

**EMPLOYEES' PERCEPTIONS TOWARDS WORKPLACE
DIVERSITY IN A FINANCIAL INSTITUTION OPERATING
IN THE WESTERN CAPE.**

By

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DECLARATION

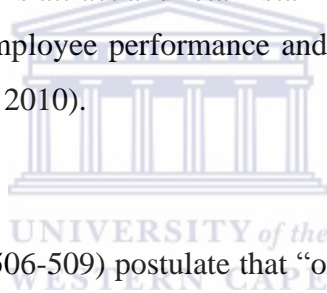
I declare that this thesis, entitled: “Employees’ perceptions towards workplace diversity in a financial institution operating in the Western Cape” is my own work and that it has not been submitted before for any degree or any other module, course or examination in this Department or other departments in this or any other University and that all sources I have used or quoted have indicated and acknowledge as complete references.

Kareemah Carelse



ABSTRACT

Although South Africa is 18 years into creating a unique diversity management strategy, individuals - directly affected by diversity in organisation will differ completely from those individuals that have not been affected by diversity in organisations at all. The subject of diversity management has become a contentious issue causing disagreement and argument in the last couple of years. Many organisations find it difficult to grasp the concept of diversity, thus creating an opportunity for organisational development consultants and management to make substantial profit (Dombai & Verwey, 1999). In the current working environment and the continuous change of the organisation's employees, the workforce has become more diverse. This resulted in wider employee knowledge, skills, experience and attitude which will allow the organisation to become more competitive globally. It is of utmost importance for organisations attract and retain staff from different cultural and diverse group of order to improve the employee performance and the competitive advantage of the organisation (Ferreira & Coetzee, 2010).

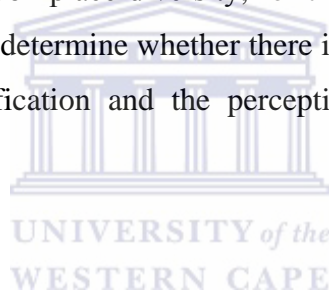


Cumming and Worley (2009, p. 506-509) postulate that “organisational transformation – and more specifically diversity management - is impacting on the bottom line results of the organisation”. Organisational transformation implies radical changes in how members perceive, think, and behave at work. They are concerned with fundamentality altering the prevailing assumptions about how the organisation function and relates to its environment.

The study aimed at determining the employees' perception towards workplace diversity in a financial institution operating in the Western Cape. More specifically, the following questions will be investigated in this study: What are employees' perceptions of workplace diversity? Do employees differ in their views/perception of workplace diversity based on their age, race, job categories, gender, job status and qualification? To what extent is workplace diversity understood by employees? What challenges are being faced to effectively implement workplace diversity?

Information was gathered from both secondary and primary resources. All relevant information that was not obtained from publications was gathered through the use of questionnaires that were completed by employees in the financial institution. The primary resources in this research study used are questionnaires that were distributed to employees in a financial institution to complete. Permission was obtained from executive management, provincial management, junior management and the human resources department to distribute the research study questionnaire to the staff in the financial institution.

Data was analysed by using structural, methodical and clear reasoning. Data analysis, involving a descriptive study in order to determine the relationship between the employees' perception towards workplace diversity in a financial institution operating in the Western Cape. The descriptive study created an understanding of the relationship between the employees' perception towards workplace diversity, for the researcher and the organisation. The Pearson method was used to determine whether there is a relationship between age, race, gender, job category and qualification and the perceptions of workplace diversity in a financial institution.



The Health Professional Council of South Africa (HPCSA)'s ethical code of Professional Conduct for Psychologists was strictly adhered to. Voluntary participation was critical to the study because of the participants' time and energy required as well as asking participants to reveal personal information to the researcher. Permission to conduct the research was obtained from the financial institution where study was undertaken. Informed consent was obtained from participants before starting the data gathering process. Three hundred and nine (309) respondents completed a biographical questionnaire as well as the workplace diversity survey in order to understand their perception and understanding of workplace diversity. To ascertain the perception of workplace diversity, respondents completed a workplace diversity survey. While the results of the current study reveals interesting findings, the results should be interpreted with caution due to the size of the sample used which impacts the generalizability of the findings.

KEY WORDS

Perceptions, Workplace Diversity, Diversity Management, Employment Equity, Affirmative Action, Culture, Reasons for Diversity Management, Occupational Level, Financial Institution, Age, Race, Gender, Job Category, Qualifications, Challenges.

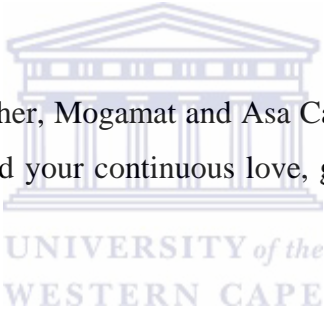


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In the name of God, the Most Gracious, the Most Merciful

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- 
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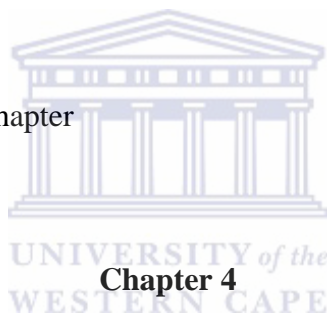


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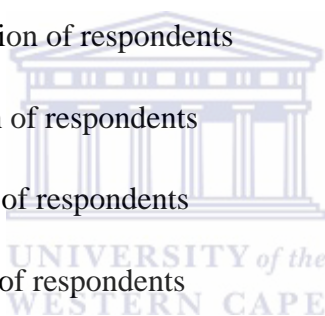
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CHAPTER 1

INTRODUCTION

1.1 Introduction

The dynamic nature of the modern day organisation currently competing in a highly volatile environment is characterised by an accelerated rate of change. Because of this, managers will need to be more receptive to new ideas, approaches and attitudes. According to Cumming and Worley (2009) the growth and relevance of organisational development is shaped by three major changes in an organisation, namely; globalisation, information technology and managerial innovation. Firstly, globalisation is changing the markets and environment in which organisations operate as well as the way they function. New government, new leadership, new markets and new countries are emerging and creating a new global economy with both opportunities and threats. The rapid spread of Severe Acute Respiratory Syndrome (SARS) and its economic impact clearly demonstrated the interconnectedness among the social environment, organisation and the global economy. Secondly, information technology is redefining the traditional business model by changing how work is performed, how knowledge is used, and how the cost of doing business is calculated. Information technology for example, is at the heart of emerging e-commerce strategies and organisation. Thirdly, managerial innovation has responded to the globalization and information technology trends and has accelerated their impact on organisations.

New organisational forums, such as networks, strategic alliances, and virtual corporations, provide organisations with new ways of thinking about how to manufacture goods and deliver service. Fortunately, a growing number of organisations are undertaking the kind of organisational changes needed to survive and prosper in today's environment. They are making themselves more streamlined and nimble, more responsive to external demands, and more ecologically sustainable to involve employees in key decisions and paying for performance rather than for time (Cummings & Worley, 2009).

Penceliah (2008) illustrates that the environment wherein organisations functions are continually configured by many factors. Globalisation, for example, requires managers to

interact with and direct people who are culturally diverse. Similarly, on international, national and local sphere, managers are required to work with people who are culturally different. In the present world of globalisation and demographic changes the workforce is becoming increasingly diverse, which has resulted in a greater variety of knowledge, skills, experiences and attitudes; all of which contributes to the organisation's performance in what has become a highly competitive world business market. Organisations are increasingly recognising the value of attracting and retaining staff from all demographic groups in order to improve workforce performance and thereby improve their competitive position (Ferreira & Coetzee, 2010). Changes in the broader business environment create pressure on organisations to attract and retain, good quality staff, to engage and implement appropriate and management development programmes. In addition, visionary leadership is required within an organisation (Milkovich & Boudreau, 1994).

South African history and its political past are characterised by unfair discrimination. This resulted in workplace diversity becoming a real challenge for organisations operating in South Africa. If organisations could identify the antecedents of a positive attitude towards diversity, these organisations could develop employees' skills so as to ensure effective social interaction and team work (Kamps & Engelbrecht, 2011). Cumming and Worley (2009) postulate that organisational transformation - with specific reference to diversity management - is impacting the bottom line results of an organisation. Organisational transformation implies radical changes in how members perceive, think, and behave at work. They are concerned with fundamentality altering the prevailing assumptions about how the organisation function and relates to its environment. Changing these assumptions entail significant shifts in corporate values and norms as well as the structures and organisational arrangements that shape the members' behaviours. According to Cummings and Worley (2009), organisational transformation is affected in various ways namely:

- Change is triggered by environmental and internal disruptions. The organisation must experience or anticipate a severe threat to survival before transformational change is undertaken. These threats can be when environmental and internal changes render existing organizational strategies and designs obsolete.
- Change can be aimed at competitive advantage. These are the choices the organisation make to improve their competitive performance. Activities that are unique, valuable, and difficult to imitate enhance the organisation's performance by establishing a competitive advantage over rival organisations.

- Change is aimed at a systemic and revolutionary process as the entire nature of the organisation is altered fundamentally. This suggests a reshaping of the organisation's design elements and culture. This change is driven by senior management in the organisation and is particularly pertinent to changing the different features of the organisation such as structure, information systems, human resources practices, and work design. These changes should motivate and direct people's behaviour in a new strategic direction.
- Change demands a new organisational paradigm. Organisations undertaking transformational change are by definition, involved in second-order or a gamma type of change. Gamma change means to fundamentally redefine the measure as a result of an Organisational Development intervention. For example, the presence of gamma change would make it difficult to compare measures of employee discretion taken before and after a job enrichment program, the measure taken after the intervention might use the same words, but they represent an entirely different concept. Gamma change involves discontinuous shifts in mental or organisational frameworks. Increases in technological changes, concern for quality, and worker participation have led many organisations to shift their organisational paradigm.
- Change is driven by senior executives and line management. They are responsible for the strategic direction and operation of the organisation and should actively lead transformation. They decide when to initiate transformational change, what the change should be, how it should be implemented and who should be responsible for directing it.
- Transformational change requires much learning and innovation. The organisation's members must learn how to enact the new behaviours required to implement new strategic directions. Because members usually must learn qualitatively different ways to perceiving, thinking and behaving, the learning process is likely to be substantial and also involves much unlearning. Learning thus occurs at all levels of the organisation, from senior executives to lower-level employees

In the current working environment and the continuous change of the organisation's employees, workforce has become more diverse. This has resulted in wider employee knowledge, skills, experience and attitude which will allow the organisation to become more competitive globally. It is of the utmost importance for organisations to attract and retain staff from different cultural and diverse groups in order to improve the employee performance and

the competitive advantage of the organisation (Ferreira & Coetzee, 2010). Workplace diversity is an increasing reality and organisations need to be able to manage this successfully. Diversity is also becoming increasingly complex (Yukl, 2010).

One of the most important and broad-based challenges currently facing organisations is adapting to people who are different. The term we use for describing this challenge is workforce diversity. Whereas globalisation focuses on differences between people from different countries, workforce diversity addresses differences amongst people within given countries. Workforce diversity means that organisations are becoming a more heterogeneous mix of people in terms gender, age, race, ethnicity, and sexual orientation. A diverse workforce, for instance include women, Africans, Indians, Coloureds the physically disabled, senior citizens, as well as gays and lesbians. Managing this diversity has become a global concern. It is not just an issue in South Africa, but also in the United States, Canada, Australia, Japan and Europe. An example; managers in Canada and Australia are finding it necessary to adjust to large influxes of Asian workers. South Africa is increasingly characterised by Africans holding important technical and managerial jobs (Robbins, Judge, Odendaal & Roodt, 2009).

According to Rijamampianina and Maxwell (2002a), much has been said on the importance of multiculturalism; however cultural clashes in business and the workplace continue to be an issue of growing concern as the world moves towards an interlinked, global economy. Now, more than ever, learning to draw on the richness of a kaleidoscope workforce and to assist all team members in delivering their best efforts is a critical managerial task. The challenge for a multicultural learning organisation is to increase the potential benefits of cultural diversity by creating a willingness-to-share attitude, sharing success, sharing mental models, sharing vision, and sharing competence. A real commitment to the sharing principle is essential to effective management and culturally diverse organisations.

Managing the diversity of human capital in organisations is key towards organisational sustainability in the new world of work. Managing diversity in organisations is much more than providing training and awareness sessions. It is of strategic importance to ensure that the benefits of diverse viewpoints and stakeholders are leveraged off. Managing diversity offers great potential for organisations in enabling them to utilise their employees effectively (Viljoen, 2010). Diversity management is the planning and implementation of organisational systems and practices to manage people so that the advantages of diversity are maximised

while its disadvantages are minimised. The goal of managing diversity is to maximise the ability of all employees to contribute to organisational goals and achieve their full potential unhindered by group identities (Cox 1994).

How diversity is managed in an organisation will ultimately influence employees' attitudes and perceptions towards that organisation. Diversity, if positively managed can increase creativity and innovation in organisations, as well as improve decision-making by providing different perspectives on problems. One can observe an increased competitiveness in positive shareholder gains for firms with highly effective diversity management programs (Harris, Rousseau & Venter, 2007). When diversity is not managed properly, there is a potential for higher labour turnover, problematic communication and increased interpersonal conflict (Harris et al., 2007).

The study will briefly highlight the historical facts, reflecting the numerous imbalances in South African society and how the South African legislation has served as a catalyst for change in order to embrace diversity within South African organisations. A brief background to diversity and diversity management in South Africa will be discussed. The study will also focus on the importance of diversity management, the challenges of diversity management as well as pressures of diversity management within organisation and how diversity can improve the competitive edge of an organisation. This study also intends to provide more information on how employees perceived workplace diversity.

1.2 Statement of the problem

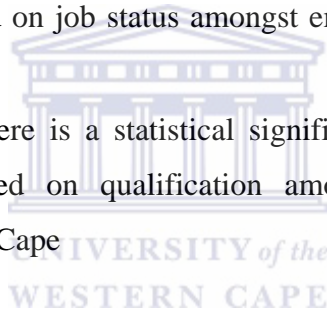
The purpose of this study is to determine employees' perceptions towards workplace diversity in a financial institution operating in the Western Cape. The study will try to answer questions such as:

- What are employees' perceptions of workplace diversity?
- Do employees differ in their views/perception of workplace diversity based on their age, race, job categories, gender, job status and qualification?
- To what extent is workplace diversity understood by employees?
- What challenges are being faced to effectively implement workplace diversity?

1.3 Research Objective

The research objectives of the current research are:

- To determine whether there is a statistical significant difference in perceptions of workplace diversity based on age amongst employees in a financial institution in the Western Cape.
- To determine whether there is a statistical significant difference in perceptions of workplace diversity based on race amongst employees in a financial institution in the Western Cape.
- To determine whether there is a statistical significant difference in perceptions of workplace diversity based on gender amongst employees in a financial institution in the Western Cape.
- To determine whether there is a statistical significant difference in perceptions of workplace diversity based on job status amongst employees in a financial institution in the Western Cape
- To determine whether there is a statistical significant difference in perceptions of workplace diversity based on qualification amongst employees in a financial institution in the Western Cape



1.4 Hypotheses

The hypotheses for this study are as follows:

- H1 Hypotheses 1: There is a statistical significant difference in perceptions of workplace diversity based on gender amongst employees in a financial institution in the Western Cape.
- H2 Hypotheses 2: There is a statistical significant difference in perceptions of workplace diversity based on race amongst employees in a financial institution in the Western Cape.
- H3 Hypotheses 3: There is a statistical significant difference in perceptions of workplace diversity based on age amongst employees in a financial institution in the Western Cape.

- H4 Hypotheses 4: There is a statistical significant difference in the perception of workplace diversity based on job grade or job category amongst employees in a financial institution in the Western Cape.
- H5 Hypotheses 5: There is a statistical significant difference in the perception of workplace diversity based on qualification amongst employees in a financial institution in the Western Cape.

1.5 Significance of the study

Many organisations have recently begun to count the cost of managing diversity poorly as well as the benefits of managing it effectively (Human, 2005). In the context of human resource management, diversity management could be defined as a managerial process that is planned, systematic and comprehensive for the purpose of developing an organisational environment in which every employee, each with his or her similarities and differences, has the opportunity to contribute to the strategic and competitive advantage of the organisation, and where no person is excluded on the basis of factors unrelated to productivity. In broader terms, diversity management is about managing the increasing diversity of issues that confront humankind in contemporary organisational and societal affairs (Flood & Romm, 1996, as cited in Uys, 2003).

With the increasing mobility of the workforce in the twenty-first century, organisations are facing a diverse work environment, striving to recruit, effectively manage, and maintaining a diverse workforce are important goals in order to ensure that the right combination of skills and competencies are available. Furthermore, domestic and global organisations are designed to create products (goods, services, or ideas) that cater for diverse consumers and to ensure that there are benefits for their various multicultural stakeholders. Therefore, the development and management of human activities is of critical importance to the sustainable growth and profitability of business enterprises around the world (Okoro & Washington, 2012).

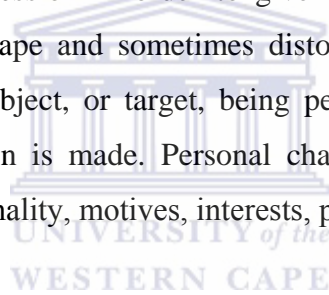
Financial institutions, especially those in the retail business unit has a continuous turnover of employees. Diverse employees from different ages, race, gender and qualification are appointed in the retail environment on a weekly basis. Although the financial institutions

have a well written diversity management policy in place, concerns arise with the implementation of this diversity management policy in the institution. Effective implementation of the diversity management policy will create a more competitive financial institution with more efficient and talented employees. It is important for organisations to understand and know how their employees feel and perceive workplace diversity as this would help the organisations to plan, develop and implement diversity programmes more appropriately as well as the organisation can focus their programmes on specific groups of people.

1.6 Definition of Important Constructs

1.6.1 Perceptions

According to Robbins et al. (2009), perception is a process that individuals use to organise and interpret their sensory impression in order to give meaning to their environment. A number of factors operate to shape and sometimes distort perceptions. 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. Personal characteristics that affect perception include a person's attitude, personality, motives, interests, past experiences, and expectations.



1.6.2 Diversity

Diversity encompasses all forms of differences amongst individuals, including gender, age, ability, religious affiliation, personality, economic class, social status, military attachments and sexual orientation (Nelson, 2001). Diversity is generally defined as “acknowledging, understanding, accepting, valuing and celebrating differences amongst people with respect to age, class, ethnicity, gender, physical and mental ability, race, sexual orientation, spiritual practice and public assistance status” (Esty, Schorr-hiesch & Griffin, 1995, p. 4).

1.6.3 Workplace Diversity

“Diversity in the workplace is defined as recognition of the group of people who share a common trait” (Mfene, 2010).

1.6.4 Diversity Management

Diversity management means the creation of an inter- and intra-national environment within which these divergent perspectives, approaches and sensitivities are incorporated and developed in order to manage diversity in such a way that the full potential (productivity and personal aspirations) of individuals and institutions may be realised optimally (Greybe & Uys, 2001).

1.6.5 Employment Equity Act (EEA)

South Africa has a legacy of discrimination in relation to race, gender and disability that has denied access to opportunity for equal education. The Employment Equity act has two main objectives; to ensure the workplace is free from discrimination and that employees take active steps to promote employment equity (Nel, Werner, Haasbroek, Poisat, Sono & Schultz, 2008). According to Pillay and Mc Lellen (2010), employment equity refers to the end result of enforcing equal opportunity, affirmative action and diversity management.

1.6.6 Affirmative Action (AA)

Affirmative Action generally reflects labour market policy aimed at addressing past imbalances that are a direct result of discrimination. These may include minors, woman disabled people and black people (Thomas & Turpin, 2002). According to Niemann (2006), the concept of affirmative action originated from the earliest efforts against unfair discrimination, and refers to specific steps taken to promote equal opportunity for the designated groups, thereby transforming the present composition of employees so that they will become more representative of the designated groups.

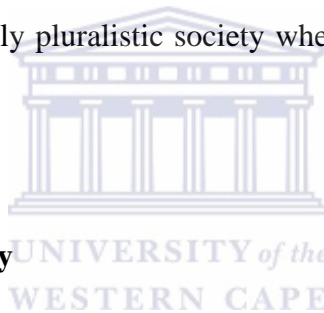
1.6.7 Broad Based Black Economic Empowerment Act (BBBEEA)

The main aim of the BBBEE Act (No 53 of 2003) that was signed on 9 January 2004 is to address inequalities resulting from systematic exclusion of the majority of South Africans from meaningful participation in the economy. The BBBEE Act is therefore intended to deal with, and correct the imbalances caused by the aforementioned policies. “Broad based black

economic empowerment is defined in Section 1 of the act as: Economic empowerment of all black people including women, workers, youth, people with disabilities and people living in rural areas by utilising integrated socio-economic strategies.” (Nel et al., 2008, p. 129).

1.6.8 Cultural Diversity

Organisations can only manage their diverse workforces successfully if their corporate cultures are receptive to and supportive of diversity. The success of diversity management depends on the ability of organisational management to foster communication processes. This means that appropriate workplace culture can be negotiated and expanded to accommodate the diversity of their people (Dombai & Verwey, 1999). Tshikwatamba (2004) postulates that at a cultural level, supplementary to the reasons for the present worldwide interest in diversity and multicultural management are the complexities of the South African situation. South Africa is a racially pluralistic society where race and ethnicity are the most visible examples of its variations.



