE	COLOURED & INDIAN	TOTAL
C	54 (50%)	45 (41%)	10 (9%)	109
M	39 (38%)	52 (51%)	11 (11%)	102
TOTAL	93 (44%)	97 (46%)	21 (19%)	**211**

Of the employees in the C Paterson grade sampled, over 49 percent are black, compared with 41 percent of whites in the same band. In the M band, the majority (51 percent) are white compared with 38 percent which are black.

Table 5.4: Home Language of Respondents

HOME LANGUAGE	BLACK	WHITE	COLOURED & INDIAN	TOTAL
English	6 (6%)	37 (38%)	16 (76%)	59 (28%)
Afrikaans	3 (3%)	57 (59%)	4 (19%)	64 (30%)
Black Language	82 (88%)	0 (0%)	1 (5%)	83 (39%)
Other	2 (2%)	3 (3%)	0 (0%)	5 (3%)
TOTAL	93	97	21	**211**

Of the whites who responded, 59 percent spoke Afrikaans as a home language.

Table 5.5: Age of respondents

AGE OF RESPONDENTS	BLACK	WHITE	COLOURED & INDIAN	TOTAL
20-29	32 (34%)	13 (13%)	12 (57%)	57 (27%)
30-39	53 (57%)	34 (35%)	8 (38%)	95 (45%)
40-49	6 (6%)	28 (29%)	1 (5%)	35 (17%)
50+	2 (2%)	22 (23%)	0 (0%)	24 (11%)
TOTAL	93	97	21	**211**

The majority of employees surveyed (45 percent) in the M and C bands are between the ages of 30 and 39. Only 2 percent of black people in these bands in the organisation are over 50 years of age, compared with 23 percent of whites.

Table 5.6: Length of Service of Respondents at Eskom

PERIOD (years)	BLACK	WHITE	COLOURED & INDIAN	TOTAL
Less than 1	16 (17%)	1 (1%)	1 (5%)	18 (9%)
1-3	37 (40%)	1 (1%)	8 (38%)	46 (22%)
3-5	20 (22%)	8 (8%)	5 (24%)	33 (16%)
5-10	14 (15%)	19 (20%)	4 (19%)	37 (18%)
10 +	6 (6%)	67 (69%)	3 (14%)	76 (36%)
TOTAL	93 (100%)	97 (100%)	21 (100%)	**211**

By far most white employees (69 percent) in the said bands, had been in the organisation for over 10 years, whereas only 40 percent of black employees had worked for Eskom between three to five years.

Table 5.7: Level of Education of Respondents

LEVEL OF EDUCATION	BLACK	WHITE	COLOURED & INDIAN	TOTAL
Some High School	2 (2%)	3 (3%)	0 (0%)	5 (2%)
Matric Completed	3 (3%)	17 (18%)	4 (19%)	24 (11%)
Some Post Matric	4 (4%)	13 (13%)	1 (5%)	18 (9%)
Diploma Completed	24 (26%)	20 (21%)	4 (19%)	48 (23%)
Degree Completed	32 (34%)	19 (20%)	6 (29%)	57 (27%)
Post Graduate	28 (30%)	25 (26%)	6 (29%)	59 (28%)
TOTAL	93 (100%)	97 (100%)	21 (100%)	**211**

More black than white employees had completed post graduate studies. Of the employees who indicated that they are postgraduates, 47 percent were black, 42 percent white, and the rest (11.2 percent) 'coloureds' and Indians. The following table shows the response rate to the questionnaire:

Table 5.8: Response Rate to the Questionnaire

RESPONDENTS	C-BAND %	M-BAND %
BLACK	67.5	78
WHITE	56.25	86.7
COLOURED & INDIAN	25	36.7

As Table 5.8 shows, the highest rate of response was obtained from the white employees at M-band level, and the lowest response

came from 'coloured' people and Indians in the C band. Perhaps this is mainly because white people at this level in the organisation are the most strongly affected by AA. Eskom recently included AA figures as part of every manager's job compact (contract). Since the majority of managers at Eskom are white, this topic created more interest in this group than in any other. Most requests for a copy of the results of this study, were from white managers.

5.4 Statements of the Respondents

What follows is an analysis of the data per proposition. Each of the following tables contains frequencies of the responses from the sample, followed by the medians, calculated by the software programme used called Survey Tracker. This programme was used to capture the data.

The following tables show the results of each statement referring to the five propositions. The medians of all the statements are shown in Appendix 5.

Where the number of people who agree equal those who disagree, it means that there was a bimodal response, i.e. there was no consensus on the statement, or half the sample agrees, and the other disagrees.

Proposition 1: Black, white, 'coloured' and Indian employees have different perceptions regarding the definition of AA.

1) Previously disadvantaged people in the company should be promoted more quickly than their white counterparts.

Table 5.4.1 Perceptions on Promotion

Response	Black	White	Coloured & Indian
Strongly Disagree	3	19	1
Disagree	9	41	3
Neither Agree nor Disagree	12	18	6
Agree	28	16	5
Strongly Agree	41	2	6
Median	**agree**	**disagree**	**agree**

2) AA is a corrective action and it is a necessary process to correct the evils of the past.

Table 5.4.2 Necessity of AA

Response	Black	White	Coloured & Indian
Strongly Disagree	5	10	0
Disagree	1	15	1
Neither Agree nor Disagree	0	11	1
Agree	25	56	9
Strongly Agree	62	4	10
Median	**strongly agree**	**agree**	**agree**

3) Work environment should reflect the demographics of the country, and that can only be possible through a process of AA.

Table 5.4.3 Demographics in workplace

Response	Black	White	Coloured & Indian
Strongly Disagree	1	14	0
Disagree	2	32	1
Neither Agree or nor Disagree	6	19	5
Agree	42	31	7
Strongly Agree	42	5	8
Median	**agree**	**bimodal**	**agree**

4) This country will never reach equal opportunity status unless measures like AA are applied.

Table 5.4.4 Equal Opportunity

Response	Black	White	Coloured & Indian
Strongly Disagree	1	14	0
Disagree	2	31	0
Neither Agree nor Disagree	3	17	2
Agree	33	32	8
Strongly Agree	54	2	11
Median	**strongly agree**	**bimodal**	**strongly agree**

5) White prospects of promotion have diminished because of AA.

Table 5.4.5 Prospects for White Promotion

Response	Black	White	Coloured & Indian
Strongly Disagree	22	0	5
Disagree	45	6	5
Neither Agree nor Disagree	15	3	1
Agree	10	41	8
Strongly Agree	1	46	2
Median	**disagree**	**agree**	**neither**

6) AA in Eskom is deliberately aimed at "kicking out" whites to accommodate blacks.

Table 5.4.6 Whites forced out

Response	Black	White	Coloured & Indian
Strongly Disagree	57	5	11
Disagree	32	31	7
Neither Agree nor Disagree	2	25	1
Agree	2	23	1
Strongly Agree	0	12	1
Median	**strongly disagree**	**neither**	**strongly disagree**

7) To reach AA targets in Eskom, white employees will have to be laid off.

Table 5.4.7 Laying off Whites

Response	Black	White	Coloured & Indian
Strongly Disagree	24	12	6
Disagree	46	22	10
Neither Agree nor Disagree	13	15	3
Agree	7	38	2
Strongly Agree	3	9	0
Median	**disagree**	**neither**	**disagree**

8) People should be given opportunities for advancement based on their service, past performance and qualifications and not because they are AA candidates.

Table 5.4.8 Merit selection

Response	Black	White	Coloured & Indian
Strongly Disagree	3	1	1
Disagree	21	4	2
Neither Agree nor Disagree	16	11	8
Agree	34	44	7
Strongly Agree	19	36	3
Median	**agree**	**agree**	**neither**

9) Black people do not want to be known as AA appointees.

