African People in the Western Cape (WC)

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EMPLOYMENT EQUITY RESEARCH COMMISSIONED BY THE EMPLOYMENT PROMOTION PROGRAMME

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Transformation: African People in the Western Cape

Overview Report

"Achieving employment equity progress in relation to African people appears to pose a particular challenge to companies with Head Offices in the Western Cape. Due to the demographic profile of economically active people in the Western Cape, and in particular Cape Town and the surrounding region, the number of senior economically active African employees is limited. This appears to be compounded by the fact that the Western Cape appears to be an unattractive destination for African people to work from and reside at. It is not clear what the underlying causes are and hence what potential solutions there are in order to address this concern. Independent and credible research is required in order to understand the barriers and solutions to the achievement of employment equity in the Western Cape based companies…".

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Executive Summary

This study is based on data from interviews with a number of mostly Western Cape based companies and employees with the objective of understanding the barriers to the achievement of employment equity for African people. This study was initiated by businesses that have head offices in the Western Cape, or large regional presences, as they expressed serious concerns about the under-representation of African[1] staff in management positions in their respective organizations. The participating organizations expressed a genuine interest in wanting to be informed by credible research on how to best address this concern, as the research team were provided upon request with easy access to EE documentation and the contact details of staff to approach for interviews.

On the basis of the findings, recommendations are made on possible strategies that can be adopted at company level, as well as in partnership with other stakeholders, in order to overcome these barriers.

The report begins with a review of the labour force in the Western Cape: This section of the report provides a summarised review of the South African labour market during the apartheid and post-apartheid periods and equity legislation which is designed to shape the post-apartheid labour market.

Following this, employment equity plans, policies and strategies are reviewed for ten companies from three economic sectors (retail, financial services and petro-chemicals), and for three companies that together serve to broaden the sample. For each sector, appointments by promotion and recruitment are reviewed for 2008 and for the previous reporting year. The emphasis is on African people and on appointments of white people as a means of tracking progress towards achieving equity objectives. The analysis is by four occupational levels, as well as in terms of gender. Together, this analysis provides both a snapshot picture and a sense of change through time. It needs to be emphasized that due to the limited sample size, these participating companies are not representative of the sectors they belong to. Hence sector wide generalizations cannot not be made using the research findings cited in this report. A summary of the individual profiles for each company is given (with full information available) in individual company reports.

Taken together, these analyses allow some general trends to be identified, together constituting the overall employment environment for African men and women. In the participating companies across all sectors there are concerns about investment in equitable human resources for continuing transformation. Pipelines into senior management positions will in future be curtailed by the low levels of appointment of African people into the middle management occupational level, accentuated by the apparent decline of such recruitment over time. This curtailment will be reinforced by continuingly robust appointment rates for white people to

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[1] . i.e. as defined by the Employment Equity Act (1998).

junior management positions across all sectors, in all cases at rates that are at least double (and in the retail sector, five times) their numerical representivity in the South African population as a whole.

This analysis suggests that, as the participating companies seek to renew their staff in senior management positions, they will find it increasingly difficult to find suitably qualified and experienced African appointees and will depend increasingly on the continuing upward mobility of white people. When the present and predicted "pipeline effects" are combined with the overall trends in the recruitment and promotion of white people in these participating companies, there is clear evidence for an "ebony ceiling" that limits the opportunities for career advancement for African people in the South African economy. For women, and again in the participating companies across all sectors, this ebony ceiling effect is accentuated by the prevalent glass ceiling of discrimination on the basis of gender.

This statistical overview is supported by qualitative data derived from interviews with African employees in each of the participating thirteen companies. Interviewees raised clear concerns, largely common across companies and sectors, about organizational climate, working in the Western Cape, the condition of women in employment, and challenges of intervening to promote change. For their part, employment equity managers often felt unsupported, suggesting significant fault-lines in the ways in which companies conceptualize and implement employment equity, in the working relationships between employment equity managers and their HR departments and line managers, and for employment equity managers who are not African, in the levels of trust between African employees and those charged with steering the implementation of transformation in the workplace

By and large, these pessimistic viewpoints contrasted with the often upbeat and optimistic positions taken by the participating companies in their overall plans and objectives. It proved useful to divide companies into three broad categories. The first of these brings together those who appear to be complying with legislative requirements at a nominal level. The second category comprises companies that have more comprehensive strategies at an early stage of implementation. In the third category are companies with well developed and sometimes ambitious strategies for moving towards equity.

There was no apparent correlation between the size and complexity of the "equity proposition" at a company, and the sophistication of its business case or implementation strategy. There is also little evident correlation between business case, comparative success in achieving equitable appointments and the extent and forms of consultation with staff in the company. There was no particular evidence that companies with sophisticated policies, well-developed implementation strategies and extensive consultation do very much better at achieving equity targets than companies that have not invested resources in such policies and processes. However, there was some evidence that effective implementation depends on unambiguous line management accountability linked with effective performance management.

In general terms, this study has concluded that the labour market in South Africa, and particularly in the Western Cape, remains highly inequitable. Across all sectors and in all companies participating in this study, African people are under-represented in all four

occupational levels in comparison to their overall contribution to the South African workforce, and they are usually more severely under-represented in the Western Cape. Employment equity data shows that African people are almost always less successful than white people in moving up career paths, creating an "ebony ceiling" effect in all participating companies across all sectors. African women are always doubly disadvantaged, having to contend with both race and gender discrimination in their career tracks.

In contrast, and contrary to frequent media claims that whites are the losers in the South African post-apartheid settlement, white people continue to be appointed and promoted across sectors in the participating companies and in most occupational levels at rates that are in excess, and often significantly in excess, of their labour force representation to the South African workforce as a whole. The extent of this over-representation suggests that there is continuing positive discrimination in favour of white people.

