

**SHARED VISION AND COMPANY COMMITMENT WITHIN THE SOUTH
AFRICAN FINANCIAL SERVICES INDUSTRY**

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OPSOMMING

Gedeelde visie en maatskappylojaliteit in die Suid-Afrikaanse finansiële dienste bedryf

Hierdie studie ondersoek die verskynsel, en omvang van, gedeelde visie en maatskappylojaliteit binne die Suid Afrikaanse finansiële dienste bedryf. Dit is belangrik om van meet af te beseft dat as Suid Afrikaanse organisasies in die algemeen op 'n gelyke vlak wil meeding met vooraanstaande Europese; Amerikaanse en Oosterse organisasies, moet daar indringend aandag geskenk word aan aspekte soos spanwerk, organisatoriese waardes, bedryfsetiek en 'n totale fokus op kwaliteit. Al hierdie aspekte omsluit die basiese uitkyk van die individue werksaam in die organisasie; die lojaliteit wat bestaan teenoor die organisasie en die mate waartoe 'n gedeelde visie bestaan.

Die studie ondersoek eerstens die literatuur rakende lojaliteit en gedeelde visie. 'n Induktiewe logika word dan gevolg om literatuur saam te vat rakende uniek Suid Afrikaanse aspekte van maatskappy lojaliteit en gedeelde visie.

Die studie fokus op die finansiële dienste bedryf. Deduktiewe gevolgtrekkings word gemaak na die Suid Afrikaanse milieu in die breë. Die metode wat gevolg is is die van 'n elementêre opname. Die steekproef het bestaan uit veertien maatskappye wat op 'n oordeelsbasis gekies was. Vanuit die maatskappye was twintig respondente ook op 'n oordeelsbasis geselekteer vir voltooiing van die vraelys. Hierdie was 'n vraelys met verseie tipes vrae wat die primêre meetinstrument uitgemaak het. 'n Sekondêre meetinstrument, in die vorm van semi-gestruktureerde onderhoude met sakelui; akademe en vakbond verteenwoordigers is ook gebruik. Die sekondêre meetinstrument is komplementêr tot die primêre meetinstrument.

Nominale en ordinale meting, asook inhoudsontleding, was op die vesamelde data togepas om tot gevolgtrekkings te kom aangaande die voorkoms en omvang van gedeelde visie en maatkappylojaliteit binne die Suid Afrikaanse finansiële dienste bedryf.

Van die inligting voorgesit is dit duidelik dat Suid Afrikaanse ondernemings (in die geval spesefiek die finansiële dieste bedryf) nog 'n entjie het om te gaan alvorens maatskappy lojaliteit en gedeelde visie algemeen is en kan bydra tot die totstandkoming van wêreldklas organisasies.



CHAPTER 1

INTRODUCTION, PROBLEM STATEMENT AND OBJECTIVES

What do we need to make our world come alive?

What does it take to make us sing?

Why are we waiting for the next one to arrive?

One million points of light

One billion dollar vision thing

The Sisters of Mercy: *Vision Thing*¹

1.1 Introduction

Shared vision; employee buy-in; organisational commitment...the buzz-words and catch-phrases are endless, and yet these topical themes are what all organisations are endeavouring toward as business enters the 21st century. The 1980's and 1990's witnessed a rising awareness as to the importance of the employee by management (Lessem & Nussbaum, 1996:179-180). This awareness has – albeit slowly – lead to empowerment (Manning, 1988:101-104). Placing individuals in charge of their own destiny and instilling a sense of ownership amongst all levels in the organisation seems to be the new challenge managers are faced with.

Nowhere is this more relevant than in South Africa. As South Africa underwent miraculous political and social change that culminated in the 1994 elections, so too business underwent change. One of the biggest challenges was – and still is – that of globalisation (Smit & Cronje, 2000:430). South Africa is desperately trying to establish itself as a global force. In this regard, however, employee commitment to the company is one of the major stumbling blocks (Van Der Wal & Ramotsehoa, 2001:14).

South Africa is notorious for a highly politicised labour market with trade unions wielding immense political strength. The labour market picture is tainted by a sense of distrust between management and workers (Barker, 1999:125-128). Surely a situation such as this is not conducive to basic productivity. Management is starting

¹ Sisters of Mercy: *Vision Thing*. (Eldritch) © 1991 Warner Music. From the album: *A Slight Case Of Overbombing*

to realise that to transform companies into world class organisations, the first hurdle is to create a sense of ownership amongst all employees in the organisation, although this in itself has proven to be a problematic area for management (Schuitema, 2001: 28-29).

The readmission of South Africa back into the international arena has highlighted two cardinal issues. If South Africa is to establish itself as a global player, these two issues have to be addressed. These issues are intrinsically part of each other but need to be separated to clarify the point of view.

Firstly, management philosophy has got to change (Lessem & Nussbaum, 1996: 110-111). Thus, traditional second wave management ethic has got to make way for third wave type thinking in order for businesses to evolve toward learning – and world class organisations centred around the overriding philosophy of quality. In this sense quality is all encompassing (Hodgetts & Luthans, 2000:52-67). This would include employees and the utilisation of this vitally important resource – which gives rise to the second issue.

Cronje, *et al.* (2000:100), defines management as:

“The process whereby human, financial, physical and informational resources are [optimally] employed for the attainment of the objectives of the organisations”

As is evident from this definition, optimal employment or utilisation of resources is, *inter alia*, applicable to human resources. Surely establishing shared vision and commitment to the organisation could help to optimally employ or utilise human resources which, in turn, is a step closer to reaching the optimal state of quality throughout the organisation.

1.2 Problem statement and research objectives

Against this backdrop, this study wishes to measure the extent of corporate ownership and shared vision that has been established in the South African financial services industry. The study will also attempt to highlight important issues and avenues that should be investigated to help overcome the problem.

The question, therefore, that this research is endeavouring to answer is as follows:

What is the extent of the shared vision and commitment that exists in South African financial service organisations?

The above research question assumes that the area of shared vision and company commitment are problematic and will not attempt to delve further on the question of whether it is a problem or not.

The study mainly has two objectives, these being:

- ***To measure the extent of shared vision and company commitment in South African financial services organisations***
- ***To identify and shed light upon avenues that should be investigated to try and find solutions to the problem.***

Although this study will not be able to fully investigate all the issues surrounding shared vision and commitment, it can raise some points for further investigation. This study is purely exploratory in nature and will try to shed some light on the degree of shared vision and commitment present in the South African financial services industry.

1.3 Research methodology

A mixture of quantitative and qualitative methods are to be employed. An extensive literature study will have to be embarked upon to fully understand the nature and importance of shared vision and commitment to corporate strategy in the organisation and also the effect that these can have on organisational performance and economic value added to shareholders. Said literature study will follow an inductive pattern of logic, eventually being drawn through to the South African scenario as far as shared vision and company commitment are concerned.

Qualitative research will be undertaken in the form of semi-structured interviews on this topic with academics, management personnel and trade unions. This information will be vital to establish the current state of affairs from management's perspective as well as from the perspective of organised labour. These views will form part of the literature study.

As far as the qualitative data is concerned, the contact persons from the companies identified below shall be interviewed. To gain the perspectives of organised labour, one representative from the following trade unions shall be approached:

NEHAWU

NUTESA

Furthermore, contact will be established with one senior academic from the Business Management (or related) Departments from the following tertiary educational institutions:

Technikon Witwatersrand

Technikon South Africa

Rand Afrikaans University



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Quantitative research will assume the form of structured questionnaires used to solicit data pertaining to shared vision from selected financial service companies. Service companies – and in particular companies within the financial services industry – have been decided upon as the general understanding of these issues (and also the general literacy level) will be higher than within companies in primary and secondary sectors of the economy; which will negate training and facilitate standardisation of the measuring instrument used.

The actual sample of companies used to collect the quantitative data is relatively small and narrowed down to companies physically operating in the Gauteng area. Although the sample is small, a varied spectrum of companies has been sought – from large to small firms covering a wide array of financial services – in an effort to ensure validity of the study and to endeavour to make the sample as representative as possible. Fifteen companies have been included in the study and will remain anonymous.

The respondents from these companies are to be chosen on an erratic basis, depending on the authority of the contact person within the company. A maximum of twenty (20) questionnaires from each company has been agreed upon, except in cases where the number of employees in the employ of any particular company total less than twenty.

The collected data will then be classified nominally (Du Plooy, 1995:69-70) to be in a position to produce meaningful distribution tables of the responses gathered in the questionnaires.

1.4 Conceptualisation

At this juncture, it might be wise to reflect on some phrases and terminology that will be used throughout this study so as to avoid any ambiguity and misunderstanding. Certain of the terms and phrases are used interchangeably and, where applicable, will be noted

Vision

Miller (1998:41) defines vision as follows:

“A vision describes aspirations of the future, without specifying the means that will be used to achieve those desired ends.”

A similar definition is provided by Lewis, *et al.* (2001:161):

“...a vision statement describes what the organisation aspires to be in the long term. It is a description of the way in which the organisation wants to be perceived by others at some future date.”

Thompson & Strickland (1999:27) provide much a similar definition:

“A strategic vision indicates management’s aspirations for the organisation, providing a panoramic view of ‘what business we want to be in, where we are headed, and the type of company we are trying to create.’”

What is disconcerting about this definition is the archaic attachment to the belief that vision reflects management's aspirations for the company. As shall be highlighted in chapter 2, management *per se* is becoming ever more consultative and aspects such as empowerment and corporate ownership are key to world class organisations. (Lloyd, 1994:3)

Aspiration seems to be the golden thread common to most definitions of a vision. It is comparable to a "dream" that the organisation wants to fulfil. The timeframe associated with a vision is always unclear, it is simply stated as "the future". Just as individuals have dreams and aspirations that spur them on, so to do organisations.

Mission

Many definitions exist as far as mission statements are concerned. Pearce & Robinson (1997:29) define a mission statement as follows:

" ...a broadly framed but enduring statement of a firm's intent. It embodies the business philosophy of the firm's strategic decision makers, implies the image the firm seeks to project, reflects the firm's self concept and indicates the firm's principle product or service areas and the primary customer needs the firm will attempt to satisfy."

This definition implies that a mission's focus is slightly narrower than that of a vision statement.

Stoner, *et al.* (1995:265) provide a more concise definition:

" Broad organisational goal, bases on planning premises, which justifies an organisation's existence."

Stoner, *et al.* therefore postulate that a mission communicates to all constituents what the "purpose" of the organisation is; why it exists.

Miller (1998:42) proposes a slightly different view of a mission statement:

" A vision becomes more tangible in the form of a mission statement. Such a statement can verbalise the beliefs and the directions in which a visionary manager wants to lead an organisation."

Miller (1998:41-43) reiterates the fact that a mission is more concrete than the vision. This definition indicates that a mission statement can be used to direct the organisation along an established “route”

The mission thus embodies the existence of the organisation and communicates the direction the organisation is headed. It is a more tangible statement than the vision statement.

Corporate strategy

Pearce & Robinson (1997:4) comment as follows on the subject of strategy:

“ ...large-scale, future orientated plans for interacting with the competitive environment to achieve company objectives. A strategy is a company’s “game plan”. Although that plan does not precisely detail all future deployments (of people, finances and material), it does provide a framework for managerial decisions. A strategy reflects a company’s awareness of how, when and where it should compete; against whom it should compete and for what purposes it should compete.”

Important here is the concept of “game plan”, as strategy should not only spell out what the end objective is but also what types of actions are to be taken to reach these objectives.

As far as strategy is concerned, Stoner, *et al.* (1995:267) provide the following definition:

“ The broad program for defining and achieving an organisation’s objectives; the organisation’s response to its environment over time.”

Stoner, *et al.* highlights the importance of responding to the environment over time. As the business environment can be volatile, corporate strategies need to reflect changes in the business environment to be optimally successful.