Table 5.4.9 Label of AA Appointee

Response	Black	White	Coloured & Indian
Strongly Disagree	4	1	2
Disagree	15	5	2
Neither Agree nor Disagree	25	24	3
Agree	29	49	11
Strongly Agree	20	17	3
Median	**agree**	**agree**	**agree**

10) AA appointees are just interested in big salaries and hence do a lot of job-hopping.

Table 5.4.10 Job-hopping

Response	Black	White	Coloured & Indian
Strongly Disagree	31	1	4
Disagree	35	9	7
Neither Agree nor Disagree	16	23	7
Agree	10	49	2
Strongly Agree	1	14	1
Median	**disagree**	**agree**	**disagree**

11) AA is reverse racism

Table 5.4.11 Reverse racism

Response	Black	White	Coloured & Indian
Strongly Disagree	55	1	5
Disagree	24	17	8
Neither Agree nor Disagree	8	23	5
Agree	2	31	3
Strongly Agree	4	24	0
Median	**strongly disagree**	**agree**	**disagree**

12) A lot of AA appointees in Eskom are just token appointments.

Table 5.4.12 Tokenism

Response	Black	White	Coloured & Indian
Strongly Disagree	21	0	2
Disagree	18	12	4
Neither Agree nor Disagree	20	18	7
Agree	26	53	6
Strongly Agree	8	13	2
Median	**neither**	**agree**	**neither**

13) Every white person should support AA, because it was white people who elected the apartheid government in the past.

Table 5.4.13 AA Support from Whites

Response	Black	White	Coloured & Indian
Strongly Disagree	5	31	1
Disagree	14	31	2
Neither Agree nor Disagree	19	24	8
Agree	28	10	7
Strongly Agree	27	0	3
Median	**agree**	**disagree**	**neither**

14) The appointment of AA candidates in Eskom is happening too slowly.

Table 5.4.14 AA Pace Slow

Response	Black	White	Coloured & Indian
Strongly Disagree	2	17	0
Disagree	13	44	6
Neither Agree nor Disagree	22	26	5
Agree	37	7	5
Strongly Agree	19	2	5
Median	**agree**	**disagree**	**neither**

15) When it comes to promotion, experience should NOT count because previously disadvantaged people didn't get the chance to gain the experience required.

Table 5.4.15 Promotion and Experience

Response	Black	White	Coloured & Indian
Strongly Disagree	5	28	2
Disagree	21	41	6
Neither Agree nor Disagree	12	14	4
Agree	28	12	6
Strongly Agree	27	1	3
Median	**agree**	**disagree**	**bimodal**

Black, 'coloured' and Indian employees seemed to share the same perception regarding the definition of AA. White employees differed from the other groups in most statements in this proposition.

In the first proposition, statements where there seem to be general agreement among the groups are the following:

- AA is a corrective action and it is a necessary process to correct the evils of the past.
- People should be given opportunities for advancement based on their service, past performance and qualifications and not because they are AA candidates.
- Black people do not want to be known as AA appointees.

The agreement seemed to stem from the inference that these statements are not perceived to impact negatively on any group.

The results of the Kruskal-Wallis test recorded in Appendix 6, show that perceptions differed between black (including 'coloured' and Indian employees) and whites in all but one of the 14 statements concerning the definition of AA. Therefore proposition 1 is accepted.

Proposition 2: Employees at different levels of seniority in the organisation have different perceptions about the benefits of AA.

16) AA will correct the imbalances and right the wrongs of the past.

Table 5.4.16 Correcting Imbalances

Response	C BAND	M BAND
Strongly Disagree	13	3
Disagree	21	23
Neither Agree nor Disagree	17	11
Agree	38	46
Strongly Agree	20	19
Median	**agree**	**agree**

17) AA is really in the interest of the company and will benefit everyone in the long term.

Table 5.4.17 Benefit of AA

Response	C BAND	M BAND
Strongly Disagree	7	2
Disagree	14	15
Neither Agree nor Disagree	20	11
Agree	43	52
Strongly Agree	25	22
Median	**agree**	**agree**

18) More jobs will be created because of AA.

Table 5.4.18 Creation of Jobs

Response	C BAND	M BAND
Strongly Disagree	10	9
Disagree	27	22
Neither Agree nor Disagree	32	23
Agree	31	40
Strongly Agree	9	8
Median	**neither**	**neither**

19) One of the benefits of AA is better income distribution, which in turn broadens the government's tax base.

Table 5.4.19 Income Distribution

Response	C BAND	M BAND
Strongly Disagree	8	5
Disagree	21	24
Neither Agree nor Disagree	26	14
Agree	46	45
Strongly Agree	8	14
Median	**neither**	**agree**

20) AA has led to black empowerment and hence better living conditions for the previously disadvantaged.

Table 5.4.20 Black Empowerment

Response	C BAND	M BAND
Strongly Disagree	4	3
Disagree	10	8
Neither Agree nor Disagree	17	10
Agree	55	62
Strongly Agree	23	19
Median	**agree**	**agree**

21) Because of AA more white people will leave to become entrepreneurs and create opportunities for themselves and others.

Table 5.4.21 Entrepreneurs

Response	C BAND	M BAND
Strongly Disagree	4	4
Disagree	9	7
Neither Agree nor Disagree	22	22
Agree	51	57
Strongly Agree	23	12
Median	**agree**	**agree**

There seemed to be no difference in all groups in perceived benefits of AA.

The Mann-Whitney U test was used to test the second proposition, that is to indicate whether or not there were differences in perceptions between the C-band level employees and the M-band level employees.

The hypotheses for testing this proposition is as follows:

$H_o: \mu_1 = \mu_2$

The null hypotheses states that there is no difference between the two groups at the 0.05 level of significance.

$H_1: \mu_1 \neq \mu_2$

The alternative hypotheses states that there is a difference between the two groups at the 0.05 level of significance.

The sample was categorised in C-band and M-band levels to test if there was any difference between the perceptions of these two groups concerning the benefits of AA. The results of the test on each of the six statements about such benefits are contained in Appendix 7. In the six statements about the benefits of AA, no significant differences were found. Therefore Proposition 2, which says there is a difference in opinion between C and M bands, is rejected.

Proposition 3: Black, white, 'coloured' and Indian employees have different perceptions regarding the emigration of highly qualified and skilled people as a result of AA, resulting in lower standards in the organisation.

22) Crime and other factors are responsible for skills flight, and not AA.

Table 5.4.22 Skills Flight

Response	Black	White	Coloured & Indian
Strongly Disagree	1	1	0
Disagree	4	28	2
Neither Agree nor Disagree	27	29	4
Agree	39	30	11
Strongly Agree	22	9	4
Median	**agree**	**neither**	**agree**

23) Since AA, there has been an ever increasing number of whites leaving the organisation.

Table 5.4.23 Whites leaving Eskom

Response	Black	White	Coloured & Indian
Strongly Disagree	4	0	0
Disagree	10	4	1
Neither Agree nor Disagree	20	9	7
Agree	48	57	13
Strongly Agree	11	27	0
Median	**agree**	**agree**	**agree**

24) Standards in Eskom have declined since the introduction of AA.

Table 5.4.24 Declining Standards

Response	Black	White	Coloured & Indian
Strongly Disagree	42	0	5
Disagree	31	5	6
Neither Agree nor Disagree	17	26	7
Agree	2	43	2
Strongly Agree	1	23	1
Median	**disagree**	**agree**	**disagree**

25) Some white people are exploiting AA by taking packages and then coming back as consultants to earn more than they used to.

Table 5.4.25 Packages Exploitation

Response	Black	White	Coloured & Indian
Strongly Disagree	3	0	0
Disagree	1	13	0
Neither Agree nor Disagree	4	15	0
Agree	25	54	9
Strongly Agree	60	15	12
Median	**strongly agree**	**agree**	**strongly agree**

26) It is a good thing for whites to leave Eskom and/or the country because it makes room for AA candidates.

