



UNIVERSITEIT VAN PRETORIA
UNIVERSITY OF PRETORIA
YUNIBESITHI YA PRETORIA



The drivers and restraining factors for achieving employment equity at management level in gold mining companies

Nico Schoeman

91132585

A research project submitted to the Gordon Institute of Business Science,
University of Pretoria, in partial fulfilment of the requirements for the degree of
Master of Business Administration

10 November 2010

ABSTRACT

South African gold mining companies fail to meet employment equity targets at management level. The research aimed at establishing the level of Blacks in junior, middle and senior management positions in South African gold mining companies and to gain an understanding of the drivers and restraining factors for achieving employment equity at management level. Qualitative research was undertaken comprising focus group discussions with Black managers in the gold mining industry and with the Department of Mineral Resources. This was supplemented with in-depth interviews with gold mining HR and transformation managers/executives, labour unions and the Department of Labour. The research confirmed the current level of Blacks in management in gold mining companies, ranging between 23% and 29.6%. A conflict was identified between the Department of Mineral Resource's "compliance" approach compared to gold companies' "commitment" approach to employment equity transformation. Transformation Planning, Individual Development Support and Employment Equity Support Structures emerged as the key employment equity transformation themes. These were captured in the "three pillar" model to guide improved employment equity transformation in South African gold mining companies.

KEYWORDS

employment equity, transformation, drivers, restraining factors, management

DECLARATION

I declare that this research project is my own work. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree or examination in any other University. I further declare that I have obtained the necessary authorisation and consent to carry out this research.

Nico Schoeman

Date

Acknowledgements

A special thanks to my wife, Hanlé and my kids, Johlee and Justin, for their continued love and support over the last two years. It is sincerely appreciated and I love them so much.

Thank you to my research supervisor, Professor Karl Hofmeyr for his guidance and support throughout my research project.

Thank you to my mom, Mara and my dad, Andries for always thinking of me in their prayers.

TABLE OF CONTENTS

1. INTRODUCTION AND RESEARCH PROBLEM	1
1.1 Research title.....	1
1.2 Research problem	1
1.2.1 Transformation – a national imperative	2
1.2.2 Transformation legislation	3
1.2.2.1 The Mining Charter.....	3
1.2.2.2 The Broad-based Black Economic Empowerment Act.....	4
1.2.2.3 The Employment Equity Act	4
1.2.3 Employment equity transformation – what is the problem?.....	5
1.3 Research objectives	6
2. LITERATURE REVIEW	8
2.1 Transformation and the need for change.....	8
2.2 Transformational change management	9
2.2.1 Transformational change models.....	9
2.3 Employment equity and affirmative action	14
2.4 Employment equity models.....	15
2.4.1 Job-sharing model	15
2.4.2 Human resource planning model	16
2.4.3 Space creation model	16
2.5 Leadership.....	18
2.6 HR management.....	21
2.6.1 Compliance versus commitment	21
2.6.2 The role of the HR function	22
2.6.3 Recruitment vs. leadership development	22
2.6.4 Succession planning and talent management.....	24
2.6.5 Coaching and mentoring.....	26
3. RESEARCH QUESTIONS	29
4. RESEARCH METHODOLOGY	30
4.1 Choice of methodology	30
4.2 Unit of analysis	33
4.3 Population.....	33
4.4 Sampling.....	34
4.5 Data collection procedure	34
4.6 Data analysis	35
5. RESULTS.....	39
5.1 Introduction.....	39
5.2 What is employment equity?.....	40
5.3 Black representation at management level.....	42
5.4 Employment equity drivers.....	43
5.5 Employment equity restraining factors.....	51
5.6 Force field analysis.....	62

5.7	How to improve employment equity transformation	62
6.	DISCUSSION OF RESULTS	71
6.1	Introduction	71
6.2	What is employment equity?.....	71
6.3	Black representation at management level.....	72
6.4	Employment equity drivers.....	73
6.5	Employment equity restraining factors.....	79
6.6	How to improve employment equity transformation	84
7.	Conclusion	88
7.1	Why do employment equity transformation efforts fail?	88
7.2	What has contributed to employment equity transformation successes?.....	89
7.3	How to improve employment equity transformation?	90
7.4	Future research	91
8.	REFERENCES	92
9.	APPENDICES	98
9.1	Appendix A: In-depth interview questionnaire.....	98
9.2	Appendix B: Focus group discussion questionnaire	99

LIST OF TABLES

Table 1:	Employment equity themes based on in-depth and focus group responses	41
Table 2:	The level of Black representation at management level in five JSE-listed gold mining companies	43

LIST OF FIGURES

Figure 1:	Oakland and Tanner's Change Management Framework	11
Figure 2:	Space creation model	18
Figure 3:	A diagrammatic presentation of the research process.....	32
Figure 4:	Kurt Lewin's force field analysis diagram	36
Figure 5:	Sample display of the outcome of the force field analysis	38
Figure 6:	Force field diagram of the drivers and restraining factors of employment equity in South African gold mining companies	62
Figure 7:	The “three pillar” model for improved employment equity transformation	87

1. INTRODUCTION AND RESEARCH PROBLEM

1.1 Research title

The drivers and restraining factors for achieving employment equity at management level in gold mining companies.

1.2 Research problem

Mining companies in South Africa are failing to meet the government's imperative of economic transformation. Black individuals represent 83% of South Africa's population, yet 84% of mine management jobs are held by white individuals, predominantly white males (Davenport, 2010). The Commission for Employment Equity ("CEE") confirms that ten years after enacting the Employment Equity Act ("EEA"), "White males still dominate the top echelons of the workplace, yet they are in the minority" (Commission of Employment Equity, 2010, p.iv). With reference to the mining and quarrying industry Black representation at top, senior and middle management level is sitting at 20.6%, 22.8% and 35.5% respectively. At top management level, the representation of white males corresponds with other industries. At senior management level, white male representation ranks first out of all industries and mining and quarrying ranks only second to the construction industry at middle management level. Despite a slight improvement in Black representation at all management levels across all industries since 2001, it is disconcerting that Black representation in mining and quarrying is well below the "all industries" average (Commission of Employment Equity, 2010). This begs the question as to why

the mining industry is failing to transform equitably at management level compared to the other industries.

The mining industry's slow pace of transformation has been attributed to a number of factors. A lack of Black mining skills feature strongly amongst other factors such as poor leadership commitment, failure to identify and manage a Black talent pool, transformation legislation and industry's failure to understand the required change is on the radical transformation end of the scale (Esterhuysen, 2003).

Throughout this report, the generic term "Black" will be used to refer to indigenous African, Coloured and Indian people, unless otherwise stated (Selby & Sutherland, 2006).

1.2.1 Transformation – a national imperative

Transformation by definition is marked by change. The government of South Africa's imperative is to bring about economic change that can meet the needs of all economic citizens in a sustainable manner. This can only be achieved if the economy is built on the potential of all people and communities across the length and breadth of the country (Department of Trade and Industry, 2005).

Transformation in mining is focused on expanding opportunities for Historically Disadvantaged South Africans ("HDSA") to enter the mining and minerals industry or benefit from the exploitation of the nation's mineral resources. HDSA refer to all persons and groups who have been discriminated against on the

basis of race, gender and disability. White women are included in the definition of HDSA.

1.2.2 Transformation legislation

1.2.2.1 The Mining Charter

The transformation imperative in mining is primarily regulated by the requirements of the Broad-Based Socio-Economic Empowerment Charter for the South African Mining Industry (“Mining Charter”). The Mining Charter aims to encourage black economic empowerment (“BEE”) and transformation at the tiers of ownership, management, skills development, employment equity, procurement and rural development to rectify the imbalances of the past (Department of Mineral Resources, 2002). The Mining Charter measures the employment equity tier of broad based socio-economic empowered with a scorecard that requires stakeholders to aspire to a baseline of 40% HDSA participation in management within 5 years. Stakeholders should also aspire to 10% representation of women in the mining industry during the same period. In support of achieving these targets, mining companies should subscribe to focusing overseas placement and/or training programmes on HDSA and to identify an HDSA talent pool and fast tracking it. The five year deadline for achieving the Mining Charter’s employment equity targets expired in 2009. Reflecting on the results as published in the 10th CEE Annual Report for the period 1 April 2009 to 31 March 2010, in 2010 employment equity is the worst performing pillar of BEE (Commission of Employment Equity, 2010).

1.2.2.2 The Broad-based Black Economic Empowerment Act

Transformation is inextricably linked to an agenda to liberate South Africa from the legacy of apartheid. One of the issues on the agenda is equitable access to scarce resources, opportunities and skills. Affirmative action and black economic empowerment are some of the procedures utilised to address these issues (Esterhuyse, 2003). The Broad-based Black Economic Empowerment Act (“BBBEEA”) No. 53 of 2003 shares the Mining Charter’s employment equity objective of economic empowerment through the change in the racial composition of management structures (Department of Trade and Industry, 2003).

1.2.2.3 The Employment Equity Act

The Employment Equity Act No. 55 of 1998 is less focused on economic empowerment. Its purpose is to achieve equality in the workplace through the promotion of equal opportunity and fair treatment and the implementation of affirmative action measures to ensure equitable representation in all occupational categories and levels in the workforce (Department of Labour, 1998). Greef and Nel (2003) suggest selection policies, supernumeraries, training and development, coaching and mentoring, succession planning, accelerated promotions/advancement, early retirements, natural attrition, organisational restructuring and affirmative procurement as measures to enhance affirmative action.

1.2.3 Employment equity transformation – what is the problem?

There is broad speculation as to why mining companies fail to transform. The research focuses specifically on the employment equity tier of BEE and transformation in gold mining companies as per the Mining Charter requirements.

The problem is that the forces that seek to promote change (“drivers”) and those attempting to maintain the status quo (“restraining factors”) of employment equity at management level in gold mining companies is unknown. The research seeks to investigate the level of Black representation at “junior,” “middle” and “senior” management level in gold mining companies. The particular problem is to establish the drivers and restraining factors of employment equity at management level in gold mining companies. An improved understanding of why gold mining companies fail to meet employment equity targets will facilitate an employment equity strategy and accelerate the implementation thereof. The research gives guidance on which change models are most applicable to bring about the change that is required for achieving employment equity targets. In the interim, the need for change to achieve employment equity remains a national priority to enable HDSA’s participation in and contribution to the South African economy.

Junior, middle and senior management is defined as grade C and above according to the Paterson job grading system (“Paterson”) and level 12 and above on the Peromnes job grading system (“Peromnes”). Paterson and Peromnes are analytical methods of job evaluation, used predominantly in South Africa. Paterson ranges between level A at the bottom end of the scale

and level F at top management level. Paterson grade C involves junior management's ability to make routine decisions (Diamond, 2010).

Peromnes grades top management as level 1++ and unskilled and defined decision-making at level 19. Peromnes level 12 is classified as skilled technically and academically qualified workers (junior management, supervisors, foremen and superintendents) (Group 5, 2006). The generic term “management” will be used throughout the report to refer to junior, middle and senior management.

1.3 Research objectives

The South African mining industry has failed to meet the legislated 2009 employment equity targets. The evidence suggests that transformation has shown little improvement over the last 10 years and the industry has significantly underperformed compared to the “all industries” transformation performance. The mining industry in general, but equally the gold mining industry is under increasing pressure to rectify the employment equity underperformance of the past. An understanding of the drivers and restraining factors of employment equity will provide the gold mining industry with guidance as to the identification of key performance indicators to redress the transformation shortcomings of the past.

The primary research objectives are:

1. To determine if a common understanding of “Employment Equity” exists.
2. To establish the level of Black representation at management level in gold mining companies
3. To investigate the drivers for achieving employment equity at management level in gold mining companies
4. To uncover the restraining factors for achieving employment equity at management level in gold mining companies
5. To gain an understanding of what can be done to improve the employment equity transformation at management level in gold mining companies.

2. LITERATURE REVIEW

2.1 Transformation and the need for change

Transformation has become a buzz-word in the South African lexicon, yet very few leaders have defined what is meant by “transformation” (Thomas and Robertshaw, 1998). Esterhuysen (2003, p.1) defines it as “a global phenomenon, encompassing many spheres of life”. Levy and Merry (1986) refer to transformation in an organisational context. They define it as a condition that requires change to the extent that to continue to exist, the organisation needs a drastic reshuffling in every dimension of its existence. Cox (2003) describes it as achieving paradigmatic change that helps the organisation create desirable future environments. The consensus view is that transformation goes beyond “change” and requires radical action.

Overcoming the legacies associated with the South African apartheid era, required radical change. Martel (1986, p.18) describes this type of change as “structural change” emphasising the fact that fundamental transformation is what is required. Breaking the evolution chain of apartheid would require a “new government structure” to bring about a culture change, new core values and equitable access to resources, opportunities and skills (Selby & Sutherland, 2006). Cox (2003, p.98) agrees with this and confirms that transformation is “changing the deeper levels of culture ...” Esterhuysen (2003) refers to this as the moral perspective of dismantling the legacy of apartheid.

The new government structure was established in 1994 when the African National Congress (“ANC”) came into power. The ANC has outlined broad

economic strategies and set a target to achieve economic transformation by 2014. Despite a number of interventions aimed at overcoming the inequalities of the past, vast inequalities in the distribution of and access to wealth, income, skills and education persist. The result is an economy that continues to perform below its potential and fails to meet the strategic objectives of transformation (Esterhuysen, 2003).

2.2 Transformational change management

Leaders in the South African mining industry are faced with the challenge to elevate transformation as a strategic objective with equal priority to cost, production and safety objectives. Nkomo and Cook (in Luiz, 2006) describes this as the business leader's paradoxical situation - the need to make the business leaner to be more competitive, while at the same time developing people and contributing to the socioeconomic upliftment of the community at large. A wide range of authors describe transformational change as change which is driven by changes in the business operating environment, and which affects multiple aspects of organisational systems, structure and practices.