Corporate strategies therefore broadly spell out what the organisation wishes to achieve on the long term and how it will go about achieving the set goals, with cognisance of an ever changing business environment within which it functions.

Shared vision

Lewis, *et al.* (2001:170) sheds the following light on this topic:

“... every member, work group, department and division of the organisation subscribes to and supports the organisation’s strategy with its plans and actions.”

Miller (1998:42) states the following concerning shared vision:

“ Sometimes, managers also talk about shared vision, meaning that individuals from across the organisation have a common mental image and a mutually supported set of aspirations that serve to unite their efforts.”

Lastly, Senge (1999:9) casts finality on this issue:

“The practice of shared vision involves the skills of unearthing shared ‘pictures of the future’ that foster genuine commitment and enrollment rather than compliance.”

Shared vision implies commonality. Commonality of effort across all areas of the organisation as well as commonality of thought and commitment amongst individual members of the organisation

Certain authors use the term ***Institutionalising Strategy***, although the author prefers the term Shared Vision, as institutionalisation follows the establishment of a common vision.

Company commitment

From the definition provided for shared vision, one can deduce that commitment to the company is resultant from a mutually agreed upon and shared vision of the direction of the organisation. In this regard Anthony Manning (1988:42) states:

“By creating a climate for high performance, by empowering your people to perform, you automatically select their behaviour.”

The terms ***Corporate Ownership*** and ***Employee Buy-in*** are used interchangeably with company commitment.

Learning organistaion

A learning organisation can be defined as (Hodgetts & Luthans, 2000:59):

“ Organisations that are able to transform themselves by anticipating change and discovering new ways of creating products and services; they have learned to learn. ”

A learning organisation implies something more than the adaptiveness of an organisation postulated by the total quality perspective of TQM; it implies proactiveness, it implies creativity and it implies openness (Hodgetts & Luthans, 2000:59).

World Class Organisation

On the topic of World Class Organisations (WCO), Hodgetts & Luthans (2000:63) provide the following insight:

“To become a WCO, an organisation must excel in a number of dimensions that in both an additive and synergistic way create a new level of competitive excellence that goes beyond the total quality and learning organisation. ”

It is thus logical to deduce that Hodgetts and Luthans view a WCO as the pinnacle of excellence that follows a logical progression from a quality focus, to an adaptive (TQM) organisation, to a learning organisation and ultimately to a WCO.

Corporate culture

Pearce & Robinson (1997:356) comment as follows:

“[Corporate] culture is the set of important assumptions (often unstated) that members of an organisation share in common. ”

Stoner, *et al.* (1995:182) define corporate culture as follows:

“ A set of important understandings, such as norms; values; attitudes and beliefs, shared by organisational members. ”

Miller (1998:374) offer a more comprehensive view of organisational culture:

“Organisational cultures can be viewed as systems of shared values (about what is important) and beliefs (about how things work) that shape a company’s behavioural norms (the way ‘we do things around here’).”

Important to note is that culture also implies commonality. In this case, commonality of certain values; beliefs; norms and attitudes that govern the behaviour of individuals in an organisation.

1.5 Limitations to the study

One of the biggest limiting factors would be time. It would obviously be advisable to embark upon a fully comprehensive study including many companies from primary, secondary and tertiary sectors of the economy. This, however, is not possible and therefore it has been decided to focus only on companies in the financial services industry.

Another potential obstacle is that of companies and institutions included in the study. This list is confined to institutions where the researcher has established contact. Fortunately, this list is not extremely limited. It is felt that this approach would lead to a higher response rate than cold canvassing as communication channels with a contact person in these companies and institutions has already been established.

In an era where the old saying “any publicity is good publicity” has definitely been proven incorrect, companies seem to be ever more reluctant to be associated with surveys that could portray them in a bad light. Many companies did not feel at ease with attaching their names to this study. Eventually it was decided that no company what so ever shall be named (except in the case where an interviewee gave such consent for bibliography purposes). Even after taking such steps to ensure anonymity, some companies still refused to partake in the survey.

It is true to say that the data gathered from these companies would not be a fair reflection of all South African companies. However, as the study is an exploratory one, and since the study aims to shed some light on the occurrence of shared value and commitment in South African organisations, the findings that flow forth from this study will still be relevant and would definitely be representative of service industries as a whole.

A comparison between South African companies and European companies was also envisaged. However the list of contactable companies in this regard is limited to companies where the researcher has a contact. This list is unfortunately small and very exhaustive, and although this type of comparison could be vital in comparing South Africa to Europe in the global playing field, the timeframe within which the study had to be conducted rules out the possibility of any meaningful results here.

Retribution is an obstacle that has to be overcome in order to obtain valid data. Many respondents could be afraid to indicate their true feelings in questionnaires as they fear retribution by the company. The measuring instrument would therefore have to be totally anonymous and reassurance must constantly be given by fieldworkers that the questionnaires will not be viewed by company management.

Also, it must be made clear to the companies and other institutions involved in the study that the findings and results of the study will in no way incriminate, deface or bring said organisations into ill repute. Companies and other institutions will not be willing to partake in the study if the resultant findings promote them in a bad light.

1.6 Layout

The layout of the rest of the research report will be as follows:

- Chapter 2 will be a purely theoretical, literature based chapter delving into the sphere of shared vision, commitment to corporate strategy and the importance of these factors on organisational functioning and value creation. An inductive application of the general theory to the South African scenario will then be embarked upon. A mixture of South African literature and semi-structured interviews will be applied to gain the necessary insights.

- Chapter 3 shall explain the methodology for the quantitative and qualitative data gathering in detail. The sampling procedure as well as the construction of the measuring instrument(s) will be explained. Any relevant assumptions and limitations shall be reiterated here and their influence on the validity of the study will be explained.
- Chapter 4 will present all data after classification has taken place (Du Plooy, 1995:69-70). This will serve to portray the data meaningfully in the form of distribution tables for each question.
- In Chapter 5, deductions as to the meaning of the findings shall be made. These conclusions shall serve as the basis for recommending broad courses of action and also to raise further questions that could serve to identify areas for further research.



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CHAPTER 2

SHARED VISION AND COMMITMENT TO THE COMPANY

*On the wings of the night
 As the daytime is stirring
 And the speechless unite
 In a silent accord
 Using words you will find are strange
 And mesmerised as they light the flame
 Feel the new wind of change
 On the wings of the night*

Pink Floyd: *On The Turning Away*²

2.1 Introduction

It appears as though two opposing parties are inexorably thrust together in any workplace. On the one hand there is the organisation itself, for whom productivity and quality is the essence. The organisation wishes to reach the maximum level of efficiency with the most effective use of scarce resources – the age-old economic principle (Samuelson & Nordhaus, 1989:23-26; Shaw & Barry, 1998:140-145).

On the other hand stands the employee who, driven by a mixture of the basic senses of self-preservation and survival and higher order needs such as achievement, wishes to extract as much personal gain as possible out of any particular situation, with the workplace being no exception (Shaw & Barry, 1998:17).

The challenge to management is to align these two factions; to let the personal gain forthcoming from the workplace contribute to maximum efficiency of the organisation and vice-versa (Lloyd, 1994:4).

² Pink Floyd: *On The Turning Away* (Gilmour / Moore). © 1987, Sony Music Entertainment. From the Album: *A Momentary Lapse Of Reason*.

2.2 Establishing a shared vision

The establishment of shared vision is not something that can be done unilaterally by top management. It is a definite process that needs to be initiated and facilitated by top management, and needs the commitment of all stakeholders concerned (Fourie, 2002; Van Der Wal, 2002; Vermeulen 2002).

2.2.1 Why shared vision?

From the definitions provided in section 1.4, it is evident that shared vision implies commonality of effort. Of particular importance is that this commonality of effort commences from a cognitive level (Robbins, 2001:67-70). Only when vision is shared by people; when they have the opportunity to contribute to this vision and internalise it can true results be forthcoming.

As Senge (1999:171-172) mentions, what is important is commitment to the idea; not just mere compliance. Commitment implies that there is some gain to be had for the individual whereas compliance refers to the fact that there is no gain to be had and that the individual is merely avoiding the negative repercussions of non-compliance.

Compliance is doing your work and fulfilling the wishes of others (Neher, 1997:238-240; Shaw & Barry, 1998:18-19); the 8-hour-a-day routine, commitment is to contribute positively to the working environment (Shaw & Barry, 1998:17); to try and make a difference for the collective good of everyone involved with the business enterprise.

The establishment of a shared vision intrinsic to all those involved with a business or a project is a very powerful tool indeed. Shared vision implies that the concepts of synergy and holism are at work – the whole ‘power of one’ ideology (Shaw & Barry, 1998:349-350). This ideology enabled Edison to light up the world; this ideology enabled Wilbur and Orville Wright to take-off at Kittyhawk almost 100 years ago; this ideology enabled NASA to take ‘one giant leap for mankind’ in 1969, the list is by no means exhaustive.

Why, then, should the area of business be any different? Quite simply put, it should not and it is not. One just has to read Semler's fascinating account of the SEMCO company to realise the brute simplicity of the concept (Semler, 1994).

Yet, for some strange reason, people always tend to think that reaching business goals is a bridge too far, that something will always crop up that will throw us off target; that 'things are not always that easy'. The Apollo Program stands as proof that things are just 'that easy' (Swenson, *et al.* 1989; Compton, 1989; Launius, 1994).

2.2.2 The climate for establishing a shared vision

It could be argued that certain extraneous factors need to be in place for the establishment of a shared vision. This, logically, seems to have merit and surely the presence of certain variables, be they internal to the organisation or eminent from the external environment can act as a catalyst for the establishment of deep-rooted shared vision and commitment to the company (Ebert & Griffin, 1998:206-208).

One can therefore say that a favourable climate would be a 'nice to have', rather than a 'must have' in the process of establishing a shared vision. Again, NASA's Apollo Program is a good example. When Pres. John F Kennedy announced that the idea was 'to take a man to the moon and return him safely to earth'; on 25 May 1961, it had not been three weeks since Allan B Shepard was the first American in space on board the Freedom 7 (MR-3) spacecraft on 5 May 1961. This flight was sub-orbital and lasted only 15 minutes 22 seconds (Swenson, *et al.* 1989; Compton, 1989).

By this date – in the eyes of the general public, at least – NASA was lagging far behind the Soviet space program. On April 12 1961, Major Yuri Gagarin was the first man in space aboard Vostok I (Korabyl-Sputnik VI), an orbital flight (Swenson, *et al.* 1989; Compton, 1989; Launius, 1994). Not until 20 February 1962 did NASA successfully complete an orbital flight with, John H Glenn aboard the Friendship 7 (MA-6) spacecraft (Swenson, *et al.* 1989).

Thus, at the date of Kennedy's address to Congress in 1961, NASA had not fully conquered the concept of orbital re-entry, they had not explored how to break free of the Earth's orbit, they were still toying with the concepts of thrust in a weightless environment (Launius, 1994). And all this guided by computer systems far inferior to the computer used to word-process this paper!

Yet, on 20 July 1969 Neil Armstrong walked on the surface of the moon (the claims of the Apollo 11 moon landing being a hoax will not be investigated in this paper). Many people agree that the Apollo Program was the most incredible feat of engineering and science ever accomplished. It cost just a shade under \$14bn; claimed the lives of astronauts Grissom; White and Chaffee (when the Apollo 1 spacecraft caught fire in 1965); and captured the imagination of the whole world (Compton, 1989; Launius, 1994).

It is clear that NASA had not been conducting the Apollo Program within an optimal operating climate. The fact of the matter, however, is that NASA made it work. The commitment – of all involved with the program and from the American nation as a whole – followed (maybe due to the rivalry with the USSR during the Cold War); the vision was established and the whole program was a resounding success.