Table 5.4.26 Room for AA

Response	Black	White	Coloured & Indian
Strongly Disagree	27	35	5
Disagree	34	43	8
Neither Agree nor Disagree	18	10	6
Agree	7	7	2
Strongly Agree	7	2	0
Median	**disagree**	**disagree**	**disagree**

27) Whites who are eager to take separation packages, are those who realise that they have not contribution to make to Eskom.

Table 5.4.27 No Contribution

Response	Black	White	Coloured & Indian
Strongly Disagree	2	26	1
Disagree	17	52	5
Neither Agree nor Disagree	26	6	8
Agree	30	10	4
Strongly Agree	18	3	3
Median	**agree**	**disagree**	**neither**

Black, 'coloured' and Indian employees seem to be in agreement regarding the emigration of highly qualified people and lowering of standards at Eskom. Whites also generally indicated the same opinion except concerning the following statements:

- Standards in Eskom have declined since the introduction of AA;
- Whites who are eager to take separation packages, are those who realise that they have no contribution to make to Eskom;
- These two statements impact directly on different groups, hence the opposing views.

The Kruskal-Wallis test was also applied to responses to this proposition. The results are shown in Appendix 8. What is indicated here is that, there are differences in perceptions between white employees and the other groups regarding this issue, except in one of the six statements. Therefore these two main groups of employees differ regarding the emigration of highly qualified people, and hence the dropping of standards.

Whereas black employees (including 'coloureds' and Indians) at Eskom do not feel that there is a skills flight from the country, whites feel otherwise. Therefore, proposition 3 is accepted with reservation.

<u>Proposition 4</u>: Employees of all racial groups agree that racial intolerance is significantly responsible for non-effective implementation of AA.

28) AA appointees still have to fight hard in their jobs and struggle to advance because of racist whites.

Table 5.4.28 Racist Whites

Response	Black	White	Coloured & Indian
Strongly Disagree	3	22	0
Disagree	1	44	2
Neither Agree nor Disagree	12	18	5
Agree	39	12	6
Strongly Agree	38	0	8
Median	**agree**	**disagree**	**agree**

29) Job-hopping results from non-conducive environment for AA candidates created by racist white managers.

Table 5.4.29 Non-Conducive Environment

Response	Black	White	Coloured & Indian
Strongly Disagree	1	21	0
Disagree	4	48	2
Neither Agree nor Disagree	12	16	7
Agree	43	9	6
Strongly Agree	33	2	6
Median	**agree**	**disagree**	**agree**

30) Black managers are sometimes deliberately set up to fail by racist white managers.

Table 5.4.30 Set up to Fail

Response	Black	White	Coloured & Indian
Strongly Disagree	0	21	0
Disagree	4	34	4
Neither Agree nor Disagree	11	29	8
Agree	41	12	3
Strongly Agree	37	0	6
Median	**agree**	**neither**	**agree**

31) Racial discrimination is still rife in Eskom and blocks genuine efforts of AA.

Table 5.4.31 Racial Disrimination

Response	Black	White	Coloured & Indian
Strongly Disagree	1	16	0
Disagree	5	30	3
Neither Agree nor Disagree	16	34	2
Agree	43	15	8
Strongly Agree	28	1	8
Median	**agree**	**neither**	**agree**

32) If I had the choice, I would prefer to report to a white manager.

Table 5.4.32 White Manager

Response	Black	White	Coloured & Indian
Strongly Disagree	31	8	6
Disagree	18	36	3
Neither Agree nor Disagree	38	42	11
Agree	4	5	0
Strongly Agree	2	5	1
Median	**disagree**	**neither**	**neither**

33) In my experience, AA appointees and blacks in general are usually incompetent.

Table 5.4.33 Incompetent Blacks

Response	Black	White	Coloured & Indian
Strongly Disagree	51	16	9
Disagree	31	34	7
Neither Agree nor Disagree	9	29	3
Agree	1	11	1
Strongly Agree	1	5	1
Median	**strongly disagree**	**disagree**	**disagree**

There seem to be the same responses from black, 'coloured' and Indian employees. Whites differ from these groups except on the statement that says:

'In my experience, AA appointees and blacks in general are usually incompetent.' All groups disagreed with this statement, with blacks strongly disagreeing.

This proposition dealt with employees' perceptions as to whether racism adversely affects the successful implementation of AA. The Kruskal-Wallis test was used to test the responses to the statements on this proposition. The results are presented in Appendix 9. Whites differ from other groups in all but one of the six statements. Therefore, whereas whites felt that racism does not negatively affect the successful implementation of AA, other groups felt otherwise. The conclusion here is that proposition 4 is rejected.

Proposition 5: Employees perceive that AA is concerned with increasing numbers of black employees and not about adding value, and that it does not impact positively on the organisation.

34) AA in Eskom is simply about adding numbers and there is no value added.

Table 5.4.34 No Value Added

Response	Black	White	Coloured & Indian
Strongly Disagree	14	1	1
Disagree	29	24	4
Neither Agree nor Disagree	16	21	6
Agree	21	36	6
Strongly Agree	13	14	4
Median	**neither**	**agree**	**neither**

35) The way AA is implemented in Eskom, leads managers to chase numbers rather than create value by training people.

Table 5.4.35 No Training

Response	Black	White	Coloured & Indian
Strongly Disagree	4	2	1
Disagree	10	4	1
Neither Agree nor Disagree	17	12	1
Agree	37	58	11
Strongly Agree	25	20	7
Median	**agree**	**agree**	**agree**

36) In Eskom there is no Vision or Plan as far as AA is concerned, it's just a question of 'let's meet the short term targets'.

Table 5.4.36 No Vision or Plan

Response	Black	White	Coloured & Indian
Strongly Disagree	7	2	1
Disagree	16	20	3
Neither Agree nor Disagree	23	14	2
Agree	21	46	11
Strongly Agree	26	14	4
Median	**agree**	**agree**	**agree**

37) There is too much poaching of AA candidates within different departments in Eskom, and overall this is not helping the bigger picture.

Table 5.4.37 AA Poaching

Response	Black	White	Coloured & Indian
Strongly Disagree	3	0	3
Disagree	14	5	1
Neither Agree nor Disagree	29	18	2
Agree	31	53	11
Strongly Agree	16	20	4
Median	**agree**	**agree**	**agree**

Generally there seemed to be no difference of opinion on this issue.

This proposition compared employees perceptions on whether there was value in increasing the number of black employees in the organisation. The proposition was tested with the Kruskal-Wallis test. The results are shown in Appendix 10. In 50 percent of the statements, the perception of white employees differ from that of the black, 'coloured' and Indian employees.

Therefore, there is no consensus with this proposition, i.e. proposition 5, which says all employees share the same view regarding the value added by increasing the number of black employees, is rejected.

5.5 Summary of Findings

The following is the summary of the findings of the study:

- There is a difference in perception between black (including 'coloureds' and Indians) and white employees at C and M band levels regarding the definition of AA.
- There is no difference in opinion between C and M band level employees with regard to the benefits of AA.
- Black employees (including 'coloureds' and Indians), at C and M band levels, do not think that there is a skills loss from

Eskom, as a result of white employees leaving the organisation. White employees at the same level think there is definitely a skills loss, resulting in the dropping of standards.

- White employees at C and M band levels do not think that racism negatively affect the successful implementation of AA. Black employees (including 'coloureds' and Indians) do not support this view.
- There is no consensus amongst employees at C and M band levels on whether increasing the number of blacks for AA purposes in Eskom, adds value and impacts positively on the organisation or not.

CHAPTER 6: INTERPRETATION OF THE RESULTS

6.1 Introduction

In the previous chapter, the analysis of the results was dealt with in terms of each of the propositions outlined in Chapter 3. The aim of this chapter is to interpret these results.