1.7 Delimitations of the study

The study is confined to the employees of one financial institution in the Western Cape, thus the research study lacks external validity. The study was only done in one business unit in the financial institution. A perceived limitation of the study was the fact that the respondents may not have answered the questions truthfully for fear of possible victimisation within the working environment.

The researcher is a member of the financial institution and in a senior level where the research was completed, thus the confidentiality of the research may have been questioned by the participants. Although the confidentiality clause was explained on the very first page of the workplace diversity survey, the respondents' honesty while answering the survey could have been impacted.

Although respondents were given sufficient time to complete the workplace diversity survey, the required number of questionnaires returned was not, sufficient as outlined in the sample size of population in Sekaren (2001). This is seen as a limitation as only three hundred and

nine (309) questionnaires out of the three hundred and fifty seven (357) questionnaires needed were returned.

The study utilises a non-probability sample method in the form of convenient sampling. As a result of this, certain groups are under-represented, thus selection bias has been introduced. This however will reduce the extent to which the results of the study may be generalised to the entire population to which the selected research hypothesis may apply.

Only questionnaires were used in the study, the research study also consists of surveys or interviews or a combination of the two. The questionnaires were hand delivered to the participants, and this could have easily been lost or misplaced. If the questionnaires were emailed and hand delivered the participants will have a soft copy just in case they misplaced the first copy.

1.8 Plan of the research

The present mini-theses comprise five (5) chapters.

Chapter 1 provides an introduction to the research, highlighting the variables that will form the basis of the study. An overview is also given as to the rationale to this study and highlights the key objectives to be obtained from the study. The research hypotheses are delineated and important constructs defined.

Chapter 2 follows with an overview of the literature, reflecting the variables being investigated.

Chapter 3 delineates how the research problem was investigated. In this chapter the research is explained. Specific reference is made to the data collection methods, the research design and the statistical techniques utilised to test the hypotheses.

Chapter 4 provides an overview of the statistical results of the study. The data is presented and summaries of key points of notes are given.

Chapter 5 provides a discussion of the results of the current study and makes comparisons to the findings in relation to existing literature. This chapter concludes with recommendations to future research and to the organisation.

CHAPTER 2

Literature Review

2.1 Introduction

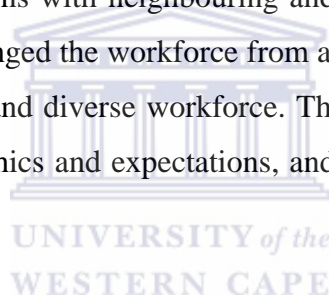
Due to the increase of globalisation it is evident that more interaction is required amongst people of diverse cultures, beliefs, and backgrounds. Gone are the days where people lived and worked in isolated market places as they are now part of a world economy with competitors coming from every continent. According to Fouche, De Jager and Crafford (2004), one of the most important implications of globalisation are that workers from different racial, cultural and ethnic backgrounds as well as workers with different sexual orientation and people with disability – enter the workplace with increased strength, both in numbers and in feelings of self-worth.

Schreuder and Coetzee (2011) indicated that the 21st century workplace was evolutionary rather than revolutionary. South Africa with its chronological past in inequities and human inequalities used affirmative action and employment equity to correct the countries turbulent past. Organisations came to the realisation that in order for them to have a competitive edge, they should accept and embrace the organisations diverse workforce. In order for organisations to attract the most effective and efficient workforce, management had to pay close attention to diversity as well as promoting diversity in the workplace.

Diversity brings stimulation, challenges as well as energy but yet it does not always lead to harmony. The mix of cultures, genders, lifestyles and values often become a source of misunderstanding and conflict. Many enlightened managers, from senior companies' directors to shop-floor supervisors, want to create business environments where differences are valued and where people, who look, talk and think differently can work productively together (Nieuwmeijer, 2001). This task is daunting; especially in South Africa with its history of apartheid, discriminatory labour practices and freedom-struggles – first political and now social-economical, with emotions and pressures of equal opportunities and affirmative action influencing diversity in the workplace (Fouche et al., 2004).

The majority of the population in South Africa has been denied access to education, jobs and opportunities for many years through a process of rigorous discrimination. Thomas and Turpin (2002) postulate that since 1994 the South African government has tried to fix the inequities in the workplace. Legislation was aimed at protecting the rights of the workers, thus government published a law which addresses the inequality, eliminating unfair discrimination and giving workers an equal opportunity in the workplace (Thomas & Turpin, 2002).

According to Cilliers (2007), the macro level, globalisation and democratisation are the most important forces changing both the face of the workforce in South Africa and the customer it serves. The complexity of globalisation is enhanced by Africanisation. During Apartheid, the South African corporate world was almost exclusively Western in its focus, disconnected from the rest of Africa. Since 1994, the post-Apartheid government have been building strong political and economic connections with neighbouring and further-away African states. The political democratisation has changed the workforce from a mainly homogenous (white male) to an increasingly multicultural and diverse workforce. The fast growing black middle class has changed customer demographics and expectations, and consequently, the ways in which organisations do business.



Fouche et al. (2004) state that in order to create a role model for diversity management in the South African business environment, it is necessary to understand the concept of “global competitiveness” and “world class business practices”. The underlying reason for this is that the diversity function provides the innovative and competitive edge of the business organisation’s journey in pursuit of world class. Leadership simply cannot treat a culturally diverse workforce as a homogeneous group.

Cilliers (2007) thus explains that since the first democratic election in 1994, organisations have implemented diversity management programmes, aiming to build bridges between differences and address conflict in the workplace.

This chapter will outline individual perceptions towards diversity, a definition of diversity, the background of diversity, the necessity to manage diversity, diversity and diversity management, the approach to the challenges of diversity, the pressures facing the modern organisation dealing with issues of diversity management and the influences if biographical factors in diversity interventions.

2.2 Individual Perceptions

Perception refers to the way we try to understand the world around us. We gather information through our five sensory organs, and perception adds meaning to these sensory inputs. The process of perceptions is essentially subjective in nature, and it is never an exact recording of the event or the situation (Swanepoel, Erasmus & Schenk, 2008). According to Harris et al., (2007), perception is the process by which individuals select, organise and interpret the input from their senses to give meaning and order to the world around us. Through perception, individuals try to make sense of their environment and the objects, events and other people in it.

Freeman, Rule and Ambudy (2009) maintain that the human perceptual system evolved from seeing the world in terms of what the world affords the perceiver, that is, for perceiving useful action possibilities to operate on it. An important consequence of this is that each of us perceives a different world. If we perceive stimuli by way of what they afford us, then, to be sure, culture should influence perceptual processes. This is because the system and practices of one's culture largely determine the function and value of stimuli on the environment and what these stimuli afford individuals (their affordance value). The above statement clearly indicates how individuals will see and perceive objects or information differently depending on their cultural divergent differences. Two individuals from different cultures can experience the same message differently because their understanding of the message will not be identical. The individuals will automatically fit the message into their experiences (internal or external) to make sense of it for them. Mazur (2010) explains that within culturally homogeneous groups, members will have a tendency to communicate with each other more often and in a greater variety of ways, perhaps because they share worldviews and a unified culture resulting from in-group attachments and shared perceptions.

Harris et al. (2007) hypothesises that research consistently demonstrates that different individuals may look at the same thing yet perceive it differently. People interpret what they see and call it reality. Furthermore, Harris et al. (2007) explains that if a significant number of employees have negative perceptions regarding the effectiveness of diversity management, organisations need to focus on these perceptions regardless of their actual merit. Therefore, what people believe about the work environment is of vital importance regardless of whether or not these beliefs are consistent with the fact. To address the issue effectively it is necessary to improve the accuracy of employees' perceptions, a requirement for decisions that benefit the organisation and all its members.

2.3 Defining the concept: Diversity

The word ‘diversity’ has become synonymous with the workforce and in an effort to remain competitive; organisations need to capture the advantages of diversity. Diversity is the variation of social and cultural identities amongst people existing together in a defined environment such as work or school (Harris et al. 2007). Diversity is generally defined as acknowledging, understanding, accepting, valuing and celebrating differences amongst people with respect to age, class, ethnicity, gender, physical and mental ability, race, sexual orientation, spiritual practice and public assistance status (Esty et al., 1995). According to Cummings and Worley (2009), diversity refers to the mix of gender, age, disability, cultures, ethnic backgrounds and lifestyles that characterise an organisation’s workforce and potential labour pool.

2.3.1 Categories of diversity

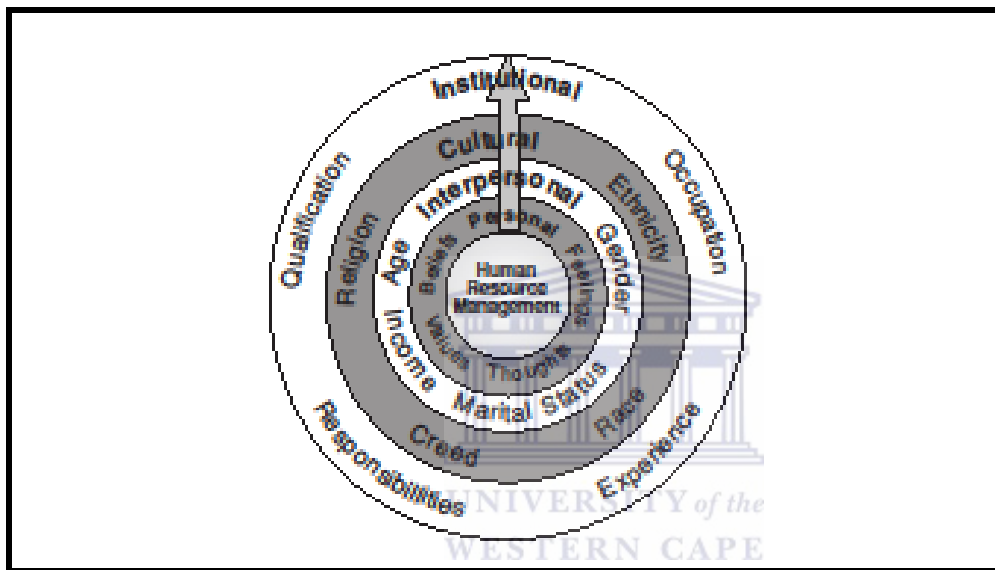
Uys (2003) indicates that diversity as a term can be constructed in several different ways. Applied to organisational settings, three categories of diversity can be identified in organisational settings namely:

- i. Functional diversity which refers to differences based on organisational functions and tasks.
- ii. Business diversity which refers to products and services offered
- iii. Workforce diversity which implies different types of employees with different type of attributes. At a minimum these attributes would be (a) occupational diversity which include ranges of occupations related to the organisational mission, (b) professional diversity which refers to the training issues and the credentials required for job performance and (c) social diversity which could include variations and characteristics that identify the social identity of a person, such as gender, race, ethnicity, religion, sexual orientation, physical ability, family, economic. Educational and geographic backgrounds and status.

2.3.2 Dimensions of diversity

According to Tshikwatamba (2004), four levels of diversity management are identified namely; (i) personal, (ii) interpersonal, (iii) cultural and (iv) institutional.

Figure 1: The Emmanditsh dimensional model for diversity



Source: Tshikwatamba (2004)

These levels are identified below:

- i. Personal level: At this level, human resource management becomes concerned with the wellness and well-being of the individual employees through checking of their diverse feelings, values, thoughts and beliefs. Human resource management penetrates the home environment and enquiries about the challenges affecting the individual employees, mindful of the effects thereof in the work environment. Such enquiry is carried out due to the sensitivity of human resource management with regards to human relations. The Employee Assistance Program (EAP) is an example of such a mechanism that serves as a vehicle to assist the workforce with problems and challenges from the home environment. Issues of concerns that can disrupt the

work of a troubled workforce are alcoholism, drug addiction, marital difficulties and emotional distress (Tshikwatamba, 2004).

- ii. Interpersonal level: At this level, human resource management are able to manage the relations of individual employees in terms of gender, marital status and age as well as the variations in income, amongst other concerns. Its responsiveness to multiplicity at the interpersonal level is regulated by human friendly policies.
- iii. Cultural level: At this level, supplementary to the reasons for the present worldwide interest in diversity and multicultural management, are the complexities of the South African situation. South Africa is a radically pluralistic society where race and ethnicity are the most visible examples of its variations. Many cultural differences exist between ethnic groups namely; Black, Asian, Coloured and White. The ethnic diversity is further complicated by the fact that eleven languages are officially adopted for communication purposes. Post 1994, the recognition of these languages, denotes a paradigm shift from personnel administration to human resource management. The affiliation of individual employees to various religions are the bread and butter issues of human resource management. At this level, the insensitivity of personnel administration extends to the extent of prescribing the acceptable and unacceptable religion and practices in a specific work environment without due consideration of the affiliations and belief systems of its diverse workforce.
- iv. Institutional level: At this level the balance between the experience, qualifications and specific occupation is maintained in human resource management. It can be identified in figure 1, following Tshikwatamba (2004) articulates that there are primary and secondary proportions of diversity. Primary proportions are inherent and unchangeable while secondary proportions are changeable or made adaptable with time. At a personal level, feelings manifest themselves secondarily as they change from time to time. At an interpersonal level, gender manifests itself as an unchangeable primary proportion while age is secondary due to its changeability through the normal ageing processes. The marital status and income are also secondary proportions deemed to change from time to time. The vision of the White paper of human resource (1987) is that human resource management should accommodate diversity (both with primary and secondary proportions to advance the employability of a competent workforce).

2.3.3 The primary and secondary dimension of Diversity

As briefly mentioned in the institutional level above, diversity is also divided into primary and secondary dimensions. According to Grobler, Wörnich, Carrell, Elbert and Hatfield (2006) the primary dimensions are those human differences that are inborn and that exert a major impact on us. Age, ethnicity, gender, race, physical abilities/qualities and sexual orientation are primary dimensions at the core of individual identities. All of us view the world through the filter of these dimensions. Secondary dimensions, however, are more mutable and can be changed, discarded or modified throughout our lives and adding depth and individuality such as education, geographical location, income, marital status, military experience, religion. Work experience and parental status are examples of secondary dimensions. Many of us live in homogenous communities in South Africa or at least in communities far less diverse than our society as a whole. Therefore, our entry into the workplace may be our first encounter with a diverse population.

2.4. Background to diversity and diversity management in South Africa

Penceliah (2008) hypothesises that in South Africa the cultural diversity of employees in both public and private sector organisations is not a new phenomenon. However, owing to the country's historical past, organisations were managed as though they were homogenous entities, thus having little or no regard to the heterogeneity of staff. Not only does the diverse population of South Africa contribute to workplace diversity, but organisations are also becoming more global in orientation and outlook. Homogeneity in the workforce is giving way to heterogeneity.

To meet the challenges of the twenty-first century, South African businesses must have access to the best and brightest employees. The workforce must be willing and able to provide the skills and commitment necessary to compete in the world economy. They must be trained in new technology, sometimes two or three times during their careers, just to stay relevant. Leaders must emerge from the workplace to motivate and direct the workforce. As in the past, these leaders must be able to understand the organisation and employees' needs and see that both are met (Grobler et al., 2006).

According to Basson, Christianson, Garbers, le Roux, Mischke and Strydom (2005), the change in the South African constitution in 1994 and again in 1996 entailed laying down the

broad parameters against discrimination in society – representing a significant departure from the previous dispensation. Thus, it is clear that the South African labour market is typified as being one in which inequalities are firmly entrenched, and even while apartheid has, to all intents and purposes, been eradicated from South Africa’s legislative framework, the legacy of past discrimination in the South African economy is still evident. Job reservation, a key feature of past labour legislation, has ensured the overrepresentation of white males in key decision making posts and in all the more skilled occupational categories of both the public and private sectors. “The upward mobility of black employees has been further thwarted by unequal education and training opportunities. It is largely for this reason government deemed it necessary to adopt some form of corrective action, which took the form of affirmative action” (Venter, Levy, Conradie & Holtzhausen, 2009, p. 138).

“The Labour Relation Act 66 of 1995 (LRA) was the first piece of legislation to deal with discrimination in the workplace” (Basson et al. 2005). Esterhuizen and Martins (2008) also indicate that to facilitate this process of transformation various anti-discriminatory laws were passed, specifically in relation to redressing previous inequities in education and the workplace. These laws include the Basic Conditions of Employment Act 75 of 1997, the Skills Development Act 97 of 1998, Affirmative Action, the Employment Equity Act (EEA) 55 of 1998, and the Broad-Based Black Economic Empowerment Act of 2003.

2.4.1 Labour Relations Act (LRA)

According to Swanepoel et al. (2008), the LRA 66 of 1995 provided the framework for the collective dimensions (as pertaining to trade unions) of people and their work. The LRA thus came as another piece of legislation to include all employees and to regulate many important aspects pertaining to employees and employers. Section 187 of the LRA, for example, provides that dismissal based on discrimination is automatically unfair, and Schedule 7 used to include discrimination as an unfair labour practice (although this provision of Schedule 7 has now been repealed by the Employment Equity Act 55 of 1998 (the EEA). “Although the primary focus of the LRA is to regulate the collective relationship between trade unions and employers, it does contain important provisions aimed at job security – the most important of these aim at protection against unfair dismissal and against unfair labour practices” (Basson et al., 2005, p. 201). The major provisions of the LRA discussed are freedom of association, freedom from victimisation, trade unions, employees’ association, federations of trade unions or employers’ association, collective rights, collective agreements, bargaining structures,

consultation, co-decision-making, workplace forums, Strikes, lockouts, dispute settlement, unfair dismissals and unfair labour practices (Bendix, 2010). The objective of the LRA is to ensure that employees are not unfairly discriminated against.

2.4.2 Basic Conditions of Employment Act (BCEA)

Swanepoel et al. (2008, p. 92) explains that “under common law the parties are essentially free to agree to whatever terms and conditions they deem fit in terms of how they want to structure their employment relationship (within limits if the law, reasonableness and good morals)”. However over the years the contractual freedom of the parties have been restricted by the legislation, due mainly to power imbalances in any employment relationship. For many years only a minority of people in South Africa received legal protection against these power imbalances. The object of the BCEA is to lay down minimum conditions of employment to prevent all employees in the absence of collective agreements and/or relevant sectoral determinations regulating such condition.

The BCEA was introduced as Act 75 of 1997 and was amended in 2002. The purpose of the BCEA is to advance economic development and social justice by giving effect to and regulating the right to fair labour practices (this is a fundamental right in term of section 23(1) of the constitution of 1996). More specifically the BCEA tried to achieve these objectives by establishing and enforcing basic conditions of employment and by regulating the variation of basic conditions of employment. The BCEA established minimum terms and conditions of employment for example, by determining that employees may not work more than a certain number of hours a day or a week, but the BCEA also provide for methods whereby these minimum terms and conditions of employment can changed or varied (Basson et al., 2005, p. 59).

2.4.3 The Skills Development Act (SDA)

The future development of the South African economy will, to a huge extent, depend on the availability of skilled and appropriately qualified persons to perform the wide variety of tasks associated with a modern and competitive economy. Therefore, a greater emphasis has been placed on establishing a legislative, financial and administrative framework aimed at providing these skills and qualification in the past few years. This framework derived

primarily from the Skills Development Act, 97 of 1998 and the Skills Development Levies Act, 9 of 1999 (SDLA) (Basson et al., 2005).

The Skills Development Act (SDA) repeals the Manpower Training Act 56 of 1981 and the Guidance of Placement Act 62 of 1981. In the face of massive skills shortages, the SDA seeks to create an institutional framework to devise national, sectoral, and workplace strategies to develop skills of the workforce, inter alia:

- i. “To improve the quality of life of workers, their work prospects and labour mobility
- ii. To promote self-employment, and
- iii. To improve social services.” (Venter et al., 2009, p. 240).

The SDLA provides a statutory basis for the funding of skills development in South Africa. In terms of provision, an employer is obligated to pay a training levy equal to 1 per cent of its wage bill. This is collected by the South African Revenue Services. Eighty per cent of the levies collected from employees falling within the jurisdiction of a particular Sectoral Education and Training Authority (SETA) must then be paid to the SETA. The remaining 20 per cent must be paid to the primary institution concerned with the development of policies and strategies dealing with skills development called the National Skills Fund. How these monies are spent is regulated by the SDA (Basson et al., 2005).

2.4.4 Affirmative Action (AA)

According to Esterhuizen and Martins (2008), the only way to promote equity and diversity without incurring allegations of reverse discrimination is to implement a fair, transparent and defensible affirmative action programme. The Society of Industrial and Organisational Psychology (SIOP) Committee (1995) also concluded that justification of affirmative action measures contributes to employees’ perceptions of whether the programmes are fair. In other words, if employees are convinced that affirmative action is necessary to redress inequalities then they would be more likely to accept the programmes. Barker and Holtzhausen (1996), postulate that affirmative action refers to policies and practices aimed at redressing social, economic or educational imbalances or inequalities arising out of unfair discrimination against certain groups. Affirmative action is a recognised way of promoting the principle of equality of opportunities in society where this principle has suffered as a result of discrimination or where less developed persons have to compete with more developed

persons. Programmes of affirmative action must be implemented with great care if reverse discrimination is to be prevented. An example of a country that has successfully implemented affirmative action is Malaysia. The socioeconomic positions of the various racial groups at were still very divergent, with Chinese minority controlling the bulk of the economy and the Malays being mostly fishermen and farmers and the resentment at this situation helped to fuel widespread riots. Malaysia's New Economic Policy that was introduced after the riots led to affirmative action being implemented rapidly and extending to all areas of economic life. Most jobs in the public sector were reserved for Malays as were the majority of government contracts. In many respects, the policy can be described as a success – not only were there no more race riots but Malaysia also prospered economically (Barker, 2007).