This general environment is fuelling a syndrome of pessimistic cynicism and is probably perpetuating the racial hierarchies that defined the apartheid labour system. African people who were interviewed as part of this study have an overwhelmingly negative view of the institutional climate in which they work, whichever the participating company or economic sector, and however progressive their employer's public positions on transformation and equity.

The report highlights that the solutions to deal with these challenges are complex, and the participating companies need to approach this with a number of simultaneous and supportive interventions. It will be apparent from the research findings and recommendations that there is no single solution, but a number of steps that will need to be implemented to address these challenges.

The report concludes with the following, specific, recommendations:

- that there is further exploration of systematic opportunities for inter-company collaboration in developing effective interventions to advance employment equity, particularly to address the current challenges being encountered to attract and retain African staff in this province.
- that there is inter-company collaboration to unpack further and share current EE interventions that are already in place in some participating companies to advance employment equity.
- that the participating companies begin with the implementation of practical interventions which includes improving the methodology used for meetings, improving the value proposition for African staff based on which residential suburbs they chose to live in, and reviewing the relocation assistance offered HR to African professionals.
- that there is greater stakeholder engagement between business, local and provincial government, and other relevant groups to constructively address the negative social factors which many Africans based in the Western Cape encounter.
- that the themes which have emerged from the analysis of biographical and residential data in this research be noted by the participating companies when developing a retention strategy for African staff particularly for those relocating to the Western Cape from other provinces.

- that as a standard of good practice, published employment equity targets should be accompanied by policies and processes, and timelines, for attaining targets as well as evaluations of the relevant labour market. Further, it is recommended that the participating companies in each sector convene a workshop annually, to interrogate the targets that they will be submitting in their EEA 2 reports to the Department of Labour. This will enable them to share information on known trends within their specific labour market sector, and will lead to the formulation of more realistic targets.

- that it would be advantageous to research and develop case scenarios for equity-directed business planning. By looking in detail at examples of good practice, it will be possible to show how achieving equity in employment is consistent with achieving company business objectives while also contributing to medium to long term sustainability.

- that there need to be integrated business processes for "people management" that connects formal employment equity requirements with company policies and strategies. Such integrated business processes need to be accepted as a basic requirement for in-company management of employment equity. In particular, there needs to be a clear strategy in place for African staff, within the context of setting employment equity objectives for other designated groups.

- that more is done to bolster the capacity of employment equity representatives. This could include coaching circles with their counterparts both within their organization and with those from the other participating organizations, as well as personal leadership programmes.

- that line-managers should be formally accountable for attaining agreed employment equity targets, with formal performance management and remunerative incentives.

- that good case examples of coaching and mentorship be developed so that they can be adapted and adopted as appropriate by the participating companies. It is recommended that the participating companies hold a workshop to share the models of coaching and mentoring that are currently being used. In order to ascertain what impact the use of coaching and mentoring is having on retaining African staff, qualitative retention interviews should be conducted by a single independent research provider to ascertain how the programme is working and how other aspects of working in the organization are either improving or limiting the chances of retaining these staff. This will also lead to the creation of a comparative longitudinal qualitative data base on various economic sectors on the African workforce based in the Western Cape. This qualitative information will also provide enormous value to labour market researchers who have largely had to rely solely on quantitative statistics to understand patterns in the labour force.

- that a systematic set of planned and structured interventions are developed to address and counter the racial stereotypes and hierarchies that structure organizational culture.

- that further, detailed, research is conducted into white attitudes and practices that restrict and limit the attainment of equity objectives in companies.

- that the Department of Labour is approached to provide a workshop to discuss and share best practice examples based on the DG review findings done in most of the participating organizations, and also to build capacity amongst employment equity practitioners on how to interpret EEA 4 data.

- that BUSA commissions a further study that targets African staff both in the Western Cape and in Gauteng who are occupying junior and middle management ranks. The

research should be qualitative to gain a sense of this cohort's perceptions and experiences around promotion, reward and recognition and transformation in general.

Introduction

This research has been initiated by business and commissioned by the Employment Promotion Programme, a DFID-funded initiative whose objective is to provide an enabling environment for employment creation in South Africa. The objectives of the project are to provide:

- A broad analysis of the Western Cape's economically active population and achievement of employment equity targets in relation to African people in comparison to Johannesburg and Durban;
- Data from interviews with staff in a number of Western Cape based companies and senior African employees employed or previously employed in Western Cape, to understand what are the barriers to the achievement of employment equity in relation to African people;
- An analysis of the information, with broad trends and conclusions;
- Recommendations on possible strategies that can be adopted at company level, as well as in partnership with other stakeholders in order to overcome barriers.

Following a reference group meeting, the approach taken to meet these objectives has been to:

- review the Employment Equity Plans, internal employment equity progress reports and EEA2 reports (as submitted to the Department of Labour for at least the preceding five years) of thirteen participating organisations to assess progress made against set numerical targets and EE goals (2). compare demographic data on the economically active population in the Western Cape to national demographics;
- conduct interviews with senior managers responsible for employment equity in the thirteen participating organizations;
- analyze the organisational structure and the respective roles and responsibilities of all key stakeholders in supporting the employment equity objectives in each of the thirteen participating organizations;
- assess the strategies and interventions implemented to address under-representation of African people in the Western Cape;
- conduct in-depth, one-on-one qualitative interviews with African staff in managerial positions in the thirteen participating organizations;

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[2] The EEA 4 provides data on remuneration based on race and gender. It was not possible to extrapolate from the numerical data what the salary scales of Africans (who are the minority) are compared to say White staff (who tend to be the majority) particularly in the top occupational levels. The qualitative sections in the EEA 4 reports which were submitted to the Dept of Labour were by and large blank. If this section had been completed by the participating companies, it would have been possible to establish what strategies/formulas are being used to address equity in remuneration.