2.2.1 Transformational change models

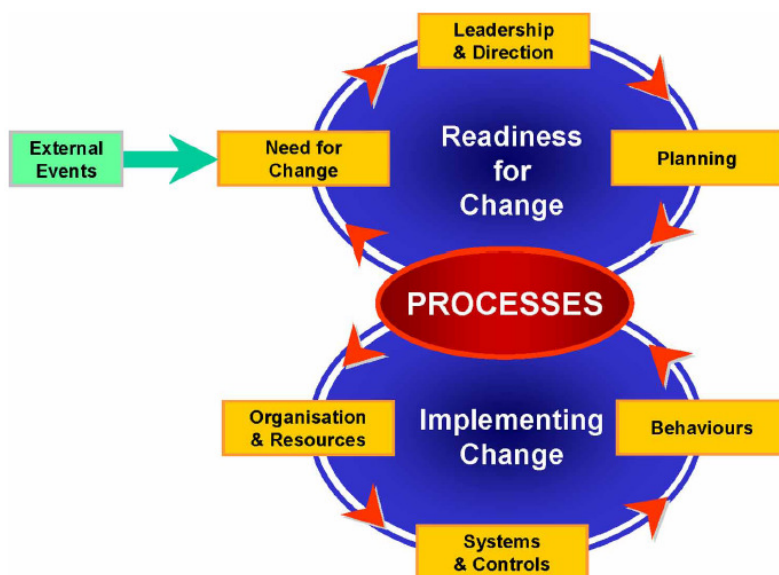
The implementation of transformation initiatives requires radical change at organisation level. Most change initiatives have a very low success rate. The success of organisational change programmes and the effectiveness of change management have been questioned, as is evidenced by the very high failure rates (Cao & McHugh, 2005). Beer and Nohria (2000) claim that only a third of change initiatives are a success. Kotter (2000) supports this view and confirms

that the success of corporate change efforts tilt toward the “utter failures” end of the scale. He contributes transformation failures to eight errors namely 1) not establishing a great enough sense of urgency, 2) not creating a powerful enough guiding coalition, 3) lacking a vision, 4) under-communicating the vision by a factor of ten, 5) not removing obstacles to the new vision, 6) not systematically planning for and creating short-term wins, 7) declaring the victory too soon and 8) not anchoring changes in the corporation’s culture. He communicates the opposite of each of these errors as a model to guide successful transformation and refer to it as “Eight steps to transforming your organization” Kotter (2000, p.61).

Oaklan and Tanner (2007) identified five critical factors for successful change management. Project ownership through a dedicated project champion is seen as the first of these success factors. This needs to be: 2) supported by a project management approach with clear goals and deliverables, 3) natural work team process - the empowered cross functional, multi-disciplinary teams bring broad perspective and an in-depth knowledge, encourage innovation and breakthrough thinking, 4) ensure objective and integrated recommendations and 5) management commitment through visible participation and the use of consultants with industry knowledge to facilitate the overall process completes their findings. The analysis of their findings culminate in an organisational change framework (Figure 1), which has two interacting cycles, initiated by external change, such as the Mining Charter employment equity targets, as the change driver. “Readiness for Change” as the first cycle corresponds with Kotter’s model and prescribes the “need for change” as the first step to focus the stakeholders’ desire for change. Clear and consistent “Leadership and

Direction” turns the need into expectations, followed by “Planning” to focus people’s minds on the strategic objectives. The organisational “Processes” link the first cycle and “Implementing Change” as the second cycle. Processes drive the way the “Organization and Resources” work – the structure, roles, competencies and resources deployed. Performance measures and technology then support the organisation’s “Systems and Controls”. This is where “Behaviour” comes in – all the elements of the organisational change framework drives “Behaviour”. Returning to “Process” closes the “figure of 8”.

Figure 1: Oakland and Tanner's Change Management Framework



Pagan (2008), in her review of “The Leadership Challenge – A Call for the Transformational Leader”, looks at change at the individual’s level and suggests that change for individuals is a three-phase process – “Endings, Neutral Zone and New Beginnings”. “Endings” allow individuals to disengage, disidentify, disenchant, and disorientate with past practices, such as the imbalance in equal opportunity for Blacks in the work place. In the “Neutral Zone” individuals are emotionally unconnected from the future. Transformational leaders play a

critical part in this phase to guide employees through this process by replacing past achievements with future opportunities for glory – an economy that benefits from the equal participation of all South Africans. In the “New Beginnings” phase employees learn from the past, rather than dwell on it, and become excited about future possibilities.

Cummings and Worley (2008) suggest that the diversity of practical advice for managing change can be organised into five categories, irrespective of the complexity of the change management process. Motivating change is the first step in contributing to effective change management. Creating a vision and developing political support are the next change management steps, which also correspond with Kotter’s second and third steps. The authors stress the importance of managing of the transition as a fourth step and conclude with sustaining momentum as the final step in the change management process.

Beer and Nohria (2000) proposed two dramatically different approaches to organisational change. They refer to it as theory E and theory O. Theory E is singularly focused on economic value, whereas theory O looks at the human capability within the organisation to implement strategy. Theory E advocates a top-down leadership approach. The change effort is predominantly driven by changing the strategies, structures and systems – the “hardware” of the organisation which is encapsulated in a comprehensive battle plan. Theory E relies heavily on financial incentives and creating economic value (Beer & Nohria, 2000).

Theory O focuses on effectiveness and efficiency with which work is carried out at all levels. It is characterised by leadership that believes the change problem is one of changing culture. Theory O leadership believes in high levels of involvement and collaboration to bring about economic value-add. People are motivated by the way management involves them and financial incentives are supplementary.

Beer and Nohria (2000) argue that neither of these archetypal change management approaches, when applied in isolation, achieves the change management objectives namely to increase shareholder value and to achieve cultural transformation. The authors claim that theory E and theory O should be combined to enable an institution to adapt, survive and prosper in the long run.

The South African government's role in bringing about structural reforms to promote employment equity and economic development clearly signifies the theory E, top-down leadership approach. It aims to bring about economic value to HDSA's and confirms the government's role as the theory E change agent. Economic transformation and employment equity in the South African mining industry can only survive and prosper if institutions fully accept their role as the theory O change agents. It asks of institutions to adopt a leadership approach that will bring about a cultural change which is aligned with the objectives of the Mining Charter.

Neither Kotter's "eight steps" approach, Cummings and Worley's five steps nor Beer and Nohria's Theory E and O approach guarantee to improve the success of employment equity change initiatives, but certainly provide guidance that is

worthwhile considering to accelerate the radical change required to accelerate employment equity in the mining industry.

2.3 Employment equity and affirmative action

The Mining Charter requires an undertaking from stakeholders in the mining industry to create an enabling environment for the empowerment of HDSA's by subscribing to employment equity.

Employment equity is a highly emotive topic. The South African work place is characterised by adversarial relationships, a lack of trust, a lack of commitment and motivation and low levels of productivity (Thomas and Robertshaw, 1998).

The promulgation of the EEA was one of a few interventions to bring about structural reforms to redress racial discrimination, promote equity and ensure economic development, employment creation and poverty eradication (Selby & Sutherland, 2006). Affirmative action was introduced as the mechanism to fast track this process. The EEA also required of designated employers to implement an affirmative action strategy and develop an Employment Equity Plan ("EEP").

Affirmative action was aimed at advancing people from designated groups, which included involving preferential treatment in appointments and promotions (Thomas & Robertshaw, 1998). This stimulated debate on unfair discrimination, especially amongst white South Africans. Alexander (2006, p.3) believes that it is "one of the most sensitive issues in the new South Africa" and that it is a "perpetuation of racial identities".

Thomas (1996) links equal employment opportunity to companies' competitive advantage and business survival. Charoux and Moerdyk (1997) also recognise employment equity as a necessity to ensure that all the skills in the country are developed and utilised to further South Africa's economic growth and ensure its global competitiveness. They add pressure from other stakeholders such as labour unions and the Black Management Forum and the organisation's moral obligation to redress the injustices of apartheid, as key drivers of employment equity.

The promulgation of the EEA and the requirement by designated companies to develop an EEP provided a framework for successful transformation and the natural progression of HDSA managers into management positions. Burger and Jafta's (2010) empirical assessment of the impact of affirmative action proof the contrary. They prove that during the period 1997 to 2006, the effect of affirmative action policies in reducing employment and wage gaps have been marginal at best. It confirms that the EEA and EEP have failed to achieve their objectives and begs the question as to what should be done to ensure equal employment opportunity.

2.4 Employment equity models

2.4.1 Job-sharing model

Greef and Nel (2003) propose a job-sharing model to promote employment equity. They view this model as a "possible means of creating additional capacity in the organisation and addressing the aspects relating to transformation in the South African labour market" (Greef & Nel, 2003, p.53). It

entails a process of dividing a full-time job into two or more part-time positions. Two or more employees hold a position together and are responsible either jointly or individually only for the part of the job that they carry out. The benefits of the job-sharing model to support the advancement of HDSA still need to be tested. One potential benefit of the job-sharing model may be the training of an HDSA as a replacement before a white counterpart retires or exits the industry.

2.4.2 Human resource planning model

Boonzaaier and Boonzaaier (1999) suggests a comprehensive human resource (“HR”) planning model comprising a HR demand forecast phase, a HR supply forecast phase and a reconciliation phase. The model integrates resource planning with employment equity. It not only considers the job category, but also includes information on the desired make-up per category for example male versus female and Black versus white. It intrinsically has a future outlook on the resource requirements and supports a mindset of “growing” leaders, rather than “mining” them.

2.4.3 Space creation model

Selby and Sutherland (2006, p.25) says that “for employment equity to be successful it should be tackled in a holistic manner”. Their model for managing the process of employment equity builds on Boonzaaier and Boonzaaier’s model, but also considers Beer and Nohria’s Theory of E and O change as well as the drivers of employment equity identified by Charoux and Moerdyk. The authors advocate a strong and clearly articulated business case for employment equity, which alongside with production, cost and safety should be incorporated

in the strategic objectives of the organisation. The transformation objectives are cascaded into the company's HR strategy and HR planning activities by comparing labour demand and supply forecasts and developing action plans accordingly. This will enable the organisation to select from a number of strategies such as traditional affirmative action measures and "space creation" to achieve transformation objectives (Selby and Sutherland, 2006).

Selby and Sutherland (2006) further speaks about Beer and Nohria's organisational change model and views interventionist "space creation" strategies for accelerating change as an E-type change. They more specifically consider this as change where shareholder value embraces the relationship with government and compliance with the EEA and BBBEEA. The other softer elements such as accelerated development, succession planning and talent management are seen as O-type management interventions. The "space creation" model is offered as an alternative for accelerating employment equity at management level.

Space creation is defined as "any course of action which persuades senior white managers to leave the organisation to create opportunities for black managers to assume their roles" (Selby & Sutherland, 2007, p.2). The model is divided into four quadrants, with a "risk" rating on the X-axis (increasing from left to right) and a "rewards" rating on the Y-axis (increasing from bottom to top). The model proposes job shadowing, expatriate assignments and retaining as a medium-term strategy with a low risk and high reward. Natural attrition, normal retirement, resignations and promotions are also classified as low risk interventions with the risk that the process is too slow and white incumbents

Cianciolo and Sternberg (2004) define leadership as the nature of the influencing process and its resultant outcomes. Their view of “empowered followers” as a necessary condition for effective and authentic leadership supports the principles of BEE and employment equity. Environmental pressures such as the EEA and the Mining Charter may pressure firms to implement employment equity, but decision-makers exercise strategic choice in the way they respond to these pressures. Strategic choice allows leaders to act in their own free will. The voluntary adoption of employment equity transformation is an example of strategic managerial choice. Strategic leadership asks of leaders to take a personal stand on the need for change, act as a role model for the behaviours required for change and assist with the work of moving transformation initiatives forward. Eddy (2008) considers a third alternative, that organisations and their commitment to transformation is a reflection of its top executives more particularly the characteristics of the Chief Executive Officer (“CEO”).

Salancik (1977a, p.62) defines commitment as “a state of being in which an individual becomes bound by his actions and through these actions to beliefs that sustain the activities and his (or her) own involvement”. Booyesen (2007) identified top management’s lip service and low commitment to employment equity as a driver of high attrition rates among Black recruits.

Oakland and Tanner (2007) identify leadership as one of the main themes in achieving successful change management. Their findings confirm leadership’s key role as setting direction, inspiring change throughout the organisation and ensuring that change is implemented. In achieving world-class performance,

leaders have a role in developing a number of critical competencies related to help focusing individual attention on organisational mind-sets, facilitating strategy implementation and building change capability. Related to leadership is the need to identify and define the change that is required. Senge (2000) agrees that top management plays a part in developing the change strategy, but argues against the myth that significant change can only occur when it is driven by an omnipotent CEO. He agrees that leaders have a unique mix of skill, ambition, vision, charisma and no small amount of hubris, but that sustainable change requires leadership coming from many people in many places in the organisation, building institutions that continually adapt and reinvent themselves. Kotter (1999) classifies this as people in jobs of significance. He argues that better leadership skills are required in these jobs – leaders who help people see the need for change and ensure that everything does not creep back to tradition. Transformational employment equity requires leadership that can bring about fundamental changes in the organisation’s basic political and cultural systems – transformational leaders.

Gill (2001) refers to the intellectual/cognitive (“thinking”), the spiritual (“meaning”), the emotional (“feeling”) and behavioural (“doing”) dimensions and requirements of leadership. Effective leadership of change reflects all of these dimensions. The author’s integrative model of leadership for successful change explains the vision, values, strategy, empowerment and motivation and inspiration as the elements of successful change management leadership. “Change requires good management, but above all it requires effective leadership” (Gill, 2001, p.317).

2.6 HR management

2.6.1 Compliance versus commitment

The government of South Africa's imperative to bring about economic change that can meet the needs of all economic citizens in a sustainable manner is built on the potential of all people and communities across the length and breadth of the country. This is supported by the Mining Charter's employment equity objective of economic empowerment through the change in the racial composition of management structures. The development of human capital to support the value creation imperative, calls for organisation to take ownership for the development of the South African HDSA human capital – move from “compliance” to “commitment” and elevate HR management and transformation to be a major strategic focus in the organisation. Schiuma, Lerro and Sanitate (2008) define human capital as the organisation's resources and assets related to a firm's people. These resources and assets define the value of the firm, from a static point of view, as well as represent key critical operative factors to support and drive value creation dynamics over time. Human capital contributes to create value because an increase in worker skills, knowledge, and abilities most likely translates into increased organisational performance. Schiuma *et al.* (2008) stress formal training of people, education of people, leadership and management ability and the ability of people to manage change as some of the most important human capital components.

The question arises as to whether South African gold mining companies are committed to achieve employment equity targets through the development of human capital or are they merely seeking compliance. Senge (1999) states

that “high commitment” work environments are more productive and supports the notion of the business imperative associated with training and development of people.

2.6.2 The role of the HR function

Historically HR executives have not been strategic business partners. The HR function was primarily focused on cost control and administrative activities (Lawler, 2005). Ulrich (1997) argues that the HR function needs to become strategically proactive and go beyond administrative expertise. “It needs to be an expert in strategic business partnering, change management, and employee advocacy” (Lawler, 2005, p.3). This stresses the importance of the HR practitioner’s role as strategic business partner to create value through transformational employment equity and change agent to bring about the radical change required to achieve the national economic imperative through excellence in HR practices.