Affirmative action refers to specific steps, beyond ending discriminatory practices which are taken to promote equal opportunity and to ensure that discrimination will not occur. The goal of affirmative action was to eliminate non-legal barriers to equal employment opportunity, including intentional discriminatory practices and unintentional (structural or systematic) discrimination (Swanepoel et al., 2008). Affirmative action was generally designed with three goals in mind (i) to eliminate existing discrimination against minorities and woman, (ii) to remedy the lingering effect of past discrimination against these groups and (iii) to prevent further discrimination against these groups (Stark, 1992).

2.4.5 Employment Equity Act (EEA)

Jongens (2006) postulates that the Employment Equity Act was brought in to help businesses “create a more equitable workplace by promoting equal opportunity and fair treatment through the elimination of unfair discrimination and by implementing affirmative action measures to redress the disadvantages experienced by designated groups. Government made it quite clear that all organisations had to comply with the legislation and if they do not they will have to pay fines. Employment equity means eliminating discrimination in the workplace and creating a working environment in which designated members of groups can participate in employment opportunities and pursue careers as effectively as others. The focus of employment equity programs is on black people, woman and disabled people (Nel et al. 2008). Wayne (2001) postulates that Employment Equity as an on-going process are used by employers to identify and eliminate barriers in an organisation's employment procedure and

policies, and put into place positive policies and practices to ensure appropriate representation of designated group members throughout their workforce.

The Employment Equity Act was implemented in 1998 and section 2 specifically zooms into the working environment (Esterhuizen & Martins, 2008):

- i. This means that all employees should receive equal opportunity to prove themselves as well as be treated fairly.
- ii. The act was also implemented to rectify the inequalities of under-privileged individuals in the workplace which allows these individuals to apply for all organisational positions.

Mention is made in section 2 (b) of the Employment Equity Act, that the goal of affirmative action is to make sure that all individuals are equally represented in all levels of the organisation. Equal representation is established by allowing people from under-privileged groups to be selected for available positions and progressed within the organisation. It is imperative that these individuals not only progress into higher or suitable positions, but also receive equivalent monetary value (income) which is equivalent to these positions taken up (Basson et al., 2005). Robbins et al. (2009, p. 464) hypothesise that in “the South African context employers are challenged in implementing employment equity (EE) and black economic empowerment (BEE) in order to redress the effects of discrimination in the workplace in South African society at large”. Legislation such as the Employment Equity Act seeks to achieve a diverse workforce which is representative of the population. In addition, the reality of globalisation and the need for conducting business across multi-national boundaries, demands from modern South African managers an increased cultural awareness and interactive skills, supportive of dealing effectively with people from diverse backgrounds.

2.4.6 Broad-Based Black Economic Empowerment Act (BBBEEA)

The EEA is used to attract accomplished employees of disadvantaged groups namely; black individuals, woman and disabled people within a specific time frame. The Broad-Based Black Economic Empowerment Act (53 of 2003) (BBBEEA) instituted by the Department of Trade and Industry in 2005 introduced the specific compliance target aiming specifically at black men and woman (Barker, 2007).

On the 9th of January 2004, the BBBEEA (53 of 2003) was promulgated due to a large number of South Africans which were purposefully excluded from passionately interacting within the economy. BBBEEA is described and defined in Section 1 of the act as: the economic empowerment of all black people. Black people in this definition include woman, workers, youth, disabled individuals, and people living in rural areas. In order to empower these individuals a socio-economic strategy was to be used (Nel et al., 2008).

According to Swanepoel et al. (2008) and Nel et al. (2008), BBBEEA explains the economic empowerment of South African Black people in detail, but not limiting it to:

- i. A higher number of blacks should manage, control or be self-employed;
- ii. Facilitating ownership and management of enterprises and productive assets by workers, cooperatives, communities and other collective enterprises;
- iii. Human resources and skills development;
- iv. Equal representation of black employees at different levels within organisational structures and levels of the workforce;
- v. Favourable procurement; and
- vi. Investment in organisations that are owned or managed by previously disadvantage groups.

Employment equity legislation provides platform and framework to get more of our designated (traditional disadvantaged) people to take part in the management of existing organisations. We thus need to empower people towards a state of ultimately having an equitable representation of all groups across all occupational categories and levels of our workforce. The BBBEEA legislation platform include the aspects of affirmative action and it also challenges us to empower more and more black people (Africans, coloured and Asian – as those who have historically not been empowered) to be able to set up and develop their own business enterprises (and other organisations, such as worker cooperatives, for instance). The aim is therefore to not only diversify the people who can manage, but also those who actually own the productive resources in our society (Swanepoel et al., 2008).

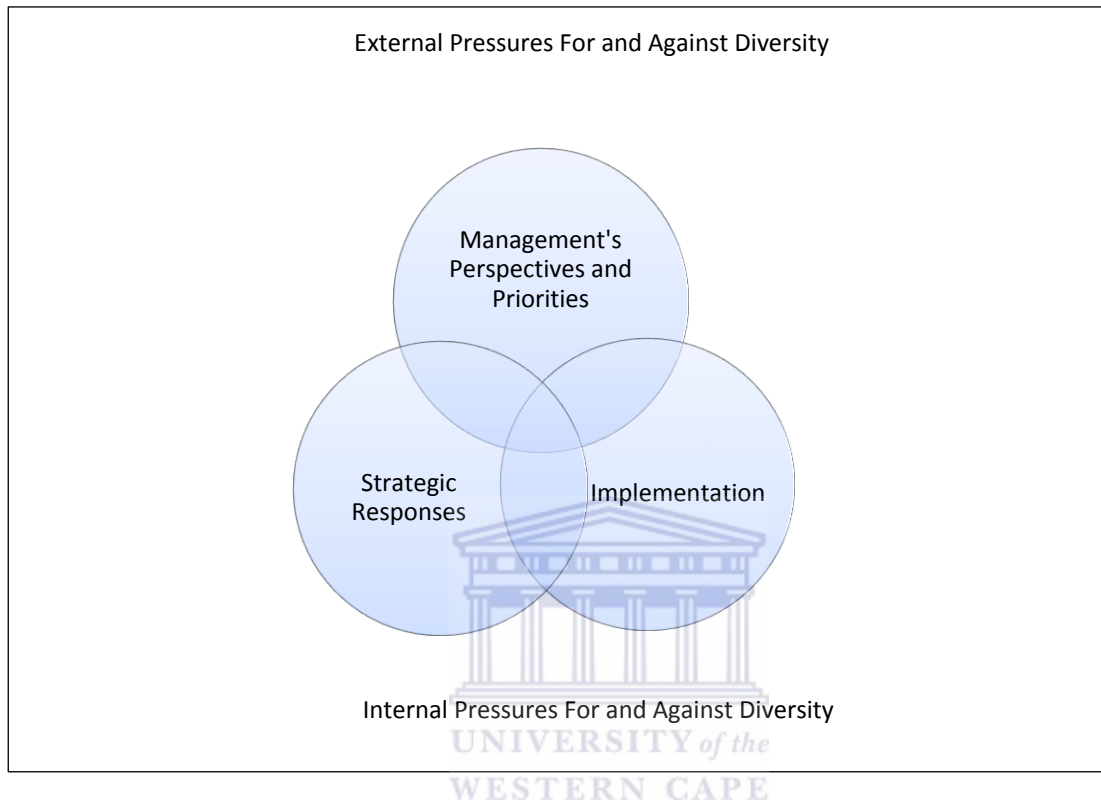
2.5 Necessity for managing diversity

Grobler et al. (2006, p. 75) defines “managing diversity as a planned systematic and comprehensive managerial process for developing an organisational environment in which all employees, with their similarities and differences, can contribute to the strategic and competitive advantages of the organisation and where no-one is excluded on the basis of factors unrelated to productivity”. Managing diversity effectively refers to the process of creating and maintaining a workplace free of discrimination where stakeholders (i.e. employees, customers, suppliers, investors, and people from local or global community), regardless of their differences (i.e. based on gender, culture, religion, expertise, personality etc.) feel included and supported. This process is very complex and delicate, and thus requires managers’ full attention towards the implementation of appropriate practices and supportive activities that will, over time improve organisational performance. Organisations must adopt strategic managerial actions and human resource practices that increase diversity awareness, and prevent or resolve diversity-related conflicts (Roberge, Lewicki, Hietapelto & Abdyldaeva, 2011).

Cummings and Worley (2009) present a general framework for managing diversity in an organisation (figure 2). Firstly, the model proposes that the organisation’s diversity approach is determined by internal and external pressures for and against diversity. Although social norms and globalisation believes that an organisations performance or output is enhanced by embracing a diverse workforce, diversity is also often deterred by individuals who fear that too many perspective, beliefs, values, and attitudes dilute shared actions. Secondly, management’s priorities and perspectives with reference to diversity can range from resistance to active leaning and from marginal to strategic. An example of this is that organisations can resist diversity by only implementing the legally mandated policy such as affirmative action and equal employment opportunity. On the other hand, a learning and strategic perspective can lead management to view diversity as a source of competitive advantage. For example, a retail organisation with a diverse customer base can improve service quality by having more diverse workers; it can embrace diversity by tailoring specific services to the market and by building systems and processes that are flexible. Thirdly, within management’s priorities, the organisation’s strategic responses can range from reactive to proactive. Diversity efforts at Denny’s had little momentum until a series of embarrassing race-based events forced a response. Fourthly, an organisation’s implementation style can

range from episodic to a system as a whole. The most effective diversity approach will be when the strategic response and implementations style fit with management's intent and internal and external pressures.

Figure 2: A General Framework for Managing Diversity



Source: Cumming & Worley (2009)

2.6 Diversity and Diversity Management

According to Swanepoel et al. (2008), diversity essentially refers to the fact that no two people are exactly the same. It thus accentuates the idea that there are a variety of differences between people that stem from things like genetics and also the environment in which they were born, raised, educated etc. Reference can be made to gender, race, ethnic groups, language, cultures, sexual orientation, religious beliefs and worldviews as well as personality, knowledge, perceptions, emotions and feelings, and personal values. Harris et al. (2007) define diversity as a range of differences, including gender, race, ethnicity, and age i.e. characteristics that may be apparent when looking at someone. Diversity also includes differences that are not visible, such as education, professional background, functional area of expertise, sexual preferences and religion. Whether diversity relates to gender, age, race,

religion, sexual orientation, function, departments and the like, it remains diversity and is unavoidable and therefore it is imperative to ensure that it is effectively managed (Nel et al., 2008).

Harris et al. (2007) postulate that diversity management is the planning and implementation of organisational systems and practices that maximises the advantages of diversity and minimises the disadvantages. The goal of managing diversity is to maximise the ability of all employees to contribute to organisational goals and achieve their full potential; unhindered by group identities. Furthermore managing diversity should incorporate the development of a working environment in which all employees, with their similarities and differences, can contribute to the strategic and competitive advantages of an organisation (Bulbulia, 2003).

According to Keil (2005), diversity management is not just a soft skill dealing with the moral refinement of fairness. It is not an affirmative action programme with crazy quotes; but rather new markets, new customers, new users of your products and services. Greybe and Uys (2001) indicate that the management of diversity enables the manager to move beyond affirmative action. The reasons for the shift in perspective are; the frustrations being experienced in managing affirmative action, the growing tendency among employees to utilise differences and the world-wide battle for survival among companies. According to Uys (2003), diversity management differs from previous approaches to discrimination in the following four important aspects:

- i. It advocates a systematic transformation of the organisation as opposed to the singular emphasis on recruitment and selection characteristics of the older approach.
- ii. It is different in its rhetoric in that it is not presented as a negative, external mandate but as a positive and voluntary effort on the part of the organisation. Diversity management uses celebratory and harmonious imagery like orchestra, a salad bowl or a patchwork quilt, each enriched by the differences between its competent parts.
- iii. It backs up its initiatives with arguments relating to economic/service delivery rather than legal arguments and is not seen as a goal in and of itself.
- iv. It uses approaches in which any and all differences are considered as part of the diversity project.

According to Uys (2003) diversity management could also be described as looking at the mind-set of an organisation, the organisational climate and the different perspectives that

people bring to an organisation as a result of race, workplace styles, disabilities and other differences. In short Keil (2005) proposed that diversity management seen through economic glasses means tapping potential namely:

- i. In terms of the markets, the client's needs and requirements will be taken into account regarding the clients' product requirements and not the organisational requirement.
- ii. People are an organisations biggest asset and it is imperative for organisation to attract the best talent. Staff in an organisation feel truly happy when they display energy, feel valued, motivated, creative and passionate about what they deliver.

2.6.1 Causes and Reasons for Diversity Management

Causes of diversity management are globalisation, the emergence of the network cultures, cost cut and simplification, affirmative action, uncertainty and fear. The following are generic reasons why organisations embark upon a management diversity process:

- i. Tapping into a range of skills which the organisation never had before;
- ii. Attracting and retaining the best talent;
- iii. Promoting greater productivity as a result of employee job satisfaction;
- iv. Developing enhanced creativity and problem-solving, as well as the accompanying timeous responses to diverse customers; and
- v. Utilising all people to the maximum, and creating improved relations and communication between organised labour and management (Mfene, 2010).

2.6.2 Challenges of Diversity Management

Uys (2003) postulates that in the current working environment, employers are faced with different challenges which continuously challenge the current status quo of the organisation. Organisations make use of diversified teams to improve problem solving. The employer is continuously challenged to change his or her general or current techniques to comply and understand the management of diverse individuals. Examples of the challenges management face are; management are ill-prepared as the heterogeneous workforce can be challenging to manage as diversity brings with the differences in the way people act, their expectations and approaches. If this is not managed properly, it can result into conflict.

Managers themselves are very different, they are black, white, and coloured, and have limited opportunity to interact with people from different cultures. It could be challenging for a manager to balance an individual employees' needs on the one hand and service delivery (needs of society) and organisational needs, on the other hand. Diversity may lead to increased tension and conflict in the workplace such as interpersonal, intercultural or organisational conflict and managers should be able to manage this in such a way that the outcomes are positive to the individual and the organisation. This means that management interventions would have to take place at the right time, the right place and by the right method in order to enhance creativity and productivity in the organisation.

Managers face a communication challenge and should be able to develop a common understanding of terminology as well as a clear understanding of roles and responsibilities of individuals. The challenge for a manager is to create a work environment in which different lifestyles, family needs and work styles are accommodated.

There are many challenges to managing a diverse work population. Managing diversity is more than simply acknowledging differences in people. It involves recognizing the value of differences, combating discrimination, and promoting inclusiveness. Managers may also be challenged with losses in personnel and work productivity due to prejudice, discrimination, complaints and legal actions against the organisation (Devoe, 1999).

2.6.3 Benefits of Diversity Management

Diversity is beneficial to both associates and employers. Although associates are interdependent in the workforce, respecting individual differences can increase productivity. Diversity in the workplace can reduce lawsuits and increase marketing opportunities, recruitment, creativity, and business image (Esty et al., 1995). In the current era where creativity and flexibility are key components of competitiveness, diversity is an important factor in the success of an organisation.

Van der Walt and du Plessis (2010) indicated that when employers implemented diversity management thoroughly it benefited both the employer and employee. Organisations can benefit from a diverse workforce through:

- i. Employing individuals from a previously disadvantage background.
- ii. The workforce is ageing and the employer can benefit from this.
- iii. The organisations consumers will also become more diverse.
- iv. Employees will want to work in the organisation.
- v. Consumers will want to purchase from these organisations.
- vi. Employer will be able to select from a bigger group of very capable individuals.
- vii. The organisation will attract new stakeholders and business partners that would like to be involved in the organisation

According to Mfene (2010), even though organisations could benefit from managing diversity, it can also cost the organisation a pretty penny if they ignore it. If organisations do not accept diversity management, the organisation will be faced with higher employee turnover which will lead to an increase in recruitment and selection cost. This means that employees will not stay with the organisation long term, which in turn will cause the organisation to continuously recruit new individuals. The organisation will also incur unnecessary training costs due to the high turnover of individuals. It is thus important that organisation should embrace diversity in order to be more creative and innovative in their product and service delivery to clients. The organisation will also need to get more involved in their immediate community, through assisting with upliftment.

Organisational diversity can benefit the organisation in the following ways (Mfene, 2010):

- i. It enables a wide range of views to be present in an organisation, including views that might challenge the status quo from all sides.
- ii. It focuses and strengthens an organisation's core values
- iii. Diversity is instrumental in organisational change.
- iv. It stimulates social, economic, intellectual and emotional growth.
- v. It helps an organisation understand its place in the global community.

Okoro and Washington (2012) proposed benefits of diversity management as a collective diversity amongst business organisations that is a great strength which helps with the increase of the organisations competitive advantage. In order to maintain the right combination of competencies and skill, organisations strive to recruit, effectively manage, and maintain a diverse workforce. Domestic and global organisations are designed to create products (goods, services, or ideas) that cater for diverse consumers and to ensure that there are benefits for

their various multicultural stakeholders. Therefore the development and management of human activities in industries associated with the transformation of resources into finished goods and services is of critical importance for the sustainable growth and profitability of business enterprises.

2.7 Approaches to the challenges of diversity

Grobler et al. (2006) indicate that to meet the challenges of the twenty first century, South African businesses must have access to the best and brightest employees. The workforce must be willing and able to provide the skills and commitment necessary to compete in the economy. They must be trained in new technologies, sometimes two or three times during their careers, just to stay relevant. Leaders must emerge from the workplace to motivate and direct the workforce. As in the past, these leaders must be able to understand the organisation and employee's needs, and see that both are met. Diversity competence, both at organisational and individual levels, is now seen as critical to remain competitive in an increasingly global marketplace and in diverse employee labour markets (De Anca & Vazques, 2007).

According to Uys (2003), in the current working environment the employers are faced with different challenges, thus continuously challenging the current status quo of the organisation. Organisations make use of diversified teams to improve problem solving. The employer is continuously challenged to change his or her general or current techniques to comply and understand the management of diverse individuals. The debate on diversity challenges are hampered by lack of clear understanding of the related concepts (i) valuing diversity, (ii) affirmative action, and (iii) diversity management. The concept of diversity challenges will be discussed below:

2.7.1 Valuing Diversity

One of the most important broad based challenges currently facing organisations is adapting to people who are different. The term used for describing this challenge is workforce diversity. "Workforce diversity means that organisations are becoming a more heterogeneous mix of people in terms of gender, age, race, ethnicity, and sexual orientation. A diverse workforce, for instance, include woman, Africans, Indians, Coloured, the physically disabled,

senior citizens, gay and lesbians. Managing this diversity has become a global concern.” (Robbins et al., 2009). Kochen, Bezrukova, Ely, Jackson, Joshi, Jehn, Leonard, Levene and Thomas (2003), indicate that in order to promote the development of more positive organisational cultures that would support the effective development of a more diverse workforce, many companies and consulting firms began offering training programs aimed at “valuing diversity”. These efforts focused on changing employees’ attitudes and eliminating behaviours that reflected more subtle forms of discrimination and exclusion, which often inhibited effective interaction amongst people. The widespread adaption of such training programs expanded the concept of “diversity” as people began to realize that visible, legally recognised, demographic differences such as race and gender were not the only types of differences that affected work relationships among employees. Kochan et al. (2003) proposed that gradually, training initiatives proliferated, encouraging employees to value the wide range of physical, cultural, and interpersonal differences, which would presumably enhance decision making, problem solving and creativity at work.

Often organisations have as part of their affirmative action programmes, valuing diversity or diversity awareness programmes which evolve around moral and ethical imperatives to recognise and appreciate culturally diverse people. From the diversity management point of view every member of the organisation should be valued as an individual. Furthermore, a holistic approach is necessary and such programmes are not sufficient as standalone interventions. Although programmes for valuing diversity do have the effect of enhancing relationships and promoting respect and appreciation for others and an acceptance of differences in colleagues, they emphasise only the individual and interpersonal issues whilst excluding organisational issues (Uys, 2003). Best practice organisations value people and cultivate an environment where cultural awareness, sensitivity, fairness and integrity prosper. All employees believe that they can progress if they are qualified, are motivated and work hard (Human, 2005).

According to Grobler et al. (2006, p. 78), “the first step in getting an organisation to value diversity is to acknowledge the fundamental difference between valuing diversity on the one hand, and affirmative action on the other. Affirmative action is a response to the under-use of protected groups in various job categories, in which a business attempts to attract and advance people from such groups because of their failure to do so in the past as a result of discrimination. Valuing diversity moves past both of these concepts and results in a management designed to reap the benefits that a diverse workforce offers”.

2.7.2 Affirmative Action

Affirmative action is a government –mandated program that requires corporates to provide opportunities to woman and members of the minority groups who have traditionally been excluded from good jobs. Affirmative Action aims to accomplish the goal of fair employment by urging employers to make a conscious effort to hire members from protected classes (Gomez-Mejia, Balkin & Cardy, 2008). Swanepoel et al. (2008), indicates that as much as we regard empowerment to include affirmative action in an employment sense – it goes beyond that. It includes conforming to employment equity legislation, but it places the emphasis on embracing the diversity of our people and capitalising on that in order to enhance performance. Empowerment thus specifically includes the development of our people and includes the development of their abilities to engage in entrepreneurial endeavours and enable them to become self-employed.