All tables in Chapter 5 show that the sample used is representative of the C and M band employees at Eskom Head Office (MWP only). The number of white C band employees in Eskom (April 1998) is more than twice the number of their colleagues in the other groups, while in the M band, whites comprise almost three times the number of the other groups. Therefore, the different sample sizes chosen for the different groups was representative.

6.2 Proposition 1: "Black, white, 'coloured' and Indian employees have different perceptions regarding the definition of AA."

The null hypotheses, which suggested that there was no difference in opinion between whites and blacks regarding AA, was rejected in all but one of the 15 statements dealing with Proposition 1 (see Appendix 6). Therefore there is a significant difference in understanding of the definition of AA between whites and the other groups, i.e. proposition 1 is accepted. This finding is similar to that of O'Brien (1992), who experienced a great deal of disagreement between blacks and whites regarding AA.

Many other authors, notably Qunta (1995), have observed that indeed perceptions differ along racial lines. Qunta (1995) says whites have always believed that AA is reverse racism, while their black counterparts see AA as mainly a corrective measure of the wrongs of the past. Qunta (1995) feels that this view from whites is

understandable as they benefited in the past from education, wealth, and comfortable lifestyles. However she disagrees with the argument that AA is reverse racism in that the word 'racism' suggests that one group of people is superior to the other. AA policies, she argues, do not imply that whites are inferior or incapable of performing certain tasks if they are overlooked for certain jobs, but that they cannot be alone in benefiting from life's opportunities.

The only statement about which there was agreement was the perception that black employees do not want to be known as AA appointees. This statement is neutral, and does not appear to affect either group one way or the other.

6.3 Proposition 2: "Employees at different levels of seniority in the organisation have different perceptions about the benefits of AA."

The null hypothesis, which states that there is no difference in perception between employees in the C and M bands, was accepted in all six statements (Appendix 7). This means that employees in the C and M band levels do not perceive that there is a difference in the benefits that AA will bring. Therefore proposition 2, which says there is a difference in opinion between the two groups, is rejected.

There was agreement about the benefits of AA in all of the statements. These were:

- AA will correct the imbalances and right the wrongs of the past;
- AA is really in the interest of the company and will benefit everyone in the long term;
- More jobs will be created because of AA;

- One of the benefits of AA is better income distribution, which in turn broadens the government's tax base;
- AA has led to black empowerment and better living conditions for the previously disadvantaged;
- Because of AA, more white people will leave to become entrepreneurs and create opportunities for themselves and others.

The possible explanation for the consensus here is that respondents realise that for the country to prosper, no section of its population should be disadvantaged in any form. All the people of the country should have their equal share in contributing and benefiting from the wealth created. Charlton & Van Niekerk (1994, p13) quote the World Competitive Report finding that "a critical factor in progress is the development and utilisation of human competence." They say that in South Africa this development should apply to blacks and women. They believe that apart from the implicit political threats of quotas and moral correctness, it is a matter of practical business sense to upgrade employees skills.

The Breakwater Monitor (1998, p10) states "several studies in the United States and Britain demonstrate that employment discrimination and poor educational opportunities entail significant economic costs in terms of lower national output, labour market inefficiency, higher inflation and excessive welfare and penal system costs." The Breakwater Monitor (1998) continues to quote the South African Labour Market Commission (June 1996) as coming to the same conclusion for this country.

The Employment Equity Act, (Republic of South Africa, 1998) states that AA measures must include equitable representation of suitably qualified people from designated groups in all occupational categories and levels in the workforce. The Act continues to say that a designated employer must, among other things, report to the Director-General on progress made in implementing its AA plan.

This simply says, if you do not do it, the government will force you to do it. All levels of employees seem to understand that this will be an unfortunate situation and need to be avoided, and that ultimately, AA is beneficial to the organisation and the country as a whole.

The statement which respondents neither agreed nor disagreed on was the one suggesting that more jobs will be created because of AA.

6.4 Proposition 3: "Black, white, 'coloured' and Indian employees have different perceptions regarding the emigration of highly qualified and skilled people as a result of AA, resulting in lower standards in the organisation."

The results of the Kruskal-Wallis test (Appendix 8) indicate that there is a difference in perception regarding the above statement. Therefore, Proposition 3 is accepted. Employees of different colour have differing views as far as emigration is concerned. Black, 'coloured' and Indian employees felt that the exodus of whites from Eskom and/or South Africa does not result in a drop in standards.

Qunta (1995) however argues that the concept of merit, as it has been used in the past, is suspect. Once people are appointed into positions, they should be supported by proper training and mentoring programmes. Qunta (1995, p25) notes the lowering of standards argument, is underlined by the negative assumption that "African people generally are not as capable as White people."

Wingrove (1994) believes that processes need to be implemented to integrate the African and Eurocentric cultures, and create a workable and equitable solution without dropping standards.

Central to this is the issue of training and skills development. Chapter 3 of The Employment Equity Act (Republic of South Africa,

1998), states that AA measures should include retaining and developing people from designated groups and implementing appropriate training measures, including measures in terms of an Act of Parliament providing for skills development.

6.5 Proposition 4: "Employees of all racial groups agree that racial intolerance is significantly responsible for non-effective implementation of AA."

The results of the Kruskall-Wallis Test (Appendix 9), indicate that not all employees agree that racism is blocking the efforts of AA. The null hypotheses is accepted in one of the six statements dealing with this proposition: 'If I had the choice, I would prefer to report to a white manager'. There was no consensus with the black employees. Half agreed with this statement, while the other groups neither agreed nor disagreed with this statement.

The other statements from which there was disagreement, are the following:

- AA appointees still have to fight hard in their jobs and struggle to advance because of racist whites.
- Job-hopping results from the non-conducive environment for AA candidates created by racist white managers.
- Black managers are sometimes deliberately set up to fail by racist white managers.
- Racial discrimination is still rife in Eskom and blocks genuine efforts of AA.
- In my experience, AA appointees and blacks in general are usually incompetent.

Therefore Proposition 4 is rejected. Whereas whites are of the opinion that there is no racism in Eskom, other groups of people believe there is still racism, and that it impacts negatively on AA. This was often stated as a reason that blacks do not stay long in

posts. 'The environment is not conducive', is often heard; Ramudzuli & Menne (1994) identify this as the main reason that blacks do not feel welcome in their new jobs. They believe the new incumbent is usually marginalised, and that the existing systems were designed such that blacks and females are not integrated.

Qunta (1995, p27) notes, "Black professionals who fail or make mistakes are judged more harshly than their white counterparts". She says that what is more disturbing is that their failure is used as an indictment of black people as a whole; whereas the failures of whites is considered on an individual basis. Innes (1992) remind his readers that AA initiatives in this country are implemented against the background of entrenched racism that has been internalised by employees over many years. Innes (1992) surmises that breaking the established patterns will be a monumental task, and that AA programmes are precarious and need to be dealt with carefully, and warns that they can easily fail due to prejudice or be sabotaged by those who still believe in racism.

6.6 Proposition 5: "Employees perceive that AA is being concerned with increasing numbers and not about adding value, and that it does not have a positive impact on the organisation."

The results of the Kruskall-Wallis test (Appendix 10) reveal that, there is no consensus regarding this issue. Therefore proposition 5 is rejected. The statements tested under this proposition were the following:

- AA in Eskom is simply about adding numbers and there is no value added.
- The way AA is implemented in Eskom, leads managers to chase numbers rather than create value by training people.
- In Eskom there is no Vision or Plan as far as AA is concerned, it's just a question of let's meet the short term targets.

- There is too much poaching of AA candidates in different departments in Eskom, and overall this is not helping the bigger picture.

The null hypotheses was accepted in two of the four statements. Thus there was no consensus about AA being the 'numbers game.' Therefore Proposition 5 is rejected.

The opinions expressed here are that AA programmes are focusing on figures only. Qunta (1995) considers that such focus is not a useful approach to the issue, since numbers address only part of the challenge. She suggests that there are two major criteria for assessing the success of AA. One she believes should be numbers, and the other should be the organisational climate. This latter point is important for both black and white employees, who should be prepared for a change like AA. If the organisational climate is right, the 'revolving door syndrome' and the so-called 'white fears' should be eliminated (Thomas 1996).