- conduct interviews with African people who were previously employed in a managerial position in one of the participating organisations, but have left and are now resident in Gauteng or in another province.

This overview report is intended to be read in conjunction with the detailed profiles of the thirteen participating organizations in the Western Cape. While the detailed profiles provide the specific context for the data collected, and a sense of how transformative strategies are integrated into these organizations, this overview report identifies cross-cutting themes that provide insight into opportunities and constraints shaping employment equity in the Western Cape, leading to a set of recommendations. The methodology used in the study is set out in more detail in Appendix Three.

The Labour Force in the Western Cape

This section of the report provides a summarised review of both the South African labour market during the apartheid and post-apartheid periods, and equity legislation which is designed to shape the post-apartheid labour market. A theoretical model on the labour market from a recent employment equity study commissioned by the Department of Labour is also outlined as it provides useful sociological concepts with which to interpret the empirical evidence that is presented in this report. Finally, a quantitative analysis is provided on trends in the labour market which may be used by as a backdrop when assessing labour market trends within the thirteen participating organizations. It needs to be emphasised that no generalizations can be drawn about wider labour market trends by simply drawing from the analysis of the nature of transformation in the thirteen participating organizations. It is only possible to do so if similar data is collected from other organizations in the South African labour market that belong to the same sectors as each of the thirteen organizations. This falls beyond the scope of the present research and is clearly an area that deserves future investigation.

The South African Labour Market: A Historical Overview

The labour market during the apartheid period was shaped by the promulgation of discriminatory legislation which was designed to limit competition between the different race groups in favour of the White minority. This manifested in the creation of different forms of labour market inequality which included the following:

- The introduction of job reservation policies which generated race and gender inequalities;
- The entrenchment of apartheid workplace practices where Black workers were not guaranteed access to both formal training and a fair opportunity to compete for positions in all occupational levels within an organization;
- The denial of collective bargaining and organizational rights for all Black workers; &
- Inequalities in wages and income between Black and White workers;

For the labour market in the Western Cape, the 1965 regulations of the Coloured Preference Policy was effected to compel employers in this province to use Coloured labour with the

ultimate aim of removing all Africans from the Western Cape. This was supported by broader discriminatory policies which converted African urban workers into migrant workers, and the refusal to provide them with access to housing, schools, and tertiary education. The Coloured Preferential Policy was abolished in 1986, but its continued effect on contentious Coloured-African relations in the province to the present day, continues to be the subject of many commentators and also surfaces in the interview data collected in the present research.

Upon South Africa's first democratic elections in 1994, the transformation of the apartheid labour market received the early attention of the tri-partite alliance. Numerous forms of legislation were soon thereafter promulgated to both seek redress in the labour market and to eradicate unfair discrimination in the workplace, one of these being the Employment Equity Act [No.55 of 1998].

The Legislative Framework for post-apartheid labour markets

The purpose of the Employment Equity Act is two-fold, namely, to achieve equity in the workplace by promoting equal opportunity and fair treatment in employment through the eradication of unfair discrimination, and to ensure that affirmative action measures are implemented to redress the disadvantages in employment experienced by the designated groups, to ensure their equitable representation in all occupational categories and levels in the workforce.

Chapter II of the Employment Equity Act deals with the prohibition of unfair discrimination and section 5 places the obligation on every employer to "take steps to promote equal opportunity in the workplace by eliminating unfair discrimination in any employment policy or practice". Section 6(1) prohibits unfair discrimination, directly or indirectly against any employee, "on one or more grounds, including race, gender, sex, pregnancy, marital status, family responsibility, ethnic or social origin, colour, sexual orientation, age, disability, religion, HIV status, conscience, belief, political opinion, culture, language and birth". Section 6(2) stipulates two conditions that are considered as being fair discrimination, namely, (i) when affirmative action measures are taken that are consistent with the purpose of the Employment Equity Act; (ii) when any person is excluded, distinguished or preferred on the basis of an inherent requirement of a job. The rest of Chapter II addresses other forms of unfair discrimination as it pertains to medical and psychological testing, and outlines the steps that must be taken by parties lodging a dispute on unfair discrimination.

Chapter III deals with affirmative action measures and specifies four main duties that designated employers are obliged to fulfil. The duties of a designated employer are as follows:

- The employer must consult with its employees as required by section16 of the Act;
- The employer must conduct an analysis as required by section 19;
- The employer must prepare an employment equity(EE) plan as required by section 20; &
- The employer must report to the Department of Labour on progress made in implementing its EE Plan, as required by section 21.

Amendments to the regulations of the Employment Equity Act in 2006 further required that designated employers specifically appoint only a Senior Manager to be responsible for the

implementation of the specified affirmative action measures. This amendment was effected as some organizations were delegating the task of employment equity implementation to staff who had no seniority within the organization. In 2008 this amendment was revisited and is currently in the process of being revised to clearly stipulate that the Senior Manager responsible for employment equity directly report to the CEO of the organization.

While Chapter I-III of the Employment Equity Act spells out the legislative compliance obligations of employers, Chapter IV-V outlines the roles and responsibilities of State agencies to assess and monitor what impact this legislative framework is having on labour market redress. One structure is the Commission for Employment Equity (CEE) and the other is the Department of Labour inspectorate and head office staff that conduct Director General (DG) Reviews. With reference to the role of Department of Labour officials, the interviews with senior managers in this research showed that the execution of DG Reviews has had the positive effect of prioritizing the urgency of employment equity implementation and organizational transformation amongst the senior executive in the organizations concerned.