Despite the intense attention that affirmative action (which is sometimes referred to by euphemisms such as corrective action, black advancement or positive action, as a related concept) has received in South Africa in the past apartheid years, there is little consensus as to the precise meaning of the concept. Amongst those who invoke it as an antidote to the injustices of the past, a number of interpretations exist. There is, however, consensus that affirmative action is intended to assist groups systematically discriminated against in the past, which were denied access to skills development, opportunities and to resources (Uys, 2003). Inside organisations, affirmative action can take many forms. From a managerial perspective it is important to determine the type of affirmative action contemplated as this should be reflected in the organisation's affirmative action policy. The test of fairness of any form of preferential treatment (in cases of promotion, for instance) will have to be found in the organisation's policies and objectives (Swanepoel et al., 2008). Affirmative action can be differentiated from diversity management on the basis that it tends to be an exclusive process/programme based on creating employment opportunities and securing promotions for previously disadvantage people, while managing diversity is an inclusive process which seeks to utilise all employees fully by removing the barriers that prevent people from working together effectively. Unlike affirmative action, managing diversity is not a short term strategy to correct imbalances in the workplace. Managing diversity is a long term process that demands identification from top management as well as commitment to the introduction of

mechanisms to realise the potential of each individual involved in the organisation (Uys, 2003).

2.7.3 Managing Diversity

Affirmative Action increases diversity but does not constitute the management of diversity. Managing diversity means having a more flexible approach to work in the organisation, and accordingly a great measure of value to people while taking cognisance not only of institutional needs, but also of the needs of individual employees and employee groupings as stakeholders who have an interest in the organisation (Uys, 2003). In broader terms, diversity management is about managing the increasing diversity of issues that confront mankind in contemporary organisational and social affairs (Flood & Romm, 1996).

How diversity is managed in an organisation will ultimately influence employees' attitudes and perceptions towards an organisation. Diversity - if positively managed - can increase creativity and innovation in organisations, as well as improve decision-making by providing different perspectives on problems. One can observe an increased competitiveness in positive shareholder gains for firms with highly effective diversity management programmes (Pandey, Shanahan & Hansen, 2005). When diversity is not managed properly, there is potential for higher labour turnover, problematic communication and increased interpersonal conflict (Robbin, 1998). Robbins et al. (2009) indicates that although the approaches to managing diversity may vary from region to region or even from one company to another, the following key elements have emerged that should be integrated into any diversity management initiative:

- i. Obtain visible management support – experience has shown that an important success factor for diversity initiatives is the commitment from top management. Organisations that had successfully adopted diversity programmes had strong support from top management that placed high priority on diversity relative to other competing organisational objectives.
- ii. Diversity needs identification – the particular need can be identified by using scientific needs analysis instruments such as diversity audits or focus groups facilitated by qualified facilitators.

- iii. Integrate in business strategy – diversity management must be implemented as a positive and proactive business strategy to enhance organisational performance and productivity. It should form part of the organisation’s employment equity plan in order to create an environment conducive to diversity and employment equity implementation.
- iv. Establish support structures – it is essential to establish various structures to help operationalize the management of diversity, for example, a diversity steering group (made up of diverse individuals representing groups identified by the diversity audit) and diversity project team (utilising standard project management principles).
- v. Diverse facilitators – it is suggested that two or more facilitators are used, provided that they are representative of race and gender.
- vi. Diverse participants – as with facilitators’ participants must also be representative in terms of gender, race, age, disability and organisational level. In order to enhance diversity learning it is further recommended that members of the same workgroup be used as far as possible.
- vii. Compile action plans – at a diversity session, participants should be encouraged to develop action plans in order to ensure transfer of learning to the workforce. The action plan must be specific in terms of planned activities, how the plans can be maintained reinforced, monitored and evaluated.
- viii. Monitoring and evaluation – the diversity strategy should be monitored on a continuous basis in order to identify successes, shortcomings and areas of improvement and modification. Any changes in the training should occur after consultation with all stakeholders and be communicated to all employees. The most important form of evaluation is the quantifiable impact the strategy has in terms of business performance and results.

2.8 Pressures facing the modern organisation dealing with issues of diversity management

According to Venter et al. (2009, p. 22), “South Africa has only recently become a fully pledged member of this global community after its re-acceptance into the international community following the many years of isolation under the apartheid regime”. Since 1994, following on the first democratic elections, the Government has endeavoured to liberalise many aspects of the South African economy to facilitate this process of globalisation. Thus,

in order for the modern organisation to stay competitive and relevant in today's environment, managers should deal with the following diversity pressures:

2.8.1 Pressures for participation in decision making

Worker participation can be loosely defined as a style of management, which allows employees, either individually or collectively, to meaningfully participate in and contribute to the decision-making and running of an organisation (Venter et al., 2009). Bendix (2010) indicates that worker participation entails the involvement of the employee in the organisation and planning of the work process, in the establishment of procedural and future processes, in the decision making functions at various levels and in the management and policy-making bodies of the undertaking. An example of worker participation could take various forms and could range from mere information-sharing and consultation to joint decision making and sharing ownership. Worker participation is actually intended to promote the extension of industrial democracy in the enterprise, in the form of joint governance by employees. Thus only those forms of participation where employees share in the decisions, or are able to influence the action of management, will be regarded as relevant in the present context.

According to Venter et al. (2009, p. 143), worker participation is generally seen to satisfy (i) ethical/moral, (ii) socio-political, and (iii) economic objectives.

- i. “Ethical or Moral objectives indicates that if employees are entitled to influence those issues, which affect them socially and politically through democratic processes, it follows that they should have at least an equal say in those issues that affect them economically. Workplaces are not only a source of employment and income, but have an equal effect on the health and well-being, security, happiness, and self-esteem of employees. Allowing workers to participate particularly in the decision making structure of the organisation acknowledges that they play a valuable role in the running of the organisation and give expression to economic rights that are so important to individual development, self-actualisation and dignity.
- ii. Socio-political objective indicates that worker participation is commonly seen as the extension of the principals of democracy into the workplace. Indeed, organisations are often seen as microcosms of society and should thus be reflective of and mirror

development and progressions therein. Following the 1994 elections, increasing pressure was brought to bear on South African workplaces to introduce democratic processes and structures, and to increasingly involve workers at all levels of decision making in the organisation. Workers should thus be involved in deciding on matters of mutual interest, as well as in matters that have an impact on the conditions of employment and economic well-being.

- iii. Economic objective indicates that worker participation has an impact on both effectiveness and the efficiency of organisations. A number of economic benefits are derived from involving workers in decisions-making, all of which contributes to increased quantity and quality of output and improved profit margins. These include more effective decision making, a greater commitment to quality, increased job satisfaction, a lower management to worker ratio, better labour relations, improved communication, increased productivity, as well as decreased costs”.

2.8.2 Pressures for alternative work schedules

According to Robbin et al. (2009), beyond redesigning the nature of the work itself and involving employees in decisions, another approach to make the work environment more motivating is to alternate work arrangements. Three alternative work arrangements are (i) flexitime, (ii) job sharing and (iii) telecommuting.

- i. Flexitime allows employees some discretion over when they arrive at work and when they leave. Employees have to work a specific number of hours per week, but they are free to vary the hours of work within certain limits. The benefits claimed for flexitime work includes reduced absenteeism, increased productivity, reduced overtime expenses, reduced hostility towards management, as well as reduced working congestion around work sites. It also eliminates tardiness and increases autonomy and responsibility for employees that may increase employee job satisfaction.
- ii. Job sharing indicates that it allows two or more individuals to split a traditional 40-hour-a-week job. Job sharing allows the organisation to draw on the talent of more than one individual in a given job. It also opens up the opportunity to acquire skilled workers – for instance those of the previously disadvantaged groups such as woman with young children – who might not be available on a full time basis. From the employee’s perspective, job sharing increase flexibility. As such, it can increase

motivation and satisfaction for those to whom a 40-hour-a-week job is just not practical.

- iii. Telecommuting might be close to the ideal job for many people. Telecommuting refers to employees who do their work at home at least 2 days a week on a computer that is linked to their office. This means no commuting, flexi hours, freedom, to dress as you please, and a few or no interruptions of colleagues. With woman making up the growing numbers in the workforce, South African multinationals are starting to take note of the reality. The potential plusses for telecommunication for management includes a larger labour pool from which to select, higher productivity, less turnover, improve morale, and reduced office space cost. As for employees, telecommuting increases flexibility.

In 1997, the government passed a new version of the Basic Conditions of Employment Act. Under the new Act, maximum working hours were decreased from 48 to 45 hours per week, overtime pay increased from one and a third to one and a half hours the normal wage, compulsory annual leave was extended from two to three weeks per annum and unpaid maternity leave from three to four months (Bendix, 2010). Working time flexibility concerns the adjustment of total working time within a given period and the possibility of rearranging working times within a given period. Time flexibility can take various forms such as overtime, flexitimes (flexible starting and finishing time), the averaging of hours over a certain time period, for example over 12 months, shift work and a shortened work-week. Many enterprises in South Africa and abroad have introduced flexitime arrangements. In this manner the need of both the employer and the employee can be met to a greater degree than in the past, and employers can more fully utilise their employees' productive capacity (Barker, 2007).

2.8.3 Pressures for equity in earnings

According to Mohr and Fourie (2004), one of the many reasons why wages differ is as a result of discrimination. Employers often discriminate between workers on the basis of gender, race, age, religion, creed, nationality, ethnicity or social background. While discrimination is undoubtedly one of the determinants of wage differences, in South Africa as well as elsewhere, one should be cautious about ascribing most or all differences in remuneration to discrimination. Differences in income between different groups (e.g. the

genders, races, groups, religious groups, and age groups) do not provide evidence of discrimination. Only that part of wage differentials that cannot be explained by others factors can be ascribed to discrimination. During the apartheid era certain jobs were reserved for whites, while “non-whites” were often paid less than whites in similar jobs. Since the 1990s new forms of discrimination have appeared in South Africa, such as affirmative action, employment equity and black economic empowerment. These measures or strategies are attempts to redress the inequities of the past and to compensate those groups who were previously subject to racial, gender or other forms of discrimination.

According to (Barker, 2007), the phrase “equal pay for work of equal value” has replaced the order terminology “equal pay for equal work”. Equal pay for work of equal value, (or work of comparable value, or work of comparable worth) is a much wider term and is a principle whereby remuneration rates are established on the basis of job content. The author also indicates that “value” is a concept that evades adequate definition and could, for instance, relate to the “value” of the work performed or the “value” of the employee to the employer. In terms of the wider concept, a female secretary or clerk should, for instance, receive the same remuneration as a male truck driver or construction worker if the knowledge, skill, value to the employer, and so on, of the two workers are equal. An attempt must therefore be made to look at the inherent characteristics of the job, and value is often determined by job evaluations.

If the labour market were a homogeneous factor of production, and were sold in perfectly competitive markets, everyone would earn exactly the same when the labour market was at equilibrium. However the labour market is not homogeneous and labour markets tend to be imperfect. As a result there is a large difference between what different workers earn, even if all the various labour markets are in equilibrium. One of the most important reasons for inequality in the distribution of personal income and wealth is differences in the remuneration of labour. To explain the difference in wages, all the possible determinants of such differences have to be taken into account, since more than one usually applies to a particular occupation or group of workers (Mohr & Fourie, 2004).

2.9 Influences of biographical factors on diversity interventions

Esty et al. (1995) indicates that diversity is generally defined as acknowledging, understanding, accepting, valuing and celebrating differences among people with respect to their biographical differences. Bartley, Ladd and Morris (2007) postulates that companies have provisions for the parity of gender, race, age, job grade/category and qualification. These are built into policies and procedures reflective of current laws and regulations. The above mentioned biographical factors that characterize the organisation's workforce and potential labour pool will be discussed below:

2.9.1 Gender

According to Morna (2004), gender is the concept that seeks to realize the importance of women in this male dominated world by bringing them into mainstream participation in all spheres of the public. It also analyses women not as subordinates but equal partners in contributing towards women's representation in decision-making processes and upholding the democratic principals in this changing world. It is further stated that gender refers to the social roles allocated respectively to women and men in particular societies at particular times. Such roles, and the differences between them, are conditioned by a variety of political, economic, ideological and cultural factors and are characterized in most societies by unequal power relations.

Given the significant changes that have taken place in the past 40 years in terms of increasing female participation rates in the workplace and rethinking what constitutes male and female roles, you should operate on the assumptions that there is no significant difference in job productivity between men and woman. Despite the extensive research that proves that woman can perform most jobs as well as men, the reality is that woman in South Africa specifically, are poorly represented in the senior positions in organisations. This is due to a number of reasons including lower levels of schooling and persistent gender discrimination. This issue is actively being addressed by the South African government through its labour legislation, for example the Employment Equity Act, 55 of 1998, which aims to correct past imbalances, create opportunities for woman and establish role models for future generations. Many South African women now rise to very powerful and influential positions (Robbins et al., 2009). Cummings et al. (2009) indicate that career development interventions will help maintain,

develop, and retain a competent and diverse workforce. Recent research on career development programs suggested that organisations consider the assumptions embedded in their career development programs to ensure programs are not biased towards masculine experiences and worldviews, especially those related to careers (Cummings et al., 2009).

2.9.2 Race

Most people across the globe do identify themselves according to a racial group. This is particularly true in South Africa, possibly as a result of highly divisive political policies in the past. Race is defined as a biological heritage that people use to identify themselves. Race has been studied extensively in organisational behaviour, particularly as it relates to employment outcomes such as personal selection, performance evaluations, pay, and work place discrimination. Some points around race research are discussed below:

- i. In employment settings, there is a tendency for individuals to favour colleagues of their own race in performance evaluations, promoting decisions, and pay raises.
- ii. Employers who use mental ability tests for selection, promoting, training, and similar personnel decisions are concerned that these tests results may be racially biased.
- iii. The possibility of inherent genetic group differences in cognitive ability is a contentious issue, and different views in this regard will undoubtedly continue to be debated (Robbins et al., 2009).

According to Cummings et al. (2009, p. 476), “race continues to be an important issue in diversity interventions, especially as organisations work to increase diversity amongst top leadership and board members.” Training can increase the likelihood that effective diversity management programs rely on data (not impressions or perceptions) and are responsive, move beyond eliminating obvious racism to eradicating more subtle forms as well as eliminating vague selection and promotion criteria which can let discrimination persist. Thereby linking diversity management to individual performance appraisals and develop and enforce appropriate rules. The organisation can implement mentoring programs to ensure that minorities in the advancement stage get the appropriate coaching and that successful minority managers and executives get the chance to share their wisdom and experience with others.

2.9.3 Age

Robbins et al. (2009) hypothesise that the relationship between age and job performance is likely to be an issue of increasing importance during the next decade for at least three reasons namely (i) the widespread belief that job performance declines with increasing age; (ii) the workforce is ageing thus the employees are either forced to work longer because of financial reason or they choose to work longer because they live longer and healthier lives and (iii) a worldwide shortage of highly-skilled staff forces companies to re-employ older people. This is a visible trend in South Africa where a critical skill shortage exists.

Cummings et al. (2009, p. 476) hypothesised that “in order to address age diversity, organisational development interventions, such as work design, wellness programs, career planning and development, and reward systems must be adapted to these different age groups and demographic cohorts. For older employees, work design can reduce the physical components or increase the knowledge and experienced components of a job. Career planning and development programs will have to recognise the different career stages of each cohort and offer resources tailored to that stage. A reward system intervention may offer increased health benefits, time off, and other perks for the older workforce while using promotion, ownership, and pay to attract and motivate the scarcer, younger workforce.”

2.9.4 Job Grade/ Job Category

When managers value diversity and manage it in a productive way, productivity in the organisation will increase because of less conflict among staff. Increase in productivity will lead to increased profitability, which will lead to the upliftment of society at large (Bates, Botha, Botha, Goodman, Ladzani, de Vries, November & Southey, 2005). According to Harris et al. (2007) employees with permanent appointments are more negative about the current position of diversity management. Members of management are more positive about the current position of diversity management. This result is to be expected as management tends to perceive their policies and procedures to be diversity friendly. Participants in managerial positions appear to have a significantly higher level of normative commitment towards diversity management than the participants employed at staff level or as independent contractors Ferreira & Coetzee (2010).

2.9.5 Qualification

Employees with matric are less positive about the openness of diversity management. A positive explanation is that employees who have tertiary education have a more complete understanding of diversity management and the change process, compared to employees who only have matric (Harris et al., 2007). According to Dombai and Verwey (1999), employees without tertiary qualification are not exposed to diversity management as much as those with a tertiary education. Graduates are more exposed to the organisational leadership; hence their formal and informal socialisation could be expected to differ vastly from that of the non-graduate. The graduates-in-training are usually those earmarked for leadership.

2.9.6 Sexual Orientation

According to Grobler et al. (2006), it is estimated that at least 10% of the population in South Africa is homosexual. If that estimate is correct, 10% of the men and woman in the workforce are gay. South African law explicitly prohibits any discrimination based on sexual orientation. Despite noble intentions, the South African society still finds it difficult to always accept the implications of these individual differences and a fair degree of discrimination may exist. An increasing number of employers are however implementing policies and practices to protect the rights of every person in the workplace (Robbins et al., 2009).

Cummings et al. (2009, p. 477) postulate that “the primary organisational implication of sexual orientation diversity is discrimination. Gay men and lesbians often are reticent to discuss how organisational policies can be less discriminatory because they fear their openness will lead to unfair treatment.” People have strong emotional reactions to sexual orientation. When these feelings interact with the gender, culture and value trends the likelihood of both overt and unconscious discrimination is high, especially around the often-misperceived relationship between sexual orientation and HIV/AIDS. Interventions aimed at these dimensions of workforce diversity are relatively new in organisational development and are being developed as organisations encounter sexual orientation issues in the workplace. The most frequent response is education and training as this intervention will increase the members’ awareness of the facts and decrease the likelihood of overt discrimination.

2.9.7 Disability

According to Bendix (2010), people with disabilities are defined as people who have long-term or recurring physical or mental impairments which substantially limits their prospects of entry into or advancement in employment. Common disabilities include limited hearing or sight, limited mobility and mental and emotional deficiencies. Many individuals experience anxiety around workers with disabilities, especially if the disability is severe. However the manager can set the tone for proper treatment of workers with disability. This is important as people with disability now fall within the so-called ‘designated group’ identified by the Employment Equity Act 55 of 1998 (Grobler et al., 2006).

Swanepoel et al. (2008, p. 550) indicate that “the Act places a duty on designated employers to provide reasonable accommodation for people with disabilities, such as modifying or adjusting a job or the working environment that will enable them to have access to, participate in or advance in employment, in order to ensure that they enjoy equal opportunities and are equitably represented in the workforce of a designated employee.” The organisational implication of the disability tends to represent both opportunity and adjustment. Training is required to increase managers’ awareness of the opportunity and to create a climate where accommodation requests can be made without fear. Employing disabled workers however means a need for more comprehensive health care, new physical workplace layouts, new attitudes towards working with the disabled and challenging jobs that use a variety of skills. Organisational development interventions, including work design, career planning and development, as well as performance management, can be used to integrate the disabled into the workforce. For example; traditional approaches to job design can simplify work to permit physically handicapped workers to complete an assembly task. Career planning and development programs need to focus on making disabled workers aware of career opportunities. “A career path, performance management intervention, goal setting mentoring and coaching that aligns the workforce’s characteristics are important in order to develop these workers” (Cummings et al., 2008, p. 477).

2.10 Summary of the chapter

This chapter provided a theoretical overview in respect of the research undertaken. Perception plays an important role in how individuals interpret the work environment.

Individual perception thus gives meaning and creates the understanding of the individuals' internal and external environment, in other words what people process via their sensory organs will determine or give meaning to what they feel about diversity. In the current working environment and the continuous change of the organisations employees, the workforce becomes more diverse. This will result in a wider range of employee knowledge, skills, experience and attitude which will allow the organisation to become more competitive globally. It is of utmost importance for organisations to attract and retain staff from different cultural and diverse groups in order to improve the employee performance and the competitive advantage of the organisation (Ferreira & Coetzee, 2010).

Diversity has taken on an extensive role not just in the workplace, but in South Africa as a whole. Incorporating the management of diversity in the workplace can yield substantial advantages and benefits, helping the organisation to become competitive in the global market. Workplace diversity is defined as recognition where people of different race, sex, gender and other differences share a common trait in an organisation. As South Africa has a violent and oppressive history prior to 1994 local organisations created a unique diversity management strategy tailored specifically to the local legislative framework. In order to facilitate transformation within the working environment in South Africa, government passed laws such as the Basic Conditions of Employment act 57 of 1997, the Skills Development Act 97 of 1998, Affirmative Action, the Employment Equity Act (EEA) 55 of 1998, and the Broad-Based Black Economic Empowerment Act of 2003. These frameworks were instituted in order to redress the injustices of the past.

Diversity, by itself, may not be sufficient to achieve a competitive advantage. Effective management becomes an important issue for organising diverse teams as these present unique challenges for management are linked to both positive and negative performance outcomes. As effective management of a diverse workforce is a necessity for many organisations, there exists a need for a better assessment of diversity related skill sets.

CHAPTER 3

RESEARCH DESIGN AND METHODOLOGY

3.1 Introduction

This chapter describes how the present research study was conducted. It outlines how information was gathered and analysed. In addition, this chapter provides more information on the sampling methods used in this study, characteristics of the sample, the overall research design and procedures used for the gathering of the data. Furthermore, the procedure followed and the measuring instruments used to gather the data are discussed as well as the statistical techniques used to analyse the data.