2.6.3 Recruitment vs. leadership development

HDSA mining employees continue to be poorly represented at management level in the South African mining industry. A number of reasons exist why the majority of management positions are still held by white individuals. Cox’s (2003) investigation reveals that Black mining graduates leave the gold mining industry because of the inability to fit into the mining culture. He claims that it is a culture where employees’ differences and strengths are not appreciated. Booysen (2007) findings suggest amongst others “A white male dominant organisational culture that continues to exclude (formally or informally through

exclusionary network practices) black recruits” and a lack of cultural sensitivity and cultural awareness programmes as contributors to the falling retention rate of black recruits. She also confirms that the attrition of Black recruits are not limited to the mining industry, but is happening in many South African firms who are losing black recruits as fast as they recruit them.

The absence of HDSA management skills development during the apartheid era created a talent void, which in the post apartheid years has still not been adequately filled. It created an imbalance between available skills in the market and the Mining Charter’s employment equity targets (40% HDSA’s in management by 2009). The result was “intense recruiting wars for talent” and way too little thought was given to formal development systems (Hammett, 2008). Considering the HDSA talent void and the skills imbalance, employment equity has become an issue built around compliance, and fails to satisfy the value creation imperative. Efforts to find the balance between commitment and compliance and to fast track employment equity value add, creates an exaggerated demand for recruiting from the outside.

Charan, Drotter and Noel (2001) argue that recruiting from the outside and taking risk may seem like a solution, but it is a solution with short term benefits only. They much rather favour a long term approach of building, maintaining and developing a pipeline of skilled, prepared leaders from within the company. This approach is however not immune to failure. Companies like Xerox have tried this and failed primarily because it failed to develop managers who:

- “Were prepared and had the necessary skills to be effective at the next level,

- Could understand what is unique about their job, especially compared to the jobs held by their boss and direct reports and
- Could hold their direct reports and themselves accountable for achieving the right results in the right way” (Charan *et al.*, 2001).

The major benefit of a leadership pipeline is job accountability at every level of the pipeline. The leadership pipeline delivers a number of benefits, but the greatest success is achieved when moving people upward only when they have mastered the assigned level (Charan *et al.*, 2001).

The failure of the mining industry to prepare managers for the future is however not unique to the industry. Groves (2007) acknowledges that these challenges exist in organisations of all sizes and industries. He does however specify practices to effectively build the leadership pipeline namely 1) develop a mentor network, 2) active manager participation in identifying the employee talent pool, 3) fully engage managers at all levels in leadership development activities, 4) ensure a flexible and fluid succession plan, 5) create organisation-wide forums for exposing high potentials to multiple stakeholders, 6) establish a supportive organisational culture and 7) empirically evaluate the effectiveness of leadership development practices.

2.6.4 Succession planning and talent management

Succession planning is a logical step to achieving employment equity targets, yet it should not be confused with replacement planning. Hammett (2008) makes it clear that the goal of succession planning is not to align talent with the current needs (replacement planning), but rather to ensure management

development with the organisation's future needs. Hammett (2008, p.8) suggests a succinct "Leadership development roadmap" for succession planning and talent management processes.

White (2009, p.2) refers to a "strengths movement" that skips the "passages" of the leadership pipeline and presents leadership as a "sort of finite fossil fuel rather than a renewable energy". The strengths movement is focused on a haste to deliver bottom line results and a mindset of "mining" leaders rather than "growing" them. Cunningham (2007) warns against acquiring talent rather than growing it. He argues that acquisition may be an easy quick-fix, but may not pay off in practice. A learning based approach is advocated as a contributor to talent management, but it is also requires dialogue with HR colleagues in areas such as compensation and benefits and recruitment to ensure that all elements are in place to engage and retain talented people. White (2009) goes as far as to say that this short term approach to leadership, has contributed to the US economy's "nose-dive". He proposes a ten step self-awareness-based leadership development model for an increasingly cost-cutting environment (White, 2009, p.3).

Hughes and Rog (2008), describe talent management as a multi-faceted concept that has been championed by HR practitioners, fuelled by the war for talent and built on the foundations of strategic HR Management ("HRM"). At a philosophical level it is an espoused and enacted commitment. In practice it has a particular focus on HR planning, including employee recruitment, retention, development and succession practices.

The Mining Charter's employment equity targets challenge HR practitioners to adopt an integrated succession planning and talent management approach that includes HR facets at both a philosophical and practical level towards ensuring sustainable wealth creation for all South Africans in the mining industry.

2.6.5 Coaching and mentoring

Coaching and mentorship has made significant strides in the last decades. Coaching is receiving increasing interest from practitioners and academics to improve the quantitative and qualitative evidence of what makes the process unique and effective. Sponsorship mentoring, in which the power and influence of the mentor is typically the driving force is shunned in favour of developmental mentoring, which emphasises mutuality of learning and the importance of helping the mentees do things for themselves. Both developmental coaching and mentoring focus on the learner's thinking. Generically, coaching addresses performance in some aspect, while mentoring is more often associated with much broader, holistic development and with career progress (Clutterbuck, 2008). Kombarakan, Baker, Yang and Fernandes (2008) define coaching as "a short- term interactive process between a coach and a manager to improve leadership effectiveness by enhancing self-awareness and the practice of new behaviours". It facilitates the acquisition of new skills, perspective, tools and knowledge through support, encouragement, and feedback in the organisational context. Coaching not only offers an opportunity to reflect and consider issues that may be barriers to performance, but also enhance personal style, expand future options and increase organisational impact. The evidence of the benefit not only to the individual, but also to the business is overwhelming with 86% of executives confirming that executive coaching was beneficial to the business

(Kombarakan *et al.*, 2008). Bowles, Cunningham, De La Rosa and Picano (2007) confirm that it has repeatedly been demonstrated that training alone may not lead to optimum performance – coaching encourages recipients to practise leadership skills and to develop them more fully with the help of constructive feedback.

Lawrence (2008) goes beyond the “compliance” need and sees accelerating the development of junior executives through mentorship as more critical than ever. His motivation is based on the baby boomer generation of leaders that is exiting the workforce at increasing rates over the next decade – the deep knowledge of the South African mining industry, institutional memory and experiences accumulated over decades leave with them. A mentoring program increases the satisfaction and hence retention of emerging Black managers. Companies that are known for their excellent mentoring programmes also become employers of choice and benefit from greater retention, more clearly charted management careers, greater leadership competency overall and having enough leaders ready at the right time (Lawrence, 2008). Miller’s (2008) findings confirm that mentees participating in a twelve months coaching and mentoring programme showed improvement in eight of ten leadership skill dimensions – 1) setting leadership direction, 2) teamwork, 3) sensitivity, 4) organisational ability, 5) judgment, 6) results orientation, 7) developing others and 8) understanding own strengths and weaknesses.

The evidence is clear that coaching and mentoring deserves increasing attention as an important means to achieve employment equity targets and develop Black managers to support an economy that is built on the potential of

all people. Blake-Beard, Murrell and Thomas (2006) see mentoring as a 21st century opportunity to look beyond the “colour line” to help create access and inclusion for all Black managers and deal with race as “unfinished business” (Foreman, 2000, p.30).

3. RESEARCH QUESTIONS

A common perception exists amongst stakeholders in the mining industry that mining companies fail to transform and in particular achieve employment equity at management level. The claims that are made relate however to the South African mining industry as a whole. The actual status of employment equity at management level in the gold mining industry however remains unknown.

Irrespective of whether gold mining companies comply with the requirements of the EEA or not, the drivers and restraining factors for employment equity at management level is still unanswered.

The research will aim to answer the following questions:

- Is there a common understanding of the purpose of “employment equity”?
- What is the current representation of Blacks in management positions in gold mining companies?
- What are the enabling factors of employment equity at management level in gold mining companies?
- What are the inhibiting factors of employment equity at management level in gold mining companies?
- What can be done to increase the level of Black representation at management level in gold mining companies?

4. RESEARCH METHODOLOGY

4.1 Choice of methodology

A wealth of transformation and change management practices exist, yet South African mining companies fail to achieve employment equity transformation targets. This is however representative of a holistic view of the mining industry. The exact status of Blacks in management positions is unknown. The root cause of why mining companies fail to transform also remains a mystery. For as long as the drivers and restraining factors of employment equity at management level in gold mining companies remains unknown, the solution to address employment equity failures will remain vague and challenging. In order to address these challenges, the research set out to explore the fundamentals of the mining industry's failure to achieve employment equity at management level and to establish if employment equity at management level in gold mining companies is representative of the industry statistics. Welman and Kruger (2001, p.18) confirm that "the purpose of exploratory research is to determine whether or not a phenomenon exists and to gain familiarity with such a phenomenon". The research design was hence qualitative exploratory in nature.

The research techniques of in-depth interviews supplemented by focus groups discussions have been followed. It aimed to answer the "why" question and in this case particularly the "why gold mining companies fail to achieve employment equity at management level?" In-depth interviews and focus group discussions are relatively unstructured extensive interviews and will provide the primary research data for analysis. Many questions are asked during in-depth

interviews and based on the answers, the interviewer probes for elaboration (Zikmund, 2003). A few of the benefits of in-depth interviews are:

- Circumstances of unique applicability, especially those involving unique or sensitive topics.
- Greater control over respondent selection and hence more in-depth, context and flexibility in the process of inquiry
- The in-depth and comprehensiveness of information that the process can yield (Stokes & Bergin, 2006)

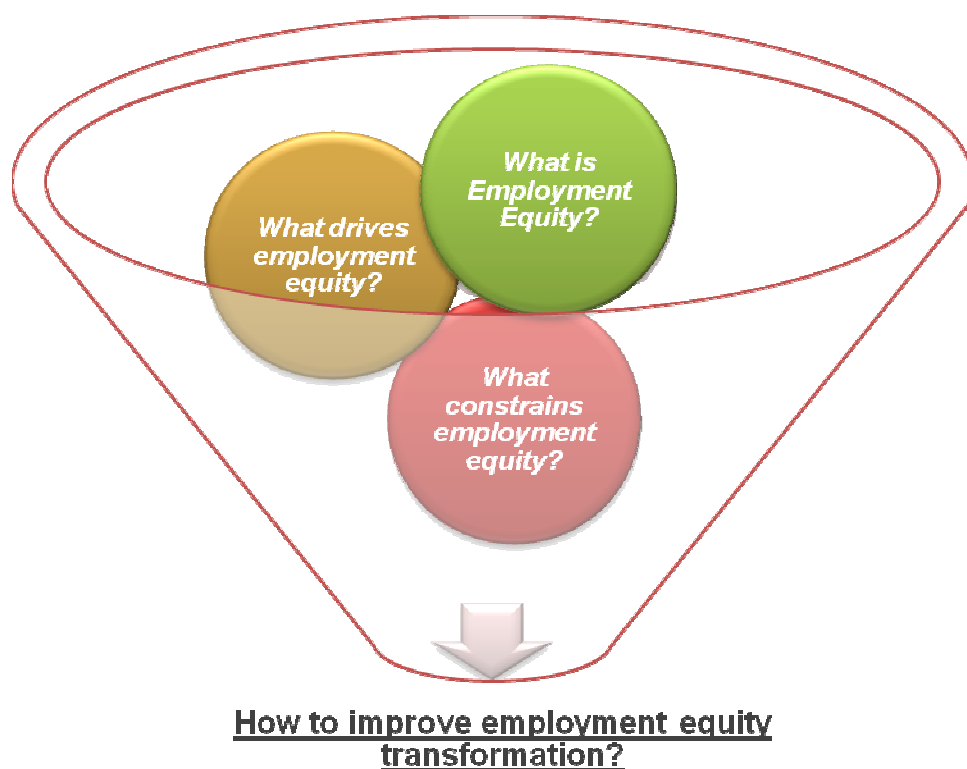
The main criticism of in-depth interviews is that this method misses out on the advantages of stakeholder interaction. Other disadvantages include difficulty to interpret, speed, cost and a concern that it is not an observable technique (Stokes and Bergin, 2006). In-depth interviews have been conducted with the representatives of transformation stakeholders and HR managers/executives of the gold mining companies included in the target population.

The shortcoming of in-depth interviews has been addressed by means of focus group discussions with Black managers of the gold mining companies in the target population. Focus group interviews are aimed at encouraging group members, normally six to ten members, to discuss the subject amongst themselves. The benefit of a focus group interview is that it allows people to “discuss their true feelings, anxieties, and frustrations, and to express the depth of their convictions in their own words” (Zikmund, 2003, p.117). This interview method has substantively contributed towards understanding the root causes of the drivers and restraining factors of employment equity from a Black manager’s

perspective. Annexure A and annexure B provide a list of the guideline in-depth questionnaire and the focus group discussion guidelines respectively.

Zikmund (2003) also warns that the role of the interviewer is extremely important. The writer will conduct the interviews (following expert training), which will improve control over the interview process and enhance the quality of data collected through the benefits gained from personal observation of the interviewee's body language. Figure 3 provides a diagrammatic presentation of the approach that was followed to establish the drivers and restraining factors of employment equity at management level in gold mining companies. The model for "How to improve employment equity transformation is discussed in Chapter 6.

Figure 3: A diagrammatic presentation of the research process



4.2 Unit of analysis

The unit of analysis will be companies in the gold mining industry.

4.3 Population

The population consisted of officials in gold mining companies in Gauteng who have been involved in transformation since 2005. Johannesburg Stock Exchange (“JSE”) listed companies were targeted to ensure a comparison of gold mining companies with similar characteristics. The target population included:

- The head office HR and/or transformation manager/executive of the four JSE-listed gold mining companies, who have been involved in transformation over the last five years – in-depth interviews,
- The operational HR managers of three JSE-listed gold mining companies, who have been involved in transformation over the last five years – in-depth interviews,
- Groups of five to ten Black managers from five JSE-listed gold mining companies – focus group discussion,
- A group of five Black managers from the DMR – focus group discussion and
- Representatives of transformation stakeholders in the gold mining industry. The stakeholders that have been targeted include the National Union of Mineworkers (“NUM”), Solidarity, UASA and the Department of Labour (DOL).

The JSE-listed gold mining companies that were targeted are Simmer and Jack Mines Limited, First Uranium Corporation, DRD Gold, AngloGold Ashanti and African Rainbow Minerals.

4.4 Sampling

Judgment sampling was used since the sample will be based on a judgment about some appropriate characteristics of the sample members (Zikmund, 2003). The appropriate characteristics in this case will be officials in mining companies and transformation stakeholders who have been involved in transformation since 2005.

Quota sampling has been applied since the number of JSE-listed gold mining companies was limited to five, with a head office representative from four of the companies (sample size of four), one operational representative from three of the companies (sample size of three), one focus group of six to eight members from five of the companies (sample size of five) and one focus group of 5 people from one of the transformation stakeholders (sample size of one). The number of representatives from each of the other transformation stakeholders have been limited to one each, hence a sample size of three.