It is not only disciplines such as astronomy, aeronautics and engineering that have learned valuable lessons from the Apollo Program. The most valuable lesson of all is for management scholars. The internal-, task- and macro environments within which a company must function are always going to be turbulent. In other words; a 'perfect climate' for establishing shared vision and commitment is never going to happen.

The best time is now. Determine the vision and make it happen; that is the essence of the Apollo program.

2.2.3) The psychology of shared vision

Company commitment, shared vision, corporate ownership, whatever one would like to call it, also implies a personal commitment to the idea.

The concept of shared vision centres around the word “shared”. This implies that more than one party must intrinsically believe in this established vision. The parties implicated here are the organisation and the employee.

It is important to pause for a while and consider the concept of personal commitment to the vision. To believe in the vision implies an alignment of values and attitudes; an alignment of personal and company values. According to Porter, *et al.* (Berry & Houston, 1993:291) organisational commitment refers to:

“... the extent to which one identifies with and is involved in an organisation.”

As Berry & Houston (1993:291-292) point out, organisational commitment is influenced and shaped by three elements:

- **Job involvement:** the degree to which one is absorbed by one’s job
- **Morale:** is more orientated toward a group and includes the general level of satisfaction and the overall desire to stay with ones job
- **Job satisfaction:** an individual’s reaction to the job experience

Thus, commitment – just as job involvement; morale and job satisfaction – can be seen as a job attitude; which is a consistent pattern of thoughts, feelings, and behaviour toward the job or some aspects of the job (Berry & Houston, 1993:292; Robbins, 2001:68-70).

Positive job attitudes entail three components (Berry & Houston, 1993:291; Robbins, 2001:68):

- **Affective Component** – When the affect of job attitudes are positive, one can speak of job satisfaction; but when the affect is negative, one can speak of job dissatisfaction
- **Cognitive Component** – This component focuses on how people think about the job experience

- **Behavioural Component** – This is the tendency to promote action and indicates what people are likely to do, given what they think and feel about their jobs.

Having looked at the elements comprising commitment and job attitudes, one should ask how these job attitudes can be developed and shaped. Some argue that these attitudes are inherited (Arvey, *et al.* 1989:187-192), however these findings are not conclusive and bear no relevance beyond the point of mere mention.

Other psychological research concludes that attitudes are developed early on in life with exposure to and experience of attitude objects (McGuire, 1985:27). As Berry & Houston (1993:292) point out, work forms a major part of forming an identity in children; as they are constantly asked “what are you going to be when you grow up?” People thus form expectations – and therefore attitudes – of certain occupations, and through socialisation people carry these attitudes into their first job. Direct experience can further cause people to change these attitudes if expectation and reality are not congruent (Shaw & Barry, 1998:16-19).

But what if the values and attitudes of the individual are not aligned to the company values? Who must change? The company or the individual? The answer is not a clear-cut one. On a collective level, both have to change; both have to foster an environment conducive to agreement about certain issues and principles (Shaw & Barry 1998:17-19). Yet, on a micro level, individuals might still be struggling to buy-in to a situation that is not congruent to their values and beliefs. Here the organisation has a large role to play in initiating and fostering change at a micro level (Neher, 1997:265-269).

Irrespective, however, of which party must change, the principle is that change has to occur. More specifically, the change program has to align the values and attitudes of the individual with that of the business enterprise, and vice-versa (Neher, 1997:268-271). Before any change program can be initiated, however, both parties have to be committed to the change process itself.

Attitudes shape and are shaped by our value systems and form part of the core personality of every human being (Robbins, 2001; 62-68). To change these intrinsic parts of who we are is – at best – not an easy task. Our attitudes have a driving effect on our thoughts, emotions and behaviour, and can be seen to be consistent with our actions (McGuire, 1985:25; Berry & Houston, 1993:223-224).

2.2.4) The elements involved in establishing shared vision

To propose a chronological, step-by-step approach to establishing a shared vision can be potentially as hazardous as having no vision at all. Due to the fact that shared vision and the behavioural component thereof – company commitment – are deeply rooted in peoples' attitudes and value systems, the establishment thereof is vastly complex and depends on the organisational context (Moore, 2001:23). What should be suggested, however, is a set of prerequisites that should be in place to facilitate the establishment of a shared vision and commitment to the company

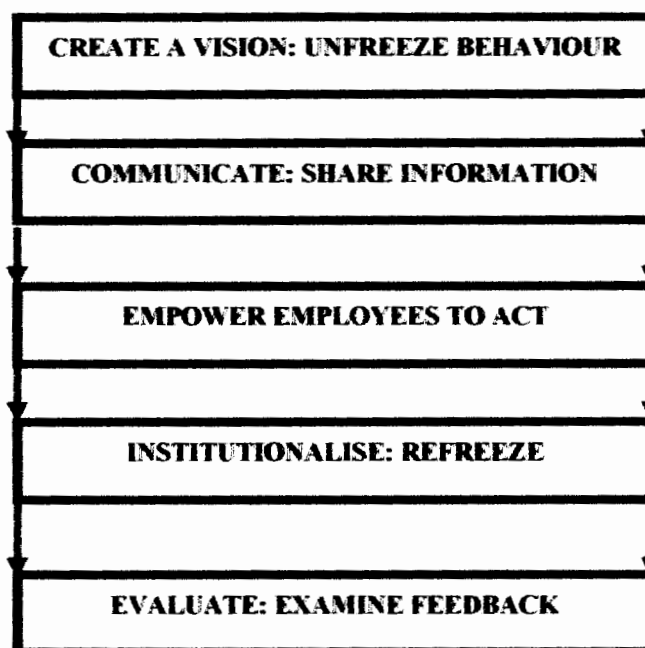
2.2.4.1 The role of change

From the onset it must be made clear that the establishment of a shared vision implies, *inter alia*, that change is to occur (Moore, 2001:22-23; Lewis, *et al*, 2001:364-365). It would therefore be wise to briefly view the dynamics of change and change management before considering how to go about establishing a shared vision.

Many different models have been developed over the years regarding the whole issue of change facilitation. Lewin (Lewis, *et al*. 2001:364-367; Schein 1995) provides a 5-step framework for planned change. This framework realises (as most planned change models do) that the mere introduction of change cannot guarantee the success thereof.

The Lewin framework, as graphically represented hereunder, will be elaborated on in slightly more detail (Lewis, *et Al*, 2001:364-367; Schein, 1995).

Figure 1: Steps for planned change: The Lewin Framework



Source: Lewis, *et al.* (2001:364).

- ***Create a vision: unfreeze behaviour***

The actual establishment of a vision initiates unfreezing, as awareness for the need for change; as well as an awareness to forces supporting and resisting change begins to form. It is cardinal to identify driving forces for change and resisting forces against change here. Managers have to harness the driving forces effectively and address the negative impact of resisting forces in order for change to be successful

- ***Communication and information sharing***

One of the most important ways to get organisational members to learn and embrace the new vision is through communication. People learn new behaviours from oral, verbal and non-verbal messages. The sharing of information affects the inherent resistance to change that is commonplace amongst people.

- ***Empowering others to act on the vision***

Here the emphasis should fall on providing training and educational opportunities to help employees learn new behaviours needed to implement the newly created vision. Teamwork should further be encouraged as a means to institutionalise ideas and move forward when solving problems.

- ***Refreezing the new approaches***

New behaviours are to be reinforced by means of positive results; feelings of accomplishment or rewards from others. This reinforcement should be continuous for the newly established change to be solidified as the new status quo.

- ***Evaluation***

Here managers have to assess whether the planned change has had the intended effect. Therefore, managers are forced to establish the criteria for judging the success of the intended change before the change occurs.

The large-scale change that occurred at Levi-Strauss is a perfect example of the process of change as postulated by Lewin. In 1993, Levi-Strauss had everything going in its' favour, and yet it was decided to embark on one of the most massive change programs in American history. The reason for this unprecedented change was the fact that Levi-Strauss was becoming complacent and this complacency was leading to a false sense of security (Sheff, 1996). The actual change program closely follows a pattern to that proposed by Lewin. The result of the change at Levi-Strauss is that the company is more focussed; more in touch with their customers; and more attentive to the environment within which the company operates (Sheff, 1996).

Change, however is only one of the components of establishing a shared vision. One would have to delve further to fully understand the dynamics of the establishment of shared vision. Suffice to point out at this stage that a climate of – and strategy for change should be in place as the establishment of a shared vision – as pointed out earlier – implies that change occur; moreover, that a state of “no shared vision” is replaced by a state of “shared vision”.

2.2.4.2 UPS and the Loyalty Contract: Responsibilities of the employer and of the employee in fostering a shared vision

James Kelly (Kelly, 1998) explores the responsibilities of both the employer and employee in as far as establishing a shared vision is concerned. Kelly, Chairman and CEO of UPS, is also a proponent of the fact that shared vision – or the Loyalty Contract as he terms it – translates to better overall company performance.

According to Kelly (1998), the Loyalty Contract is a two way street between employers and employees. He makes it perfectly clear that there are a few factors that need to be eradicated before this Loyalty Contract can be implemented:

- ***A sense of entitlement***

The entitlement mentality refers to employees who expect to have a life-long career with a particular firm; regardless of their level of performance. This entitlement mentality breeds stagnation and isolation from market realities (Kelly, 1998).

- ***The free-agent mentality***

Free-agents have no loyalty, except to themselves. They can be easily lured away from their employer by a better remuneration package and can be the cause of great discontinuity in operations (Kelly, 1998).

The person who believes they are entitled to certain corporate benefits thus becomes complacent and the free-agent is the direct opposite – no loyalty except to the almighty dollar! If commitment is to be fostered, it implies that loyalty should be forthcoming from both parties; and this equates to a type of person that can be loyal and can comprehend the result of their actions (Peterson, 1995).

Once the organisation has the type of people conducive to fostering commitment, then the actual task of establishing the commitment can begin. As pointed out, Kelly (1998) regards the building of commitment – the Loyalty Contract – as a two way street. What the organisation brings to the table needs to be discussed at this point. In this regard, Kelly points out that the Loyalty Contract at UPS rests on two elements that the organisation provides (Kelly, 1998):

- ***A realistic commitment to the long haul***

Companies must ensure that they do all that they can to ensure employment for people who perform well. As Kelly points out, this commitment is not a job-for-life philosophy (Kelly, 1998):

“A responsible employer who adheres to the loyalty contract takes a long-term view of employment. This doesn’t mean they guarantee jobs for life... or fail to remove underperforming employees... or disregard profit and shareholders. It just means that employers do their best to keep employees who are performing well in their jobs – and that employees use layoffs only as a last resort.”

This long-term commitment to employees also manifests itself in the fact that flexible career paths should be available to people. This provides the employee with the opportunity of aligning skills and interests with career-paths (Kelly, 1998; Flescher, 2001).

Commitment to the long haul also encompasses co-ownership of the business by the workforce (Kelly, 1998). This equates to employees having active involvement in their work and determining their own success and thus their own future (Stewart, 1999:224-225).

- ***The “Career Toolbox”***

As Kelly (1998) states:

“ The second mark of a responsible employer... is to offer employees what I call a ‘career toolbox’. In that toolbox you’ll find all the training tools, the evaluation tools and the sounding boards necessary to groom and guide successful careers. It’s obvious to a roomful of HR executives that adequate training is a key responsibility of an employer. But that responsibility extends well beyond the first few weeks the employee is in the job.”

To UPS, this career toolbox means investing in employees. Investment in the form of training and guidance as to what is expected of each and every employee to succeed in that particular workplace (Flescher, 2001).

The employee, too, has to bring something to the table in order for the Loyalty Contract to succeed. At UPS, these responsibilities are collectively termed the *flexible employee* (Kelly, 1998). For UPS, a flexible employee equates to an employee who takes charge of his/her situation and uses the tools provided by the company in the form of the 'career toolbox'; which means moving out of comfort zones and taking on added responsibilities (Kelly, 1998; Haddad, 2001).