3.2 Research objectives

The objectives of the current research are:

- To determine whether there is a statistical significant difference in perceptions of workplace diversity based on age amongst employees in a financial institution in the Western Cape.
- To determine whether there is a statistical significant difference in perceptions of workplace diversity based on race amongst employees in a financial institution in the Western Cape.
- To determine whether there is a statistical significant difference in perceptions of workplace diversity based on gender amongst employees in a financial institution in the Western Cape.
- To determine whether there is a statistical significant difference in perceptions of workplace diversity based on job status amongst employees in a financial institution in the Western Cape.
- To determine whether there is a statistical significant difference in perceptions of workplace diversity based on qualification amongst employees in a financial institution in the Western Cape.

3.3 Research Hypotheses

The hypotheses for this study are as follows:

- H1 Hypotheses 1: There is a statistical significant difference in perceptions of workplace diversity based on gender amongst employees in a financial institution in the Western Cape.
- H2 Hypotheses 2: There is a statistical significant difference in perceptions of workplace diversity based on race amongst employees in a financial institution in the Western Cape.
- H3 Hypotheses 3: There is a statistical significant difference in perceptions of workplace diversity based on age amongst employees in a financial institution in the Western Cape.
- H4 Hypotheses 4: There is a statistical significant difference in the perception of workplace diversity based on job grade or job category amongst employees in a financial institution in the Western Cape.
- H5 Hypotheses 5: There is a statistical significant difference in the perception of workplace diversity based on qualification amongst employees in a financial institution in the Western Cape.

3.4 Research Design

According to Minnesota (2004), the research design is the plan of what data to gather, from whom, how and when to collect the data, and how to analyse the data obtained. It is a systematic plan to coordinate research to ensure the efficient use of resources and to guide the research according to scientific methods, or a plan to be followed to answer the research objective, the structure, and framework to solve a specific problem. Babbie, Mouton, Voster and Prozesky (2001) postulate that research design is a plan or structured framework of how you intend conducting the research process in order to solve the research problem. Research design may be referred to as systematic planning of research, usually including the formation of a strategy to resolve a particular question, the collection and the recording of the evidence, the processing and analysis of the data and their interpretation, and the publication of results

(Sekaran, 2003). For this purpose, information will be acquired from both secondary and primary resources. Once the data has been compared and analysed the researcher then interprets or provides his findings based on the results of the data. The present study aims to determine the factors contributing to the perception of workplace diversity in a financial institution. The research will assist in determining the significant impact the employees have on the perception of workplace diversity in a financial institution.

The information acquired from secondary resources was obtained from various publications such as text book, journals and previous studies on workplace diversity. All relevant information that was not obtained from publications was gathered through the use of questionnaires that were completed by employees in the financial institution. Primary resources in this research study are questionnaires given to respondents to complete. Permission was obtained from both management and the human resources department to distribute the research study questionnaire.

A quantitative research design was used in this study. According to Leedy and Ormrod (2001), quantitative research involves identifying characteristics of an observed phenomenon or exploring possible correlations among two or more phenomena. In every case, descriptive research examines a situation as it is, it does not involve changing or modifying the situation, not is it intended to detect cause and affect relationships,

3.4.1 Population

According to Trochim (2005, p.30) a population refers to “the group you want to generalise to and the group you sample from in a study.” Sekaran (2003, p. 266) refers to a population as “the entire group of people, events, or things of interest that the researcher wishes to investigate.” In the present study, the population from which a sample was drawn consisted of all retail employees of a financial institution irrespective of their gender, race, age, job grade or qualification.

3.4.2. Sample and Sample Design

Kumar (2005) refers to a sample is a group of people, objects or items that are taken from the larger population for measurement. The sample should be representative of the population to ensure that we can generalise the findings from the research sample to the population as a whole in order draw conclusions about the population.

Sampling, according to Sekaran (2003, p. 266) refers to “the process of selecting a sufficient number of elements from the population so that a study of the sample and an understanding of the properties or characteristics would make it possible for us to generalise such properties or characteristics to the population elements.”

A sample is, thus, a subset of the population and it consist of some numbers selected from the population (Sekaran, 2003).

Random Sampling is the ideal way to select a study population. However, for the purpose of this study convenience sampling was adopted. This is a non-probability sampling design that entails taking all cases on hand until the sample is an appropriate size (Sekaran, 2000).

Sekaran (2001) postulates that convenience sampling refers to the collecting of information from the general population who are easily accessible and conveniently available to provide the needed information.

Some of the more important advantages of the convenience sample are: It is less costly and also is less time consuming. The population (employees) is readily available; which means the researcher could make use of any employee in the organisation to complete the questionnaires for the study. The questionnaires were hand delivered to each of the employees that was selected to respond, thus the researcher did not find it difficult to find and identify the population (employees) to participate in the study. The employees were given two weeks to complete the questionnaire. The employees welcomed the personal attention and felt special and important in the organisation, as the survey was hand delivered by the researcher. The questionnaire was hand delivered and some employees could have felt that they were being targeted to complete the survey. Employees might have felt obligated to do the survey as the questionnaire was hand delivered (which created the personal touch) by the researcher.

The disadvantages of the convenience sample could introduce serious bias as a certain group of employees in the financial institution may be under-represented and other groups may be over-represented. The sample size of the population used to determine the perception towards diversity management based on employees' age and occupational level in a financial institution is not in accordance to the generalized scientific guideline for the sample size decisions. The research study was done in one organisation and the outcome and final findings of the project cannot be generalised. Convenient sampling could lead to bias interpretation and thus the research may not be trustworthy.

3.5 Sampling procedure

Anthony (2004) describes sampling procedure as the process of selecting from the population to conduct the study. The ultimate goal of any sampling is to ensure that a sample is a good representation of the population so as to avoid any bias or negative influence in the findings.

The sample for this study was drawn from a financial institution in the Western Cape. The financial institutions retail division has four thousand eight hundred (4800) employees employed in the Western Cape. According to the sample size of a given population table stipulated in Sekaran (2003), for a sample of five thousand (5000) employees a researcher should have three hundred and fifty seven (357) questionnaires completed in order to justify the measurement of the research study accurately. Four Hundred (400) questionnaires were distributed to the employees. Of the total of four hundred (400) questionnaires distributed, only three hundred and nine (309) questionnaires were returned. This is a response rate of eighty six percent (86%). Sekaran (2001) hypothesises that a response rate of thirty percent (30%) may be regarded as being acceptable. This sample was therefore considered suitable for the purpose of the present research investigation.

3.6 Method of data collection

Questionnaires are the method of data collection used in this study. A questionnaire is a preformulated written set of questions to which respondents record the answers, usually within rather closely defined alternatives (Sekaran, 2003). According to Sekaran (2001, p.

233), “questionnaires are an efficient data collection mechanism when the researcher knows exactly what is required and how to measure the variables of interest.”

For the purpose of this study, a composite questionnaire comprising of a biographical section and Workplace Diversity Survey was used to collect data. The biographical questionnaire solicited respondents’ responses with regards to their gender, race, age, job status and qualification.

3.6.1 Description of the Workplace Diversity Survey

The Workplace Diversity Survey that was used consists of 20 questions. Questions are answered using a Likert rating scale of 1 to 5 where 1 = disagree, 2 = disagree somewhat, 3 = neither agree nor disagree, 4 = agree somewhat and 5 = agree.

3.6.2 Reliability of the Workplace Diversity Survey

Reliability of a measure indicates the extent to which it is without bias and ensures consistent measurement across time and across the various items in the measuring instrument (Sekaran, 2000). Mowday, Porter and Steers (1982) believed that by obtaining reliable data from various types of employees in the different working environments prove to be a necessary prerequisite for obtaining an adequate universal quantification of commitment. Leedy and Ormrod (2010) postulates that reliability is the consistency with which a measurement instrument yield a certain result when the entity being measures has not changed. We can measure something accurately only when we can also measure its consistency. In other words, reliability is a necessity but an insufficient condition for validity.

According to Swanepoel et al. (2008, p. 281) “reliability can be defined as the consistency of a measure. Consistent results must be obtained at various times to ensure that a specific predictor (selection instrument) can be confidently applied.” Four common methods can be used to assess the reliability of a measure:

- i. Test-retest method which indicates that the same measure administered twice to the same group of people over a period of time.

- ii. Alternate form method is the administration of two equivalent forms of the same measure given to the same group of people on two different occasions.
- iii. Split-half method is divided into two equal parts, with a score being calculated for each. The correlation between the two sets of scores serves as an indicator of reliability.
- iv. Internal consistency method or coefficient method is “the degree to which the score obtained from one item in the test can be generalised to those obtained from other items in the same test. The more homogeneous the items in the test, the higher the reliability with which one score on a test item may be generalised to scores on the rest of the test items. Internal consistency could therefore be regarded as an aspect of reliability.”

De Meuse, Hostager and O’Neil (2007) indicate that a reliability analysis was performed to determine whether the items on the workplace diversity survey measures the five dimensions consistently. The Cronbach’s Coefficient Alpha score was computed for each dimension using SPSS Version 12. If the set of four workplace diversity survey items measured a single uni-dimensional construct, one would expect a high coefficient alpha score i.e. exceeding 0.7. De Meuse et al. (2007) indicate a reliability scores ranging from 0.87 to 0.76 which suggest that the workplace diversity survey assesses the five dimensions of diversity in an internally consistent manner.

3.6.3 Validity of the Workplace Diversity Survey

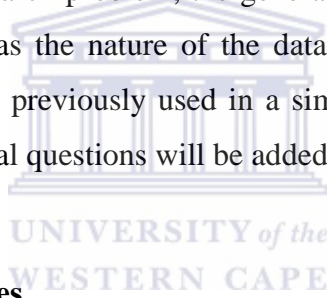
Swanepoel et al. (2008) hypothesise that validity refers to accuracy, thus a valid measure is one that yields correct estimates of what is being assessed. Sekaran (2001) indicates that the term validity refers to the extent to which an empirical measure adequately reflects the real meaning of the concept under consideration. Babbie et al. (2001) discusses three types of validity:

- i. Criterion validity which is sometimes also called predictive validity. This validity is based on external criterion. This is established when the measure differentiates individuals on a criterion it is expected to predict. This validity is determined by comparing test scores with one or more independent criteria.

- ii. Construct validity is based on the logistical relationship among variables. It ensures that the instrument provides a reasonable, adequate and representative sample of responses considered to comprise the domain the test is meant to cover.
- iii. Construct validity relates to how well the results obtained from the use of the measure fit the theories around which the test is designed.

According to Foxcroft and Roodt (2005), the workplace diversity survey has been found to have good face value which refers to how well an instrument appears to measure what it is intended to measure. The questionnaire that was used was shown to be reliable and valid in other research studies in the past as it has been adapted to a South African context and can also be used in other research studies in the future. Therefore, it can be deduced that the workplace diversity survey is valid and reliable.

Leedy and Ormrod (2010) indicated that reliability and validity take different forms. It depends on the nature of the research problem, the general methodology the researcher uses to address the problem as well as the nature of the data that was collected. The current research study questionnaire was previously used in a similar type of study thus making it valid and reliable and no additional questions will be added to the questionnaire.



3.7 Data Analysis Techniques

The statistical package for the Social Science (SPSS) was used to analyse, compute and present the findings of the research by examining the formulated hypothesis of the study. According to Sekaran (2001, p. 31) “data gathered are statistically analysed to see if the hypotheses that were generated have been supported.”

3.7.1 Descriptive Statistics

According to Durrheim (1999), descriptive statistics aim to describe the scores or observations obtained on single variables in a summarized manner. Descriptive statistics is a method for presenting quantitative descriptions in a manageable form by sometime describing a single variable or sometimes to describe the associations that connect one variable with another (Babbie et al., 2001). Sekaran (2001) states that frequencies refer to the number of times different sub-categories of a certain phenomenon occur, from which percentage and the cumulative percentage of the occurrence of the subcategories can be

calculated easily. In this study descriptive statistics will be used to present quantitative descriptions in a manageable form.

3.7.2 Inferential Statistics

According to Durrheim (1999), inferential statistics are used to draw conclusions about the population on the basis of information obtained from the applicable sample. Sekaran (2003, p. 401) indicated that “inferential statistics can be used because the researcher might be interested to know or infer from the data through analysis” (i) the relationship between two variables, (ii) differences in a variable among different subgroups and (iii) how several independent variables might explain the variance in a dependent variable. Examples of inferential statistic are: t-Test, Analysis of Variance (ANOVA), Multiple Regression Analysis. Below the two inferential statistics used in this study will be discussed in more detail.

3.7.2.1 T-test

A t-Test determines whether an observed difference in the means of two groups is significantly larger and can be attributed to a change in some variables or it could have occurred by chance (Welman, Kruger & Mitchell, 2005). According to Sekaran (2001) the advantage of a t-Test is that it considers the means and standard deviations of the two groups on the variable and looks at whether the numerical differences in the mean are significant from 0 in the study. The t-Test was used in the study to determine whether employees differ significantly based on their gender in their perception of workplace diversity in a financial institution in the Western Cape.

3.7.2.2 ANOVA

Sekaran (2003, p. 405) postulates that ANOVA helps to examine the significant mean differences among more than two groups in an interval or ratio scaled dependent variable. The result of ANOVA shows whether or not the means of the various groups are significantly different from one another, as indicated by the F statistics, the F statistics shows whether two samples differ from one another or if they are from the same population. In this study, ANOVA was used to determine whether employees with different biographical details such as race, age, job grade (job category) and qualification significantly differed in their perception of workplace diversity in a financial institution in the Western Cape.

Sekaran and Bougie (2010) postulates that “whereas the t-Test indicates whether or not these are a significant mean difference in a dependent variable between two groups, an analysis of variance (ANOVA) helps to examine the significant mean differences among more than two groups on an interval or ratio-scale dependent variable. The result of ANOVA show whether or not the means of the various groups are significantly different from one another, as indicated by the F-statistic.

3.8 Summary of the chapter

This chapter provided a detailed overview of the research methodology that was employed during this study. The areas that were focussed on included a discussion of the population, the sample size as well as the measuring instruments used. A qualitative method was used for the study. Descriptive statistics are utilised to describe the characteristics of the sample and inferential statistics are used to test the research hypotheses.



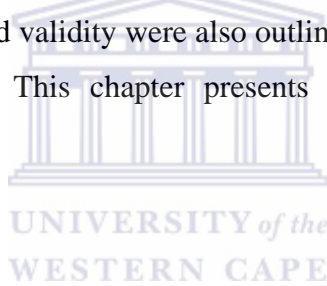
Chapter 4

Data Presentation, Analysis and Interpretation

4.1 Introduction

The current chapter illustrates the research investigation by outlining the results obtained in the study and providing a detailed discussion of these results. The descriptive statistics computed for the study are presented in an outline of the characteristics of the sample with regards to the variables included in the study.

The information provided and discussed in the previous chapter, describes research design methodology and study design. Sample and population were described. The data collection instrument and their reliability and validity were also outlined. Questionnaires were identified as the data collection method. This chapter presents the data, analysing it and then interpreting the results.



4.2 Descriptive Statistics

Descriptive statistics in the form of arithmetic means and standard deviations, minimum and maximum values for the respondents were computerised for the workforce diversity survey and are provided in the section below. This means the data pertaining to the variables included in the study, as collected by the measuring instrument used, is summarised below. In this manner, the properties of the observed data clearly emerge and an overall picture is therefore obtained.

Table 4.1: Descriptive Statistics for the Workplace Diversity Survey

SCALE	Mean	SD	Min	Max
Overall Workplace Diversity (20 items)	75.60	13.004	31	100

Table 4.1 presents the results of the descriptive statistics of the Workplace Diversity Survey. The results of the survey suggests that the total perception is relatively neutral ($M = 75.60$, $SD = 13.004$). The Likert scale used for the questionnaire indicates 1 = disagree and 5 = agree. The mean average response for the questions can be calculated as 3.78, therefore indicating that respondents, on average, indicated a ‘neutral’ to ‘agree’ score for the items. The standard deviation of 13.004 is however rather larger and could indicate that respondents had varying perceptions of workplace diversity.

4.2.1 Results of the biographical questionnaire

This section will outline the descriptive statistics calculated on the basis of the variables included in the biographical questionnaires. The demographical variables that receive attention are:

- Age distribution of respondents
- Qualification of respondents
- Gender distribution of respondents
- Race of the respondents
- Marital Status of the respondents
- Language distribution of the respondents
- Tenure of the respondents
- Salary distribution of the respondents
- Status of the respondents
- Job Category (grade) distribution of the respondents

The descriptive statistics in the form of frequencies and percentages, are subsequently presented graphically for each of the above-mentioned variables.

4.2.1.1 Age distribution of respondents

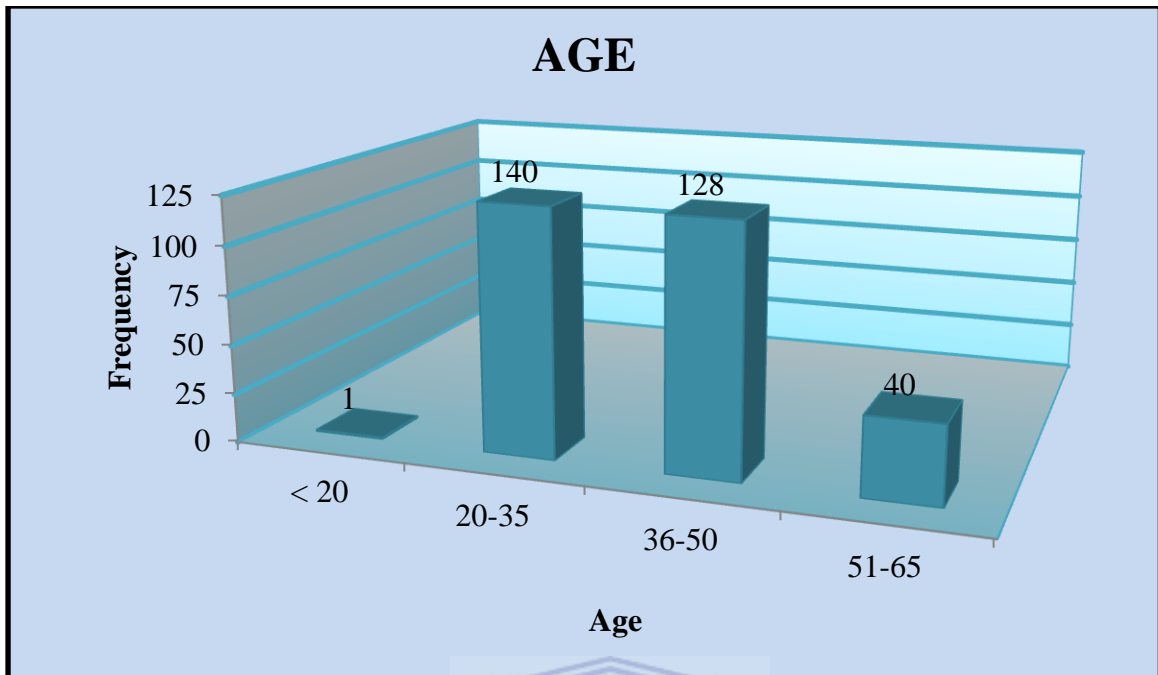


Figure 4.1 Age distribution of the respondents

Figure 4.1 presents a graphical representation of the age distribution of the selected sample. From the frequency distribution presented in figure 4.1, it may be deduced that 45.3% (n = 140) of the respondents were between 20-35 years of age, 41.1% (n=128) of the respondents were between 36-50 years of age, 12.9% (n=40) were between 51-65 and 0.3% (n=1) were less than 20 years of age.

4.2.1.2 Qualification distribution of respondents

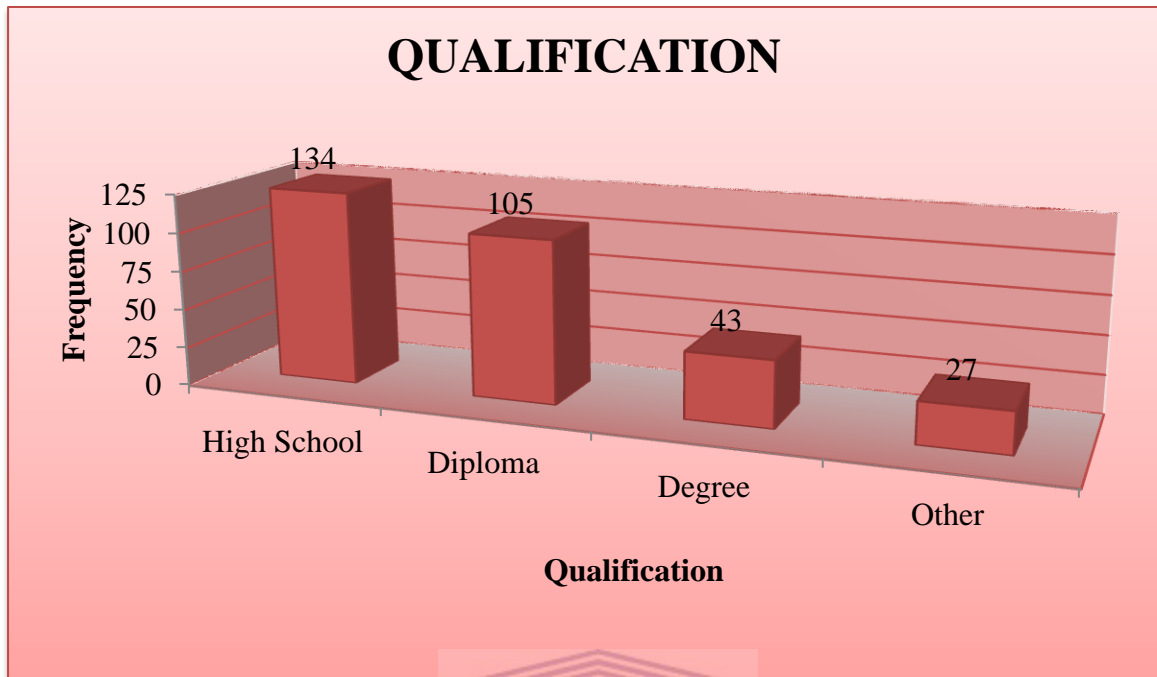


Figure 4.2 Qualification of the respondents

Figure 4.2 presents a graphical representation of the gender distribution of the selected sample. As can be seen in figure 4.2, in terms of the qualification level, it may be seen that the majority of the respondents, that is 43.45% ($n = 134$) had a qualification level of high school, 34.0% ($n = 105$) of the respondents had a diploma, 13.9% ($n = 43$) of the respondents had a degree and 8.7% ($n = 27$) of the respondents indicated their qualification level as other.