4.5 Data collection procedure

The data collection procedure entailed in-depth interviews and focus group interviews, which was recorded and transcribed for analysis. Annual reports of the selected gold mining companies were obtained prior to the interviews to gain a general understanding of transformation in the company. Information gleaned from the annual reports improved the interviewer's understanding of

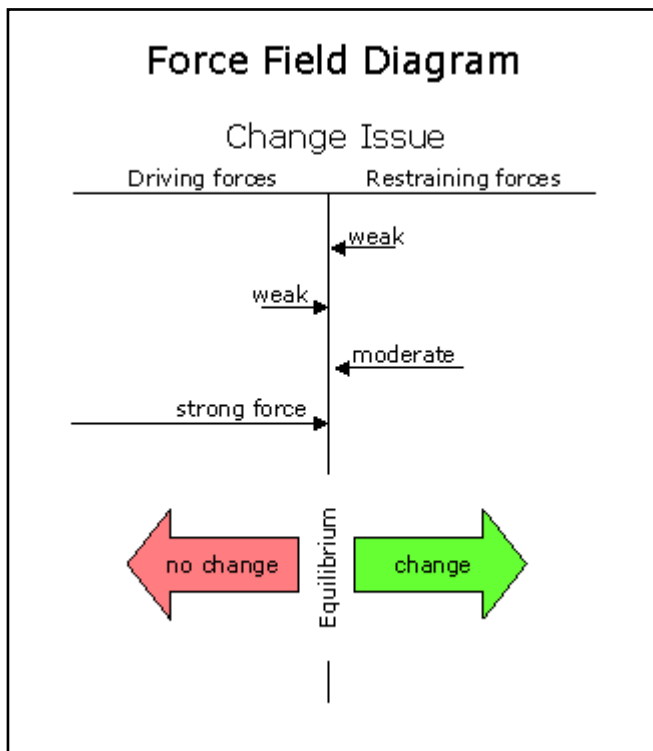
the company and aided where questions needed to be asked to prompt for elaboration of an issue. The interviewee's were requested to sign an informed consent letter to safeguard the University of Pretoria and the researcher from possible legal action upon dissemination of the results. Ethical clearance has been obtained from the Research Ethics Committee of GIBS.

4.6 Data analysis

The gold mining industry's failure to ensure employment equity at management level can be contributed to a combination of forces that seek to promote change and those attempting to maintain the status quo. Kurt Lewin's field theory describes the factors that seek to promote change as "drivers" and those that attempt to main the status quo as "restraining" factors. Burns (2009) confirms the drivers and restraining factors as part of step one of Lewin's Three-step model.

Similarly there are drivers and restraining factors in organisations that are seeking to promote employment equity transformation and those attempting to maintain the status quo. For transformation to occur the driving forces must be stronger than the restraining factors. Lewin suggests that these forces can diagrammatically be presented as per figure 4.

Figure 4: Kurt Lewin's force field analysis diagram



(Source: www.valuebasedmanagement.net)

The diversity of application of the force field analysis tool has been proven. Lan and Lee (1997) applied the force field analysis to investigate policies affecting working women in Singapore. Cunningham (2009) developed a set of questions which were related to a customised version of Kotter's Eight-step change model. He then used force field analysis to establish the strongest drivers and restraining factors for each step. The outcome of the study was a ranking for each change principle in a public sector organisation. Crestan and Ma (2009) used force field analysis to assess the driving and restraining forces that impact on reaching sustainable competitiveness in Taiwan's tourism industry.

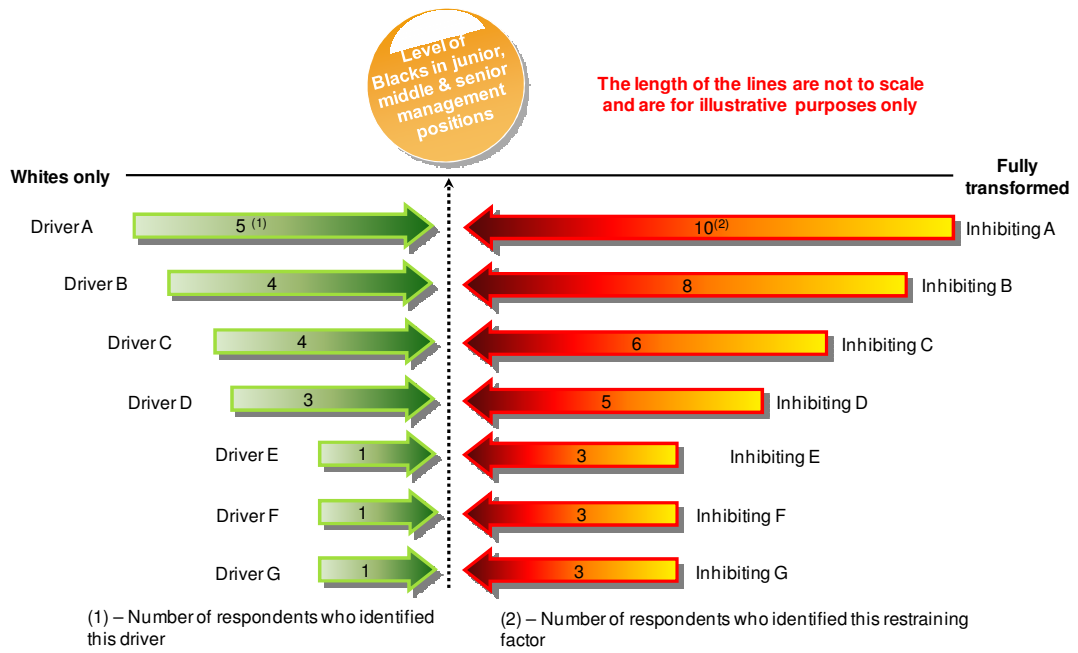
Schwering (2003, p.362) points out that through his experience the force field analysis technique "is highly dependent upon the planner's experience,

cognitive style, personality and resulting mental models”. His concern about the validity of the tool is nestled in the fact that he also considers Lewin’s analysis tool for planning and implementation. He improves on Lewin’s model by integrating it with McKinsey Consulting’s 7S organisational change model.

The intended use of the force field technique has been limited to analysing the drivers and restraining factors of why gold mining companies fail to achieve employment equity at management level. It was hence not necessary to consider Schwering’s enhanced analysis technique.

The analysis of the data entailed the application of the Lewin’s theory on force field analysis. The level of Blacks in management positions has been plotted on a continuum of “Whites only” on the left and “Fully transformed” on the right, based on the interviewee’s responses. The overall assessment of the level of Blacks in management positions has been done as an arithmetic mean of the “current status of Blacks in management positions”. A list of unique drivers and restraining factors has been derived from the analysis of the interviewee responses. A count of common responses determined the weight assigned to each driver and restraining factor. Figure 5 provides an example of the anticipated outcome of the force field analysis. The length of the line represents the number of respondents that agreed with the common factors that were identified.

Figure 5: Sample display of the outcome of the force field analysis



5. RESULTS

5.1 Introduction

A total of eleven in-depth interviews and six focus groups discussions were conducted. The in-depth interviewed population comprised:

- Head office HR and transformation managers/executives of four JSE-listed gold mining companies – four in-depth interviews,
- Operational HR managers of three JSE-listed gold mining companies – three in-depth interviews,
- Representatives of three labour unions that are active participants in the gold mining industry – three in-depth interviews and
- A representative of the Department of Labour – one in-depth interviews

The in-depth interviewee population was complemented by focus group discussions with five JSE-listed gold mining companies each comprising groups of six to eight Black managers of mixed race and a five member focus group discussion with the Department of Mineral Resources.

The HR and transformation managers/executives, as the assumed owners of employment equity transformation in their respective gold mining companies, displayed a “reserved” attitude during the interviews. The focus group participants in comparison were far more liberal in their willingness to participate and expressed a need for an increased frequency of such topical focus group discussions.

A pilot study was conducted comprising one individual interview and one focus group discussion. The findings of the pilot study were analysed and used as a guideline for improved engagement during the in-depth interviews and focus group discussions that followed.

5.2 What is employment equity?

The individual interviews and focus group discussions were initiated with an introductory question: “What is your understanding of employment equity?” The aim of the question was primarily to establish a common understanding of the interview topic. A non-uniform response could have a secondary benefit of identifying a “lack of understanding of the purpose of employment equity” as a restraining factor of why gold mining companies fail to achieve employment equity targets.

The responses provided sufficient comfort to support meaningful conversation with the interviewees and focus group members, while at the same time triggering the need to refocus the attention to employment equity in mining companies and more particularly Black representation at junior, middle and senior management level.

A number of key themes emerged from the respondents’ understanding of employment equity, which is summarised in Table 1.

Table 1: Employment equity themes based on in-depth and focus group responses

Employment equity theme	Respondent views
Affirmative action	<ul style="list-style-type: none"> • <i>“It’s Affirmative Action. ...Or HDSA. That is the special use of the HDSA.”</i> • <i>“You talk about Affirmative Action. You talk about BEE. You talk about BBBEE. So it’s all those different concepts.”</i>
Balancing cultures	<ul style="list-style-type: none"> • <i>“Isn’t it all about balancing of different cultures, maybe? In certain positions or levels of employment.”</i>
HR development	<ul style="list-style-type: none"> • <i>“Employment equity should rather be referred to as career path development.”</i>
Discrimination	<ul style="list-style-type: none"> • <i>“Discrimination. Racial boundaries and stuff.”</i> • <i>“... discrimination in reverse? When is it going to end?”</i>
Earning a place in the country	<ul style="list-style-type: none"> • <i>“White people have to earn a place in this country by making a contribution towards transformation and no one will chase them away.”</i>
Employment equality	<ul style="list-style-type: none"> • <i>“... doing exactly what you’ve done to the White boy to a Black boy ...”</i>
It’s the vision	<ul style="list-style-type: none"> • <i>“So recognising where we come from and recognising where we want to go, there has to be measures taken to reach the destination. Affirmative action is rarely what it is about. It’s to take us from the past into the future. It’s more about the future.”</i>
Meritocracy	<ul style="list-style-type: none"> • <i>“... the guys don’t want hand-outs. They want to deserve a position. They want to prove to themselves that they can do that.”</i>

Employment equity theme	Respondent views
Mining charter requirement	<ul style="list-style-type: none"> • <i>“Target that has been set by DMR for mining companies to reach 40% HDSA in management.... That 40% HDSA ... should have been reached by 2009, April.”</i>
It’s the right thing to do	<ul style="list-style-type: none"> • <i>“I think it’s the right thing to do, also from the moral point of view...”</i>
Ownership	<ul style="list-style-type: none"> • <i>“Historically disadvantaged South African being given the ownership of the companies.”</i>
Paradigm shift	<ul style="list-style-type: none"> • <i>“A paradigm shift. There must be a drastic change, not just a change from our historical background.”</i>
Redressing of past imbalances	<ul style="list-style-type: none"> • <i>“... to address, you know the ills of the past. The racial boundaries, ... discrimination, etc. etc. you know.”</i>
Wealth sharing	<ul style="list-style-type: none"> • <i>“The CEOs of the companies made a promise that by this date we will have shared so much of our wealth with the historically disadvantaged.”</i>

5.3 Black representation at management level

The five JSE-listed gold mining companies that were interviewed confirmed the level of Black representation at junior, middle and senior management level as per Table 2 on the next page.

Table 2: The level of Black representation at management level in five JSE-listed gold mining companies

Company	% of HDSA in junior, middle and senior management positions	% of Blacks in junior, middle and senior management positions
Simmer and Jack	30	25
First Uranium Corporation	33	23
AngloGold Ashanti	39.5	29.6
DRD Gold	_(1)	29

(1) – Only the level of Blacks in management was provided.

5.4 Employment equity drivers

The respondents of the individual interviews and focus group discussions identified fifteen unique drivers that in their experience have contributed to achieving the current levels of employment equity in gold mining companies. The drivers are ranked in descending order and are based on the number of respondents confirming these as factors contributing to achieving the current levels of employment equity at management level in gold mining companies. Employment equity drivers are depicted in **bold italic** font.

The majority of respondents indicated that ***management commitment*** is the most successful driver of achieving employment equity at management level.

Black representation at board level was seen as an indicator of management's commitment to employment equity transformation.

“... the fact that three of the board members, I mean, at this level, is black. It means that there is some sort of a commitment.”

The employment equity transformation impact of a committed board of directors could only be achieved by cascading the responsibility for transformation down to executive level. The respondents acknowledged the CEO as a key role player to provide the stimulus for improved employment equity achievement.

“It must be driven from the top. It's not going to happen ... I said to the CEO unless you drive it.”

Individual development plans was the second ranked driver for achieving employment equity at management level. Most important is to establish an end goal for Black candidate managers prior to entering into a focused technical skills development programme, followed by leadership development towards establishing a competent Black management cadre.

“... target those people that you see have the potential. You assist them. You take them through the steps of career progression. You train them.”

These respondents were unanimous in their support for the need to give Black candidate managers an equal development opportunity - levelling the playing field for Black managers to compete on an equal footing with white managers.

“He improves himself and I think it’s important for me as a manager to create the opportunity...”

An equal number of respondent agreed that the identification of high potential individuals according to a **recruitment plan** is a strong driver for achieving employment equity targets.

“... you target those people that you see have the potential.”

“... so you recruit people. Employment equity candidates. So that’s the first thing. And yes, it does work well because you get quality candidates.”

The importance of early identification of Black candidates from tertiary institutions, supported by bursary schemes and a sponsor in the organisation was identified as critical support elements of a successful recruitment plan.

“If you don’t have a sponsor in an organisation you go nowhere.”

“Bursary schemes. You have to do that.”

Legislation was viewed to be an equally important driver. The respondents felt that the Mining Charter was the primary legislative driver for achieving employment equity targets. In conjunction with the EEA and the BBBEEA it provides the required guidance to achieve the national imperative of an economy that benefits from the participation of all South Africans.

“Look, the strength of employment equity would be number 1, you’ve got the Act, you’ve got the regulations they are there, you know, that is the strength of employment equity”.

“Mining Charter is a driver in the sense that at least, it not only guides us as companies in terms of what is expected of us. And it’s very clear, easy to communicate to your employees.”

Transformation plans capturing employment equity targets, which in particular was business unit specific was one of the primary drivers of achieving employment equity targets. The disciplined implementation and monitoring of the transformation plan was an important contributor to employment equity successes.

“... everyone has got a plan, a concrete plan. ... And that roadmap, you know we’ve got targets. I started to measure this thing in a proper fashion from the corporate level that says this is top management, senior management. These are the targets from 2010 to 2014. And this is how we’re doing.’