Recent Research on EE – A Theoretical Framework

In 2008, the Department of Labour commissioned the Sociology of Work Programme (SWOP) at the University of the Witwatersrand to conduct employment equity research which investigated the progress, implementation and impact of the Employment Equity Act since its implementation. A key strength in the SWOP study is that it provides a useful sociological model with which to understand the underlying social dynamics within the labour market. The SWOP study postulates that "labour markets involve a number of social processes which could be categorised as processes of incorporation, allocation, control and reproduction" (3). The first two processes deal with entry into the labour market.

'Incorporation' refers to the processes though which individuals either become wage earners in the labour market, or self-employed, or engage in subsistence farming or rely on social welfare to generate an income. 'Allocation' refers to the process where workers are matched with jobs. This matching does not only take place based on a worker's level of skill or qualifications, but is often also determined by ideology and social prejudice. The findings in the present research will illustrate how African professionals interviewed in the thirteen participating organizations by and large held a strong perception that despite the existence of equity legislation, current recruitment and selection processes are still influenced by racial ideologies and social prejudice which prevail both within and beyond the spheres of work. This negative perception is further exacerbated by the limited labour pool of African managers available within the Western Cape, and the presence of an existing African labour pool which has a workforce profile that cannot be easily shifted, due to the long-term damaging effects of apartheid labour market policies.

'Control' refers to how the employment relationship is structured and how these structures are determined by power relations. "It also has to do with productivity and the determination of remuneration levels". The interview data from African professionals based in the Western Cape

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[3] . "Tracking progress on the implementation & impact of the Employment Equity Act since its inception", p7.
Research conducted by the Sociology of Work Programme, Witwatersrand University, March 2008.

will point to how their lack of critical mass both inside and beyond the sphere of work, has led to the tacit use of stereotyping at work where their productivity and value add to the labour process is constantly questioned.

'Reproduction' is anchored not only in the labour market but also in other realms such as the household, the community and the state. "Labour reproduction refers to biological procreation, education and training, clothing and caring and the like". This concept captures the inter-connectivity that exists between the sphere of work and other spheres situated beyond it. The present research will demonstrate that the retention of African professionals in the Western Cape is influenced by social factors beyond the sphere of work, as their access to networks of social support both at the level of their individual families and the wider Western Cape community they are finding themselves in play a decisive role.

Labour Market Statistics

The thirteen organizations that have participated in this research have all formulated their employment equity targets based on national demographics of the economically active population, although some have also used regional demographics to set employment equity targets for lower level positions within their respective organizations. Data on the economically active population nationally over a twelve year period is provided below.

Race	1996	1997	1998	1999	2000*	Mar-01	Mar-02	Mar-03	Mar-04	Mar-05	Mar-06	Mar-07
African Total	66.3	67.5	69.4	69.6	73.3	73.6	72.8	73.8	72.6	73.1	74.0	74.7
African male	36.8	38.0	39.7	38.4	39.3	39.0	38.8	38.7	39.8	39.8	39.5	40.3
African female	29.5	29.5	29.7	31.2	33.9	34.6	33.9	35.1	32.9	33.2	34.4	34.3
Coloured Total	12.6	12.2	11.1	11.2	10.0	10.1	10.5	10.6	10.7	10.5	10.2	10.3
Coloured male	7.0	6.9	6.2	6.1	5.4	5.4	5.5	5.4	5.7	5.6	5.5	5.3
Coloured female	5.6	5.3	4.9	5.1	4.6	4.7	4.9	5.1	5.0	4.8	4.7	5.0
Indian Total	3.4	3.6	3.2	3.4	3.0	2.9	3.1	3.3	3.2	3.2	2.9	2.8
Indian male	2.2	2.3	2.1	2.1	1.9	1.8	1.9	1.9	2.0	2.0	1.8	1.8
Indian female	1.3	1.3	1.1	1.4	1.1	1.1	1.2	1.3	1.1	1.2	1.1	1.0
White Total	17.6	16.7	16.1	15.5	13.6	13.2	13.6	12.3	13.5	13.1	12.8	12.1
White male	10.0	9.7	9.2	8.6	7.7	7.6	7.8	6.9	7.7	7.4	7.2	6.7
White female	7.6	7.0	6.9	6.9	5.8	5.6	5.8	5.4	5.7	5.7	5.5	5.3
Total	100	100	100	100	100	100	100	100	100	100	100	100
Total male	56.0	56.8	57.3	55.4	54.4	53.9	54.1	53.0	55.2	55.0	54.2	54.3
Total female	44.0	43.2	42.7	44.6	45.6	46.1	45.9	47.0	44.8	44.9	45.8	45.7

Table 1: Economically Active Population by Race and Gender (percentages). Source: LFS March 2000-March 2007 & October Household Surveys 1999-1996, Stats SA; Cited in "Tracking Progress on the implementation & impact of the EE Act since its inception" P78 – SWOP research commissioned by the Dept. of Labour March 2008.

It is clear from this data that nationally, Africans constitute the majority, followed by Whites, Coloureds and lastly Indians. Within the African race group men outnumber women, even though census statistics on the general population within this cohort show that African women constitute the majority (see Table 2 below).