At UPS the Loyalty Contract has paid dividends, as Chairman Kelly (Kelly, 1998) states:

“ Here’s the lesson: the loyalty contract pays in the long term. Employers benefit. Employees are happier. Customers are better served. And so, ultimately, are shareholders.”

2.2.4.3 The mind shift

In his book “The Fifth Discipline”, Peter Senge (1999:69-84) explains that one of the essential ingredients in the make-up of world class organisations is the ability to perceive things in a new, creative and innovative way. What is of particular importance to Senge is the idea of an holistic outlook; the ability to view the whole and not just to focus on smaller parts. This holistic outlook should take effect in all areas of the organisation; with stakeholders, with customers, with staff, with the products or services of the organisation, with the environment...wherever the organisation exerts effort or influence.

This holistic mindset should furthermore be present throughout the organisation, from senior management right through to the shop floor worker, the cleaner and the front desk clerk. This systems thinking, as Senge terms it, affords the individual with two important perceptual tools (Senge 1999:73):

- Seeing interrelationships rather than linear cause-effect chains
- Seeing processes of change rather than snapshots

The value of this holistic mindset – or the discipline of systems thinking – thus lies therein that individuals can literally see how they fit in the greater whole of the company or organisation where they work (Nel, 2002). Employees at all levels can thus understand how their efforts influence and effect overall organisational performance

Senge further explains that four core disciplines underlie this fifth discipline (or mindset) of systems thinking. Systems thinking is thus the perceptual cornerstone; it is the discipline that integrates the other four core disciplines (Smith, 2001). Only once this philosophy of systems thinking is reached can organisations move toward the state of learning organisations (Senge, 1999:70-74). The four core disciplines that Senge delves into can briefly be summarised as follows (Senge 1999:6-11; Fullerton 2001; Smith, 2001):

- ***Personal Mastery***

Senge defines personal mastery as follows (Senge, 1999:7):

“Personal mastery is the discipline of continually clarifying and deepening our personal vision; of focussing our energies, of developing patience and of seeing reality objectively.”

This personal mastery thus entails the development of a personal vision and managing the resultant gap between the personal vision and reality, termed “creative tension” (Fullerton, 2001; Smith, 2001).

- ***Mental Models***

These involve deeply ingrained assumptions, generalisations, or even pictures and images that influence how we understand the world (Senge, 1999:8). People are often not aware of the impact that these assumptions etc. can have on our behaviour, therefore people must be able to reflect inward and scrutinise these generalisations and pictures that they hold (Smith, 2001).

Resultant from such an introspection is thus the ability to learn new skills, develop new orientations and take on more responsibility.

- ***Shared Vision***

In this regard Senge states (Senge, 1999:171-172):

"The practice of shared vision involves the skills of unearthing shared 'pictures of the future' that foster genuine commitment and enrolment rather than compliance."

Such a vision has the power to be uplifting and to encourage experimentation and innovation. It can also foster a sense of the long-term, something that is fundamental to foster systems thinking (Smith, 2001)

- ***Team Learning***

Team learning can be viewed as (Senge, 1999:236):

"...the process of aligning and developing the capacities of a team to create the results its members truly desire."

In this sense, team learning combines the mainly individual disciplines of personal mastery and mental models and applies them to a team setting; and also applies the discipline of shared vision (Fullerton, 2001). Team learning takes effect with dialogue – the ability to suspend assumptions and being able to think together, as a cohesive unit (Senge, 1999:10; Smith, 2001).

From this discussion it is clear that commitment to the company involves a philosophy. This philosophy should be entrenched in both the organisation and the individual. It is a philosophy that confronts the conventional in the sense that individuals are challenged to move beyond their comfort zones. It is a philosophy that is not always fully understood and often severely challenged (Nel, 2002). Yet, as Peter Senge, Ricardo Semler and James Kelly have shown, it is a philosophy that works.

2.3 The benefits of a shared vision

The benefits of an established, shared vision and resultant commitment to the company cover a wide spectrum; from 'soft' and often intangible benefits to more concrete and directly measurable benefits (Semler, 1994:174-183; Anon, 1998; Kelly, 1998; Senge, 1999:220-222; Shanahan, 1999; Stewart, 1999:248-249).

On a very elementary level, a shared vision can be seen as something that appeals to the hearts and minds of the members of the organisation; enabling these members – or employees of the organisation – to align decisions, behaviours and actions to the strategic direction of the organisation (Hellriegel & Slocum, 1996:142; Lewis, et al. 2001: 161; Robbins, 2001:330).

Robbins (2001:330-331) expands on the above mentioned benefits of shared vision by adding that shared vision should be inspirational and should propose 'something new'. This implies a sentiment that is echoed by Senge (1999:211), in that vision should not be enforced from the top down, but should largely encapsulate personal visions too. Lastly, one could also deduce that a shared vision provides employees with the ease of mind to move out of comfort zones; to take calculated risks and to experiment with the hitherto unknown.

It is cardinal to create an environment that envelopes all employees and bombards them with signals so consistent and mutually reinforcing that it would be virtually impossible to misunderstand the ideologies and ambitions of the organisation (Kettinger & Grover, 1995:30; Elkington, 1997:257-259). Yet, it is of vital importance that these signals should be interwoven with the personal ambitions and visions of employees at all levels of the organisation.

According to Semler (1994:274-278) the modern organisation should put quality of life first. All too often companies focus on technological advancements and innovations; accounting performance indicators and figures and tend to forget that companies exist for, and because of, people (Davenport, 1995). Semler further remarks that quality of life can only enjoy priority if full partnering has been established; when both personal and company vision are seen as equally important.

An interesting application, but also an important benefit, of shared vision emanates from the concept of EVA – or Economic Value Added (Stewart, 1999:2-3; Strassmann, 1995). By coupling a shared vision and commitment with the philosophy of EVA, real – and measurable – growth can be forthcoming.

Partnering is forthcoming in the way that achievement of certain agreed-upon targets results in real financial reward for employees and the organisation alike (Chu, *et al.* 1995; Stewart, 1999:233-249). These agreed-upon targets take on a different form as they are based on the economic value employees add to the organisation, not on some random and often ill-understood target.

To summarise the benefits of a shared vision to the organisation, Senge (1999:205-211) highlights the following aspects:

- Shared vision provides focus and is energy for team learning.
- Shared vision breeds true commitment as it encapsulates personal visions.
- It uplifts people and provides employees something to aspire to.
- Shared vision provides the spark to lift the organisation out of the mundane by breeding courage; fostering risk taking and encouraging experimentation.

2.4 The moral dilemma of company commitment

One of the virtues of a good employee is that the person is loyal (Soles, 1993:15). According to this comment by Soles, a loyal employee is thus also a committed employee. Yet, what does commitment – or loyalty – entail? Can a person be expected to always act loyally toward his/her employer? Is loyalty a cut-and-dry virtue or does one encounter varying states of loyalty?

The mere fact that a person has accepted employment and signed an employment contract implies that an obligation exists between the individual and the employer, when acting on behalf of the employer, to promote the interests of the employer. The employee thus has a legal obligation to act loyally, in good faith and to carry out all lawful instructions (Shaw & Barry, 1998:348-349; Barker, 1999:2). The notion of company loyalty is commonplace; it is a greatly appreciated virtue and many people find it a legitimate concept (Soles, 1993:15-16).

The dilemma that comes about is how far should this loyalty extend? Can a person, morally and ethically, be expected to subordinate their entire autonomy and private lives to the company that employs them; to be blindly loyal? On the other hand, can a person simply be seen as the free agent mentioned by James Kelly (Kelly, 1998).

The answer is not a clear-cut one. It would seem as though the notion of a total subservient employee is morally and ethically not justified (Shaw & Barry, 1998:349; Soles, 1993:20). On the other hand, a free agent mentality is contrary to the traditional law of agency, which obliges an employee to act loyally and in good faith (Shaw & Barry, 1998:349).

It is obvious that organisations are trying to foster relationships with employees that lead to deep rooted loyalty and commitment; yet as Shaw & Barry (1998:250-257) rightly point out, it would be ethically and morally offensive to misuse this loyalty that has been fostered. As Semler (1994:271-273) points out, westerners have a different view of loyalty than, say, the Japanese do. To try and imitate and enforce Japanese-style loyalty in western companies would result in many conflicts of interest and ethical disputes. Western companies need to find their own niche and approach as far as loyalty is concerned.

Yet, it must be remembered that the African scenario presents its' own problems, opportunities and threats. Just as a direct imitation of Japanese approaches could potentially be disastrous in a Western (American or European) setting, so too a direct adoption of Western approaches are likely not to succeed in the African setting.

2.5 Uniquely South African problems

From the onset it has to be made clear that many of the problems faced in South African business today is a direct result of the apartheid policy of the former government (Triebel, 1996:40). Yet, even before the 1994 democratic elections, scholars and businessmen alike had been aware – and warned – of the social and economic problems that would be resultant from a separate development policy (Backer, 1973:134-135; Manning, 1988:1-3; Dugard, *et al.* 1992:136).

Now this legacy is with us – and nowhere more prominent than in the organisation. The entry of South Africa to the global playing field has somehow seemed to magnify the problems that organisations face (Anon, 2001a).

The first aspect of South African organisations lies in their make up. South Africa is a hugely heterogeneous society – therefore also hugely diverse. Although the phenomenon of heterogeneity is not unique to South Africa, it does compound the scale of the challenges that emanate from the South African environment.

A striking facet of South African organisations does emanate from their make up. Traditionally, black people occupied the worker ranks and whites occupied the managerial ranks. Although this tendency is changing, through mechanisms such as the Employment Equity Act (55 of 1998), the process is timely (Slabbert & Swanepoel, 2000:20; Gerber, *et al.* 1998:168-169). This work differential has been the cause of much tension and mistrust between management and labour in the past and this pattern is likely to continue for some time to come.

Yet, in recent times many people from previously disadvantaged communities have risen to the echelons of middle and senior management, but the unsightly tendency of being a free-agent is starting to develop within the ranks of (especially) middle management (Nel, 2002; Vermeulen 2002).

The fact that white people and black people in South Africa received different standards of education in the past (with “white” education seen to be far superior above “black” education); black people come from a collective that is less educated than their white countrymen. 41% of the African workforce had an educational level of less than grade 6 (standard 4) in 1991 and in general the literacy rates of whites are far higher than for the other racial groups (Barker, 1999:9). This picture is slowly starting to change – as there no longer is such a thing as separate education systems – but black people still seem to have a problem accepting black authority.

It seems as though black people perceive a white person in an authoritative position as more knowledgeable (even if that person is less trustworthy, being a white person). In my experience as a Lecturer at a leading South African Technikon, white lecturers are seen to be far more credit-worthy than their black colleagues by the predominantly black student corps – and this tendency is not limited to first years or pre-graduate students, it is encountered at all levels right up to M. Tech level.

Another striking aspect of the South African business environment is the immense political power that trade unions have (Barker, 1999:139-141). Although the current labour legislation is very protective toward the employee (Mpisi, 2002; Nel, 2002) – and many argue that it is too much so – unions play a very active role in maintaining sound employee relations at the workplace (Gerber, *et al.* 1998:391); one cannot help but wonder if many lower level employees are not manipulated into actions they do not fully comprehend by politically powerful unions. After all, a trade union is in essence a product of socialist ideology with its' own agenda; often far removed from the agenda of the organisation where its' members are employees (Slabbert & Swanepoel, 2000:70). These conflicting agendas have given rise to some of the most serious threats to business in South Africa: mistrust and poor productivity (Barker, 1999:3; Anon, 2001a; Fourie 2002; Vermeulen 2002).

Yet, for all the negative points that have been raised, immense potential also presents itself in the South African environment. South Africa has an excellent infrastructure as far as airports, roads, ports, telecommunications, banking and other financial services are concerned (Hough & Neuland, 2000:364-367). As part of the national agenda education, training and development is receiving top priority (Anon, 2001a). Mechanisms, therefore, do exist for South African organisations to embrace the new, emergent management philosophies and entrench values such as quality, commitment, shared vision and partnering at all levels of the organisation (Slabbert & Swanepoel, 2000:67-78; Anon, 2001a).