Stakeholder participation was identified as the sixth ranked driver. It primarily refers to the involvement of labour unions in employment equity as a transformation priority and their involvement in the recruitment and employment equity forums.

“You’ll have the unions represented and the employment equity committee sitting in.”

“... whether we interview for a shift boss or whether we interview for grade 3 trades, especially the NUM would form part of it. They will sign it off with me.”

Education, skill and experience were identified as the next ranked driver. The emphasis is on the availability of Black candidates having the requisite qualification, supported by the relevant experience. This driver represents the fruits of individual development plans and confirms that developed Black managers provide an opportunity to accelerate employment equity transformation.

“Education is first, performance second.”

“I think those are the two drivers. Experience and qualifications”

Black candidate managers' individual performance, supported by **performance management** systems was identified as a driver contributing to the promotion of Blacks into management positions. Respondents with a “compliance” view employment equity transformation suggested that existing managers' transformation achievement should be included as a key performance area in their individual performance appraisals.

“If you perform well you get promoted.”

“For Affirmative Action to succeed ..., which is a success story at the time it was included in the KPAs, into the bonus of the manager.

A proactive approach through the integration of employment equity targets in **succession planning** will facilitate planned progression of Blacks into management positions. Care needs to be taken to ensure that succession plans are aligned with the short and medium term Mining Charter targets, while at the same time driving individual development and long term business sustainability. This requires an understanding of when existing managers will retire and creating a Black management candidate database to inform future recruitment and internal promotion needs.

“... we would rather like to be in a proactive mode and deal with things before it gets forced on. I think that might have been the big driver behind it.”

“How many people will be retiring in five years? We’ve got the names. ... there’s a process that we’re entering into in succession plans.”

Black managers that have managed to become white culture team players and that have shown the courage of their conviction to **overcome the cultural barriers** of the gold mining industry have been recognised as a contributor to Blacks in management positions.

“... being a team player that’s how I see it.”

“So your confidence was a driver because it allows you to break through?”

The respondents indicated that frequent **transparent communication** confirming the company’s current status of employment equity and the

employment equity targets, supported by transformation awareness campaigns contribute to achieving employment equity transformation. One of the companies had transformation their monthly management theme. Transformation awareness was communicated through computer screensavers on all employees' computers. The use of such communication means has limited impact due to a large percentage of the work force in mining companies not having access to computers.

“Actual achieved and employment equity targets are communicated at shaft level during staff briefings.”

The value of an **employment equity committee** as the implementation vehicle for achieving employment equity targets was communicated as one of the lower ranking drivers of achieving employment equity. The success of this employment equity support structure lied representation from the company's management team and representative from the labour unions. This facilitated joint decision-making and contributed to co-ownership of employment equity transformation.

“... we had quite a good model in which you would find that you'd have an employment equity committee at the top, which was representation out of union associations and management. And then you had employment equity working groups...”

A single respondent confirmed competitive remuneration packages as a successful driver of Black manager retention. The respondent advised of their

company's goal to achieve a 50/50 balance between recruitment and internal promotion as a retention tool.

“And we pay them quite well as a retention.”

“And we're getting it [recruitment and internal promotion] on a 50/50 basis and we like to turn it around over the next five year as a retention too.”

Coaching and mentoring was noted as a driver of employment equity by one of the respondents. Sponsoring was however deemed as been a more powerful than mentoring for achieving employment equity targets. Mentorship is about psychosocial and career support, focused on personal and professional development. Sponsorship, by contrast, involves advocating for advancement. Without sponsorship, a person is less likely to be promoted, even if they are high potential.

“It's about coaching, it's about sponsorship, it's about mentoring. ... I think you sponsor somebody it's much more powerful than mentoring. Because mentoring is perpetual and the mentor doesn't have the power at the board, at the table where decisions are made.”

Black manager **role models** which candidate Black managers can aspire to, has been identified as an employment equity driver by one respondent. Role models motivate self-learning. Modelling the behaviour, thoughts and attitudes of successful Black managers has been shown to help a person become more successful.

“You are a role model to me because you gave me hope and whenever you were talking to them [white people] as a black person, ... it gave me courage and I started to approach the same way he used to talk to them.”

5.5 Employment equity restraining factors

The respondent population identified sixteen unique restraining factors that have contributed to preventing Blacks from achieving junior, middle and/or senior management positions in gold mining companies. The restraining factors are, similarly to the drivers, ranked in descending order and are based on the number of respondents confirming these as factors restraining gold mining companies to achieve the Mining Charter’s employment equity targets. Employment equity restraining factors are depicted in **bold italic** font.

An overwhelming majority of respondents confirmed inadequate **individual development support** for candidate Black managers as an employment equity transformation restraining factor. Respondents expressed a consensus view that the responsibility for employment equity transformation resides with the HR function. HR structures that fail to support individual development were noted, in particular the absence of mentorship programmes for high potential Black candidates.

“... we don’t have structured systems to assist us in achieving...”

“Mentorship programmes? At this stage I don’t think it’s really in place.”

Failed HR programmes were elaborated on and respondents confirmed an expectation that Blacks should progress their own career paths without HR guidance and support.

“... you're driving employment equity but you expect people to drive themselves without any assistance.... We will meet you when you are ready.”

Study leave allowances are limited to a selected few and Blacks are expected to progress their educational development after hours, without financial support from the company. After hours education opportunities are constrained by management candidates that are often exposed to extreme mental and physically challenging underground working conditions during normal work hours.

“... people would be expected to work a full shift underground and to attend lectures later.”

“That financial source to help with employees to get school is a barrier because we are not implementing it.”

Some of the respondents have indicated their companies' preference for recruiting from the outside, rather than providing individual development support for Blacks, while at the same time failing to facilitate skills transfer from experienced white managers to candidate Black managers.

“Companies do not empower their own people; they always look outside of their organisations.”

“... between this old experienced white guy and this qualified black GM [General Manager] there’s no transfer of skills whatsoever because what you would expect is that this guy who’s got 40 years experience should transfer some of his skills to this guy.”

Individual development programmes are prohibitive to reaching the Mining Charter’s short term transformation targets.

“... the time it takes to develop someone internally to fill a substantive position on merit is prohibitive to reaching short term goals. [It has taken 8 years to develop 3 people to their current positions at Paterson D Upper level].”

In cases where mining companies have met employment equity targets, they “declare victory too soon” and see no further need to develop future Black managers.

“They just meet targets and then it stays there.”

Black managers are not empowered with the necessary resources and the in-service experience gained is not supportive of the skills and experience required for career progression.

“They get appointed into positions but ... They are not given even the resources to maybe ... to take those tasks ...”

“Black shift bosses are put on night shift. ... you go for an interview for a mine captain, you know what they say, no but he doesn’t have production experience [day shift]. ... you deprive them and it becomes a self-fulfilling prophecy.”

Black manager’s training is misaligned with the end goal of the individual development plan.

The other issue is perpetual training. We’ve got to stop putting people on perpetual training. ... you train people because there’s a deficiency. ... you don’t just say you know put them on training and training never stops.

South African gold mining companies were acutely aware of the Mining Charter’s employment equity targets that were promulgated in 2002. Eight years later, respondents confirm the absence of **transformation plans** as a restraining factor.

“So there was no transformation plan?”

“Is there transformation planning in place? Well I don’t think really at this stage. It’s something we need to work on.”

“... there’s no document that you can refer to saying that we have to do things according to this document.”

In the event that a transformation plan exists, the HR team has not been transparent in their communication of the plan.

“You should be actually allowing anybody to ask and be inquisitive about whatever you’re doing. ... transparent in terms of you are procurement and your HR policies that there’s no hidden agendas when you are employing people.”

“I have not even seen the figures or how it is. It’s news to me.”

A single respondent indicated that the absence of a transformation plan could be related to legislation which is unclear as to the requirements of the contents of an employment equity transformation plan.

“You see there’s also no policy or guideline on what employment equity entails ...”

A number of respondents acknowledged that inadequate **education** was a restraining factor – high potential management candidates were outright inadequately qualified for the education level that available management position required.

“Still, education is the biggest [restraining factor] because for you to be that calibre.”

Education as a restraining factor was narrowed down to **technical skills** and qualification such as engineering skills. Higher level mining specific

qualifications such as a mine captain's ticket and an engineering ticket were found to be in short supply amongst Black management candidates.

"You would find that your softer skills are far easier to get. ... you don't very easily find a guy with a mine captain's ticket and a manager's ticket."

"Employment equity is one of the biggest challenges we have and it's simply because the available pool of skills, specifically when you talk qualified mining engineers, metallurgical engineers, those people."

A single respondent advised that the lag in Black candidate manager's promotion should be traced back to an unstable school environment and hence a disadvantage in terms of being sufficiently educated to come into contention for promotion.

"... a Black guy, that coming from the township school is much more likely to probably, at the beginning, perform a little bit weaker."

A restraining factor that featured strongly was the remnant symptoms of ***prejudices of the past*** and the South African mining culture which have been engrained in the industry over many years. A lack of trust between whites and Blacks were raised as well as a generalised white South African view that Blacks are inferior.

"You must remember nobody trust us [Blacks] due to our previous backgrounds."

“... that is more than 90% white, for some reason for you to survive in this you have to be a part of the team. The culture around majority white is, if you don't fit into their structured way they will kick you out very quickly.”

“Because one of the things in the mines is if you are Black you're supposed to be subservient. If you speak up you're in trouble.”

The Afrikaans language was also mentioned as a barrier for Blacks to succeed in mining companies.

“Afrikaans is the biggest problem.”

A number of respondents expressed a view that **management's lack of commitment** and unwillingness to comply with the Mining Charter requirements remains a barrier to achieving employment equity targets in gold mining companies.

“The leadership is not committed.”

“I think it's only one. It's unwillingness to comply.” t

The waning attractiveness of the gold mining industry made it difficult to attract young graduates to join the mining industry, which consequently lead to failed **recruitment** efforts. One of the companies with an established mining graduate recruitment partnership with tertiary institutions was uncompromising in their view that an insufficient number of new mining graduates are available to enter the mining sector development pipeline. The consequence is a future lack of

qualified technical skill, which in turn will fail to service the employment equity transformation needs and will negatively impact on the sustainability of the South African mining industry.

“So for me people are there, young students [aspire] to understand the Mine Industry but I don’t think in terms of commitment that we are doing well.”

“Once people they finish the universities where do they go. They go into consultation. They’re not coming back to the industry. So we are losing a lot of talent.”

The young **talent management** constraint was escalated to operational level with respondents confirming Black managers being disempowered and excluded from the recruitment process.

“Maybe even is a [Black] general manager. He can’t hire, he can’t fire. He’s just there. ... Person A you’re only allowed to hire category 1 to 2. You’re not allowed to hire C-level and above.”

Structural inefficiencies were also mentioned as a contributor to failed and race-biased recruitment attempts.

“... if you have a structured committee where proper interviews will be held, people will make scores to say “this is how I perceive this guy”. At the end of the day he [the preferred recruit] is not the one that is sure.”

Succession planning was mentioned as another HR function that was failing to support employment equity transformation.

“Zilch. It doesn't exist. There is no succession planning in the company.”

“And which of these do you think is the biggest barrier? Succession planning.”

Some of the respondents confirmed the absence of available management positions as a restraining factor for Blacks being promoted. Proactive transformation planning would have identified this as a promotion constraint and elicited consideration for shadow management, job sharing and space creation as succession alternatives.

“So the change will only be done and it will depend only if there's space. ... Availability of positions.”

The **preferential treatment of whites** for promotion to management positions was confirmed as still being prevalent in the mining industry.

“White candidates get the preference, yes. Is that because the people who are making the decisions are still white? Yes, definitely.”

The **implementation of employment equity** was confirmed as being generally **sluggish**. This provides substance to respondents' claims that management lacks commitment to transform and signals gold mining companies' insolence for compliance.

“... we see a snail's pace in terms of the implementation... irrespective of whether transformation plans existed or not.”

“You know we've got the strategy, we've got the plan, implementation zero.”

Retention programmes are failing to retain Black managers and contribute to failed employment equity transformation attempts. A limited pool of qualified, skilled and experienced Blacks leaves gold mining companies with few alternatives but to pursue practices such as poaching at a premium. A select few individuals will reap personal benefit from the available skills imbalance, but it restricts retention efforts and contradicts the national imperative of economic upliftment for all South Africans.

“... what mechanisms are there to ensure that person A will be happy to be still with company A? There is bugger-all there.”

The **Department of Mineral Resources' inability to prosecute mining companies** that fail to achieve employment equity targets was deemed to be a restraining factor.

“... they didn't have the teeth to really make sure that we comply.”

Two of the respondents confirmed that the recruitment of Black managers attract a **premium salary cost**.

“You pay a premium for qualified, experienced Black managers.”

A single respondent expressed a view that the **shareholders of publicly owned company's demanded capital growth**, irrespective of how it is achieved; hence no consideration for JSE-listed companies having to meet employment equity transformation targets and the business challenges associated with it.

"If they are capital driven, they do not care how it is achieved."

The **poaching** of Black managers was confirmed by a single respondent as being a restraining factor.

"... you might be able to develop the guy but somebody else would buy him from you."

One of the respondents shared their experience of a management superior purposefully resisting Black manager promotion, due to a **fear of ultimately being overtaken** and running the risk of, in the longer term, becoming the new management appointee's subordinate manager.

"I mean that's all what is all about. Jealousy. You know that you're going to by-pass him ..."

A view was expressed that employment equity has no chance of succeeding if the **transformation agent is a white person**.

"... if you put a white person to transform a company there is not going to be much transformation that is going to happen within the company."

5.6 Force field analysis

The unique drivers and restraining factors that were identified are displayed in figure 6. The level of Blacks in management positions in the gold mining companies that were interviewed ranges between 23% and 29.6%. HDSA in management, for three of the companies, ranges between 30% and 39.5%.

Figure 6: Force field diagram of the drivers and restraining factors of employment equity in South African gold mining companies



5.7 How to improve employment equity transformation

The majority of respondents were inexperienced in transformation change and to a large degree have also been the victims of failed employment equity

transformation attempts. As a result the respondents were enthusiastic in response to how employment equity transformation efforts could be improved. The results of “How to improve employment equity” united the respondents’ views of “What is employment equity”, “Employment equity drivers” and “Employment equity restraining factors”. Six distinct categories were identified with overwhelming support for:

- Transformation planning,
- Individual development support and
- Employment equity support structures.

Management commitment was identified as a key underpin to support improved employment equity transformation. The employment equity improvement methods have been ranked in descending order of priority. The building blocks of each improvement methods are described under each of the main themes. The main themes are depicted in ***bold italic*** font.