4.2.1.3 Gender distribution of respondents

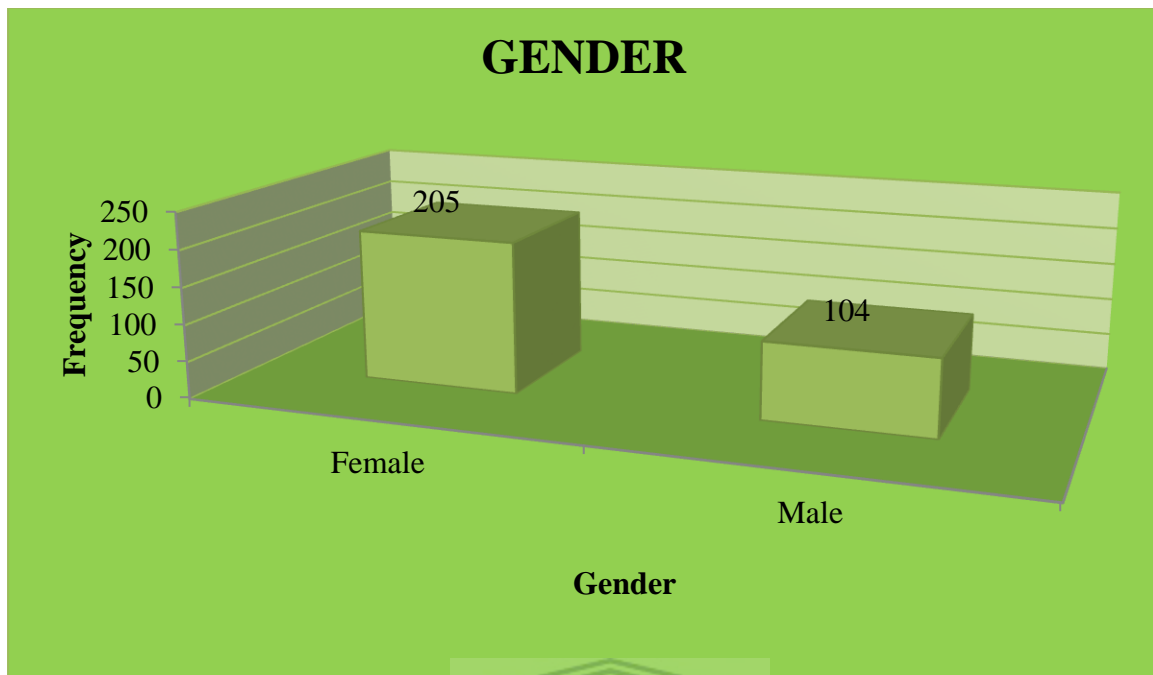


Figure 4.3 Gender distributions of the respondents

Figure 4.3 presents a graphical representation of the gender distribution of the selected sample. As can be seen from Figure 4.3, the majority of the respondents were female. More specifically, 66.3% ($n = 205$) of the respondents were female, while only 33.7% ($n = 104$) of the respondents were male.

4.2.1.4 Race of the respondents

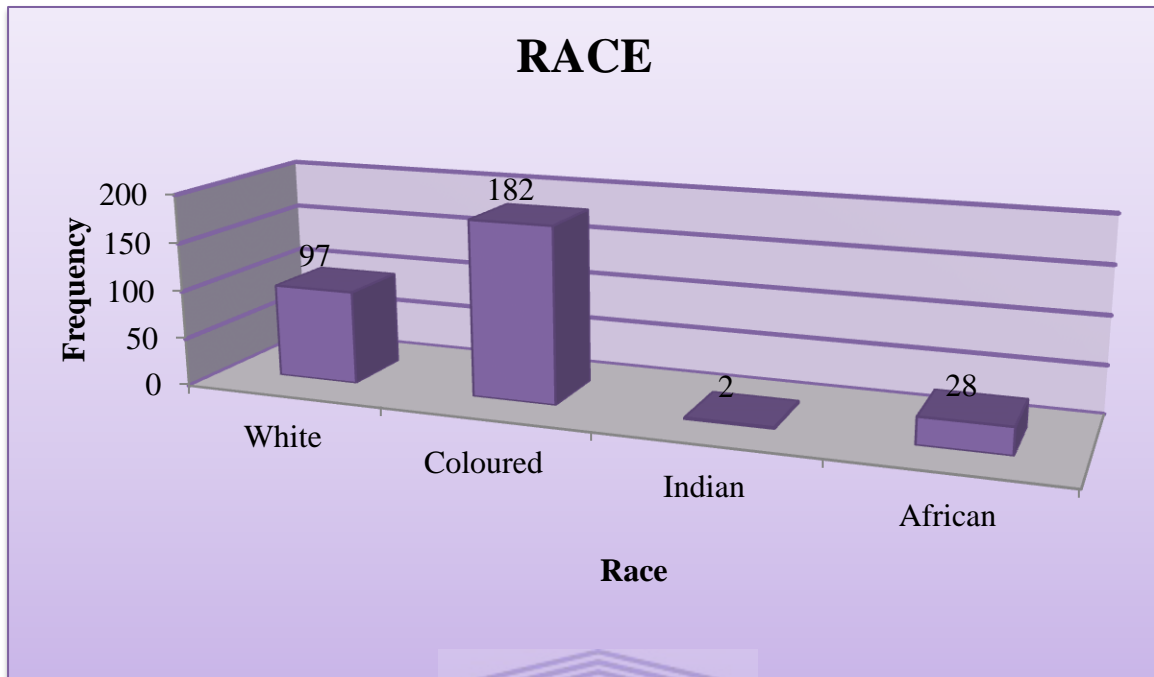


Figure 4.4 Race of the respondents

Figures 4.4 present a graphical representation of the race distribution of the selected sample. From the racial composition frequency distribution in figure 4.4, it may be seen that the majority of the respondents, that is 58.9% ($n = 182$) of the respondents were Coloured, 31.4% ($n = 97$) of the respondents were White, 9.1% ($n = 28$) of the respondents were African and 0.6% ($n = 2$) of the respondents were Indian.

4.2.1.5 Marital status distribution of respondents

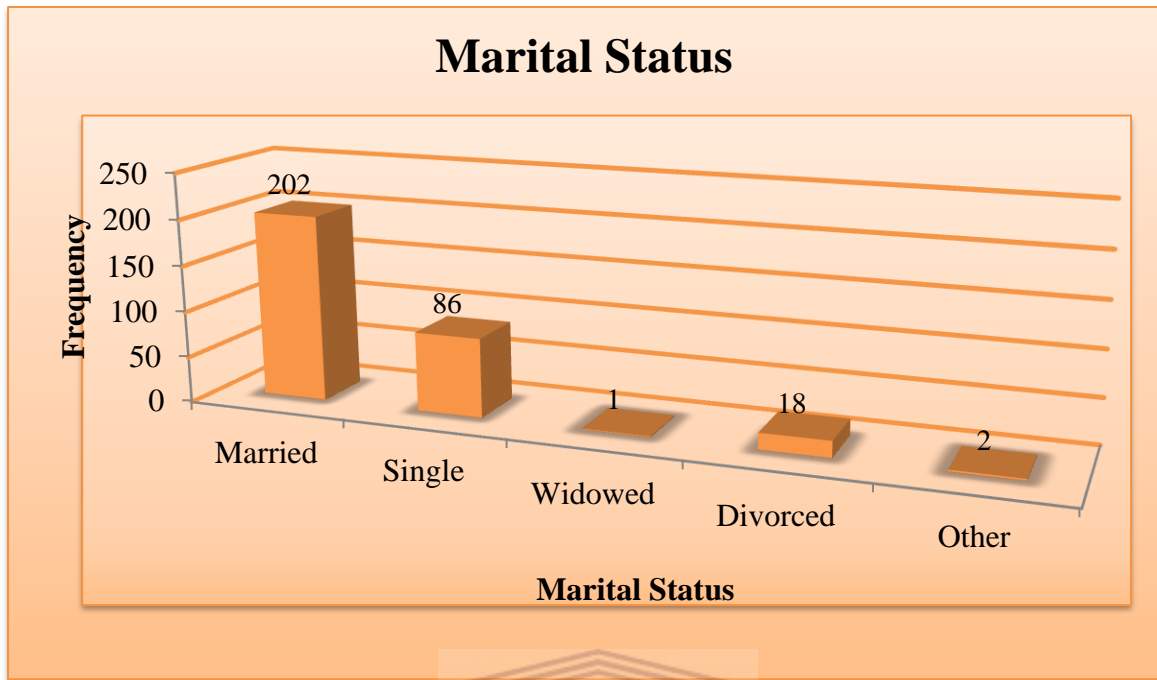


Figure 4.5 Marital status distributions of the respondents

Figure 4.5 presents a graphical representative of the marital status distribution of the selected sample. As illustrated in figure 4.5, that is 65.4% ($n = 202$) are married, 27.8% ($n = 86$) are single, 5.8% ($n = 18$) of the respondents are divorced and 0.6% ($n = 2$) of the respondents are widowed.

4.2.1.6 Language distribution of respondents

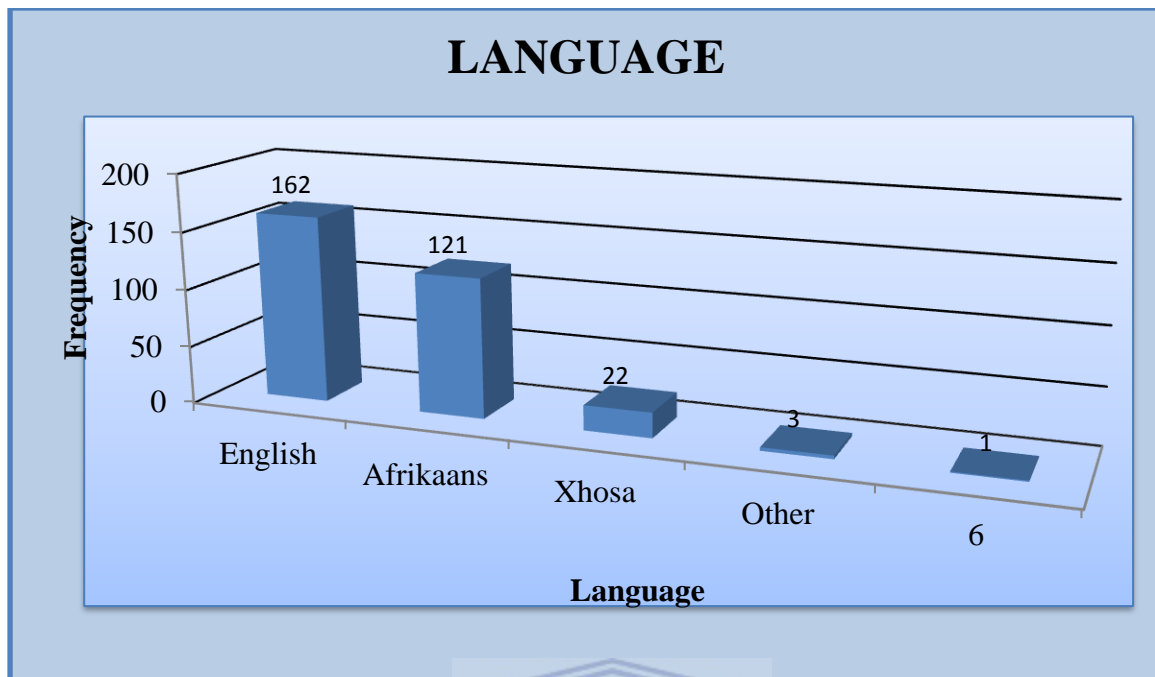


Figure 4.6 Language distributions of the respondents

Figure 4.6 presents a graphical representation of the language distribution of the selected sample. As illustrated in figure 4.6, that is 52.4% ($n = 162$) of respondents were English speaking, 39.2% ($n = 121$) of respondents were Afrikaans, 7.1% ($n = 22$) were Xhosa, 1.0% ($n = 3$) of respondents indicated their language composition as other and 0.3% ($n = 1$) indicated the number 6.

4.2.1.7 Tenure distribution of respondents

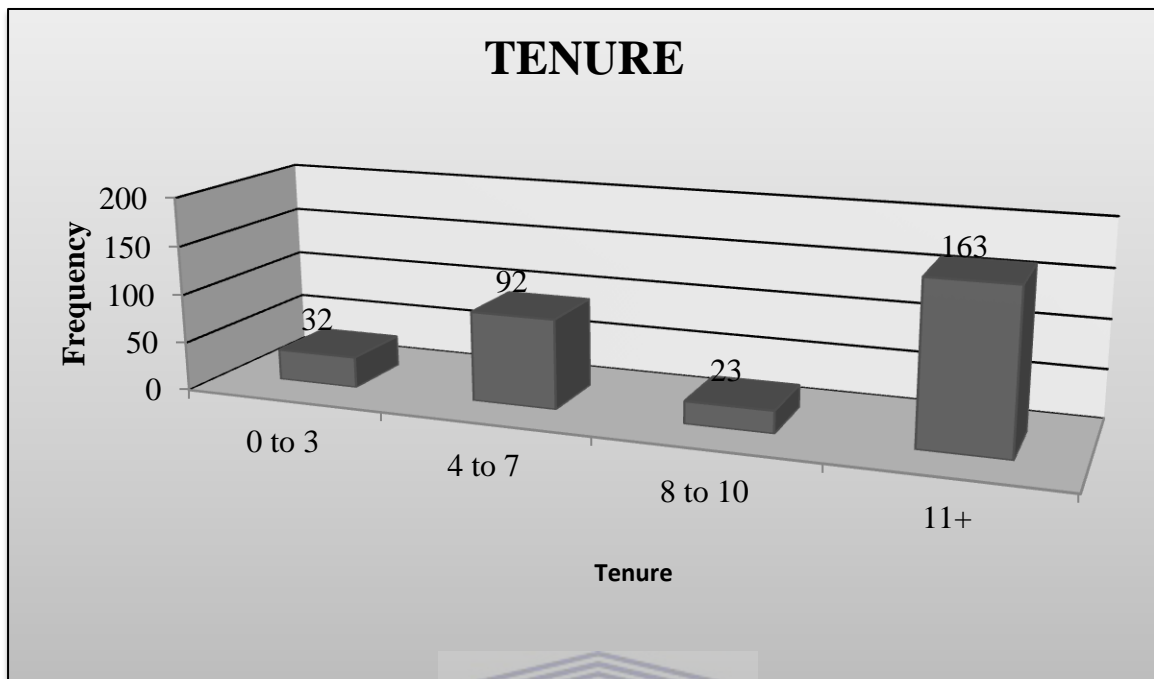


Figure 4.7: Tenure distribution of respondents

As can be seen from the frequency distribution in figure 4.7, in terms of years in the organisation, the majority of the respondents 52.4% (n = 162) have served more than 11+ years', 29.8% (n = 92) of the respondents worked for the organisation between 4-7 years', 10.4% (n = 32) of the respondents have been employed between 0-3 years and 7.4% (n = 23) of the respondents have worked in the organisation 8-10 years'.

4.2.1.8 Salary distribution of respondents

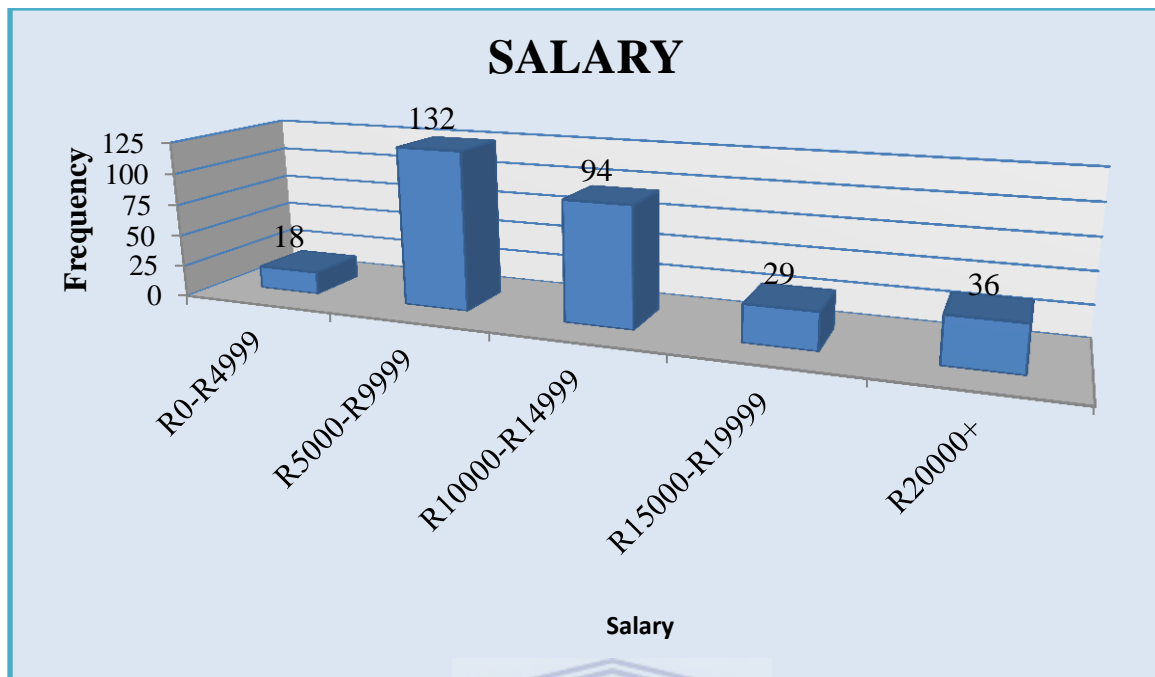


Figure 4.8 Salary distribution of the respondents

From the frequency distribution in figure 4.8, in terms of the salary distribution of the sample, the majority of the respondents, that is 42.7% ($n = 132$) earned between R5000-R9999 per month, 30.4% ($n = 94$) earned between R10000-R14999 per month, 11.7% ($n = 36$) earned more than R20000+ per month, 9.4% ($n = 29$) earned between R15000-R19999 per month and 5.8% ($n = 18$) earned between R0-R4999 per month.

4.2.1.9 Job title of respondents

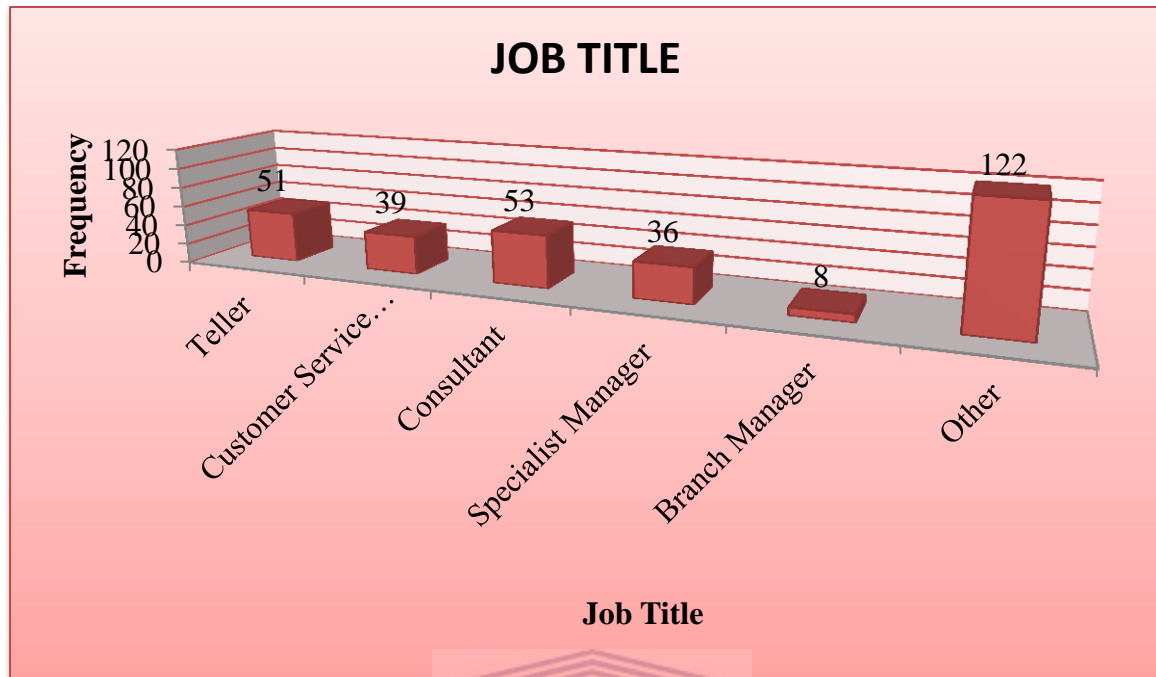


Figure 4.9 Job title of the respondents

Figure 4.9 presents a graphical representative of the status distribution of the selected sample. In terms of the job status composition of the sample, the majority of the respondents, that is 39.5% ($n = 122$) indicated their job status as other, 17.2% ($n = 53$) of the respondents implied their job status as consultant, 16.5% ($n = 51$) of the respondents showed their job status as tellers, 12.6% ($n = 39$) of the respondents revealed their job status as customer service clerk, 11.7% ($n = 36$) of the respondents specified their job status as specialist managers and 2.6% ($n = 8$) of the respondents pointed out that their job status as branch managers.