The largest stumbling blocks in experimenting with implementing new management philosophies is that of finances and a short term focus by top management of not just SMME's, but especially large corporation (Anon, 2002; Van Der Wal, 2002; Nel, 2002).

It must be borne in mind that educating staff and developing a new organisational mindset costs money; money that may not be available due to tight economic conditions. Resultant from pressing economic conditions is a mindset to pursue short-term profits and sacrifice the long-term well being of the organisation (Elkington, 1997:14-18). Yet, the emergent managerial philosophies are being adopted by large corporates such as Telkom and ABSA with some degree of success; albeit slow (Nel, 2002; Van Der Wal, 2002).

Baring in mind the fact that the swing to embrace emergent management thinking takes time and costs money; the most important aspect, is that South Africans must do things their own way, not like the Americans and not like the Germans and not like the Japanese; we need to find custom made solutions to our very unique setting (Manning 1988:3).

2.6 Conclusion

A passage by Ricardo Semler seems to put in perspective the emergent philosophies on the topics of management and strategy. Semler was hosting a lecture to senior managers in the USA and investigated the case of a company that seemed to fit perfectly into the modern setting, but the case in question emanated from a German shipping company in 1633. Upon conclusion of his lecture, he remarked (Semler, 1994:274):

"Since 1633, man has made immense strides in technology, but has gone nowhere in terms of mentality"

There are many examples of how a rethink of how 'things are done'; a basic change in outlook and philosophy on work; has resulted in the near impossible becoming reality. Crafting a shared vision and real commitment to the company, based on ethical and moral considerations as much as on pure business considerations, is a reality; it can happen and it can succeed even in South Africa.

CHAPTER 3

RESEARCH METHODOLOGY OF THE STUDY.

What am I trying to do

What am I trying to say

I'm not trying to tell you anything

You didn't know when you woke up today

Depeche Mode: *Nothing*³

3.1 Introduction

It would now follow, having embarked upon a discussion surrounding the issue of shared vision and company commitment, what the extent of this phenomenon is in the South African context. Hence the discussion turns to the actual conduction of the study; the processes and mechanisms used and the motivation for using them.

In this chapter the methodology employed for conducting the research is sketched. First the target population shall be defined, with discriminating parameters. Thereafter the discussion investigates all the aspects and decisions surrounding the sample. The measuring instrument applied to the sample, as well as the pilot study, are explained thereafter. Finally, the actual fieldwork and measurement of the collected data is investigated.

3.2 The target population

One of the questions that the study is endeavouring to answer is to what extent does shared value and company commitment exist in South African organisations. As South Africa is attempting to emerge as a global player, the extent to which people are committed to their jobs and organisations they work for is going to be a determinant of excellence.

It must be stressed from the outset that restrictions in terms of time have forced the magnitude of the study to be narrowed down in terms of geographic location and industry. It has thus been decided to concentrate the survey on the Gauteng province.

³ Depeche Mode: *Nothing* (Gore) © 1987 Mute Records. From the Album: *Music For The Masses*.

Further the financial services industry – has been decided upon. The decision to choose the financial services industry is based on the following factors:

- An extensive network of contacts has been built up within this industry. That will drastically cut-down on time spent gathering data, as much of the beaurocratic ‘red-tape’ in terms of going through all the processes and procedures as an outsider will be cut short.
- The financial services industry makes up part of the tertiary sector of the economy (Le Roux, *et al.* 1999:25). It can be argued that this sector typically has higher literacy levels than the primary and secondary sectors, particularly where professionals and service organisations are concerned (Le Roux, *et al.* 1999:25).

This facilitates standardisation of the measuring instrument in terms of language and terminology used. Furthermore, respondents could also complete the questionnaire with the assistance of properly briefed field workers.

3.3 Sampling decisions

Cooper & Emory (1995:200) comment as follows as far as a sample is concerned:

“The basic idea of sampling is that by selecting part of the elements in a population, conclusions may be obtained about the entire population.”

To therefore be able to obtain conclusions about the entire population, the sample has to accurately reflect the characteristics of the population it is representing.

From the above it follows that the most important considerations in terms sampling are (Dillon, *et al.* 1993:215; Cooper & Emory, 1995:201-202; Priest, 1996:60-61):

- **Accuracy**

Accuracy refers to the degree to which bias is absent from the sample (Cooper & Emory, 1995:201). An accurate sample thus has a balance of scores or respondents through the population, not leaning toward one pole or another.

The degree to which the sample does lean to one end or another is expressed in terms of the systematic variance. A totally accurate sample therefore has no systematic variance.

In terms of this study, the degree of systematic variance depends on three factors:

- ◆ Firstly the respondents must be employees of companies within the financial services industry. As this is the case, this factor has no influence on the systematic variance of the study.
- ◆ Secondly, a spread of respondents is required proportionate to the typical make up of a company. This would mean that more responses are sought from workers than from first line managers and more from first line managers than from functional managers and so on through the hierarchy of the company. As fieldworkers have been given clear instructions in this regard, a diminishing response rate pattern through the company hierarchy was achieved.
- ◆ Thirdly, the sample has to reflect the nature of the financial services industry. According to the SA Financial Sector Forum, financial services (Anon, 2001b):

“...are classified function categories, namely:

- *Banking and credit services*
 - *Banks and mutual banks*
 - *Credit unions and stokvels*
- *Insurance and related services*
 - *Short and long-term insurers*
 - *Pension, retirement and provident funds*
 - *Friendly societies*
 - *Medical aid schemes*
- *Investment services*
 - *Wholesale services: Financial exchanges, securities firms; portfolio and collective investment schemes*

- *Retail services: Investment advisers, and marketers of financial products.*”

The sample has to include companies from all three these categories to be accurate. This was achieved, but the sample does lean slightly toward the Insurance and Related Services section of the industry.

- ***Representativeness***

This aspect deals with precision of estimate and the degree to which the sample fully represents the population (Cooper & Emory, 1995:201). If the sample does not fully represent the characteristics of the population, the study will not be valid and the findings will not be reliable. In as far as the make up of the sample is concerned, the efforts embarked upon to ensure a low systematic variance have also helped contribute toward representativeness of the study.

The sample that has been decided upon encompassed 245 respondents from 14 different companies. Due to the sensitivity of information, it has been agreed to withhold the names of the companies that partook. The companies selected for the sample represent a spread across all three main categories of financial services; the breakdown of companies and number of respondents per category was as follows:

- Banking and credit services : 5 (Maximum 100 respondents)
- Insurance and related services : 5 (Maximum 100 respondents)
- Investment services : 4 (Maximum 45 respondents)

An amount of twenty respondents per company was envisaged, this obviously depended on the size of the company involved. A maximum number of 245 respondents from a maximum of 14 different companies within the industry would constitute a 100% response rate to the survey.

The sampling method used is definitely **non-probability** (Dillon, *et al.* 1993:229; Du Plooy, 1995:54-55), as one was not able to predict the chance that any given person within any given financial services organisation would be included in the study.

The choice of companies to include in the sample was an application of **judgmental sampling** (Dillon, *et al.* 1993:229; Du Plooy, 1995:62), as acquaintances are employed by these companies that happen to fall within the financial services industry.

Within each company, a **quota sample** (Dillon, *et al.* 1993:230) was employed (taken in regard that a spread of respondents across the organisational hierarchy is sought) until the envisaged number of respondents have been chosen. Here the acquaintance acted as a fieldworker after a series of debriefings had taken place to solve any misconceptions in terms of the type of respondents to expose to the questionnaire.

3.4 The measuring instrument

The overriding objective of the measuring instrument to be used for the survey is to measure to what extent shared vision exists in the financial service companies. As this is an aspect that is not directly measurable, one would have to focus on the measurable aspects that contribute to a shared vision.

As explained (see section 2.2.3), shared vision is manifested in an employee's level of commitment toward the company. However, company commitment also poses problems in terms of quantitative measurement. It was thus felt that the measuring instrument should focus on ways that shared vision is manifested. By measuring these aspects, certain inferences can be made back to the occurrence and extent of shared vision.

The survey questionnaire consists of eleven questions and can be broken down into three broad sections (See Annexure B for an example of the questionnaire):

- ***Section 1: Questions 1 – 3***

The information sought here is purely demographic in nature. Question 2 is of special importance as this data will help sort respondents into the categories of top management; middle management; first-line management and workers.

This categorisation acts as control mechanism to ensure accuracy of the sample. Furthermore this allows for conclusions to be made concerning different levels in the organisational hierarchy

- ***Section 2: Questions 4 – 9***

This section consists of different types of questions concerning strategic planning initiated by the company. As the establishment of a shared vision is a reciprocal process, the company has a role to play as initiator of this relationship. These questions investigate the efforts of companies in this regard.

These questions, although they constitute many different formats, are limited response questions aimed at nominal and ordinal (i.e. categorical) measurement of the data.

- ***Section 3: Questions 10 – 11***

These questions are open ended questions wishing to solicit data pertaining to how the employee identifies or aligns him-/herself with what the organisation is doing (in the form of the mission statement)

The responses from these questions will be subjected to content analysis (Du Plooy, 1995:151-169; Priest, 1996:66-67) and the results of the content analysis will enable the responses to be plotted onto a 5-point scale ranging from “strongly believing” to “strongly disbelieving” of the mission statement of the company; the 5-point scale also allows for an area of neutrality toward the mission statement.

3.5 The pilot study

Priest (1996:249) describes a pilot study as:

“Small-scale study designed to generate ideas, refine techniques, and test methods prior to initiating a larger-scale project.”

It thus made good sense to subject a specific group from the sample to a pilot study to iron out any problems that respondents might encounter in completing the questionnaire.

One of the companies from the sample, a merchant bank was selected as subject for the pilot study. All respondents – twenty in total – were personally approached by myself and an acquaintance who is an employee of the company. The nature of the study was explained and assurance was given that responses would be treated confidentially.

No respondent spent longer than ten minutes completing the questionnaire. Upon receipt of the questionnaires from individuals, they were asked if there was any aspect of the questionnaire that they did not understand. No-one had any problems in terms of comprehension of the questions and all respondents indicated that the questions were clear, to the point and unambiguous.

The pilot study was deemed to be a resounding success and the conclusion was that no alteration had to be made to the measuring instrument. Furthermore, as the measuring instrument used in the pilot study was not to be altered, the responses gained from the pilot study could be included in the findings of the overall study.

3.6 Fieldwork

Directly after completion of the pilot study, the decision was made to commence with the large-scale study. As this was to be the most time consuming phase of the study, it was felt that early commencement thereof would afford the luxury receiving as many questionnaires back as possible.

Contact was made with said acquaintances at the companies selected in the sample. A covering letter (See Annexure A) and the questionnaire were sent via e-mail to these acquaintances to gain initial go-ahead.

Once the go ahead was received, discussions followed with these contacts as to how the data would be gathered. In all cases the acquaintances offered to distribute and collect the questionnaires; thus effectively making them fieldworkers.

This was a highly desirable course of action, as these contacts were physically present every day; after all they do work there! This allowed them to constantly monitor the status and progress of the data gathering at the different companies in question. As these people are known personally, communication concerning any anomalies or queries in general could be posed swiftly and directly and could be dealt with timeously.

Each fieldworker was also given a detailed brief of the overall sample and how this should be borne in mind when selecting respondents at each individual organisation. It was important that these people clearly understood what was required and distribution of the questionnaires would only take place once all uncertainties concerning who should complete the questionnaire had been dealt with. Aspects here included number of respondents and what percentage of these respondents should emanate from the different hierarchical levels of the company.