Transformation planning attracted the greater part of the responses. The respondents in favour of improved transformation planning highlighted a number of HR function areas as key contributor to improve failed transformation attempts.

Some respondents felt that a transformation strategy, policy and a transformation framework is a good start to guide transformation efforts and for gold mining companies to become proactive in achieving transformation goals.

“I mean, you must draft a strategy.”

“... every company must have a framework of how they see it ... then develop its own framework of how to achieve it.”

“We should be proactive and not be caught with our pants down.”

A transformation plan also builds confidence with employees about companies' transformation intent.

“... if there is a plan people will have confidence. In anything if you don't plan, nobody would be confident.”

A transformation plan also considers the budget provision that needs to be allowed for new recruits and the cost associated with employment equity compliance.

“... in terms of your business planning, you put the costs in terms of the numbers that you will put for recruitment and trying to comply”

Some respondents believe that the requisite Black management skills are out there, they just need to be found. The transformation plan also considers recruitment as a fundamental means to attract and retain high potential individuals.

“... we've got skills and the guys are there. We just need to go and find them.”

“It's very fundamental, recruitment ...”

It prepares gold mining companies to align employment equity with medium and long term business needs and ensures that Black management replacement skill is available to maintain 40% HDSA at all times and that succession candidates' future in the company is known.

“... talk of life of mine plan and the kind of skills that are going to be required in the next five, 10 years. Start to prepare for that and that's the kind of thing that would make employment equity to stick.”

“... you must not only target 40%. You must target above that percentage so that it will assist you. When people leave then there will be always at 40%.”

The need to be transparent about transformation targets and communicating it clearly, was confirmed as an essential need for transformation efforts to improve.

“We want to see the targets that are going to happen in the next two, three, four, six, a year and then we must see a change.”

The respondents were resolute in their view that transformation efforts should be focused at individuals and more particularly at gold mining companies investing in and providing **individual development support** for candidate Black managers.

Financial support is deemed to be of critical importance, both in support of development programmes, but also to ensure that Black candidate managers earn market related compensation.

“ ... financial resources to invest in employment equity? ... Fundamental. You can't go without. It's more important.”

“... just to make our brothers the environment to be conducive to them. ... Your compensation benefits must be one.”

The onus is on gold mining companies to provide goal-oriented training and comprehensive development support, such as mentorship, shadow management and rotation between Black and white managers.

“... there must be a training program ...”

“I must actually have a role model outside ... Yes, mentorship.”

“The white general manager and then there was an assistant black general manager. So, everywhere a white engineer and a black engineer.”

“... put white guys and Black guys and they're rotated.”

A single respondent raised a consideration that Black managers' career paths should be fast tracked.

“... put them on special training programs and career path plans and develop them but put them on a fast track plan.”

The CEO's role to encourage development programmes for Black managers was acknowledged.

“The company CE should get involved in recognising all those who receive qualifications at all levels.”

The respondents acknowledged transformation efforts and individual development support as futile without **employment equity support structures**.

Transformation efforts should take place in a committee structure with representatives from the gold mining company's management team and employment equity stakeholders, which is ideally facilitated by the CEO or alternatively the general manager.

... committees must be put in place and those committees must given powers to question, scrutinise and if possible, people must be answerable to those.

“... organised labour must form part of the management team in ensuring that the message get across.”

Any position, before it can be advertised should go to the employment equity Committee ... there must be inclusion of organised labour. ... the

skills development committee who will then encapsulate among the employment equity processes as well.”

“... it should be driven by the GM with the committee from the shaft.”

Two respondents raised a view that a dedicated talent manager should be appointed. In the absence of the CEO there must be clear delegation of authority.

“... so we need a position of a talent manager on the shaft who will tap in the talents from departments.”

“So the issue of delegation of power [from CEO] is critical.”

A number of respondents were in favour of system support and regular reflection on employment equity performance.

“... must have a measuring tool to ensure that whatever target has been set, it is achieved.”

“... there must be an evaluation program so that you evaluate the program, so that you identify where the gaps were and are able to make the certain corrections.”

... a skills audit should be in place. ... make sure that your data is correct.

“Employment equity ... it goes hand in hand with the performance management.”

Support systems should ensure that a company’s planned balance between recruitment and internal promotion is achieved as a retention tool. It should also keep track of the employment equity funnel.

“... get a balance between internal promotions so our guys have a retention. we’re getting it on a 50/50 basis and we like to turn it around over the next five year as a retention tool.”

For you to have 40% ... the plan is such that at C-level you’ve got about 65%, ... at D-level you put it at around 50%. ... And at E-level then you can put it 40 if you want to reach ...”

A significantly smaller number of respondents were of the opinion that for employment equity transformation to succeed, Blacks should be given an **equal opportunity** and treated like white managers.

“... this guy never had an opportunity and let’s give him a fair chance”

“... a Black guy there he must be judged in the same way if you’d taken a white guy.”

Salaries should also be at the same level.

... on salaries there must be a point whereby they must be able to say this is our level. ... it clears out the hatred and imbalances in the workplace.

The **management** must be **committed** to change and come to the realisation that in order to achieve employment equity transformation, radical change is required.

“... commitment to change ...”

“... the business must be able to say there must be a drastic change.”

Management must lead by example.

“... as long as at executive you are not represented. ... Nobody is going to listen to you.”

A single respondent believed **regular inspection by representatives of the regulatory authorities** will improve gold mining companies' compliance with employment equity targets.

“... the government must be sending people there that they doing the DMR inspectors to come and see if the equity is working in the workplaces.”

6. DISCUSSION OF RESULTS

6.1 Introduction

Overcoming the employment equity imbalances of the past and creating equal opportunity for Blacks to participate at management level in gold mining companies, requires radical transformation change. A limited few of the research population were experienced in employment equity transformation change efforts and hence the number of responses to the drivers of employment equity is substantially outweighed by respondent views as to the contributors of failed transformation attempts. A positive response was received where interviewees were given the opportunity to advise on how employment equity transformation efforts can be improved.

The purpose of this chapter is to discuss the results and to establish to what extent it corresponds with the theory base – references to theory has been made where applicable.

6.2 What is employment equity?

The legislated intent of employment equity is to achieve equality in the workplace through the promotion of equal opportunity and fair treatment and the implementation of affirmative action measures to ensure equitable representation in all occupational categories and levels in the workforce. The DMR aligned its employment equity targets with that of the EEA, but adopted a “mathematical approach” to the problem by setting a target of 40% HDSA in management by 2009.

The overwhelming majority of respondents' views were aligned with the purpose of the EEA, rather than achieving employment equity targets as prescribed by the Mining Charter. A single respondent reflected an understanding of employment equity as the need for gold mining companies to achieve 40% HDSA in junior, middle and senior management by 2009. This begs the question as to what extent the Mining Charter targets are front of mind for managers, employees and stakeholders in the gold mining environment. The evidence suggests that change agents and employment equity participants in the gold mining environment are aligned with the greater cause of redressing the imbalances of the past and providing opportunity for employment equality to all South African's to bring about economic change that can meet the needs of all economic citizens in a sustainable manner – a “commitment” approach to employment equity transformation. This signifies a common view amongst respondents of the broader understanding of the purpose of employment equity and refutes “a lack of understanding of the purpose of employment equity” as a restraining factor for achieving employment equity.

6.3 Black representation at management level

The research results confirmed the current level of Blacks in management positions in gold mining companies ranges between 23% and 29.6%. This is better than industry commentator's implied representation of 16% in the mining industry as a whole – 84% of mine management jobs are held by white individuals (Davenport, 2010). The observed level of Blacks in management positions in gold mining companies correlates well with the CEE's findings of 22.8% and 35.5% Black representation at senior and middle management respectively in the South African mining and quarrying industry. It does

substantiate industry commentators' claims that the mining industry, including gold mining companies, are failing to transform. It also signifies that the present level of HDSA employment equity (between 30% and 39.5%), which is below the targeted 40% HDSA in junior, middle and senior management, is at a transformation equilibrium point dominated by forces that are prohibiting change (restraining factors).

6.4 Employment equity drivers

The number of unique drivers that promote employment equity in gold mining companies was similar to the number of restraining factors, with the exception that far fewer respondents were testimony to employment equity transformation successes in the gold mining industry. The research results confirmed a population that was dominated by respondents who were inexperienced in employment equity transformation change management. The discussion of the research results have been related to the change management models and supporting theory where applicable. Employment equity drivers are depicted in **bold italic** font.

The majority of respondents agreed on ***management commitment*** as being the primary driver of employment equity transformation; in particular the role of the CEO as a key role player to bring about the change required to achieve employment equity transformation. This corresponds with Eddy's (2008) view that transformation is a reflection of its top executives, more particularly the characteristics of the CEO. Employment equity transformation successes are not limited to commitment by CEOs, but were confirmed as residing with managers throughout the organisation. This echoes Senge's (2000) view that

sustainable change comes from many people in many places in the organisation. Managers that have voluntarily adopted employment equity transformation have chosen to exercise strategic managerial choice and took a personal stand on the need to change. Oakland and Tanner's (2007) change management framework confirms management's role as providing clear and consistent leadership and direction, to turn the need to transform into expectations.

The identification and development of high potential individuals (***individual development support***), was acknowledged as one of the primary drivers to fill the talent void that was created during the apartheid era. The employment equity successes that have been achieved in developing Black managers reflect the respondents' long term approach of building, maintaining and developing a pipeline of skilled, prepared leaders; employment equity commitment rather than compliance. Charan *et al.* (2001) warn that successful management promotion goes beyond skilled, prepared leaders - the greatest success is achieved when candidate managers have mastered the assigned level. Beer and Nohria (2000) classify individual development support as investment in effectiveness and efficiency to bring the cultural change that is required for employment equity transformation. The DMR's mathematical approach to employment equity, whereby 40% HDSA in management had to be achieved by 2009, forces gold mining companies to adopt a "mining" of leaders rather than a "growing" of leaders approach – compliance rather than commitment.

In pursuit of fast tracking employment equity on the "compliance" route, respondents were equally in favour of ***recruitment*** to achieve employment

equity targets. The theory suggests that recruitment is a solution, but with short term benefits only. It supports White's (2009) view that leadership is a "sort of finite fossil fuel", rather than a renewable energy. It is driven by haste to achieve employment equity targets. Cunningham (2007) confirms that it will solve the "compliance" quick fix, but in practice it does not pay off.

The equal ranking of individual development support and recruitment confirms that successful employment equity transformation requires a dual process of recruitment and development. Recruitment provides the quick fix solution, whereas development offers business sustainability.

Respondents' support for the meaning of employment equity as being about the "greater cause", was contradicted by **legislation** (Mining Charter) being identified as a primary driver of employment equity. It supports a short term transformation strategy, satisfies regulatory compliance and negates "stay-in-business" threats for gold mining companies. It also represents support for Beer and Nohria's (2000) Theory E top down approach for bringing about transformational change.

Representatives from gold mining companies with a **transformation plan** have communicated this as a contributor to achieving employment equity transformation successes. This corresponds with Oakland and Tanner's (2007) change management framework confirming the need for a transformation plan as focusing people's minds on the strategic objectives of employment equity transformation. A transformation plan addresses three of Kotter's (2000) "Eight steps to transforming your organization" through 1) capturing the vision, 2)

communicating the vision and 3) systematically planning for and creating short term wins. Short term wins will include planning for “compliance” to achieve the Mining Charter’s employment equity targets.

Stakeholder participation, education, skill and experience, performance management and succession planning were all equally ranked as drivers for achieving employment equity in gold mining companies. **Stakeholder participation** as a driver recognises that the responsibility for successful employment equity transformation involves a larger change agent audience - larger than merely the company’s CEO and management team. It requires participation of stakeholders such as the labour unions to become active participants in employment equity decision making and support structures. Employment equity co-ownership is an added benefit that is derived from stakeholder participation.

Candidate managers with the requisite **education, skill and experience** were acknowledged as a driver that facilitates achieving employment equity targets. It provides a key ingredient for sustainable employment equity since the candidate managers are appropriately equipped to be promoted to the next level. This supports the leadership pipeline theory by Charan *et al.* (2001) which poses that the greatest success is achieved in moving people upward when they possess the education, skill and experience of the assigned level.

Gold mining companies’ ability to **manage the performance** of candidate managers aligns well with sustainable employment equity theory and ensures that candidate managers perform satisfactorily to be promoted to management

level. Equally important is the measurement of existing managers' ability to drive the company's employment equity transformation and to integrate this as part of managers' performance management criteria. It creates a push factor for management to conform to the Mining Charter's requirements and provides an opportunity for indirect measurement of management's commitment to employment equity transformation. This approach supports a "compliance" approach and provides the "system and controls" requirement of Oakland and Tanner's (2007) change management framework.

Succession planning ranked fairly low as an employment equity driver. Succession planning targets an organisation's future needs and as a result has limited value in contributing towards achieving the desired short term employment equity targets. The absence of real support for succession planning implies a bias for recruitment rather than development. This bias is confirmed by the larger number of respondents that reported on employment equity transformation successes achieved through recruitment – seven respondents providing testimony of recruitment successes versus three for succession planning.

The ability to **overcome cultural barriers** is directly linked to the Black candidate managers' individual ability to entrench themselves in the white mining culture and is largely removed from other employment equity driver influences. Groves (2007) believes that the individual's ability should be supported by a supportive organisational culture. Cox (2003) confirmed the transformation change that is required in the mining industry as "changing the

deeper levels of culture”, yet seven years later, Black management candidates are still facing the challenge of overcoming cultural barriers.

Communication and transparency, as a driver, provides impetus for establishing Kotter’s (2000) “sense of urgency” that is needed for change and at the same time lending systems support for implementing change as per Oakland and Tanner’s change management framework. It also deals with Kotter’s (2000) “communicating the vision” for successful transformation efforts. Respondents’ confirmation of an **employment equity committee** further support Oakland and Tanner’s system and controls requirement to bring about employment equity change. It contributes to creating structures for stakeholder participation.

Retention programmes, coaching and mentoring featured as the lowest ranking drivers of employment equity. This brings into question the extent to which HR is recognised as a strategic partner and change agent for employment equity transformation. It also questions the HR function’s ability to accept their co-ownership role as Theory O change agents to effect the cultural change associated with employment equity transformation management suggested by Beer and Nohria’s (2000) organisational change model.

Candidate managers who have managed to progress to management level have been acknowledged as employment equity transformation icons. The value of **role models** to aspire to is recognised but was limited to a single respondent.

6.5 Employment equity restraining factors

The respondents were far more responsive in their views about the factors that constrain employment equity transformation. This confirms the dominance of restraining factors that prevent gold mining companies from achieving employment equity targets and explains the reason for the current status of Blacks in managements positions at a an employment equity level of less than the desired 40%. Employment equity restraining factors are depicted in **bold italic** font.