4.2.1.10 Job Grade or Job Category distribution of respondents

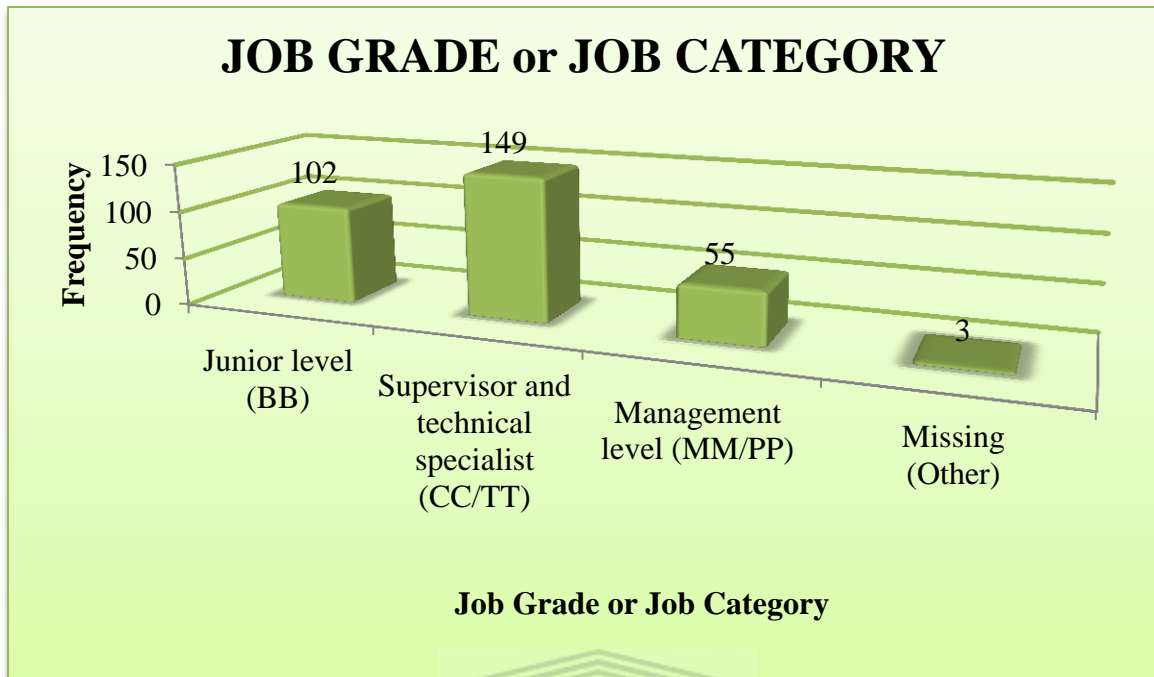


Figure 4.10 Job Grade or Job Category of the respondents

Figure 4.10 presents a graphical representation of the grade distribution of the selected sample. As illustrated in figure 4.10, the majority of the respondents, that is 48.2% (n = 149) were in supervisor and technical level posts (CC/TT), 33.0% (n = 102) fell in the junior level (BB) grade, 17.8% (n = 55) indicated that they occupy positions at management level (MM/PP). Furthermore 3 respondents (1.0%) did not provide (Other) an indication of their job level.

4.3 Inferential statistics

In this section the inferential statistics employed in the study are presented. The inferential statistics that will be discussed in this section will be t-test and Analysis of Variance (ANOVA). The t-test will indicate the mean difference between two groups where ANOVA examine the significant mean difference. The statistical technique will draw conclusions with regards to the population from which the sample was taken and discussions are made with respect to the research to the research hypothesis.

Hypothesis 1:

There is a statistical significant difference in perceptions of workplace diversity based on age amongst employees in a financial institution in the Western Cape.

Table 4.2: Gender difference in perception of workplace diversity

	Female	Male		
	Mean	Mean	t	P
Workplace diversity	76.29	74.24	-.977	.527

* $p < 0.05$,

** $p < 0.01$

Table 4.2 depicts the t-test with respect to the perception towards workplace diversity based on the gender of respondents. The results indicate that there is no statistical significant difference ($t = -0.977$, $p < 0.05$). Hence hypothesis 1 is rejected. The results further indicate that males were more positive towards workplace diversity ($M = 74.24$) as compared to females ($M = 76.29$), although this difference is not statistically significant.

Hypotheses 2:

There is a statistical significant difference in perception towards workplace diversity based on race amongst employees in a financial institution in the Western Cape.

Table 4.3: ANOVA: Perception of workplace diversity based on race

	Sum of squares	df	Mean Square	F	P
Between groups	2324.809	3	774.936	4.750	.003
Within groups	49761.230	305	163.152		
Total	52086.038	308			

** $p < 0.01$

Table 4.3 depicts that ANOVA with respect to perceptions of workplace diversity based on the race of respondents. The results indicate that there are a statistically significant difference ($F(3, 305) = 4.750, p = 0.003$) in perception of workplace diversity based on race. In order to determine between which race group the differences exists, a post hoc analysis was completed.

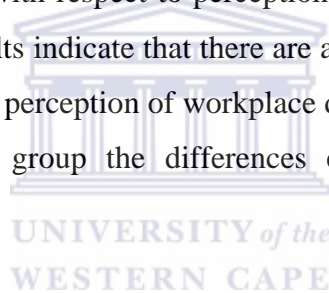


Table 4.4: Scheffe post hoc statistics for race

Dependent Variable	(I)	(J)	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
TOTAL	White	Coloured	-5.635*	1.606	.007	-10.15	-1.12
		Indian	-1.371	9.125	.999	-27.02	24.28
		African	-7.121	2.740	.082	-14.82	.58
	Coloured	White	5.635*	1.606	.007	1.12	10.15
		Indian	4.264	9.081	.974	-21.27	29.79
		African	-1.486	2.593	.955	-8.78	5.80
	Indian	White	1.371	9.125	.999	-24.28	27.02
		Coloured	-4.264	9.081	.974	-29.79	21.27
		African	-5.750	9.349	.945	-32.03	20.53
		White	7.121	2.740	.082	-.58	14.82
	African	Coloured	1.486	2.593	.955	-5.80	8.78
		Indian	5.750	9.349	.945	-20.53	32.03

Table 4.4 indicates that there are statistically significant differences ($p = 0.007$) between white ($M = 71.63$) and coloured respondents ($M = 77.26$) with regards to their perception of workplace diversity. The results indicate that white people seem to have a more negative view of workplace diversity than the perceptions that is held by coloured people.

Hence hypothesis 2 is accepted.

Hypothesis 3

There is a statistical significant difference in the perception of workplace diversity based on age amongst employees in a financial institution in the Western Cape.

Table 4.5: ANOVA: Perception towards workplace diversity and age

	Sum of squares	df	Mean Square	F	P
Between groups	1331.167	3	443.722	2.666	.048
Within groups	50754.871	305	166.409		
Total	52086.039	308			

* $p < 0.05$

Table 4.5 depicts the ANOVA with respect to perceptions of workplace diversity based on the ages of respondents. The results indicate that there are statistically significant difference ($F(3, 305) = 2, 666; p = 0.048$) in the perception towards workplace diversity based on age.

It was not possible to perform a post hoc analysis as one of the age category groups had only one respondent.

Hence hypothesis 3 is accepted.

Hypothesis 4

There is a statistical significant difference in the perception of workplace diversity based on job grade or job category amongst employees in a financial institution in the Western Cape.

Table 4.6: ANOVA: Perceptions of workplace diversity based on job grade or job category

	Sum of squares	df	Mean Square	F	P
Between groups	5249.690	3	1749.897	11.395	0.000**
Within groups	46836.349	305	153.562		
Total	52086.039	308			

** $p < 0.01$

Table 4.6 shows the ANOVA with respect to perceptions of workplace diversity based on job grade or job category of the respondents. The results indicated that there is a statistically significant difference ($F(3, 305) = 11.395; p = 0.00$) in the perception of workplace diversity. The post hoc analyses displayed in Table 4.7 provide further information on the differences between the job grades and perception of workplace diversity.

Table 4.7 Scheffe post hoc for job grade/job category

Dependent Variable	(I) GRADE	(J) GRADE	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
						TOTAL	BB
MM/PP	-8.567*	2.073	.001	-14.39	-2.74		
Other	22.245*	7.259	.026	1.84	42.65		
CC/TT	BB	-.592	1.593	.987	-5.07		3.88
	MM/PP	-9.159*	1.955	.000	-14.66		-3.66
	Other	21.653*	7.226	.031	1.34		41.97
MM/PP	BB	8.567*	2.073	.001	2.74		14.39
	CC/TT	9.159*	1.955	.000	3.66		14.66
	Other	30.812*	7.347	.001	10.16		51.47
Other	BB	-22.245*	7.259	.026	-42.65		-1.84
	CC/TT	-21.653*	7.226	.031	-41.97		-1.34
	MM/PP	-30.812*	7.347	.001	-51.47		-10.16

Table 4.7 indicates that there are statistically significant differences ($p = 0.000$) between supervisory and technical specialists (CC/TT) ($M = 73.99$) and management level (MM/PP) ($M = 83.15$) with regards to their perception of workforce diversity. The results indicate that supervisory and technical specialists (CC/TT) employees seem to have a more negative view of workplace diversity than the perception that is held by management level (MM/PP).

Hence hypothesis 4 is accepted.

Hypothesis 5

There is a statistical significant difference in the perception of workplace diversity based on qualification amongst employees in a financial institution in the Western Cape.

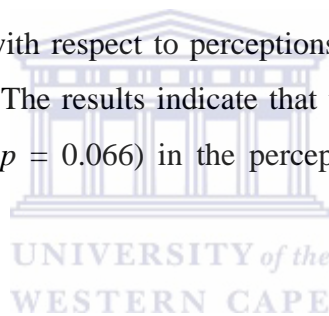
Table 4.8: ANOVA: Perceptions of workplace diversity based on qualification

	Sum of squares	df	Mean Square	F	P
Between groups	1214.134	3	404.711	2.426	.066
Within groups	50871.905	305	166.793		
Total	52086.039	308			

* $p < 0.05$

Table 4.8 depicts the ANOVA with respect to perceptions of workplace diversity based on the qualification of respondents. The results indicate that there is no statistically significant difference ($F(3, 305) = 2.426; p = 0.066$) in the perception towards workplace diversity based on qualification.

Hence hypothesis 5 is rejected.

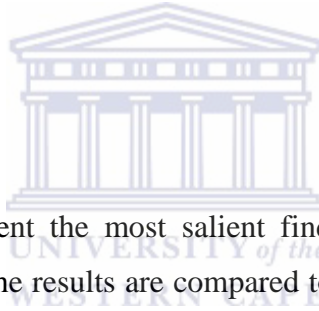


4.4 Reliability of the workplace diversity survey

Table 4.9 Reliability of the Workplace Diversity Survey

Questionnaire	Number of items	N	Cronbach Coefficient
Workplace diversity survey	20	309	0.539

Table 4.9 indicates the reliability of all the variables in the study. The Cronbach's Alpha Coefficient is used to determine the reliability. The reliability of the workplace diversity questionnaire was calculated as $\alpha = 0.539$, which is less than the expected 0.7 level indicated by Rosnow and Rosenthal (1999) and Sekaran (2003). This is indicated as a moderate Cronbach Alpha Coefficient and could be due to the low number of questions and/or poor interrelatedness between the items. The workplace diversity survey consists of 20 items and was handed to 309 respondents in the organisation.



4.5 Summary of the chapter

This chapter has served to present the most salient findings from the research that was undertaken. In the next chapter, the results are compared to previous studies and conclusions are drawn, and recommendations for future research are highlighted.

CHAPTER 5

DISCUSSION, CONCLUSIONS AND RECOMMENDATION

5.1 Introduction

The primary objective of this study was to determine the employees' perception of workplace diversity in a financial institution in the Western Cape. This chapter presents an overview of the most important findings of the research performed. In order to contextualise the research comparisons are drawn with available literature in various settings. The remainder of the chapter will provide the conclusion that can be drawn from the research as well as limitations and recommendation for future research.

5.2 Descriptive Results

The results of the descriptive statistics of the Workplace Diversity Survey suggests that the total perception is relatively negative ($M = 75.60$, $SD = 13.004$). Furthermore, the survey results indicate that the respondents primarily felt a high behavioural reaction towards to workplace diversity ($M = 16.12$, $SD = 2,953$). They also experience a high reaction to judgement to diversity management ($M = 15.95$, $SD = 3.292$). The respondents were also inclined to react emotionally towards workplace diversity ($M = 15.45$, $SD = 3.304$). However their reaction to personal consequences were not as high ($M = 14.00$, $SD = 2,884$).

The sample size used in this study indicated that the respondents were predominately between the age group 20-35 ($n = 140$) and were closely followed by respondents between the age group of 36-50 ($n = 128$). The bulk of the respondents in this study was female ($n = 205$), with respondents with a high school certificate ($n = 134$). The study indicates the majority respondents as Coloured 58.9% ($n = 182$). Most of the respondents worked for the financial institution for 11+ years 52.4% ($n = 162$) and they held a middle level job grade (CC/TT) within the financial institution 48.2% ($n = 149$).

5.3 Inferential results

H1 Hypotheses 1: There is a statistical significant difference in perceptions of workplace diversity based on gender amongst employees in a financial institution in the Western Cape.

With reference to the statistical results of the study, there is no statistical significant difference in the perception towards workplace diversity based on gender amongst employees. Hence the total hypothesis is rejected.

According to Robbins (1993), the research suggests the following conclusions regarding gender. The homogeneity between woman and men tend to outweigh the differences. Generally, women tend to follow a more transformational leadership style with the emphasis on the followers, consensus, and the use of charisma, personal reference and personal contact to enhance interpersonal relations and to influence followers. “Men in general, on the other hand, tend to follow a more directive style where job performance is seen as a series of transactions with subordinates, where rewards are exchanged for services and punishment for inadequate performance – that is, more of a transactional approach. Men seem to be more inclined to use formal position, power and authority to control people. It is however, imperative to emphasise the above generalisations and that many men possess certain attributes that are linked mainly to the females and vice versa” (Swanepoel et al., 2008, p. 357).

Dombai and Verwey (1999) postulate that gender variance in responses indicates that males and females respondents do not differ significantly. Male respondents were consistently more positive than female respondents in the five concepts, although this difference was not statistically significant. This may be attributed to the fact that organisations lean towards paternalistic cultures in which men are still unofficially regarded as first among equals and where women may still experience the sting of covert discrimination. This could also explain why female respondents did not evaluate affirmative action as positively as their male counterparts = they simply do not reap as many benefits from the process. According to Beaty, Adonosi and Taylor (2007), both sexes relate similarly to issues of diversity, especially their perceptions towards the organisational politics that is created because of

workplace diversity. The study concludes that they found both males and females were equally tolerant of political behaviour because of the increasing awareness of the importance of equity and affirmative action in the workplace.

H2 Hypotheses 2: There is a statistical significant difference in perceptions of workplace diversity based on race amongst employees in a financial institution in the Western Cape.

According to the statistical results of the current study, there was a statistical significant difference in the perceptions towards workplace diversity based in race amongst employees. Hence the hypothesis is accepted.

In the case of black versus white respondents, a high percentage of statistically significant variances were recorded in terms of the affirmative action and transformation constructs. The finding that black and white respondents differed significantly with regard to the evaluation of the affirmative action construct was consistent with the researchers expectations. Black respondents were significantly more positive in their evaluation of this construct. A positive explanation for these findings related to the nature of the implementation of affirmative action in South African organisations. The implementation of affirmative action in South African organisations are mostly target-driven and tends to create the perception that only a limited number of highly educated and skilled black people can benefit from it. White employees tend to feel threatened by the process, while black employees in the lower organisational ranks experience the process as beyond their reach (Dombai et al., 1999). Coetzee (2008) indicated that the results of the findings suggest that the African Participant seem to have a significant stronger need for managerial positions that exposes them to a variety of growth and development opportunities and jobs in which they can express their talents and abilities creatively. However, Coetzee and Bergh (2009) reported that the African participants also indicated a significant higher need to venture out in search of new career opportunities.

Motileng, Wagner and Cassimjee (2006) postulate that employment equity and affirmative action strategy appears to have enhanced the self-esteem of black or African individuals. This is because the policy has given them the opportunity to articulate their competencies, potential and abilities. Vallabh and Donald (2001) found that white people were generally more committed to their work and were therefore more likely to project positive attitudes and be more accepting of diversity initiatives and diversity policies.

Duweke (2004) indicates that although a South African bank has put into motion the process of bringing black people into management positions, very little has been done to dispel white fears and white males are still in power. Black females felt alienated, under-utilised and hampered by male perceptions of their unsuitability for certain positions. Thus, managing diversity enables whites, for example, to understand the meaning of “whiteness” in a world that is not predominately white, but one where whites dominate. Multiculturalism addresses these power relations, and their implication for the workforce in the third millennium. This is done through its two-prong values approach, namely – respect for the Other and a self-critical awareness of one’s power position in the world (Rosado, 2006).

Many lessons for South African organisations can be drawn from the case study by Johnson-Bailey and Cervero (2004), a black woman associate professor and a white male professor at the University of Georgia in the USA. They offer a personal account of the intricacies, complexities and success of their 13-year mentoring relationship. They highlight the importance of a number of issues in a cross-cultural mentoring relationship such as acknowledged and unacknowledged racism, visibility as well as risk pertinent to a minority faculty.

H3 Hypotheses 3: There is a statistical significant difference in the perceptions of workplace diversity based on age amongst employees in a financial institution in the Western Cape.

From the results attained of this study it was found that there is a statistically significant difference in the perception towards workplace diversity and age amongst employees. Hence the hypothesis is accepted.

According to Dombai et al. (1999), in terms of the different age groups, affirmative action and the transformation process again resulted in the largest number of significant variances

between groups. An interesting finding is that the younger age group (younger than 30) displayed the most variance in their responses. This group of respondents were especially positive in their evaluation of the transformation process and performance management, but evaluated affirmative action as the most negative. Respondents in the older age group (older than 40) were the most negative in their responses, and also the most negative in their evaluation of affirmative action and transformation. The middle age group (30-40 years old) generated the most neutral responses of the three groups. They were, however, marginally more negative in their evaluation of affirmative action and more positive towards performance management.

Cumming et al. (2009) indicates that to address age diversity, organisations develop interventions, such as work design and wellness programs. Career planning and development as well as reward systems must be adapted to these different age groups and demographic cohorts. For example the older employee, work design can reduce the physical component or increase the knowledge and experience component of a job. Bogaert and Vloeberghs (2005) and Bell (2007) warns that although it is imperative for organisations to develop and execute diversity policies, focussing on every individuals diversity will make the concept futile, Instead generational diversity should be acknowledge and understood. This implies knowledge of employees' age profile, understanding of their generational cohorts and how they interact, what their shared values are and its effect on work productivity.

According to Beaty, Adonisi and Taylor (2007), the research corroborate the findings in the current study in which it is reported that there is a significant difference between age of employees and workplace diversity policy implementation within the organisations. Older employees however are likely to experience discrimination in access to training and development, and are more likely to be denied promotions, to experience difficulty in being gainfully employed and are more likely to be retrenched relative to their younger counterparts (van der Walt & du Plessis, 2010).

H4 Hypotheses 4: There is a statistical significant difference in the perception of workplace diversity based on job grade/job category amongst employees in a financial institution in the Western Cape.

According to the statistical results of the current study, there was a statistical significant difference in the perceptions towards workplace diversity based on job grade/job category amongst employees. Hence the hypothesis is accepted.

Harris et al (2007) indicates that members of management are more positive about the current position of diversity management in an organisation. The result is to be expected as management tend to perceive their policies and procedures to be diversity friendly. Feldman (2001) however found significant differences between employees from different job categories to those with different job statuses. These employees view and perceive diversity differently.

In the following findings a variance in responses for supervisory versus non-supervisory levels differ from the other groups of respondents in that no significant differences were recorded for any of the affirmative action dimensions. The responses versus non-supervisory level employees were the most consistent in their differences (Dombai & Verwey, 1999). According to Ferreira and Coetzee (2010), the results suggest that the participation in managerial positions appear to have a significantly higher level of normative commitment than the participants employed at the staff level or as independent contractors.