Follow-ups were embarked upon twice weekly with each fieldworker to gather current status of the data gathering as well as the setting up of final deadlines for collection of completed questionnaires from the fieldworkers.

3.7 Proposed measurement of gathered data

Dillon, *et al.* (1993:272), define measurement as:

"... the procedures (the rules) used to assign numbers that reflect the degree or amount of a characteristic of an object; a person; an institution; a state or an event."

In this sense, how the responses are to be 'counted' is dealt with here.

The measuring instrument lends itself to categorical measurement of data (Priest, 1996:120); with the exception of question 10 and 11. These questions lean toward continuous measurement (Priest, 1996:120-121).

All questions – bar questions 10 and 11 – have been so structured that they are either measurable by ordinal or nominal means (Dillon, *et al.* 1993:273-274; Cooper & Emory, 1995:143-144; Du Plooy, 1995:69-70; Priest, 1996: 120-121). The purpose of the study is to try and measure the extent of company commitment, this implies measuring the frequency and extent of this phenomenon. To these ends the measuring instrument adheres to the overall aim of the study. The parameters used to define each category are already provided in the questionnaire, with the exception of questions 2; 10 and 11.

Data gathered in question 2 refers to the position of respondents on the organisational hierarchy. This is, for all intents and purposes, an open-ended question that aims to have the respondent answer as to what their job titles are. Once all questionnaires have been collected, the fieldworker at the company involved assists in identifying the hierarchical level at which the individual respondent resides. Four broad categories have been decided upon in this regard:

- Top management (strategic)
- Middle management (functional)
- First line management (operational)
- Workers' corps

As mentioned in 3.4, this categorisation would help assure accuracy of the sample and could also prove useful in terms of drawing conclusions based on hierarchical level.

Questions 10 and 11 are open-ended questions aimed at assessing respondents' opinion toward the mission statement (and thus the values and belief system) of the company. These responses were subjected to content analysis (Du Plooy, 1995:151-169; Priest, 1996:66-67) in order to reach some quantitative measure for the answers given. The content analysis can deliver one of three possible outcomes (Du Plooy, 1995:151-155):

- Positive attitude (in varying degrees) toward the mission statement
- Negative attitude (in varying degrees) toward the mission statement
- Neutral, unbiased opinion

It would thus make sense to plot the scores of the content analysis on a 5-point scale allowing for:

- Varying degrees of positivity (categories 4 and 5);
- Varying degrees of negativity (categories 1 and 2) and
- A neutral point (category 3).

This could be argued to be an application of interval level measurement (Dillon, *et al.* 1993:275-276; Cooper & Emory, 1995:146-147; Du Plooy, 1995:70-71).

Question 9 can have multiple answers as more than one option can be applicable to a particular respondent. The responses forthcoming, however, can still be measured ordinally

3.8 Secondary sources of data

As the sample is small – and notwithstanding the fact that extensive measures have been taken to secure accuracy and representativeness of the sample – it would be wise to complement the prime data source (in the form of the data gathered directly with the measuring instrument) with a second data gathering exercise. This took the form of gaining opinions from people from different spheres concerning the topic of shared vision and company commitment. These opinions were gained by conducting semi-structured interviews with the respondents; an example of the broad outline used for these interviews is attached (Annexure C).

Interviewees were chosen from three spheres:

- Industry
- Academia
- Organised Labour

The criteria used for selection was a hybrid of the convenience sampling method and judgmental or purposive sampling method (Cooper & Emory, 1995:228; Du Plooy, 1995:61-62).

The opinions expressed by these subjects act to supplement the information forthcoming from the survey and also as underlying literature as far as the South African context of company commitment is concerned.

3.9 Conclusion

Although the sample is a small one, taking into account the vast number of companies that could be included under the definition of financial services, careful measures have been taken to assure that the sample is accurate and representative.

As far as the measuring instrument is concerned, any array of questions could have lead to collection of data pertaining to company commitment and shared vision. The aim was to develop a measuring instrument that is easily measurable, but above all easily understandable and simple. To this end the results of the pilot study indicated success. At this point the measuring instrument has to be applied and the data forthcoming is to be backed up by the data resultant from the interviews conducted.



CHAPTER 4

SURVEY FINDINGS AND INTERPRETATION OF GATHERED DATA

And I have no compass

And I have no map

And I have no reasons

No reasons to get back

And I have no religion

And I don't know what's what

And I don't know the limit

The limit of what we got

U2: Zooropa⁴

4.1 Introduction

Now that the data has been gathered the process of sifting through the collected data for meaningful results had to commence. As two measuring instruments were used, in the form of the primary survey backed up by the interviews, the two had to be presented separately and collated at a later stage.

The discussion firstly focuses on issues surrounding the response rate from the survey and the questionnaires. Thereafter the data collected is presented using various statistical methods as well as an array of presentation media. Interwoven with this presentation, certain logical inferences and deductions shall be highlighted.

4.2 Response to data collection

The response rates of the different measuring instruments are now reviewed

4.2.1 Questionnaires

Of the fourteen companies approached, twelve gave consent for participation. This constitutes an 85.7% participation rate. The remaining two refused to partake, even after concessions were made in terms of total anonymity.

⁴ U2: Zooropa (Bono/The Edge) © 1993 Island Records. From the Album: Zooropa.

The fact that twelve of the fourteen identified companies partook equated to a reduction in 100% response rate from 245 respondents to 205 respondents. All told, 115 questionnaires were completed. This equates to a response rate of:

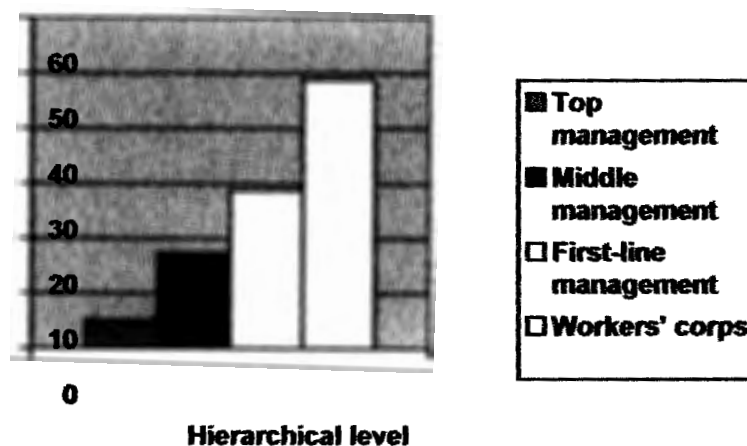
- 46.9% of the total target population; and
- 56.1% of the participant population.

Of cardinal importance was to ensure that the sample remain accurate in reflecting the typical hierarchical structure of an organisation in the response rate. This indeed was the case, as can be seen from the following table:

Table 1: Response rate per hierarchical level

Responses emanating from:	Frequency	Percentage of total response
Top management	6	5.2
Middle management	20	17.4
First-line management	33	28.7
Workers' corps	56	48.7
Total	115	100

Figure 2: Percentage response rate per hierarchical level



The response rate is such that collectively inferences and deductions can be made concerning employees. For the same token, inferences and deductions can be made concerning all hierarchical levels with the exception of top management.

This, however, is not a factor of great concern as the commitment of senior managerial staff should never come into question. It is generally accepted that these people are loyal to their employers.

4.2.2. Interviews

As far as interviews are concerned, six of the envisaged ten interviews were conducted. The interviewees represented all three categories of respondents required (see section 3.8).

4.3 Data gathered

The data gathered is now represented statistically.

4.3.1 Questionnaires

For commitment to be forthcoming and for a vision to be shared, it is vital that communication be embarked upon between all parties involved. The presence of planning sessions thus gives clues as to the level of communication and specifically gives clues concerning the forward looking orientation of the company. It is also true to say that the presence and regularity of planning sessions alone is no guarantee that these sessions are used for strategic issues; it must therefore be stressed that these sessions include, but are not limited to, strategic issues.

Table 2, as well as Figures 3 and 4 consolidate the findings concerning regularity of planning sessions.

Table 2: Regularity of planning sessions by hierarchical level (in percentages)

	Never	Weekly	Monthly	Every two months	Quarterly	Bi-annually	Annually	Irregularly
Top	0	16.7	33.3	0	0	33.3	0	16.7
Middle	25	5	20	5	10	25	5	5
1 st line	35.3	11.8	23.5	0	11.8	5.9	0	11.8
Workers	55.4	8.9	19.6	1.8	7.1	0	1.8	5.4
Overall	40	9	22	2	9	8	2	8

Figure 3: Regularity of planning sessions at different hierarchical levels

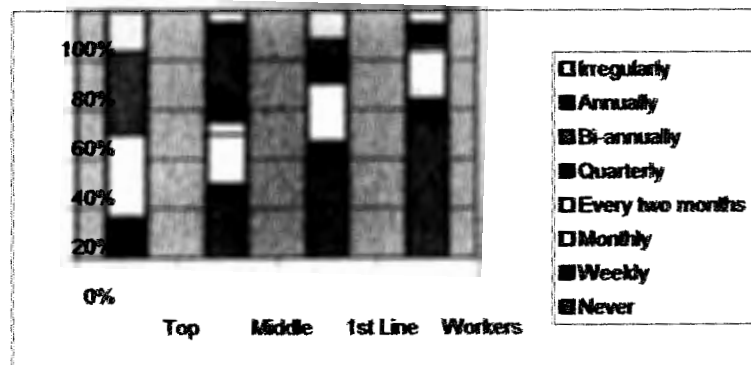
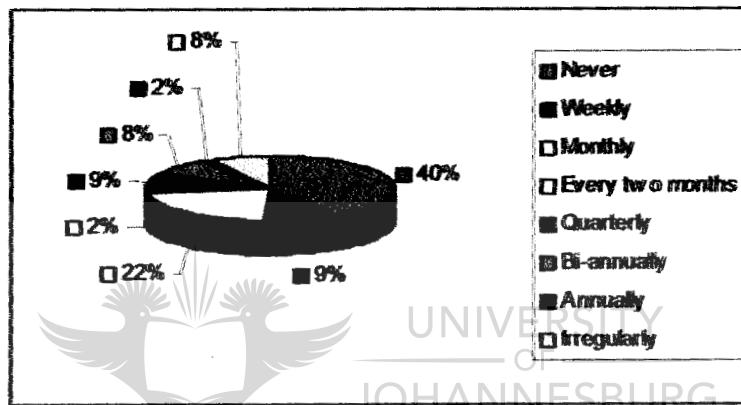


Figure 4: Regularity of planning sessions



What is disconcerting to see is the fact that 40% of respondents remarked that planning sessions are never held. As can be seen from Figure 3, the frequency of “no planning sessions held” increases as one moves down the organisational hierarchy.

Interesting to note is the fact that the survey provides no real support for the traditional view of planning timeframes that proposes that as one moves up the hierarchy, the planning timeframe also increases. This can be seen by the fact that even top managerial staff hold weekly and monthly planning sessions.

The regularity of planning sessions gives some insight as to the mechanisms put in place in part by the organisation to foster communication about future plans and directions. At the same time, the attitude of individual employees should be explored to gain insights as to their support for these mechanisms.