Qunta (1995, p37) believes that "The extent to which a company allows the Black candidate to perform at his peak and to advance within the company will say far more about the company than a mere head count." She feels that having many black employees in a company might look impressive, but if they are unhappy and unfulfilled, it cannot be said that the AA programme has been a success.

6.7 Conclusion

It was concluded that:

- Black, white, 'coloured' and Indian employees have different perceptions regarding the definition of AA. Black, 'coloured' and Indian employees share the same view, but white employees have a different opinion.

- There is no difference in opinion between C and M band levels in the organisation concerning the benefits of AA.
- There is a difference in perception between white employees and other groups of employees (blacks, 'coloureds' and Indians) regarding the 'brain drain' and lowering of standards in Eskom.
- There is no agreement between black (including 'coloured' and Indian) and white employees that racism is responsible for non-effective implementation of AA.
- All employees feel that AA at Eskom is about adding numbers and not about adding value, and that AA has no positive impact on the organisation.

The overall results seem to indicate that differences in opinion are racially based, with whites generally feeling negative about AA, while black, 'coloured' and Indian employees are positive about AA.

Such differences in opinions indicate that there is definitely no common view or perception about AA at Ekom. Each group of people or each individual will be influenced by different circumstances. Personal characteristics also affect perception. Robbins (1993) says that among these are attitudes, motives, interests, past experience, and expectation. He mentions for instance that "personal insecurity can be transferred into the perception that others are out to 'get your job,' regardless of the intention of the surbodinates", Robbins (1993, p135).

With perceptions like these about AA, the successful implementation of this concept will be highly affected by resistance from some employees. Robbins (1993) notes that sources of organisational resistance to change are:

- Threat to established resources allocations;
- Threat to established power relationships;
- Limited focus of change; and

- Structural inertia.

Robbins (1993), quotes the following as sources of individual resistance to change:

- Selective information processing;
- Fear of the unknown;
- Economic factors;
- Security; and
- Habit.

Several sources of individual resistance to change are present in Eskom. Proposition 1, which suggested that perceptions between black and white differed as far as the definition of AA is concerned, clearly indicated that fear of the unknown seem to be the case with white employees. This was also demonstrated by the behaviour of whites shortly before the first democratic elections in this country in 1994. They prepared themselves to leave the country because they feared the unknown. Equally Eskom employees (C and M bands) opposed to AA as shown by the results of Proposition 3, cited economic reasons for those leaving the organisation and the country.

Habit as a source of individual resistance to change is clearly demonstrated in Proposition 4, whereby racial intolerance was quoted by blacks as one of the habits of their white counterparts responsible for lack of commitment to AA. Whites were never used to having people of colour as their superiors, a habit that was entrenched by apartheid.

Also from the data of the research, some whites also felt that with AA, their security would be compromised, hence resistance to change towards AA.

CHAPTER 7: CONCLUSION

7.1 Introduction

This final chapter makes recommendations to management and other stakeholders with respect to issues around AA. Later in the chapter, some suggestions are provided for further research.

The conclusions drawn from this research are based on the findings of the C and M band level employees at Ekom's head office at Megawatt Park. The sample used was representative of all employees in these bands at Eskom. The sample includes different racial groups, different age groups, different years of service at Eskom, and different levels of education. Thus, the results can be generalised to all C and M band levels in MWP Eskom.

To this author's knowledge, this is the first time that research has been undertaken on the perceptions of employees about AA at Eskom. The assumption from decision makers is that by now, all employees should be aware of the need for AA. Decision makers have assumed that the process of AA will automatically be followed and understood by everyone in the organisation, and that decisions regarding how best to implement AA have largely been decided by the top management echelons (Innes, 1992; Wingrove 1994; Qunta, 1995).

The results of the research indicate that this perception by management and decision makers is premature. Groundwork needs to be undertaken before it can be assumed that all employees have a common understanding of AA. This is supported by the finding in Proposition 1, and that of Brook (1991), that white civil servants do not perceive the definition of AA as do Africans and the so-called 'Coloureds' and Indians.

This research revealed that there is no difference in opinion in the two bands studied (C and M) in terms of benefits of AA. This conclusion differs from that of Hofmeyr & Temple (1991), who found that although AA is generally supported, employees at different levels of seniority in the organisation will have different reasons for the necessity of AA. However, the finding of this research is supported by that of Innes (1993) who found out that economic reasons made people appreciate the benefits of AA at all levels in an organisation.

This research also found that the emigration of skilled people, split the perception of employees along racial lines. This finding is supported by Qunta (1995), who argues that the emigration of skilled white employees who feel threatened by AA, should not be seen as a problem but an opportunity to develop black people.

The research further found out that not all employees perceive racial intolerance as being responsible for non-effective implementation of AA. This finding is supported by most literature reviewed (Innes, 1993; Ramudzuli & Menne, 1994; Wingrove, 1994; Qunta 1995; etc.)

Finally the research concluded that not all employees feel that AA is only about increasing the number of black employees in the organisation. This finding differs from an earlier project that was conducted in Eskom (1997) which concluded that the majority of employees are in agreement that AA in Eskom is all about numbers.

What follows are some suggestions as to what interventions should be undertaken so that those most affected by AA in the organisation (junior and middle management), may take ownership of the AA process, conquer their fears and develop positive attitudes towards AA.

7.2 Recommendations to Managers and Decision Makers at Eskom

AA is a very sensitive and emotive issue, and managers need to be extremely careful when introducing the topic.

Senior managers at Eskom need first to understand the prevailing culture in the organisation before embarking on measures such as AA, i.e. first do a culture audit. Wingrove (1994) has recommendations on how this can be conducted to achieve a comprehensive understanding of the prevailing status of the company regarding the following:

- employee loyalty;
- synergy between employee goals and those of the organisation;
- levels of motivation;
- credibility and relationship between employees on all levels;
- degree of teamwork;
- some form of measure of competency and skills in different divisions;
- employees' view of the organisation and management; and
- efficiency of communication - upwards, downwards and sideways.

In Eskom such audit measures to determine the above are lacking. From the focus group discussions, what came across was that employees in Eskom are not yet ready for drastic cultural changes such as AA. Speaking to some of the top managers in Eskom, the researcher has established that most of them do not have an idea of the extent of the loyalty of employee. What most of them were aware of is that the levels of motivation in the organisation were low, and enthusiasm about AA was dwindling. Again top management does not seem to understand the reason for this situation.

There is no doubt that in any organisation, AA cannot take place without culture change. From culture change comes strategic realignment, facilitating the implementation of AA. In this way, employees in an organisation will be better equipped to adapt to the change. Eskom has done very little if anything at all in preparing its employees for culture change. Schneider & Barsoux (1997, p106) advise, "In devising and implementing strategies, organisations need to assess their external environments as well as their internal capabilities. Implementing these decisions requires configuring internal resources, including people, to achieve the necessary internal integration."

The case for Eskom is very similar. Workshops, seminars, courses to equip employees with the tools to cope with the process of change should be vigorously pursued. Sadly, such initiatives have since been discontinued in the organisation. Where and when they do take place, they are not centralised nor well co-ordinated. They seem to happen because some smart consultant managed to sell their service to a Business Unit manager. This happens without Corporate Human Resources at MWP knowing about it.

In Eskom, the data from the five propositions, indicate that organisational resistance to change is mainly due to 'limited focus of change' on the part of Eskom. The organisation does not seem to be geared towards overall change, and so be prepared for culture change. Threat to established resources allocations does not seem to be a factor, as Eskom has put aside enough resources for changes concerning AA for training and development.