Race	1996	1997	1998	1999	Mar-00	Mar-01	Mar-02	Mar-03	Mar-04	Mar-05	Mar-06	Mar-07
African Total	77.2	77.5	77.7	77.8	78.0	77.5	77.4	84.9	79.7	79.2	79.4	79.4
African male	37.0	37.2	37.3	37.5	37.3	37.2	36.9	40.4	37.7	38.8	38.9	38.8
African female	40.3	40.3	40.3	40.3	40.7	40.3	40.4	44.5	42.0	40.4	40.5	40.4
Coloured Total	9.1	9.1	9.0	8.9	9.3	9.5	8.9	9.5	8.9	8.8	8.8	8.9
Coloured male	4.4	4.4	4.4	4.3	4.4	4.6	4.2	4.5	4.2	4.4	4.4	4.3
Coloured female	4.7	4.7	4.6	4.6	4.9	4.9	4.7	5.0	4.7	4.4	4.5	4.6
Indian Total	2.5	2.6	2.5	2.6	2.6	2.5	3.1	2.7	2.4	2.5	2.5	2.5
Indian male	1.2	1.3	1.3	1.3	1.3	1.2	1.6	1.3	1.2	1.3	1.2	1.2
Indian female	1.3	1.3	1.3	1.3	1.3	1.3	1.5	1.4	1.2	1.2	1.2	1.2
White Total	11.1	10.9	10.7	10.5	9.9	10.4	10.5	9.9	8.9	9.4	9.2	9.1
White male	5.4	5.3	5.2	5.2	4.9	5.1	5.3	4.9	4.5	4.7	4.7	4.6
White female	5.7	5.6	5.5	5.4	5.0	5.3	5.1	5.0	4.5	4.7	4.5	4.5
Total	100	100	100	100	100	100	100	100	100	100	100	100
Total male	48.1	48.2	48.3	48.4	48.0	48.1	48.1	51.0	47.6	49.2	49.2	49.2
Total female	51.9	51.8	51.7	51.6	52.0	51.9	51.9	55.9	52.3	50.8	50.8	50.8

Table 2: Total Population of South Africa by Race & Gender 1996-2007: Proportions. Source: LFS March 2000-March 2007 & October Household Surveys 1999-1996, Stats SA; Cited in "Tracking Progress on the implementation & impact of the EE Act since its inception" P76 – SWOP research commissioned by the Dept. of Labour March 2008.

It is clear from this that if the labour market for Africans is to be more equitable, greater focus needs to be placed on affirming African women. This theme is developed further in the paragraphs which follow.

Table 3 below provides regional data on the economically active population in the Western Cape (4)

Employment Status (official definition) & Sex by Population group					
For Person weighted, **Western Cape**, 15-65 years					
	Black African	Coloured	Indian	White	Total
Male	320448 (16%)	551888 (40%)	11111(1%)	203438 (17%)	1086885(74%)
Female	279367 (14%)	479943(11%)	7507	163015 (1%)	929832 (26%)
Total	599814 (30%)	1031831(51%)	18619 (1%)	366453(18%)	2016717(100%)

Table 3: Economically Active population by Race & Gender in the Western Cape. Source: LFS September 2002, Stats SA (released 25 March 2003).

Table 3 clearly shows that the participating companies and particularly those that have head offices that are based in the Western Cape have a limited labour market pool of African workers available within this province. The interviews confirm that this small labour market pool is particularly limiting when it comes to sourcing labour for top, senior and middle management positions. As these companies have all set their employment equity targets using national demographics of the economically active population, it is clear that great strides will have to be made by these organizations if their staff profiles are ever to approximate the national demographics of the economically active population.

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[4] . More recent data on the economically active population based on gender and race breakdowns for the Western Cape could not be sourced from both the September 2007 Labour Force Survey(P0210) and more recent Stats SA statistical releases.

Participating Organizations

This section of the report provides a brief overview of the thirteen Western Cape businesses participating in the study. This provides a sense of the sample's representivity both in terms of where their head offices are situated and in terms of the private sector of the Western Cape as a whole. Most of these participating businesses are members of Business Unity SA (BUSA).

Companies A - E (Retail Sector)

Company A: This Company has its head office based in the Western Cape. Company A has in excess of 1500 stores in South Africa, Namibia, Botswana and Swaziland. Company stores which operate under 12 Brand names are located in all the prime shopping centers and CBD's in Southern Africa as well as in some of the smaller towns.

Company B: This Company has its head office based in the Western Cape. Company B is a specialist retail group which has been listed on the JSE Limited since 1996. Through market-leading retail brands the Group has 500 stores across Southern Africa.

Company C: This Company has joint head offices based in different provinces throughout South Africa. Company C was listed on the JSE Securities Exchange South Africa in 1968. The Group operates through three divisions each with its own managing director and management boards.

Company D: This Company has its head office based in the Western Cape. Company D has over 250 stores in South Africa and fourteen franchise operations in Africa and the Middle East. Company D is an investment holding company listed on the JSE.

Company E: This Company has its head office based in the Western Cape. Company E is an investment holding company operating mainly through its three subsidiaries. Company E is one of the top 100 companies listed on the JSE.

Companies F - H (Financial Services Sector)

Company F: This company has its head office based outside of the Western Cape, and is listed on the JSE Limited, and is one of South Africa's largest financial services groups.   Its business is conducted primarily in South Africa.

Company G: This Company has a history of more than 150 years as a South African based company prior to its public listing in 1999. It currently has its head office based outside of the Western Cape.

Company H: This company has its head office based in the Western Cape and is listed on the JSE Limited in Johannesburg and the Namibian Stock Exchange.

Companies I - J (Petro-chemicals Sector)

Company I: This Company is one of South Africa's top four petroleum brands. Its headquarters are situated in Cape Town, and with more than 950 outlets throughout the country, as well as other selected stores.

Company J: This Company originated due to the merger of previous entities. Its head office is based in the Western Cape. It vigorously pursues exploration opportunities in South Africa and the African continent.

Companies K - M (General Category - Three Sectors)

Company K: This company is a dispute resolution body established in terms of the Labour Relations Act, 66 of 1995 (LRA). It is an independent body, does not belong to and is not controlled by any political party, trade union or business. Its head offices are based outside the Western Cape.