Table 3, as well as figures 5 and 6 explore the attendance of planning sessions in organisations

Table 3: Attendance of planning sessions by hierarchical level (in percentages)

	Always	Very Regularly	Regularly	Not Very Regularly	Never
Top	50	16.7	33.3	0	0
Middle	61.1	16.7	5.6	11.1	5.6
1 st Line	41.4	10.3	13.8	3.5	31
Workers	28.6	8.6	22.9	8.6	31.4
Total	41	11	17	7	24

Figure 5: Attendance of planning sessions at different hierarchical levels

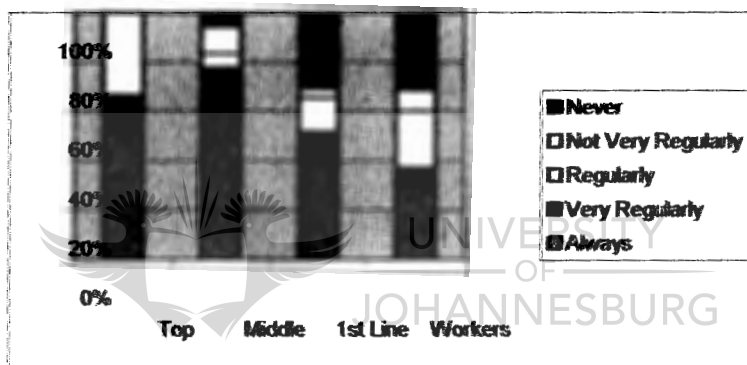
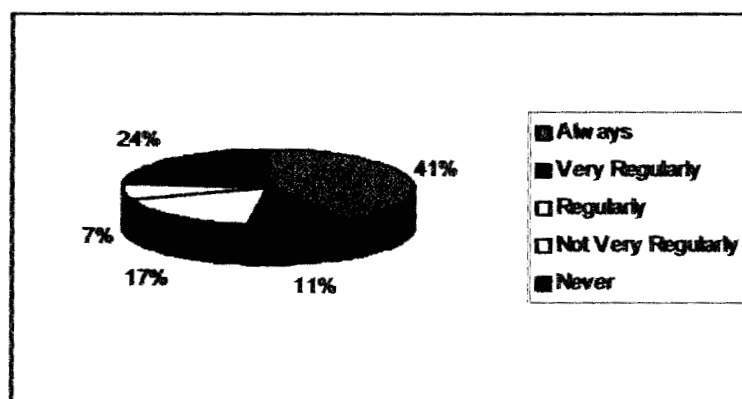


Figure 6: Total attendance of planning sessions



Respondents who indicated that no planning sessions were held, have not been included here, as well as other respondents that did not complete this question. This equates to 27 respondents or 23.5% of the sample.

What is evident here is that as one moves down the organisational hierarchy, the higher the frequency of people that never attend these sessions and the lower the frequency of people that always attend. This leads one to deduce that interest in and commitment to plans and planning decreases as one moves down the organisational hierarchy. It is very disconcerting that the second highest overall response to this aspect is a “never” response.

Table 4, as well as figures 7 and 8 indicate the input given by individuals during planning sessions.

Table 4: Input given during planning sessions by hierarchical level (in percentages)

	Always	Very Regularly	Regularly	Not Very Regularly	Never
Top	50	16.7	33.3	0	0
Middle	45	10	20	5	20
1 st Line	28.6	14.3	17.9	10.7	28.6
Workers	14.7	8.8	29.4	17.7	29.4
Total	29	11	24	11	25

Figure 7: Input given during planning sessions at different hierarchical levels

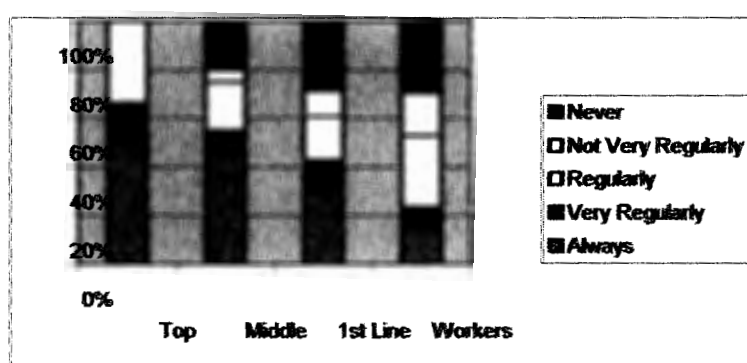
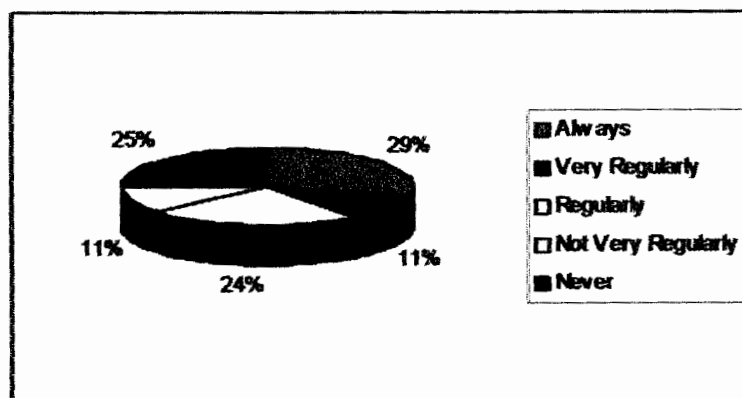


Figure 8: Total input given during planning sessions



The zero response rate for this question was 22.6% of the sample or 26 respondents.

As with the attendance of planning sessions, the same overall trends are evident here:

- an increase in “no input” as one moves down the hierarchy;
- a decrease in always giving input as one moves up the hierarchy; and
- “no input” occupies the second highest ranking in terms of overall responses.

From these findings one can therefore deduce that there seems to be a positive correlation between the attendance of planning sessions and the input given during planning sessions.

Table 5, as well as figures 9 and 10 reflect the perceptions of respondents in terms of implementation of decisions taken at planning sessions.

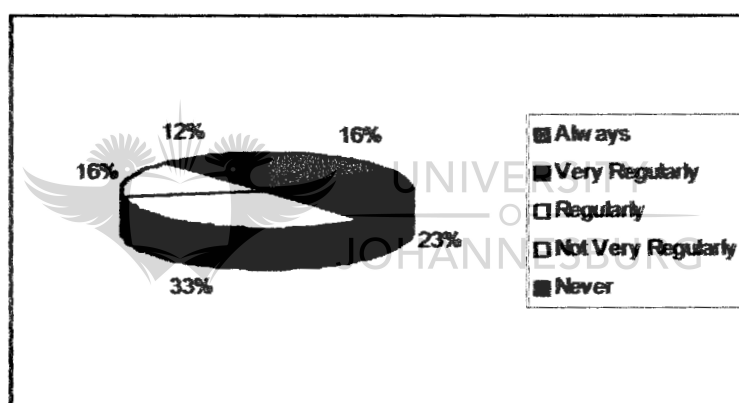
Table 5: Perception of implementation of decisions by hierarchical level (in percentages)

	Always	Very Regularly	Regularly	Not Very Regularly	Never
Top	0	50	50	0	0
Middle	5.6	27.8	38.9	22.2	5.6
1 st Line	16	32	28	12	12
Workers	24.2	9.1	30.3	18.2	18.2
Total	16	23	33	16	12

Figure 9: Perception of the implementation of decisions at different hierarchical levels



Figure 10: Overall perception of the implementation of decisions made at planning sessions



Zero response for this aspect was scored at 28.7% or 33 respondents.

What is interesting to note here is the fact that, although the “never” response still increases as one moves down the hierarchy, so too does the “always” response. This could be due to the fact that lower levels of the organisation focus on collectively smaller areas that are easier to implement. Yet, the fact still remains that lower levels perceive the situation to be such that action is taken.

Also interesting to note here is the fact that the “never” response collectively scored the lowest of all responses. Contrary to the preceding two aspects, responses for this phenomenon assume a classical bell pattern, as is evident from figure 11.

Figure 11: Comparison between Attendance, Input and Action taken at planning sessions

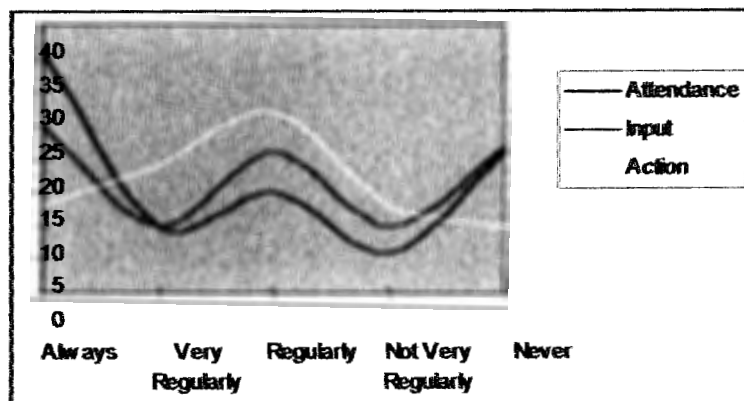


Table 6, as well as figures 12 and 13 examine the familiarity of respondents toward the company mission statement.

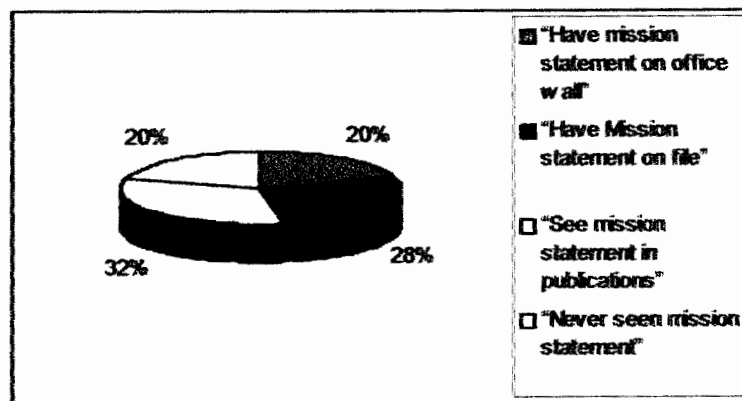
Table 6: Familiarity with company mission by hierarchical level (in percentages)

	"Have mission statement on office wall"	"Have Mission statement on file"	"See mission statement in publications"	"Never seen mission statement"
Top	14.3	57.1	14.3	14.3
Middle	36.4	27.3	18.2	18.2
1 st Line	19.4	25	44.4	11.1
Workers	14.5	25.8	32.3	27.4
Total	20	28	32	20

Figure 12: Familiarity with company mission at different hierarchical levels



Figure 13: Overall familiarity with company mission statement



For this aspect, only one respondent constituted the zero response rate, which equates to 0.9%.

What is immediately of extreme concern is the fact that "never seen" responses were immanent from top management. Even though the responses immanent from top management constituted such a small percentage of the overall response that inferences for this group are inconclusive, the mere fact that this type of response was recorded is significant. Top managers are seen to be the direction setters and the establishers of a vision that is to be followed by others. Discovering that there are instances where the path setters are themselves without direction is upsetting indeed.

What is also apparent is that the mission statement of the organisation – that which embodies the essence of the organisation – becomes less familiar to people as one moves down the organisational hierarchy.

What is thus forthcoming from these findings is the conclusion that the reason why people are less familiar with the mission as one moves down the hierarchy, is due to the fact that top management themselves – the role models and leaders in the organisational setting – are not familiar with it.

Table 7, as well as figures 14 and 15, delve into the perceptions that people carry about fellow employees' commitment to the organisation.