Inadequate ***individual development support*** outranked all the other restraining factors as the major contributor to gold mining companies failing to achieve employment equity targets. It correlates well with individual development support that has been recognised as the second ranked driver of employment equity transformation. It also corresponds with findings by Esterhuyse (2003) that mining companies' failure to identify and manage a Black talent pool has contributed to the slow pace of employment equity transformation in the mining industry. Support for the development of Black candidate managers confirms a preference for internal development and promotion rather than recruitment and implies support for a "commitment" approach rather than regulatory compliance.

Transformation planning and gold mining companies' failure to communicate transformation targets falls short of addressing Oakland and Tanner's (2007) "need for change" requirement that initiates the change management process. It also fails to close the "readiness for change" loop, to progress to the "implementing change" phase. The absence of a transformation plan fails to

support employment equity as the vision and correspond with Kotter's (2000) "lacking a vision" and "under-communicating the vision by a factor of ten" as reasons for failed transformation efforts. He adds "not systematically planning for and creating short term wins" as a reason why employment equity transformation efforts fail. Transformation planning correlates well with respondent views that the existence of a transformation plan was a prominent driver for achieving employment equity. Gold mining companies' "failure to plan" does not suggest "planning to fail", but the evidence confirms that gold mining companies have failed.

Education and technical skills, in particular engineering skill and candidate managers' failure to obtain engineering and management competence certificates is a prominent restraining factor. The absence of the requisite skills fails to meet the "organisation and resources" requirement of Oakland and Tanner's (2007) change management model and hence hampers the implementation of the change required to achieve employment equity transformation. Education and skills as a restraining factor outweighs its ranking as a driver to bring about change. It correlates with inadequate individual development and stresses the need for goal-oriented versus perpetual training.

Cox's (2003) finding that Black mining graduates leave the mining industry because of their inability to fit into the mining culture was echoed by the respondent's view that ***institutionalised prejudices of the past*** is still hampering transformation efforts. It supports Foreman's (2000) view that "race" in the mining industry is still "unfinished business." Overcoming these cultural barriers was a very low ranking driver of achieving employment equity at

management level – the reason being that the contribution towards achieving employment equity coupled with each Black individual’s unique attributes for example an individual that can converse in the Afrikaans language has a better chance to be included in what Booysen (2007) calls “a white male dominant organisational culture”. The implied finding is that the majority of respondents felt inadequate in their ability to overcome the cultural barriers. Fewer respondents agreed with **white cronyism** as a restraining factor, yet it is inextricably linked to institutionalised prejudices of the past. An advantage of gold mining companies having to meet HDSA employment equity targets is that the white management dominance will disintegrate and white cronyism will die a natural death.

Management commitment’s ranking as a restraining factor does not correlate well with its top ranking as a driver of employment equity. It implies that a greater employment equity success rate could be achieved if the transformation efforts are better aligned with what the respondents perceived to be the driving factors – the impact of management commitment seems to be underestimated by respondents that have limited experience in achieving employment equity successes. Poor leadership commitment corresponds with Esthuyse’s (2003) findings as to why the mining industry is behind on achieving the legislated employment equity transformation deadlines.

Recruitment and talent management as an inhibitor of employment equity transformation finds its roots in the waning attractiveness of the mining industry with a depleting talent pool as a consequence. The absence of high potential school leavers exaggerates individual development support as a restraining

factor due to the absence of available talent to develop. It also provides substance to the lack of education and skills being the third ranked restraining factor with limited young talent being available to enter the technical skills development pipeline. Elements of institutionalised prejudices of the past are also present with Black managers being excluded from the recruitment process – Black and white employee differences are not appreciated (Cox, 2003). Recruitment from tertiary institutions supports the "growing of leaders" theory, but the limited availability of recruits poses significant challenges for gold mining companies. Gold mining companies will be left with no choice but to enter into talent wars for educated, skilled and experienced managers (Hammett, 2008) to service the short term regulatory requirements at the cost of the sustainability of the company and the economic value add for all South Africans. At the same time it creates an imbalance in **market conditions** resulting in gold mining companies having to pay a remuneration package premium.

Succession planning considers the future needs of the company (Hammett, 2008), which reflects respondents' support for the notion of a development pipeline. The underlying assumption is that management positions are readily available. The evidence suggests the non-availability of management positions as a part inhibitor as to why transformation efforts fail. It provides an opportunity for gold mining companies to consider Selby and Sutherland's (2006) space creation model whereby any course of action is taken to persuade white managers to leave the organisation to create opportunities for Black managers to assume their roles. Greef and Nel's (2003) job sharing model is another opportunity where additional management capacity is created by dividing a full-time job into two part time jobs. Boonzaaier and Boonzaaier's (1999) HR

planning model supports the future outlook. It considers establishing a balance between recruitment, talent management and succession planning. **Retention planning**, as one of the restraining factors, is ingrained in succession planning. Failure to retain candidate Black managers creates an appetite for **poaching** to satisfy HDSA employment equity targets – satisfying short term regulatory requirements and creating artificial market conditions.

The respondents have confirmed that gold mining companies have been **sluggish** in the **implementation of transformation** irrespective of whether transformation plans exist or not. The respondents were vague in their reasoning why implementation is lacking. It leaves room for speculation as to whether the “organisation & resources” and/or the “systems & controls” components of Oakland and Tanner’s (2007) change model failed. Elevating HR and transformation to the strategic level will obtain board support, resulting in focused management attention, responsibility and ownership and will provide the impetus to speed up transformation implementation.

A small minority of respondents were of the opinion that **inadequate law enforcement** was a restraining factor. Legislation ranked amongst the top four drivers of employment equity, yet only a few respondents agreed that law enforcement constrains transformation. It reflects a common view that bona fide transformation is of higher importance rather than regulatory authorities adopting a “carrot-and-stick” approach.

Capital growth oriented shareholders, professional jealousy and white transformation agent were the restraining factors represented at the bottom

end of the scale, with support from single respondents for each of these restraining factors. Due to its limited support it was deemed to be negligible when considering solutions as to how employment equity transformation efforts could be improved.

6.6 How to improve employment equity transformation

“Transformation planning”, Individual development support” and “Employment equity support structures” emerged as the key themes of “How to improve employment equity transformation”. Respondents’ particular ideas under each of these themes correlated well with what the respondents believed to be the drivers of employment equity. There was also a strong correlation between respondents’ view of how to improve employment equity as an opposite to what was identified as restraining factors.

“Legislation” was recognised as a driver of employment equity, yet the respondents made no mention of legislation in response to how employment equity can be improved. It either implies a view that existing legislation is sufficient and that companies should comply, or an alternative that legislation is of lesser importance - transformation efforts should rather be focused on planning, individual development support for Black candidate managers and putting structures in place that can support employment equity transformation.

“Education, skills and experience” was another employment equity driver that respondents failed to recognise. Respondent views were rather focused on the “how to” measures, which, if diligently implemented, would naturally lead to an educated, skilled and experienced Black management team.




“Overcoming cultural barriers”, as a driver, was also not acknowledged as a condition for improved employment equity transformation. This driver relies strongly on the individual attributes of Black management candidates. “Individual development support”, but more specifically coaching and goal-oriented training will contribute to addressing individual development opportunities.

The combination of “What is employment equity?”, “Employment equity drivers?” and “Employment equity restraining factors?” have crystallised in three distinct employment equity transformation “pillars”. The three pillars that support improved employment equity transformation and legal compliance are:

- Transformation planning,
- Individual development support and
- Employment equity support structures

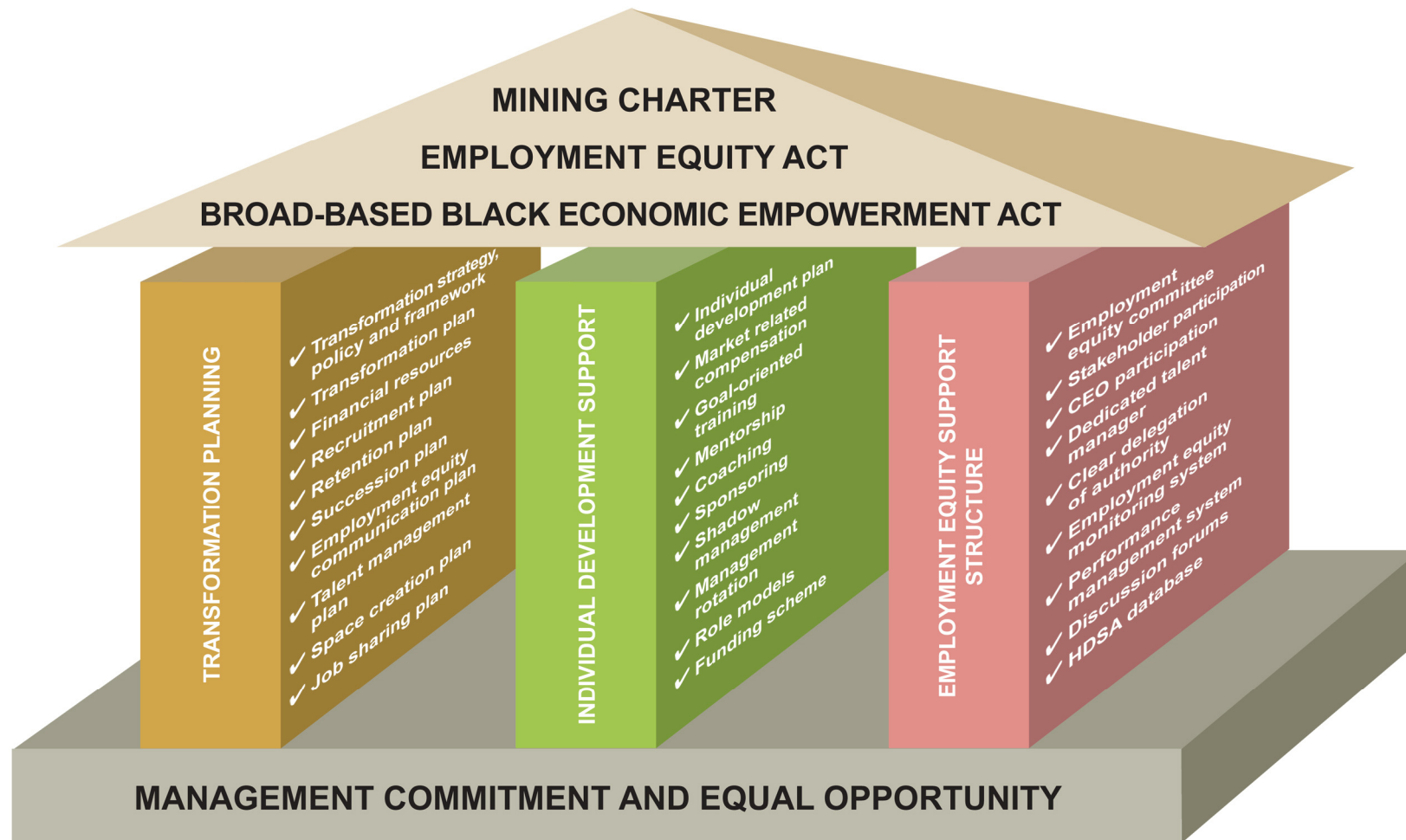
The research has revealed that each pillar comprises a set of key drivers that will contribute to improved employment equity transformation. Management support has been recognised as an uncompromising underpin for improved employment equity, while at the same time providing Black management candidates with an equal opportunity to compete with their white management counterparts. The combination of the three pillars with management commitment and equal opportunity as the foundation, provide South African gold mining companies with a model for improved employment equity transformation. Refer to figure 7 for the “three pillar” model for improved employment equity transformation in gold mining companies. The model acknowledges the drivers that have contributed to employment equity

transformation successes, and captures gold mining companies' view of how restraining factors can be overcome for achieving employment equity at management level in gold mining companies. The drivers for improved employment equity for each of the pillars are depicted as follows:

- Transformation planning - 
- Individual development support and - 
- Employment equity support structures - 

Gold mining companies' transformation actions are governed by the South African legislative requirements, which serve both the compliance (Mining Charter) and commitment (BBBEEA and EEA) transformation needs of the country. The employment equity legislative structure is depicted as the "roof" in the three pillar model and provides the overarching framework guiding employment equity transformation in South Africa.

Figure 7: The “three pillar” model for improved employment equity transformation



7. Conclusion

The South African mining industry has failed to meet the Mining Charter's employment equity targets – 40% HDSA participation in management by 2009. Ten years after enacting the Employment Equity Act, white males continue to dominate management positions in mining companies. In 2010, employment equity is the worst performing pillar of Black Economic Empowerment. The research confirmed a range of 23% to 29.6% of Black representation at management level in the four JSE-listed gold companies that were surveyed. It correlates with the government and the Commission of Employment Equity's concern that mining companies are failing to transform.

7.1 Why do employment equity transformation efforts fail?

Gold mining companies' failed employment equity transformation partially resides in the misalignment of gold mining companies' understanding of employment equity transformation's objectives compared to what the Mining Charter was aiming to achieve. Employment equity transformation is understood as a medium to long term objective, rather than the Mining Charter's aim of achieving quick wins. The development of Black candidate managers featured very prominently and showed support for "growing" Black managers, rather than "mining them – also referred to as the "commitment" approach. The Mining Charter's view has been described as a "mathematical" or "compliance" approach – the main objective is for gold mining companies to satisfy a desired transformation percentage. Arguably, if gold mining companies adopted their preferred Black management development approach eight years ago when the

Mining Charter was promulgated, they would have reaped the benefits of an educated, skilled and experienced Black management cadre by now. At the same time they would have met the Mining Charter's requirements, which are now unjustifiably being as blamed for promoting short term empowerment gains. Gold mining companies failed to plan for employment equity transformation and as a result inadequate individual development support was the most predominant constraint for not achieving employment equity targets. The gold mining industry remains tainted with the prejudices of the past. The perception still exist that Blacks are inferior to whites and hence Blacks are denied equal opportunity and are the victims of white cronyism. Black management candidates are starved of education, goal-oriented training and relevant experience. The continued disregard for the role of HR as a strategic business function and transformation change agent is disappointing. Recruitment and talent management, succession planning and retention are HR functions that are blatantly lacking and restraining employment equity transformation efforts.

7.2 What has contributed to employment equity transformation successes?

Very limited evidence existed of employment equity successes. Management commitment featured as the most dominant driver of employment equity transformation. It begs the questions as to what the employment equity status in gold mining could have been if management committed itself eight years ago? Those companies that have engaged in individual development for candidate Black managers testified of the consequent employment equity successes. Recruitment remains a key driver. The challenge for gold mining

companies is finding the right balance between recruitment and internal promotion. Over-recruitment will result in flight mode, whereas internal promotion is a motivator for retaining high potential Black candidate managers. Legislation as a driver is seen as a push factor rather than a pull factor – gold mining companies face the risk of losing their mining licenses if the Mining Charter requirements are not met. Transformation planning, although it is not the most prominent driver, is probably the most obvious to for achieving transformation successes.