As resistance was identified as one of the factors inhibiting the successful implementation of AA, several solutions need to be followed in Eskom. Robbins (1993) suggests six tactics for managers:

- Education and communication;
- Participation;
- Facilitation and support;
- Negotiation;
- Manipulation and cooptation; and
- Coercion.

Eskom has implemented some of these tactics with some varying success. There is communication and education taking place all around the Business Units. The problem is that it is not centralised nor well co-ordinated. Participation is voluntary in all of the workshops, and each BU does its own facilitation and is not necessarily supported by the Head Office.

However, a comprehensive study needs to be undertaken to determine which of the above tactics will be suitable for each Business Unit (BU), since each BU is different as far as culture and related issues are concerned.

The change process in any organisation, including Eskom, should follow certain steps. Robbins (1993, p676) believes that, "Successful change in organisations should follow three steps: *unfreezing* the status quo, *movement* to a new state, and *refreezing* the new change to make it permanent."

The situation in Eskom is somewhere between that of unfreezing and movement towards a new state. Some unfreezing of the status quo has already taken place through interventions in the organisation such as 'work-life centre'. This is where employees are prepared for impending change in the organisation and in the country and how best to cope with uncertainties. The problem here is that this centre is only at MWP and there is no incentive to attend. Communication about such measures also seem to be lacking. Employees view these interventions as a waste of time and money.

Eskom need to take urgent steps towards facilitating the unfreezing process and consolidating the movement towards a new state.

By following these recommendations Eskom management hopefully will be able to implement AA policies and obtain the support of all their employees. The results of this study indicate that the perception of employees, as indicated in the five propositions, should not be ignored.

7.3 Recommendations for Future Research

Time and manpower constraints restricted this study to two levels in the organisation (C and M), and only employees at head office (MWP). Further research should explore the perceptions of the C and M band employees in other Business Units, and also the perceptions of the A and B band levels in the rest of the organisation.

The perceptions of trade unions about AA should be sought. Eskom consists of five trade unions, ranging from what is known traditionally as left-wing (National Union of Mineworkers), to right-wing (Mineworkers Union) consisting of whites only members.

Another area of useful research would be to undertake a study whereby the perception of Eskom employees about AA can be compared with those of other parastatals such as Telkom and Transnet. Perceptions of employees about AA in the private sector can also be compared with those in parastatals.

Based on the findings of this research, a study needs to be conducted to determine the impact of diverging views between black and white employees on productivity in the organisation. Such a study can also include long-term productivity measurement in Eskom after AA has been successfully implemented. Such a study

can also explore stereotypes about other races about their productivity and AA.

Since this research report suggested proper training of Eskom employees in preparation for culture change, research should be done to measure the effectiveness of such training interventions with respect to AA sensitisation in all the Business Units.

Another possible area for research could be perceptions concerning the impact of AA in the private sector in comparison to the public sector including parastatals. Both these sectors are now bound by the new Employment Equity Act (Republic of South Africa, 1998), which makes AA one of the priorities in each company identified as a designated employer in their employment equity plan.

7.4 Conclusion

This study highlighted the complexities of perceptions on AA and its implementation, and illustrated the need for sensitivity and thoughtfulness in its implementation.

Because AA involves change in various areas (including culture) there will necessarily be resistance to it. It is important to know how to manage the change and the resistance to it.

There is no doubt that Eskom is rich in cultural diversity, and this should be used to the benefit of the organisation rather than to its detriment. In applying cultural diversity to work outcomes, Arbor (1993, p8) suggests that "The environmental situation includes not only organisational factors but also a set of inter-group factors focusing on relations between the majority and the various minority groups represented."

This research clearly indicates that work still needs to be done before there can be successful implementation of AA. It provides managers and decision makers with suggestions to assist them in the implementation of a successful AA programme.

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Appendix 1: The Interview Guide for the Focus Group

- What do you understand by the words AA?
- What do you mean from your definition?

1) Moderator to probe deeper into the meaning of AA, relating to any themes emerging from discussion so far.

2) Moderator to probe perceived problems created by AA.

- Skilled white employees leaving the organisation – problems? Is it affecting the economy?
- What are the negative things and positive things about 'skills flight'?
- Do skilled whites keep information away from blacks?
- Do positions get downgraded after they are given to blacks?
- How does AA personally affect you? Do you have confidence in those appointed into AA positions?
- How does this affirmative action make you feel?
- What are the good and bad things about AA?
- What are the positive and negative things about AA?
- What are the benefits from AA; for the country, for you?
- How do white prejudices and black prejudices if any, affect AA?
- Is tokenism or 'window-dressing' a big problem for AA?
- How about racism? How does it affect AA?
- What about support mechanisms for AA appointees?
- How do you think black employees feel about being known as AA appointees?
- Is there real AA in Eskom and indeed in South Africa?
- What about legislating AA, what about the introduction of quotas?
- Do you think the environment is right for AA appointees?
- Are most AA appointees coming from inside or outside the organisation?
- Do you think Eskom is adding value by appointing AA candidates or are they just increasing the number of blacks in the organisation?

Appendix 2: Covering Letter and the Questionnaire.

Head Office

Megawatt Park
Maxwell Drive Sandton

PO Box 1091
2000 Johannesburg
Telex 4-24481 SA
Telephone (011) 800-8111

Hoofkantoor

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Maxwellrylaan Sandton

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ESKOM

Date/Datum	Your Ref./U Verw.	Our Ref./Ons Verw.	Enquiries/Navrae
15 July 1998		SP501DOC	SP Leopeng ☎ 800-2349

QUESTIONNAIRE ON AFFIRMATIVE ACTION

Dear Participant

I am currently completing my Masters degree in Business Administration at Wits Business School. The topic that I have chosen to research involves examining perceptions concerning affirmative action in Eskom. It is my belief that in order for affirmative action to be implemented successfully, management needs to know what employees think about this issue.

Your sincere answers to the following questionnaire will be highly appreciated.

Please return your completed questionnaire to the location given below.

Yours faithfully,



S P LEOPENG
D3 Z35
Xt. 2349

Section 1 - DEMOGRAPHICS

Please indicate the following:

- ☐ Black
- ☐ White
- ☐ Indian
- ☐ Coloured

Home Language

- ☐ English
- ☐ Afrikaans
- ☐ Black Language
- ☐ Other

Age

- ☐ 20-29
- ☐ 30-39
- ☐ 40-49
- ☐ 50+

Patterson Band

- ☐ C-band
- ☐ M-band

Period of service in Eskom

- ☐ Less than a year
- ☐ 1-3 yrs
- ☐ 3-5 yrs
- ☐ 5-10 yrs
- ☐ 10 yrs+

Level of education

- ☐ Some high school
- ☐ Matric completed
- ☐ Some post matric
- ☐ Diploma completed
- ☐ Degree completed
- ☐ Post graduate

The letters AA in the following statements refer to AFFIRMATIVE ACTION

Please mark with X whether you : STRONGLY DISAGREE; DISAGREE; NEITHER AGREE NOR DISAGREE; AGREE; STRONGLY AGREE; in the following questionnaire.

Section 2 - PERCEPTIONS ABOUT AA

Previously disadvantaged people in the company should be promoted more quickly than their white counterparts.

- ☐ Strongly Disagree
- ☐ Disagree
- ☐ Neither Agree nor Disagree
- ☐ Agree
- ☐ Strongly Agree

AA is a corrective action and it is a necessary process to correct the evils of the past.

- ☐ Strongly Disagree
- ☐ Disagree
- ☐ Neither Agree nor Disagree
- ☐ Agree
- ☐ Strongly Agree

Work environment should reflect the demographics of the country, and that can only be possible through a process of AA.

- ☐ Strongly Disagree
- ☐ Disagree
- ☐ Neither Agree nor Disagree
- ☐ Agree
- ☐ Strongly Agree

This country will never reach equal opportunity status unless measures like AA are applied.

- ☐ Strongly Disagree
- ☐ Disagree
- ☐ Neither Agree nor Disagree
- ☐ Agree
- ☐ Strongly Agree

White prospects of promotion have diminished because of AA.