Meyer and Allen (1997) observed having the authority to influence the organisation's goal seems to have increased participants' sense of obligation to continue employment with the organisation. It appears that the feeling of responsibility created by having authority also increases the understanding of diversity management and the importance thereof. Esterhuizen and Martins (2008) indicate in their research findings that managers were generally more positive towards employment equity practices than those staff level employees. According to Harris et al. (2007), the reason why managers are positive towards diversity is because they portray a positive attitude towards it.

H5 Hypotheses 5: There is a statistical significant difference in the perception of workplace diversity based on qualification amongst employees in a financial institution in the Western Cape.

The results emanating from this research study found that there was a statistically significant difference in the perception towards workplace diversity and qualification amongst employees. Hence the hypothesis is rejected.

Employees with matric (grade 12) are less positive about the openness of diversity. A possible explanation for this result is that employees who have tertiary education have a more complete understanding of workplace diversity (Harris et al., 2007). Levinsohn and Petrin (2003) estimators, show that educational diversity is beneficial for a firms productivity and wages.

5.4 Implications to the organisation and the employee

According to Esty et al. (1995), diversity is beneficial to both the organisation and the employee. Although the two parties are completely separate entities, the respect for individual differences can increase productivity.

A diverse workforce allows a firm to tap into profitable markets. Organisations can utilise employees who are attuned to these markets to give the organisation a competitive edge (Gomez-Mejia et al., 2008).

Effective labour relations within an organisation depend largely on positive communication. Many organisations rely extensively on top-down communication, with the top echelons often seen to be dictating to the lower level in the organisation. This detracts from the principles of partnership and co-operation, which form the basis of the new labour laws. Fostering a more bottom-up channel of communication where the employee feels comfortable in expressing their opinion to top management, actually reduces the propensity for conflict and help to forge new working relationships that are based on trust (Venter et al., 2009).

Management of organisations must identify the differences in the people they employ, manage them in accordance to those differences, which can entail the incorporation of diversity management policies into the organisational policies. Organisations must implement retention strategies for their employees so that they are able to stay within the organisation for several years. Competent employees who have approached the fixed retirement age should be handled with care and be relied on for their tactic knowledge, expertise, experience and skills (Maicibi, 2008).

Niemann (2006) suggests that diversity management must be implemented as a proactive measure and strategy to enhance organisational performance. This strategy should form part of the organisation's employment equity plan in order to create an environment conducive to:

- i. Conducting a diversity needs assessment which should be using a scientific needs analysis instrument such as diversity audits and focus group investigation. A diversity- needs identification will also contribute to the identification of prevailing stereotyping, bias, prejudice and assumptions. All staff members will participate in the diversity-needs identification, different perspectives will emerge, and a climate of openness and cooperation can be established.
- ii. Management should focus on cultivating team spirit by enhancing participation and consensus. Management need to go heavy on guidelines and light on procedures, so that as circumstances change, people in the organisation have the flexibility to function, while exercising their own initiatives. Through this initiative process, management will create a shared vision.
- iii. Throughout the diversity sessions, participants should be encouraged to develop action plans. These action plans should be specific in terms of planned activities, and how the plan can be maintained, reinforced, monitored and evaluated.
- iv. It is of utmost importance that the diversity strategy is continuously monitored and evaluated. The importance of this is to identify successes, shortcomings and areas of improvement and modification. Any changes in training should occur only after consultation with all stakeholders, and should be communicated to all employees.

5.4.1 Organisational Programs and Policies

Dodds (1995) postulate that a high influx of diverse employees in many organisations, encourage leadership to put into place practices that enable people with different styles of thinking to work together creatively and productively. In order for diversity initiatives to deliver, implementation must be based on a comprehensive management of change strategy.

Diversity programmes need to be designed in order to change the culture of the organisation so that all employees contribute to the productivity and profitability of the organisation. This is why organisations are increasingly providing improved teams to retain competent staff, by

giving each employee the opportunity to participate fully, to grow professionally and to develop to their highest level (Feldman, Doeringhaus & Turnley, 1994).

Many individuals see affirmative action as a form of reverse discrimination and that affirmative action appointed employees are less competent because they lack the necessary skills required to do the job. These employees are seen to be appointed to fill quotas or to window-dress (Thomas 2002). Although affirmative action are developed to ensure justice between groups, resistance from individuals frequently arise as individuals see affirmative action as inferior and that a certain stigma is associated with it. Lastly, individuals believe that affirmative action is based on preferential treatment rather than being based on merit (Van Jaarsveld, 2000).

Swim and Miller (1999) also claim that affirmative action can be seen as retribution against White people. Groarke (1990) takes issue with affirmative action because he suggests that it penalizes young White men who were not, as individuals, responsible for historical discrimination. Numerous studies have revealed that opposition to affirmative action is related to people's perceptions of fairness (or the lack thereof) in their understanding of affirmative action. An important reason for negative attitudes towards affirmative action arises from a perception that organisations are not committed to fairness.

It is imperative for the organisation to ensure that their employees are optimally utilised. For this reason, the identification of human resource training and development, management training and development as well as organisational development becomes important to the organisational sustainability (Armstrong, 1995). Robbins (1998) suggests that diversity management presuppose the introduction of alternate work schedules, diversity training and mentoring programmes.

5.4.1.1 Human Resource training and development

With the exception of deep recessionary periods, the labour shortage in certain skilled areas most phases of the economic cycle in South Africa (Barker, 2007). An organisations training strategy should largely be determined by the human resource plans, which is derived from the overall organisational strategies. This plan will outline the type of skills that may be required for the future, and the number of people with those skills that will be needed. The plan will

thus allow the organisation to determine the need for human resource training and development (Armstrong, 1995; Peterson, 1992).

Nel et al. (2008) hypothesise that the Human Resource Development (HRD) strategy has as its key mission ‘to maximise the potential of the people in South Africa, through the acquisition of knowledge and skills, to work productively and competitively in order to achieve a rising quality of life for all, and to set in place an operational plan, together with the necessary institutional arrangements. Swanson (2001) emphasises that the outcome of HRD programmes are valuable only to the extent that they are connected to specific organisational performance. Human resources development programmes must also have integrity and quality or they will not deliver the expected benefit. Prekel (1987) postulate that the development of any human resources require input from at least three sources, namely, the management of the organisation, the supervisor of employees within the organisation and the employees themselves.



5.4.1.2 Management training and development

Managing across cultures require managers to build culturally appropriate relationships across the culture divide. This may be done by way of the manager examining their own cultural values and traditions, and the exploring this of others. In this way the manager can gauge how they perceive those outside their own cultural group. Having the necessary knowledge and understanding of cultures will no doubt empower managers to create trust and confidence and to appreciate the values and norms of his/her life (Penceliah, 2008).

Management development involves the process of “gradual, systematic improvement in the knowledge, skill, attitude and performance of those individuals in an organisation who carry management responsibilities” (Kirkpatrick, 1978 cited in Viedge & Taffinder, 1986, p. 28). The reason for this is “without conscious management development, managers run the risk of operating in outmoded ways” (Viedge & Taffinder, 1986, p. 29).

5.4.1.3 Organisational development

Human resource development and management development initiatives necessitate a process of organisational development, which is defined as a “system-wide process of data collection,

diagnosis, action planning, interventions, and evaluation aimed at (i) enhancing congruence among organisational structure, process, strategy, people and culture; (ii) developing new and creative organisational solutions; and (iii) developing the organisation's self-renewing capacity. It occurs through the collaboration of organisational members working with a change agent using behavioural science theory, research and technology" (Cummings et al., 2008).

In 2007, South African companies identified workforce diversity synonymous with organisational integrity or even legitimacy. No organisation dares to avoid workforce diversity if it is to survive. Hence old and new companies proactively renew themselves by introducing diversity with its entire attendant cultural implications. If organisations fail to change when change is required, it may lead to their demise. Diversity and change are also central to today's companies and both require management (Nel et al., 2008).

5.5 Communication regarding the meaning of diversity

Before an organisation embarks on programmes to manage diversity, it is deemed advantageous for an organisation to understand what constitutes diversity, and convey the importance of managing diversity to its internal and external environment. Simultaneously, an analysis of the relevant dimensions which need to be effectively managed needs to be done. Furthermore, the inclusion of a statement regarding diversity in its mission statement would communicate an organisation's commitment in this area (Greenhaus & Callan, 1994). Such a policy may communicate to individuals an organisation's concern with maximising the potential of all employees regardless of cultural or demographic characteristics, in which everyone is viewed as a valued contributor to the organisation (Fyock, 1991). The results of prioritising the dimensions of diversity that are important should be used throughout all phases of planning, implementing and evaluating programmes for working through diversity.

5.5.1 The value of diversity

Although considerable attention has been paid to managing diversity within the corporate world, very little empirical evidence exist on the potential benefits or the advantages that might accrue to the organisation that adopts such a programme (Williams & Bauer, 1994). However, (Galagan, 1993, p. 43) notes "diversity matters to organisations because new competitive standards are changing the way work is done. These changes will be more

important than demographics in the long run because success will depend more and more on the ability of people to work in teams and communicate with people who are different”.

Moreover, (Greenhaus & Callan, 1994, p. 292) posits the view “many individuals believe that there is richness in diversity that you can't get from a homogeneous workforce. This may be true, but it's not necessary to support managing diversity. Whether there is a richness or not, managers will have employees with significant differences and similarities. The compelling case for managing diversity lies in the fact that diversity is a reality-or soon will be. By focusing on the richness, you risk suggesting that the manager has a choice”. However, Dodds (1995, p. 40) maintains “in order to add value from diversity, people must behave and relate to each other in new ways”. Organisations will thus be under increasing pressure to make use of affirmative action programmes that are technically and morally sound and can be shown to be so. This is of particular importance if one considers the fact that employees will be more inclined to challenge procedures that they regard as unfair (Cooper & Robertson, 1995).

5.5.2 Unbiased hiring systems

In the light of the demands that workforce diversity is placing on modern organisations, organisations need to guard against discriminatory hiring practices and engage in proactive recruiting practices to locate the most talented applicants from all groups within society (Kreitner & Kinicki, 1992). The clearer and the more job related hiring systems are, the more they will enhance employee productivity and perceptions of fairness.

Since effectively working through diversity is a strategic imperative for success in a highly competitive global environment, short-term and long-term responses to diversity must address three challenges, namely, availability, fairness and synergy. This involves unleashing and taking full advantage of the latent potential of groups (Worchel, Wood & Simpson, 1991). Cox (2001) found that forming appropriate training material is depended on the target demographic group, their knowledge of basic attitudes, and their acceptance of diversity topics. The problem with diversity training is in changing specific attitudes towards diverse groups and the changes in skills were still uncertain at this time

5.5.3 Identification of critical diversity issues

Diversity Management is a strategy to promote the perception, acknowledgement and implementation of diversity in organisations. Diversity management is based on the idea that diversity opens up alternative ways of perceiving, thinking and acting and this enriches the life of employees. Organisations that manage workforce diversity issues gain an insight into markets consisting of minority groups and women. Groups of people from diverse backgrounds can be more creative than groups with homogeneous backgrounds (Deshwal & Choudhary, 2012).

Managing diversity requires organisations to conduct a culture assessment to ensure that their culture is congruent with strategic objectives of the organisation. Such an assessment could provide organisations with the impetus to ascertain what elements of the culture need to be altered and to create opportunities for all employees to develop in their careers and contribute effectively to the organisation (Greenhaus & Callan, 1994).

5.5.4 Diversity training

Many organisations implement training programmes on managing diversity to assist their organisations to become more sensitive to diversity issues (Stephenson & Krebs, 1993). Race and gender awareness training allows for aspects of corporate culture that inhibit flexibility to be identified and addressed (Feldman et al., 1994).

Various types of training programmes can be useful components of the diversity management process. These include programmes aimed at helping employees to develop positive attitudes towards diversity, as well as bridging cultural gaps. External consultants and in-house trainers can assist by conducting sessions that help employees raise their levels of awareness about the issues of diversity in their workplace, some of which may be directed at learning about the cultural norms of different geographical groups (Robbins et al. 2009).

5.5.5 Leadership and accountability

Greenhaus & Callan (1994) observed that a lack of commitment and responsibility throughout the organisation was a major impediment to the successful management of organisational diversity. Cox and Blake (1991) maintain that top management support and genuine commitment to cultural diversity is crucial. Leadership at all levels require an understanding of the importance of managing diversity to the productivity of the organisation

and the appreciation of the similarities and differences between members of different cultural groups (Caudron,1992).

An organisation seeking to manage diversity effectively should develop a vision of multiculturalism that is central to the organisation's mission and communicate that vision to all of the organisation's constituencies; eliminate discrimination in hiring; identify the most salient issues that interfere with effectiveness in the diverse work environment; provide opportunities for employees to understand and appreciate differences among people; address significant language conflicts; develop and implement effective sexual harassment policy; ensure that its career policies and systems do not give unfair advantage or disadvantage to members of different cultural groups; develop family-responsive programmes and policies; and exercise consistent leadership and accountability for diversity throughout the organisation (Greenhaus & Callan,1994).

5.6 Summary of the chapter

This chapter provided an overview to determine whether the workplace diversity policies were effectively implemented in the financial institution in the Western Cape. Furthermore it is of utmost importance that the employees of the financial institution be made aware of the organisational commitment to diversity management. The successful implementation of diversity management will bring about positive employee attitude and well as a competitive organisation.

5.7 Limitations of the Research Study

Although the present study has made a contribution to the body of knowledge on workplace diversity, a number of limitations are worth noting.

The research study was done in one financial institution in the Western Cape, thus the finding cannot be generalised to various other financial institutions in the industry. Although the financial institution has many strategic business units, the study was done in the retail and business bank section of the financial institution only.

The study utilises a non-probability sample method in the form of convenient sampling. As a result of this, certain groups are under-represented, thus selection bias has been introduced.

This however will reduce the extent to which the results of the study may be generalised to the entire population to which the selected research hypothesis may apply.

Only questionnaires were used in the study, however the research study could also have consisted of surveys or interviews or a combination of the two. The questionnaires were hand delivered to the participants, and this could have easily been lost or misplaced. If the questionnaires were emailed and hand delivered, the participants would have a soft copy just in case they misplace the first copy.

The sample size of the research study was deemed large enough to be representative of the population; a large sample would have increased the generalizability of the research. Although the sample size of three hundred and nine (309) respondents was deemed large enough to be representative of the approximately four thousand eight hundred (4800) population under study, a larger sample would, nevertheless, have increased the generalizability of the research findings. The short coming thus threatens the external validity of the study.



5.8 Recommendation for future research

On the basis of the present study, a number of suggestions may also be made with regards to further research that may prove fruitful.

The findings of the research study were done at only one financial institution in the Western Cape. In order to make this finding more generalizable the study should not be limited to the one financial institution, but should be done in other financial institutions in the Western Cape and also in South Africa.

Only questions were used in the research study. The research study could have been determined through questionnaires, surveys and interview as a combination or individually. The research study used a sample ($n = 309$) and the data was collected in only one financial institution, thus the findings cannot be generalised to various financial institutions in the industry.

The sample sized used in the study ($n = 309$) was too small to indicate a true reflection of the population within the financial institution. For a more fair and reliable result of the research study, a larger more representative sample should be used.

The majority of the research was done on individuals between the age of 20-35 (n = 140) and a lesser number was research between the ages of 51-65 (n = 40). The latter age group would be more predisposed to diversity issues than the younger group and this might have yielded a different outcome. In the research study more females (n = 205) completed the questionnaires than males (n = 104). In future an equal number of males and females should be tested in order to get an accurate and more representative sample, this may have yielded a different result.

In terms of the racial composition, out of the 309 individuals that completed the questionnaire, 182 were Coloured, 2 Indian, 28 African and 97 White. The racial composition mostly affected by diversity is Africans, Whites and this is why a larger sample size should be tested to credit a balanced diversity view.

The research that was done in this study was quantitative as only questionnaires were used to determine the result of the study. In future researchers could make use of a more qualitative research study. This could possibly yield different results.



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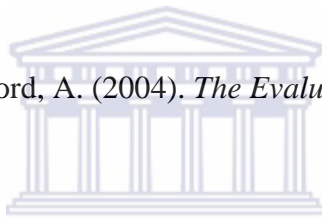
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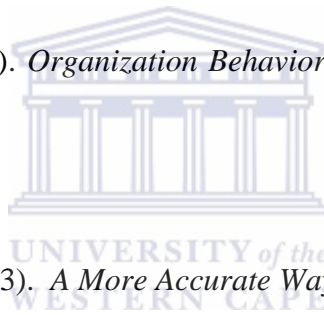
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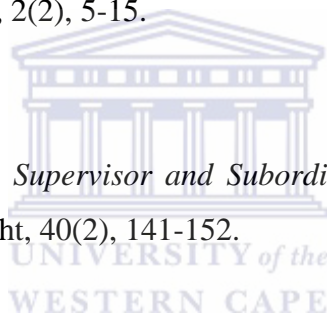
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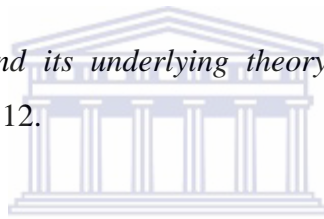
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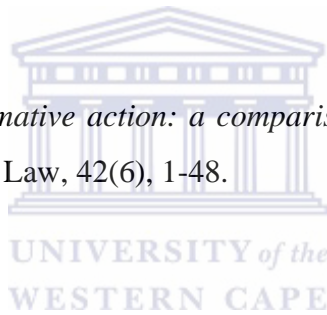
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Appendix 1

The University of the Western Cape

Department of Industrial Psychology

Modderdam Road

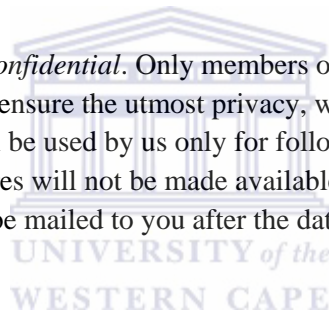
Bellville, 7535

Date: 18 June 2011

Dear Participant

The attached questionnaire is designed to study the perception of Diversity Management in a financial institution based on age and occupational levels of its employees. The information you provide will help us better understand the perception of diversity management. Because you are the one who can give us a correct picture of how you experience Diversity Management in the organisation, I request that you respond to the questions frankly and honestly.

Your response will be kept *strictly confidential*. Only members of the research team will have access to the information given. In order to ensure the utmost privacy, we have provided an identity number to each participant. This number will be used by us only for follow-up procedures. The numbers, names or the completed questionnaires will not be made available to anyone other than the research team. A summary of the results will be mailed to you after the data are analysed.



Thank you very much for your time and cooperation. I greatly appreciate your organisation's and your help in furthering this research endeavour.

I would like to take this opportunity to thank you in advance for your co-operation. .

Sincerely

Kareemah Carelse

Student

Karl Heslop

Lecturer

BIOGRAPHICAL INFORMATION

In order to assist with the research study, complete the following details by marking the appropriate box clearly with and X e.g.

1. Your age (years)

- Under 20
- 20 – 35
- 36 – 50
- 51 – 65
- Over 65

2. Your highest completed level of Education

- Primary School
- High School
- Diploma
- Degree
- Other (Specify)



3. Your Gender

- Female
- Male

4. Your Race

- White
- Coloured
- Indian
- African

5. Your Marital Status

- Married
- Single
- Widower
- Divorced or Separated
- Other (Specify)

6. First Language

- English
- Afrikaans
- Xhosa
- Other

7. Number of years with the organisation

- 0 – 3
- 4 – 7
- 8 – 10
- 11+

8. Salary (Nett per month)

- R0 – R4 999
- R5 000 – R9 999
- R10 000 – R14 999
- R15 000 – R19 999
- R20 000+



9. Job Status

- Teller
- Customer Service Clerk
- Consultant
- Specialist Manager
- Branch Manager
- Other

10. Job Grade

- BB
- CC/TT
- MM/PP
- Other

Appendix 3

WORKPLACE DIVERSITY SURVEY

Directions: Please circle the number that best reflects your view of diversity in the workplace for each of the following 20 items.

	1 Disagree	2 Disagree Somewhat	3 Neither Agree nor Disagree	4 Agree Somewhat	5 Agree
1. I believe that diversity is fair.	1	2	3	4	5
2. Diversity is stressful for me.	1	2	3	4	5
3. I feel enthusiastic about diversity.	1	2	3	4	5
4. Diversity is expensive for organisations.	1	2	3	4	5
5. Diversity leads to harmony in organisations.	1	2	3	4	5
6. I feel frustrated with diversity.	1	2	3	4	5
7. I feel hopeful about diversity.	1	2	3	4	5
8. I believe that diversity is hopeless.	1	2	3	4	5
9. I support diversity efforts in organisations.	1	2	3	4	5
10. I withdraw from organisational diversity efforts.	1	2	3	4	5
11. Diversity is rewarding for me.	1	2	3	4	5
12. I feel resentful about diversity.	1	2	3	4	5
13. Diversity is an asset for organisations.	1	2	3	4	5
14. Diversity leads me to make personal sacrifices.	1	2	3	4	5
15. I participate in organisational diversity efforts.	1	2	3	4	5
16. I resist organisational diversity efforts.	1	2	3	4	5
17. I believe that diversity is good.	1	2	3	4	5
18. Diversity is unprofitable for organizations	1	2	3	4	5
19. Diversity is enriching for me.	1	2	3	4	5
20. I believe that diversity is unjustified	1	2	3	4	5