Company L belongs to the motor manufacturing sector. This company is situated only in the Western Cape, and is part of an international organization that is a leader in the global exhaust emission control technology industry. This South African based company is based on 100% exporting of its product and has a workforce of 360 employees at its plant based in Cape Town.

Company M belongs to the medical care provision sector. With its head offices based in the Western Cape, Company M is one of the leaders in the private hospital industry in South Africa, commanding a market share of some 23%.   It has over 6000 beds in its network and over 10 000 full-time employees.

Employment Equity Policies, Plans and Strategies

Overall Trends from all Participating Companies

Appendix One provides an analysis of participating companies from the retail, financial services and petro-chemical sectors, as well as the profiles of the three additional companies. This analysis when taken together, allow for some more general trends to be identified, together constituting the overall employment environment for African men and women.

Overall, these thirteen companies command a significant influence on employment opportunities. Between them, they employed over 60 000 people in top, senior, middle and junior management positions. Staff turnover rates tended to be around 20% (although this can only be a rough estimate), and the thirteen companies reported just over 12000 new promotions or appointments together. This indicates a good deal of movement in this part of the labour market, and therefore

significant "allocation" opportunities in terms of employment equity (in the terminology of the SWOP study reported earlier).

Trends for top and senior management appointments need to be interpreted with caution because the numbers of such appointments are small. In 2008, there were 265 such appointments in the participating companies from the retail sector, 352 in the participating companies from the financial services sector and 46 in the two participating companies from the petro-chemical sector.

In the participating companies from the retail sector, and over periods of between two and five years, four out of five companies tended to lose previous gains in equity. None of these four companies had promoted any of their African staff into top or senior management positions over intervals ranging from two to five years. However, one company (with national head offices) had promoted some of its existing African staff into these occupational levels and had also made 11% of its new appointments into senior management positions from the African demographic group.

The participating companies from the financial services sector have been more successful at recruiting African people into top and senior management positions. However, as with the participating companies from the retail sector and over reporting intervals of between one and five years, recruitment and promotion of African staff to the most senior positions has been at a lesser level in 2008 than in the previous year for which data is available.

The participating companies from the petro-chemicals sector has had mixed results in appointing Africans to top and senior management positions (remembering that only two companies are included here). There have been some promotions into these positions but no recruitments to top management from outside the companies. External recruitment results vary, but this must be seen in terms of the limited sample of companies and the small number of positions available in comparison with the participating companies from the retail and financial services sectors.

Skilled, technical and junior management positions are the lowest occupational level considered here (although not the lowest reported by companies in terms of employment equity legislation). Patterns of appointment to this occupational level are significant because this is the base for pipelines for promotion and recruitment within and between companies in each sector.

For participating companies from the retail sector, 2863 new appointments were reported at this occupational level in 2008: 69% of all new appointments. 30% of these positions went to Africans. Trends through time show that for three of the five companies, recruitment of African people declined over four to five year periods. The two companies that saw increased recruitment started off from comparatively low bases, with their improvements aligning them to the sector as a whole. Patterns of promotions of African staff into this occupational level were more varied, although in this case promotion levels were down in 2008 for three of the five companies, in comparison with previous years.

For the participating companies from the financial services sector, this occupational level presented significant employment opportunities, with 4110 new appointments in 2008, 66% of

all new appointments to the three companies in this study (Table 11). However, in two out of the three companies, recruitment of African staff into this occupational level declined in 2008 in comparison with 2003 (by 12 percentage points in one case and by one point in the other). The third company reported an increase from 39% of appointments in 2007 to 43% in the following year. Promotion levels for African staff were also down in two companies (in the third company, there was evidently a change either in policy or in reporting practice).

The participating companies from the petro-chemicals sector made 60% of its new appointments at the junior management level in 2008 (360 new appointments in total). 38% of these positions went to Africans in this year (Table 17). As with senior appointments, patterns for each of the two companies in this survey varied, with one company improving both recruitment and promotion into this occupational level, and the second company doing better at promotion, but reporting a drop in recruitment of Africans in comparison with two years earlier.

The middle management level, which includes professionally qualified and expert specialists, is arguably critical since its equity record stands to gain from recruitment and promotion from the occupational level below, while at the same time it is a key recruitment pool for senior managers.

For the participating companies from the retail sector, this was again a substantial area of opportunity, with 1002 new appointments in 2008, 24% of all new appointments. However, only 19% of these went to African people, while 48% were filled by white people. Three out of five companies reported declining levels of recruitment of Africans into this occupational level in comparison with the earlier reporting year. Promotion levels are relatively constant, although in one company the proportion of African promotions upwards into this level dropped from 50% in 2006 to 2% in 2008. Again, there were substantial employment openings into this occupational level in the participating companies from the financial services sector in 2008, with a total of 1734 new appointments in 2008 (Table 11). In the companies from this sector, 26% of these jobs went to African people and 43% to white people. However, recruitment levels rose over time in two of the three companies, although promotion levels remained below 15% for all three companies, and dropped in two of them. There were fewer job openings at the middle management occupational level across the two companies from the petro-chemicals sector, with 197 positions filled in 2008. Here 30% of these opportunities went to African people, and 28% to white people (Table 17). In both companies, recruitment levels dropped in 2008, while promotion levels remained roughly constant in comparison to earlier years.

Across all three sectors, as well as in the sole representative of the medical services sector, then, there should be serious concerns about investment in equitable human resources for continuing transformation. Pipelines into senior management positions will be curtailed by the low levels of appointment of African people into the middle management occupational level, accentuated by the apparent decline of such recruitment over time. This curtailment will be reinforced by continuingly robust appointment rates for white people to junior management positions in the participating companies across all sectors, in all cases at rates that are at least double (and in the participating companies from the retail sector, five times) representivity in the South African population as a whole. This suggests that, as these participating companies seek to renew their staff in senior management positions they will find it increasingly difficult to find suitably

qualified and experienced African appointees and will depend increasingly on the continuing upward mobility of white people.