- ☐ Strongly Disagree
- ☐ Disagree
- ☐ Neither Agree nor Disagree
- ☐ Agree
- ☐ Strongly Agree

AA in Eskom is deliberately aimed at "kicking out" whites to accommodate blacks.

- ☐ Strongly Disagree
- ☐ Disagree
- ☐ Neither Agree nor Disagree
- ☐ Agree
- ☐ Strongly Agree

To reach AA targets in Eskom, white employees will have to be laid off.

- ☐ Strongly Disagree
- ☐ Disagree
- ☐ Neither Agree nor Disagree
- ☐ Agree
- ☐ Strongly Agree

People should be given opportunities for advancement based on their service, past performance and qualifications and not because they are AA candidates.

- ☐ Strongly Disagree
- ☐ Disagree
- ☐ Neither Agree nor Disagree
- ☐ Agree
- ☐ Strongly Agree

Black people do not want to be known as AA appointees.

- ☐ Strongly Disagree
- ☐ Disagree
- ☐ Neither Agree nor Disagree
- ☐ Agree
- ☐ Strongly Agree

AA appointees are just interested in big salaries and hence do a lot of job-hopping.

- ☐ Strongly Disagree
- ☐ Disagree
- ☐ Neither Agree nor Disagree
- ☐ Agree
- ☐ Strongly Agree

AA is reverse racism.

- ☐ Strongly Disagree
- ☐ Disagree
- ☐ Neither Agree nor Disagree
- ☐ Agree
- ☐ Strongly Agree

A lot of AA appointees in Eskom are just token appointments.

- ☐ Strongly Disagree
- ☐ Disagree
- ☐ Neither Agree nor Disagree
- ☐ Agree
- ☐ Strongly Agree

Every white person should support AA , because it was white people who elected the apartheid govemment in the past.

- ☐ Strongly Disagree
- ☐ Disagree
- ☐ Neither Agree nor Disagree
- ☐ Agree
- ☐ Strongly Agree

The appointment of AA candidates in Eskom is happening too slowly.

- ☐ Strongly Disagree
- ☐ Disagree
- ☐ Neither Agree nor Disagree
- ☐ Agree
- ☐ Strongly Agree

When it comes to promotion, experience should NOT count because previously disadvantaged people didn't get the chance to gain the experience required.

- ☐ Strongly Disagree
- ☐ Disagree
- ☐ Neither Agree nor Disagree
- ☐ Agree
- ☐ Strongly Agree

Section 3 - BENEFITS OF AA

AA will correct the imbalances and right the wrongs of the past.

- ☐ Strongly Disagree
- ☐ Disagree
- ☐ Neither Agree nor Disagree
- ☐ Agree
- ☐ Strongly Agree

AA is really in the interest of the company and will benefit everyone in the long term.

- ☐ Strongly Disagree
- ☐ Disagree
- ☐ Neither Agree nor Disagree
- ☐ Agree
- ☐ Strongly Agree

More jobs will be created because of AA.

- ☐ Strongly Disagree
- ☐ Disagree
- ☐ Neither Agree nor Disagree
- ☐ Agree
- ☐ Strongly Agree

One of the benefits of AA is better income distribution, which in turn broadens the government's tax base.

- ☐ Strongly Disagree
- ☐ Disagree
- ☐ Neither Agree nor Disagree
- ☐ Agree
- ☐ Strongly Agree

AA has led to black empowerment and hence better living conditions for the previously disadvantaged.

- ☐ Strongly Disagree
- ☐ Disagree
- ☐ Neither Agree nor Disagree
- ☐ Agree
- ☐ Strongly Agree

Because of AA more white people will leave to become entrepreneurs and create opportunities for themselves and others.

- ☐ Strongly Disagree
- ☐ Disagree
- ☐ Neither Agree nor Disagree
- ☐ Agree
- ☐ Strongly Agree

Section 4 - BRAIN DRAIN AND STANDARD LOWERING

Crime and other factors are responsible for skills flight, and not AA.

- ☐ Strongly Disagree
- ☐ Disagree
- ☐ Neither Agree nor Disagree
- ☐ Agree
- ☐ Strongly Agree

Since AA, there has been an ever increasing number of whites leaving the organisation.

- ☐ Strongly Disagree
- ☐ Disagree
- ☐ Neither Agree nor Disagree
- ☐ Agree
- ☐ Strongly Agree

Standards in Eskom have declined since the introduction of AA.

- ☐ Strongly Disagree
- ☐ Disagree
- ☐ Neither Agree nor Disagree
- ☐ Agree
- ☐ Strongly Agree

Some white people are exploiting AA by taking packages and then coming back as consultants to earn more than they used to.

- ☐ Strongly Disagree
- ☐ Disagree
- ☐ Neither Agree nor Disagree
- ☐ Agree
- ☐ Strongly Agree

It is a good thing for whites to leave Eskom and/or the country because it makes room for AA candidates.

- ☐ Strongly Disagree
- ☐ Disagree
- ☐ Neither Agree nor Disagree
- ☐ Agree
- ☐ Strongly Agree

Whites who are eager to take separation packages, are those who realise that they have no contribution to make to Eskom.

- ☐ Strongly Disagree
- ☐ Disagree
- ☐ Neither Agree nor Disagree
- ☐ Agree
- ☐ Strongly Agree

Section 5 - RACISM

AA appointees still have to fight hard in their jobs and struggle to advance because of racist whites.

- ☐ Strongly Disagree
- ☐ Disagree
- ☐ Neither Agree nor Disagree
- ☐ Agree
- ☐ Strongly Agree

Job-hopping results from non-conducive environment for AA candidates created by racist white managers.

- ☐ Strongly Disagree
- ☐ Disagree
- ☐ Neither Agree nor Disagree
- ☐ Agree
- ☐ Strongly Agree

Black managers are sometimes deliberately set up to fail by racist white managers.

- ☐ Strongly Disagree
- ☐ Disagree
- ☐ Neither Agree nor Disagree
- ☐ Agree
- ☐ Strongly Agree

Racial discrimination is still rife in Eskom and blocks genuine efforts of AA.

- ☐ Strongly Disagree
- ☐ Disagree
- ☐ Neither Agree nor Disagree
- ☐ Agree
- ☐ Strongly Agree

If I had the choice, I would prefer to report to a white manager.

- ☐ Strongly Disagree
- ☐ Disagree
- ☐ Neither Agree nor Disagree
- ☐ Agree
- ☐ Strongly Agree

In my experience, AA appointees and blacks in general are usually incompetent.

- ☐ Strongly Disagree
- ☐ Disagree
- ☐ Neither Agree nor Disagree
- ☐ Agree
- ☐ Strongly Agree

Section 6 - NUMBERS GAME

AA in Eskom is simply about adding numbers and there is no value added.

- ❑ Strongly Disagree
- ❑ Disagree
- ❑ Neither Agree nor Disagree
- ❑ Agree
- ❑ Strongly Agree

The way AA is implemented in Eskom, leads managers to chase numbers rather than create value by training people.

- ❑ Strongly Disagree
- ❑ Disagree
- ❑ Neither Agree nor Disagree
- ❑ Agree
- ❑ Strongly Agree

In Eskom there is no Vision or Plan as far as AA is concerned, its just a question of let's meet the short term targets.

- ❑ Strongly Disagree
- ❑ Disagree
- ❑ Neither Agree nor Disagree
- ❑ Agree
- ❑ Strongly Agree

There is too much poaching of AA candidates within different departments in Eskom, and overall this is not helping the bigger picture.

- ❑ Strongly Disagree
- ❑ Disagree
- ❑ Neither Agree nor Disagree
- ❑ Agree
- ❑ Strongly Agree

END

Thank you very much for your valuable input; it is highly appreciated.