Table 7: Perception of others' affiliation toward company mission by hierarchical level (in percentages)

	Very positive	Positive	Neutral	Negative	Very negative
Top	50	0	0	50	0
Middle	11.8	41.2	29.4	5.9	11.8
1 st Line	6.3	25	25	21.9	21.9
Workers	4	26	30	30	10
Total	9	26	27	25	13

Figure 14: Perception of other's affiliation with company mission at different hierarchical levels

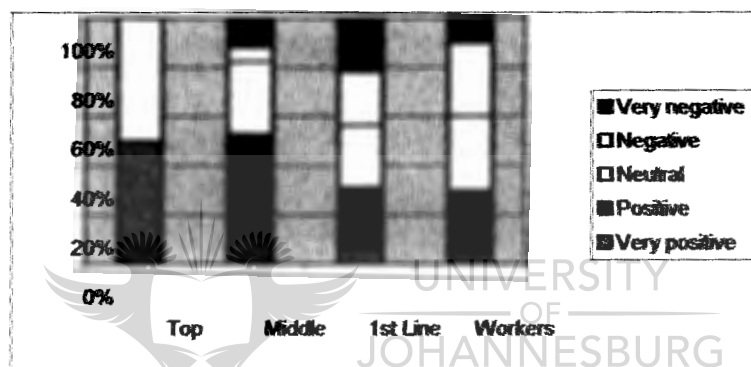
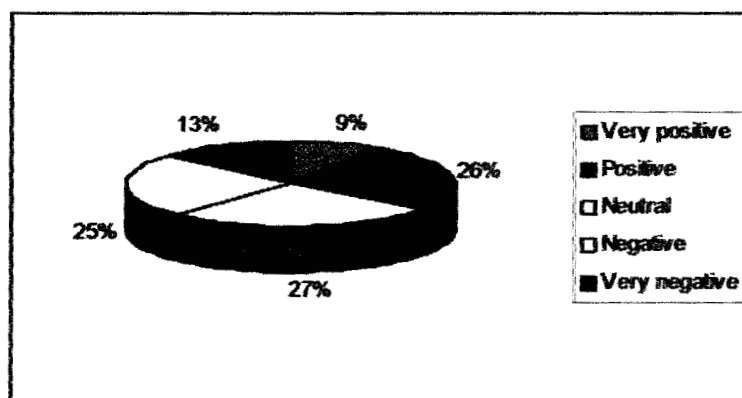


Figure 15: Overall perception of other's affiliation with company mission



Zero response for this aspect was 8.7% or 10 respondents.

Apart from the answers that scored neutral after the application of content analysis, the categories that score positively have much the same percentage response as the categories that score negatively. As a normal distribution, one is lead to believe that no conclusive deduction can be based on these results. However, the mere fact that 35% of people are perceived not to believe in the mission statement is significant. In a business environment where the emphasis is on teamwork and working toward common goals, there should be no room for negative responses.

Table 8: Own affiliation toward company mission by hierarchical level (in percentages)

	Very positive	Positive	Neutral	Negative	Very negative
Top	50	33.3	16.7	0	0
Middle	12.5	50	31.3	0	6.3
1 st Line	15.6	43.8	15.6	15.6	9.4
Workers	10	36	30	18	6
Total	14	41	25	13	7

Figure 16: Own affiliation with company mission at different hierarchical levels

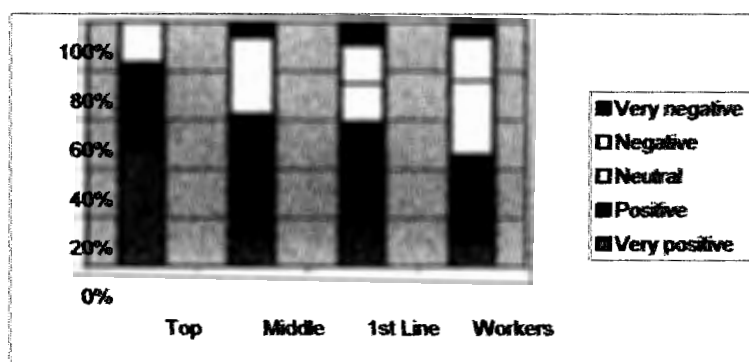
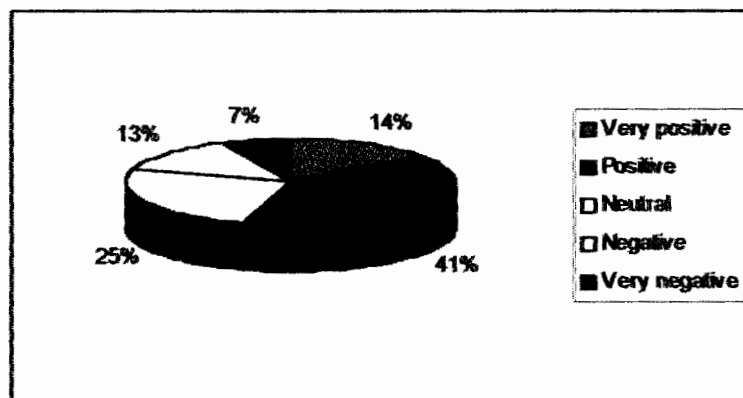


Figure 17: Overall affiliation with company mission



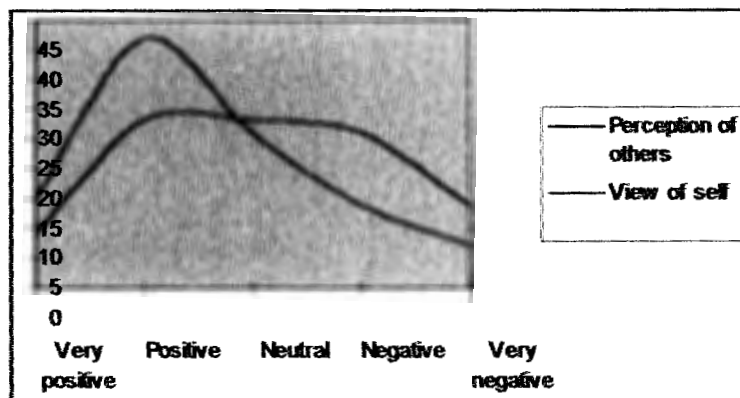
The zero response rate for this question totalled 11 respondents or 9.6% of the sample.

As with the previous aspect, after responses had been subject to content analysis, the neutral response tended to score rather highly. What is however evident is the fact that the categories that score positively far outweigh the categories that score negatively, thus leading one to deduce that there are far more people that believe in their company's mission than there are who do not believe in the mission statement.

Still, the mere fact that there is a score in terms of people who do not affiliate themselves with the mission statement of the company they work for, is disconcerting.

What is also evident from the content analysis performed on the aforementioned two aspects is the conclusion that people are quite distrustful of their fellow employees in the sense that they see themselves as more committed to the mission and loyal to the organisation than their fellow employees, as can be seen in figure 18. This type of finding is quite damning as far as the fostering of teams and the advancement of teamwork is concerned.

Figure 18: Correlation between the perception of others' affiliation toward mission statement and individuals' affiliation toward mission statement



4.3.2 Interviews

Without exception, all interviewees had the same responses when probed on the issues outlined in Annexure C. These responses are summarised as follows:

- Very little loyalty exists in South African organisations, the reason being that top management are not in touch with what is happening in their organisations.
- Loyalty can be fostered, but this process will take time and must emanate from top management. Thus top management must change their attitudes and focus, not the lower echelons.
- There is too much emphasis on short-term goals in organisations. Creating loyalty and commitment needs a mind-shift to concentrate on long-term goals.
- Lack of direction from the top permeates downward through the organisation and leaves the whole organisation with a feeling of distrust and neglect.
- Organisations are not open, transparent and trusting toward their staff and communication is very much one-way: vertically down.
- There is no such thing in South African organisations as true participative management, teamwork or partnering. Visionary leaders are very scarce and their efforts are often side-lined as absurd.

4.4 Conclusion

Both the survey findings as well as the interview results indicate that South African financial service institutions are still some distance away from being trusting, fully democratic workplaces where the ideals of shared vision and company loyalty dictate.

The problem does not seem to emanate from lower level employees who are not in any way open to striving for the same ideals and objectives that the organisation has set for itself. The problem originates from the fact that the top management in South African financial service institutions seem to be archaic, without any direction and out of touch with both employees and shareholders alike. This “headless beast” now finds that the very people that make it work – the lower level employees – have no direction of their own; and so the whole apple slowly rots from the inside. How long, one wonders, before the mould erupts on the surface?



CHAPTER 5

CONCLUSION AND RECOMMENDATIONS

Welcome to the strangest party baby

Like we're staring at the sun

Everybody's got the invitation

Hoping that you're going to come

These are the times,

These are the crimes

What are we waiting for?

What are we hating for?

INXS: *The Strangest Party (These Are The Times)*³

This study has tried to shed some light on the extent of shared vision and company commitment within South African financial service institutions. From the survey finding presented in the previous chapter it is painstakingly obvious to conclude that this phenomenon is not very commonplace. Indeed, one can conclude that very few employees are committed to the company that employs them. As seen from the findings, top management has a large claim in the occurrence this phenomenon

The results have shown that employees are not very trusting of their fellow employees, due in part to the lack of trust and direction afforded them. This milieu is not conducive to teamwork and team learning – a cornerstone to success as far as learning organisations and WCO's are concerned.

This study, although exploratory and applicable to the financial services industry, has emphasised the fact that many companies are too concerned with chasing often meaningless short-term figures and targets rather than taking a long-term value creating approach. What is apparent is that true visionary leadership is scarce and often grossly under-utilised by firms.

³ INXS: *The Strangest Party (These Are The Times)* (Farriss/Hutchence) © 1994 Polygram Music. From the album: *INXS The Greatest Hits*

To emerge as a global player, these aspects need to receive serious and immediate attention.

The study also leaves scope for further exploration. Investigations into this phenomenon in the primary and secondary sectors of the economy could be undertaken to create a more balanced portrait of the occurrence of company commitment or loyalty.

Also, this study only undertook the investigate the extent of shared vision and company commitment. Further research would obviously have to be undertaken to try and find ways of dealing with this phenomenon (or rather the lack thereof).



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ANNEXURE A – Example of the questionnaire cover letter**To whom it may concern**

This letter serves as a request to gain permission to include your company in an academic study that I am currently busy with.

I am currently completing my MBM at RAU and wish to conduct a study concerning the level of shared vision and company commitment within the South African financial services industry.

The findings of this study will be treated with the strictest confidentiality and the results will in no way what so ever influence the goodwill or reputation of your company as all companies surveyed are to remain anonymous.

The study consists of a questionnaire to be completed by a maximum of twenty (20) staff members at various levels in the company. The questionnaire consists of eleven questions and will take no longer than fifteen minutes to complete.

If you have any queries concerning this study, please contact me on 083 407 6660.

Sincerely

GA Goldman

ANNEXURE B – Survey Questionnaire

Thank you for taking the time to fill in this questionnaire, your input is greatly appreciated. Note that these questionnaires are anonymous and that responses will not be viewed by management.

- 1.) Name of organisation : _____
- 2.) Position held : _____
- 3.) Period employed at organisation : _____

4.) Are planning sessions held in your department?

Yes	No
-----	----

5.) If yes, how regularly are they scheduled? _____

6.) I attend these sessions:

Always	Very regularly	Regularly	Not very regularly	Never
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7.) I give input during these sessions:

Always	Very regularly	Regularly	Not very regularly	Never
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8.) The final result of these sessions is implemented by the organisation:

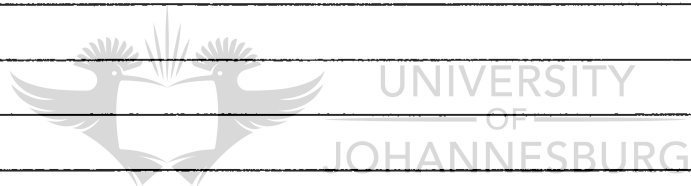
Always	Very regularly	Regularly	Not very regularly	Never
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9.) Mark the box that is most applicable to you:

I have our mission statement on the wall of my office	
I have our mission statement somewhere on file	
I see our mission statement from time to time in glossy corporate publications such as our annual report	
I have never seen our mission statement	

10.) Do you think people in your organisation, yourself excluded, believe in the mission statement? Please motivate your answer

11.) Do you believe in the mission statement? Please motivate your answer



ANNEXURE C – Guideline used during interviews

Firstly, ask whether people are loyal to their companies. From this pertinent yes / no answer, probe as to the reasons for this answer.

If sentiment is negative:

- **probe as to what the causes of the situation are**
- **discuss if the situation can be turned around and how it can be turned around**
- **Delve into the major stumbling blocks that will impact on the implementation of this turnaround**

If sentiment is positive:

- **ask whether an “optimum level” has been attained and, if not, how can commitment be even further entrenched**



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