Indeed, the continuing "whitening" of companies is evident in all the participating companies from all three sectors and all four occupational levels, despite some evident gains in appointing black leadership (for example in Company C and Company J). If the measure is the demographic representation of white people in South Africa as a whole (a little under 10%), then the data for the participating companies from the retail sector shows that white staff are more likely to achieve internal promotion to senior or top management positions, while there is vigorous recruitment and promotion of white people in both middle and junior management levels. This effect is less evident for the participating companies from the financial services sector, where proportions of white recruitment are declining across all occupational levels (while still remaining above the reference point of overall demographic representivity). The recruitment and promotion of white people in the participating companies from the petro-chemical sector has also remained firm. When the present and predicted "pipeline effects" are combined with the overall trends in the recruitment and promotion of white people in the participating companies from these three sectors, there is clear evidence for an "ebony ceiling" that limits the opportunities for career advancement for African people in the participating companies within these three sectors of the South African economy.

For women, and again in the participating companies across all three sectors, this ebony ceiling effect is accentuated by the prevalent glass ceiling of discrimination on the basis of gender.

For the participating companies from the retail sector, there were no African women in top leadership positions in these five companies in 2008. With the exception of one company (which has achieved gender parity in the remaining three occupational levels), African women were severely underrepresented in senior management positions. The general tendency is for the representation of African women over African men to increase in lower occupational levels, with up to three times the number of women employed in junior management positions. For the participating companies from the financial services sector, all three companies have appointed at least some African women into top management positions. However, gender imbalance persists through all occupational levels of two of the three companies, and is almost as marked in junior management positions as in top management. Gender equity is particularly poor in the participating companies from the petro-chemicals sector, with no African women in top management positions, severe under-representation in senior management and a negative ratio at all occupational levels.

To step further back from the detail and look at patterns of appointment across all occupational levels, is to see that within the participating companies from three sectors transformation is at best stalled, and perhaps in reverse.

In 2008, more than 4000 new appointments were made in the five participating companies from the retail sector. Africans secured 30% of these positions, and whites 34%. Whites secured 65% of all opportunities at top and senior management levels, and Africans 10% of these positions. Whites also secured 27% of new opportunities at junior level management level, and African people 36% of these opportunities. In the same year, a little over 6000 new appointments to the

three companies from the financial services sector in of which Africans were appointed to just under 30%, and whites to 38%. Whites secured 64% of new opportunities in the top and senior management occupational levels combined, and African people just 8%. Whites also secured 33% of new junior management appointments, and Africans the same proportion (Table 11). In the two companies in the petro-chemical sector, just over 600 new appointments were made in 2008. Whites were appointed to 21% of these positions, and Africans to 38%. Of the top and senior management appointments, 46% went to white people and 15% to Africans. Whites were appointed to 13% of junior management positions, and Africans to 47% of these openings (Table 17)).

These foregoing trends that have been derived from an analysis of quantitative EE data must now be situated against the backdrop of the qualitative data which is analysed in the sections below.

Employee Perspectives

The preceding overview of the employment equity statistics for the participating companies from the three economic sectors has suggested some predominant themes. In this section of the report, these are probed more deeply through the experiences and opinions of African people interviewed as part of this study. Seen from their point of view, has there been a loss of ground in the move towards equitable workplaces, with companies becoming "whiter"? Is there an "ebony ceiling" that restricts career opportunities? Is the situation even more difficult for women? And to what extent is working and living in the Western Cape distinctive from life in other parts of South Africa?

In some cases, qualitative evidence such as this adds weight to what is revealed clearly in employment statistics. In other cases, interview transcripts reveal elements that are not evident from numerical data. Because the main interest here is in general patterns (and because the sector profiles are quite similar to one another), the participating companies from different sectors are considered together in the following sections. This approach helps to distinguish between the sort of issues that can be dealt with in-company through leadership initiatives, and more general factors that will require different sorts of responses.

The overview that follows starts with general organizational climate and then moves to the more specific issues of living and working in the Western Cape which includes a consideration of biographical factors of the sample of African professionals interviewed. As the statistical data indicate, the issue of gender is of particular importance. Finally, the overview turns to the question of agency – to what extent do African people working in the Western Cape feel that they can effect change within their companies?

Organizational Climate

Organizational climate is the set of pervading conditions that stem from the institutional cultures of companies, combined with their more general context. In studies such as that reported here, institutional cultures are not directly visible, but are often implied in the experiences and perceptions of employees. Because of the way that this study has been structured, organizational climate in the participating companies across the six sectors is seen from the standpoint of African staff, and there can be little doubt that white staff members (as well as those from other designated groups) would describe their experience of the world of work differently.

What is striking about the interview transcripts is that, despite their ranging across four occupational levels, several economic sectors (each with its own defining professional competencies) and thirteen autonomous companies, there are clear commonalities. In order to bring these out, interview data from all the contributing companies is considered together in the overview that follows.