- **Appendix 3: Number of Employees and their Breakdown at MWP as at April 1998.**

Mangrade	*Whites*	*Blacks*	*Asians*	*Coloureds*	*Total*
BTU	0	4	0	0	4
CTL	6	14	3	2	25
Band Total	**6**	**18**	**3**	**2**	**29**
AAA	0	59	0	0	59
BBL	20	229	0	1	250
BBU	157	194	10	13	374
CCL	281	131	25	12	449
Band Total	**458**	**613**	**35**	**26**	**1132**
CTU	282	2	1	0	5
CCU	327	187	49	21	584
PAO	50	33	14	3	100
MMM	169	57	12	8	246
MMU	84	29	5	2	120
PPG	215	61	11	11	298
PPP	238	40	26	7	311
PPU	53	8	4	2	67
SS1	5	2	0	0	7
SS2	37	4	0	0	41
SSE	39	3	0	1	43
EEE	47	30	10	2	89
FAA	5	4	0	0	9
FBB	6	6	0	0	12
Band Total	**1277**	**466**	**132**	**57**	**1932**
Sub Total	**1741**	**1097**	**170**	**85**	**3093**

APPENDIX 4

CODING SYSTEM USED

DEMOGRAPHIC QUESTIONS : QUESTION 1

RACE	CODE
BLACK	1
WHITE	2
INDIAN	3
COLOURED	4

QUESTION 2

HOME LANGUAGE	CODE
ENGLISH	1
AFRIKAANS	2
BLACK LANGUAGE	3
OTHER	4

QUESTION 3

AGE	CODE
20-29	1
30-39	2
40-49	3
50+	4

QUESTION 5

PERIOD OF SERVICE IN ESKOM	CODE
Less than a year	1
1-3 years	2
3-5 years	3
5-10 years	4
10 years +	5

QUESTION 6

LEVEL OF EDUCATION	CODE
Some high School	1
Matric Completed	2
Some Post Matric	3
Diploma Completed	4
Degree Completed	5
Post Graduate	6

Appendix 5: Medians of The Statements

Medians of the Statements for Proposition 1

Statements	Blacks	Whites	Indian & Coloureds	Total
Promotion	agree	disagree	agree	neither
Necessary	strongly. Agree	agree	agree	agree
Demographics	agree	neither	agree	agree
Equal opportunity.	strongly agree	neither	strongly. agree	agree
White Promotion	disagree	agree	neither	agree
Kicking out	strongly. disagree	neither	strongly disagree	disagree
Lay off.	disagree	neither	disagree	disagree
Service & qualifications	agree	agree	neither	agree
Stigma	agree	agree	agree	agree
Big salary	disagree	agree	disagree	neither
Reverse racism	strongly. disagree	agree	disagree	disagree
Tokenism	neither	agree	neither	agree
Apart. Govern.	agree	disagree	neither	neither
AA slowly	agree	disagree	neither	neither
Experience	agree	disagree	neither	neither

Medians of the Statements for Proposition 2

Statements	C-Band	M-Band	Total
Correct Imbalances.	Agree	agree	agree
Comp. Interest	agree	agree	agree
Job Creation	neither	neither	neither
Increase tax base	neither	agree	agree
Black Empower.	Agree	agree	agree
Entrepreneurs	agree	agree	agree

Medians of the Statements for Proposition 3

Statements	Blacks	Whites	Indian & Coloureds	Total
Crime	agree	neither	agree	agree
Leave organisation.	agree	agree	agree	agree
Standards	disagree	agree	disagree	neither
Packages	strongly Agree	agree	strongly. agree	agree
Create Room	disagree	disagree	disagree	disagree
No contrib.	agree	disagree	neither	neither

Medians of the Statements for Proposition 4

Statements	Black	White	Coloured & Indian	Total
Fight hard	agree	disagree	agree	neither
Job hopping	agree	disagree	agree	neither
Set up to fail	agree	disagree	neither	neither
Racism	agree	neither	agree	neither
Report white	disagree	neither	neither	neither
Incompetent	strongly disagree	disagree	disagree	disagree

Medians of the Statements for Proposition 5

Statements	Black	White	Coloured & Indian	Total
No value	neither	agree	neither	neither
Chase no's.	agree	agree	agree	agree
No vision	agree	agree	agree	agree
Poaching	agree	agree	agree	agree

APPENDIX 6

PROPOSITION 1: DEFINITION OF AA

KRUSKAL-WALLIS TEST: BLACK, WHITE, OTHER (COLOURED & INDIAN) PERCEPTION. SIGNIFICANCE LEVEL 5%.

Statement	Calculated Value	Probability	Decision
Promotion	72.3063	0.0000	Reject H_0
Necessary	77.7530	0.0000	Reject H_0
Demographics	91.0156	0.0000	Reject H_0
Equal opportunity.	101.2577	0.0000	Reject H_0
White Promotion	109.1123	0.0000	Reject H_0
Kicking out	94.8608	0.0000	Reject H_0
Lay off.	34.6786	0.0000	Reject H_0
Service & qualifications I	20.4291	0.0000	Reject H_0
Stigma	3.3899	0.0976	**Accept H_0**
Big salary	83.6344	0.0000	Reject H_0
Reverse racism	98.5621	0.0000	Reject H_0
Tokenism	25.2260	0.0000	Reject H_0
Apart. Govern.	65.1805	0.0000	Reject H_0
AA slowly	61.7646	0.0000	Reject H_0
Experience	52.3959	0.0000	Reject H_0

APPENDIX 7

PROPOSITION 2: BENEFITS OF AA: C VERSUS M BAND

MANN-WHITNEY U TEST: SIGNIFICANCE LEVEL 5%

Statement	*Z-Value*	*Probability*	*Decision*
Correct Imbalances.	1.3400	0.18023	Accept H_0
Comp. Interest	0.8883	0.3743	Accept H_0
Job Creation	1.0242	0.3057	Accept H_0
Increase tax base	1.1232	0.2613	Accept H_0
Black Empower.	0.5567	0.5777	Accept H_0
Entrepreneurs	-0.8428	0.3993	Accept H_0

APPENDIX 8

PROPOSITION 3: BRAIN DRAIN

KRUSKAL-WALLIS TEST: BLACK, WHITE, OTHER (COLOURED & INDIAN) PERCEPTIONS. SIGNIFICANCE LEVEL 5%.

Statement	*Calculated Value*	*Probability*	*Decision*
Crime	21.6304	0.000020	Reject H_0
Leave organisation.	21.3106	0.000024	Reject H_0
Standards	118.4004	0.0000	Reject H_0
Packages	49.3599	0.0000	Reject H_0
Create Room	4.6062	0.0999	**Accept H_0**
No contrib.	65.7935	0.0000	Reject H_0

APPENDIX 9

PROPOSITION 4: RACIAL INTOLERANCE

KRUSKAL-WALLIS TEST: BLACK, WHITE, OTHER (COLOURED & INDIAN) PERCEPTIONS. SIGNIFICANCE LEVEL 5%.

Statement	*Calculated Value*	*Probability*	*Decision*
Fight hard	108.7029	0.0000	Reject H_0
Job hopping	106.5567	0.0000	Reject H_0
Set up to fail	104.604	0.0000	Reject H_0
Racism	81.5462	0.0000	Reject H_0
Report to white	5.2985	0.0707	**Accept H_0**
Incompetent	36.1718	0.0000	Reject H_0

APPENDIX 10

PROPOSITION 5: ADDING NUMBERS

KRUSKAL-WALLIS TEST: BLACK, WHITE, OTHER (COLOURED & INDIAN) PERCEPTIONS. SIGNIFICANCE LEVEL 5%.

Statement	*Calculated Value*	*Probability*	*Decision*
No value	8.5400	0.01398	Reject H_0
Chase no's.	2.2658	0.3220	**Accept H_0**
No vision	0.47817	0.78734	**Accept H_0**
Poaching	8.81757	0.01217	Reject H_0