7.3 How to improve employment equity transformation?

“Transformation planning”, Individual development support” and “Employment equity support structures” emerged as the key themes for gold mining companies to improve employment equity transformation. The “three pillar” model (refer p.97) consolidates what gold mining companies identified as employment equity drivers, constraining factors and “how to’s”. The three pillars are underpinned by an uncompromising need for management to commit to employment equity transformation, while at the same time creating an environment that is conducive to equal opportunity for Black candidate managers. Management commitment and equal opportunity combined with the three pillars (employment equity transformation checklist), will guide improved employment equity transformation towards the national imperative bring about economic change that can meet the needs of all economic citizens in a sustainable manner, under the guidance of the Mining Charter, the Employment Equity Act and the Broad-based Black Economic Empowerment Act.

7.4 Future research

The research has considered the drivers and restraining factors for achieving employment equity at management level in gold mining companies. Future research is recommended in the following areas:

- Do the drivers and restraining factors for employment equity at management level in the gold mining industry correspond with that of companies in other mining industries, such as platinum, coal and uranium?
- Does the “three pillar” model for improved employment equity transformation in gold mining companies correspond to the drivers of Anglo American’s employment equity transformation success?
- Have white women, who are included in the definition of HDSA, transformed quicker into management positions than Africans, Coloureds and Indians? If so, what are the drivers of transformation of white women into management positions?

8. REFERENCES

- Antonakis, J., Cianciolo, A.T., & Sternberg, R.J. (2004). *The nature of leadership* [DX Reader version]. Retrieved from
[://books.google.co.za/books?hl=en&lr=&id=cGHgwn-kXA8C&oi=fnd&pg=PP9&dq=the+nature+of+leadership+antonakis&ots=aSLpx8o3el&sig=IHPgnsyQMxLVakD6Hr9LOLY9h3Q#v=onepage&q&f=false](https://books.google.co.za/books?hl=en&lr=&id=cGHgwn-kXA8C&oi=fnd&pg=PP9&dq=the+nature+of+leadership+antonakis&ots=aSLpx8o3el&sig=IHPgnsyQMxLVakD6Hr9LOLY9h3Q#v=onepage&q&f=false)
- Beer, M. & Nohria, N. (2000). *Breaking the code of change* [DX Reader version]. Retrieved from
[://books.google.co.za/books?hl=en&lr=&id=ZdXT0h62g1IC&oi=fnd&pg=PR9&dq=beer+and+nohria&ots=DhvLa2GRk&sig=FtiCdA7LdxRerY6nRxXHgaZ4IMQ#v=onepage&q&f=false](https://books.google.co.za/books?hl=en&lr=&id=ZdXT0h62g1IC&oi=fnd&pg=PR9&dq=beer+and+nohria&ots=DhvLa2GRk&sig=FtiCdA7LdxRerY6nRxXHgaZ4IMQ#v=onepage&q&f=false)
- Blake-Beard, S., Murrell, A., & Thomas, D. (2006). Unfinished business: the impact of race on understanding mentoring relationships. *Organizational Behavior*, No.06-060, 1-46.
- Bowles, S., Cunningham, C.J.L., De La Rosa, G.M., & Picano, J. (2007). Coaching leaders in middle and executive management: goals, performance, buy-in. *Leadership and organization development journal*, 28(5), 388-408.
doi:10.1108/01437730710761715
- Burns, W. (2009). *Organization change a comprehensive reader* [DX Reader version]. Retrieved from
[://books.google.co.za/books?hl=en&lr=&id=JZ0rkeNvVkcC&oi=fnd&pg=PA226&dq=kurt+lewin+force+field+analysis&ots=nNqhO7WRzl&sig=ESP_018QeeHBXx7CS-sYXDanQJw#v=onepage&q=kurt%20lewin%20force%20field%20analysis&f=false](https://books.google.co.za/books?hl=en&lr=&id=JZ0rkeNvVkcC&oi=fnd&pg=PA226&dq=kurt+lewin+force+field+analysis&ots=nNqhO7WRzl&sig=ESP_018QeeHBXx7CS-sYXDanQJw#v=onepage&q=kurt%20lewin%20force%20field%20analysis&f=false)

- Cao, G., & McHugh, M. (2005). A systematic view of change management and its conceptual underpinnings. *Systemic Practice and Action Research*, 18(5), 475-490.
doi:10.1007/s11213-005-8484-4
- Charan, R., Drotter, S., & Noel, J. (2001). *The leadership pipeline: how to build the leadership-powered company*. San Francisco: Jossey-Bass.
- Charoux, E., & Moerdyk, A. (1997). Special report on employment equity, part 1: changing perceptions. *People Dynamics*, 15(2), 32-37.
- Clutterbuck, D. (2008). What's happening in coaching and mentoring? And what is the difference between them? *Development and learning organizations*, 22(4), 8-10.
doi:10.1108/14777280810886364
- Commission of Employment Equity. (2010). 10th CEE annual report. *Department of Labour*. Retrieved from [://www.labour.gov.za/documents/annual-reports/Commission%20for%20Employment%20Equity%20Report/2009-2010/commission-for-employment-equity-report-2009-2010](http://www.labour.gov.za/documents/annual-reports/Commission%20for%20Employment%20Equity%20Report/2009-2010/commission-for-employment-equity-report-2009-2010)
- Cox, R.A. (2003). *An investigation into the reasons for turnover of black mining graduates at the operational level in the South African gold mining industry*. Gordon Institute of Business Science, Johannesburg.
- Cummings, T.G., & Worley, C.G. (2008). *Organization development and change*. South-Western: Cengage Learning. Retrieved from [://www.books.google.co.za/books?id=rjdtPTfkWG8C&printsec=frontcover&dq=cummings+and+worley+organisation+development+and+change&hl=en&ei=d_RnTKvFGIGB8ga7_ZSxBA&sa=X&oi=book_result&ct=result&resnum=2&ved=0CDgQ6AEwAQ#v=onepage&q&f=false](http://www.books.google.co.za/books?id=rjdtPTfkWG8C&printsec=frontcover&dq=cummings+and+worley+organisation+development+and+change&hl=en&ei=d_RnTKvFGIGB8ga7_ZSxBA&sa=X&oi=book_result&ct=result&resnum=2&ved=0CDgQ6AEwAQ#v=onepage&q&f=false)
- Cunningham, I. (2007). Talent management: making it real. *Development and learning organizations*, 21(2), 4-6.
doi:10.1108/14777280710727307

- Cunningham, J.B., & Kempling, J.S. (2009). Implementing change in public sector organizations. *Management decision*, 47(2), 330-344.
doi:10.1108/002517440910938948
- Davenport, J. (2010, February 2). Minister tells SA miners to speed up transformation. *Mining Weekly*. Retrieved from [://www.miningweekly.com/article/minister-tells-south-african-miners-to-speed-up-transformation-2010-02-02](http://www.miningweekly.com/article/minister-tells-south-african-miners-to-speed-up-transformation-2010-02-02)
- Department of Labour. (1998). Employment equity act, No.55 of 1998. *Department of Labour*. Retrieved from [://www.labour.gov.za/legislation/acts/employment-equity/employment-equity-act](http://www.labour.gov.za/legislation/acts/employment-equity/employment-equity-act)
- Department of Mineral Resources. (2002). Broad-based socio-economic empowerment charter for the South African mining industry. *Department of Mineral Resources*. Pretoria: Government printer.
- Department of Trade and Industry. (2005). A strategy for broad-based black economic empowerment. *Department of Trade and Industry*. Retrieved from [://www.dti.gov.za/bee/complete.pdf](http://www.dti.gov.za/bee/complete.pdf)
- Department of Trade and Industry. (2004). Broad-based black economic empowerment act, No.53 of 2003. *Department of Trade and Industry*. Retrieved from [://www.dti.gov.za/bee/BEEAct-2003-2004.pdf](http://www.dti.gov.za/bee/BEEAct-2003-2004.pdf)
- Diamond, D. (2010). What is the Paterson job grading system? *eHow*. Retrieved from [:// www.ehow.com/facts_6898980_paterson-job-grading-system_.html](http://www.ehow.com/facts_6898980_paterson-job-grading-system_.html)
- Esterhuysen, W.P. (2003). The challenge of transformation: breaking the barriers. *South African Journal of Business Management*, 34(2), 1-8.
- Foreman, C.H. (2000). Facing up to racial disparity. *The Brookings review*, 8(2), 29-30.
- Gill, J. (2001). Change management—or change leadership? *Journal of change management*, 3(4), 307-318.
doi:10.1080/714023845

- Greef, A., & Nel, P. (2003). Employment transformation enhancement in South Africa: establishing a job-sharing model to promote employment equity. *South African Journal of Labour Relations*, Winter 2003, 23-62.
- Group 5. (2006). Annual report 2006. Group 5. Retrieved from
://groupfive.investoreports.com/group5_ar_2006/downloads/segmented/group5_ar_2006_human_resources_management.pdf
- Groves, K.S. (2007). Integrating leadership development and succession planning best practices. *Journal of Management Development*, 26(3), 239-260.
doi:10.1108/02621710710732146
- Hammett, P. (2008). The paradox of gifted leadership: developing the generation of leaders. *Industrial and commercial training*, 40(1), 1-9.
doi:10.1108/00197850810841585
- Hughes, J.C., & Rog, E. (2008). A strategy for improving employee recruitment, retention and engagement within hospitality organizations. *International journal for contemporary hospitality management*, 20(7), 743-757.
doi:10.1108/09596110810899086
- Kombarakan, F.A., Baker, M.N., Yang, J.A., & Fernandes, P.B. (2008). Executive coaching: it works! *Consulting Psychology Journal: Practice and Research*, 60(1), 78-90.
doi:10.1037/1065-9293.60.1.78
- Kotter, J.P. (1995). Why transformation efforts fail. *Harvard Business Review*, March – April 1995, 59-67.
- Kotter, J.P. (1999). Change leadership. *Executive excellence*, April 1999, 16-17.
- Lan, L.L., & Lee, J. (1997). Force-field analysis on policies affecting working women in Singapore. *Journal of Management Development*, 16(1), 43-55.
- Lawler III, E.E. (2005). *Strategic human resource management*. Los Angeles: Centre of Effective Organizations.

- Lawrence, R. (2008). Executive mentoring: turning knowledge into wisdom. *Business strategy series*, 9(3), 126-131.
doi:10.1108/17515630810873357
- Luiz, J. (2006). *Managing business in Africa*. Cape Town: Oxford University Press.
- Ma, Y., & Crestan, A. (2009). *Taiwan's challenges for significant international tourism market growth*. The proceedings of the 10th international digital government research conference.
- Miller, G.E.D. (2008). *A Cross-case Analysis of Mentee Change in Leadership Behavior during a mentoring and coaching program in Virginia*. Virginia: Virginia Polytechnic Institute and State University.
- Oakland, J.S., & Tanner, S. (2007). Successful change management. *Total Quality Management*, 18(1-2) January – March 2007, 1-19.
doi:10.1080/14783360601042890
- Pagan, N. (2008). Transformational leadership. *Managing Organizational Behavior*, Spring 2008, 1-5. Retrieved from [://0-userwww.sfsu.edu/innopac.up.ac.za/~npagan/documents/leadership.pdf](http://www.sfsu.edu/innopac.up.ac.za/~npagan/documents/leadership.pdf)
- Schiuma, G., Lerro, A., & Sanitate, D. (2008). The intellectual capital dimensions of Ducati's turnaround: exploring knowledge assets grounding a change management program. *International Journal of Innovation Management*, 12(2), 161-193.
- Schwering, R.E. (2003). Focusing leadership through force field analysis: new variations on a venerable planning tool. *Leadership and Organization Development Journal*, 24(7), 361-370.
- Selby, K., & Sutherland, M. (2006). "Space creation": a strategy for achieving employment equity at senior management level. *South African Journal of Labour Relations*, 30(2), 42-65.
- Senge, P., Kleiner, A., Roberts, C., Ross, R., Roth, G., & Smith, B. (1999). *The dance of change*. New York: Doubleday.

- Stokes, D., & Bergin, R. (2006). Methodology or “methodolatry”? An evaluation of focus groups and in-depth interviews. *Qualitative Market Research: An International Journal*, 9(1), 26–37.
- Thomas, A. (1996). *Beyond affirmative action: managing diversity for competitive advantage in South Africa*. Randburg: Knowledge Resources.
- Ulrich, D. (1997). *Human resource champions*. Boston: Harvard Business School Press.
- White, R.P. (2009). Did our strengths lead us to this point of weakness? *Business leadership review* VI(1), 1-7. Retrieved from
[://www.nwacademy.nhs.uk/email/postcards/postcard_22/OurStrengths.pdf](http://www.nwacademy.nhs.uk/email/postcards/postcard_22/OurStrengths.pdf)
- Zikmund, W.G. (2003). *Business research methods*. Mason: South-Western.

9. APPENDICES

9.1 Appendix A: In-depth interview questionnaire

RESEARCH QUESTIONNAIRE

TITLE: The drivers and restraining factors for achieving employment equity at junior, middle and senior management level in gold mining companies

QUESTION 1

What is the current level of representation of Blacks at management level in your company? With management level I mean a Paterson grading of level C and above and level 12 and above for the Peromnes grading scale.

QUESTION 2

What are the factors in your company that helped you achieve the current level of Black representation at management level in your company? Is there anything in particular that has really worked well?

QUESTION 3

What are the factors in your company that are preventing you from achieving the desired level of Black representation at management level in your company?

Alternatively,

You have been successful in achieving the Mining Charter's employment equity targets for Blacks in management positions. What are you doing to maintain this level of Black representation at management level?

QUESTION 4

What initiatives are being considered to improve the level of Black representation at management level in your organisation?

9.2 Appendix B: Focus group discussion questionnaire

RESEARCH QUESTIONNAIRE

TITLE: The drivers and restraining factors for achieving employment equity at junior, middle and senior management level in gold mining companies

QUESTION 1

What are the factors in your company that helped you achieve the current level of Black representation at management level in your company? Is there anything in particular that has really worked well?

QUESTION 2

What are the factors in your company that are preventing you from achieving the desired level of Black representation at management level in your company?

Alternatively,

You have been successful in achieving the Mining Charter's employment equity targets for Blacks in management positions. What are you doing to maintain this level of Black representation at management level?

QUESTION 3

What initiatives are being considered to improve the level of Black representation at management level in your organisation?