One commonality, fundamental in that it structures daily communication, is **language**. While South Africa has eleven official languages, with nominal parity between all of the South African languages that are the mother-tongues of those interviewed here, the core issue that comes through in the interviews is the use of Afrikaans as a means of communication in workplaces based in the Western Cape. This is often seen as deliberately exclusionary:

> *"I come from the Eastern Cape where Afrikaans is not that dominant and here I have been in a situation where people will informally speak in Afrikaans in your presence with the intention of making you feel out" (Financial Services Sector).*

> *"My manager was White and most of the employees were White and in meetings they would speak Afrikaans. Even before meetings start you'd find them talking but that would not be an informal conversation it would be something serious about the business...But when you spoke your own language in that same meeting where Afrikaans is spoken, they would say, 'please don't gossip'!" (Financial Services Sector).*

> *"The business language is English but if you could spend an hour here, you'd hear a lot of Afrikaans. That language is spoken irrespective of who is around. During tea, they would resort to Afrikaans. When we have a meeting and there's a smoke break people will talk in Afrikaans. Even our CEO will talk to people who speak Afrikaans. In that way it excludes other people. Of course they are not talking about you. They are talking about something that is between them but the fact that you cannot access that which they are saying, you see, it is through such temporal moments that you get to know your colleagues. You would hear about a colleague who is struggling about a child or they went and had such a wonderful time at this place. That is very informal information but it gets you closer to your colleagues" (Financial Services Sector).*

The language issue is further complicated in the Western Cape by the legacies of apartheid-era racial classifications and hierarchies, which privileged those defined as Coloured over African

people. In a pattern that is manifested in other aspects of organizational climate and workplace behaviour, some respondents felt that the use of Afrikaans was a double form of disadvantage, excluding them from the white elite while also privileging Coloured employees. Here, for example, is one interviewee describing relations with Coloured co-workers:

> *"They would sometimes talk to you into Afrikaans and I would tell them do you want me here or not, like, have you forgotten that I am here? Do you want me to be excused or what?" (General Category sector)*

At the same time, several interviewees were not prepared to be passive in this situation, and described using language to resist such exclusion:

> *"I know myself, I am full of shit. But I get annoyed when meetings are conducted in Afrikaans. My manager is Afrikaans speaking and is very comfortable with her Afrikaans and often I'm having to remind people that I'm also there. I tell them that I understand Afrikaans very well, but I am not going to speak it to satisfy you guys. Because they know my position they are actually having to remind themselves in meetings telling those who digress to say "speak English please" (Financial Services Sector).*

> *"I got an email where everyone was copied into the email and the sender wrote in Afrikaans and the first person to respond did so in Afrikaans. I promptly wrote to both in …(Xhosa)…and that was the last time that correspondence was sent in Afrikaans!"(Retail Sector).*

> *"If you adapt yourself, you have to speak a little bit of Afrikaans with them and when you try to speak Afrikaans, they would start warming up to you. In my emails to them I use Afrikaans phrases like "dankie", "geniet u naweek". It's a form of survival because they are a majority. I found that they warm up to me" (Financial Services Sector).*

For one interviewee, responding actively to the use of language in the workplace made him feel superior, because his command of English is better than that of some of his Afrikaans-speaking colleagues:

> *"Language is not a big barrier, the Afrikaner people are actually harder on themselves because they can't express themselves in English while we don't have that problem. It could be that we had no choice, it had to be English" (Financial Services Sector).*

In general terms, those interviewed in this study see English as the appropriate language in the workplace, and no case is made for the preferential use of other official languages such as isiXhosa or isiZulu. At the same time, though, interviewees felt alienated because their own languages are not widely spoken in the Western Cape and, specifically, are often not offered as subjects in Western Cape schools. The point is not that people wish to abandon their mother tongues; it is rather that, without a common business language, the transformation of institutional culture, and therefore improvements in organizational climate, become restricted in the basic conditions for free communication.

Language is a key aspect of **socialization[5], and language barriers** hence extend into barriers to more general interaction:

> *"One time I got involved with work colleagues socially and got burnt. I attended a birthday party and had the experience of feeling excluded by the other White guests who kept moving out of the house away from me. I'm done being made to feel like a step-child...like you don't belong!" (Retail Sector).*

> *"I can't trust most of my White and Coloured colleagues. There are different cliques on racial lines so even when someone suggests drinks you know the same people in his/her clique will say yes and everyone else will say no" (Retail Sector).*

> *"I have not seen a benefit of having friends that are at work. They always come back to bite you at some point"(Retail Sector).*

One interviewee had a clear and analytical perception of the ways in which socialization has to be used within an organization:

> *"To be a top performer means you must buy into the culture of the organisation. If you are opposed to the rituals, habits, traditions of the company...if you are rebelling and you are not fully integrated into the team, it is going to be very difficult for you to perform. That is why most Black people who are top performers have assimilated to their detriment. Say in the way they speak, you find that they have to speak like White people so that white people can be comfortable with you. So White people must feel safe around you in terms of your topics. If you are talking about soccer all the time that's not going to help you. So you need to know DSTV rugby, cricket, and know some of the Afrikaans musicians. Also be able to laugh at white jokes. So, it is not only about one being here to work, it is about observing what they like, doing what they like, saying what they like, and the way they do – even if the jokes are devoid of humour, you must show your teeth. So, all of these things contribute towards being the top performer. It is never just about being able to meet the deadlines. It is an environment where perception is key... White people don't have that problem because the work situation is an extension of their home environment. They don't have to study, observe anything. They don't have to go an extra mile. The work environment is a microcosm of the white home environment whereas black people have to live double life..." (Financial Services Sector)*

African interviewees, then, feel that they often face a monolithic and exclusionary environment in which they are made to feel unwelcome. Given the implication of the employment equity statistics, which show that, across all sectors, companies are slipping back from earlier gains in representivity, are work environments becoming "whiter"? Many of those interviewed think so:

> *"What is so discouraging is that we sit in these EE meetings and talk about how we can get Black candidates in, and in the very next month there are about 10 new White people being introduced! When are they going to get Black people coming in? The whole*

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[5] . i.e. the process by which an individual becomes integrated into a social group by adopting its values, language and attitudes.

structure needs to change. The whole of HR is White...HR needs to be reflective of the kind of mixture in the company they want"(Retail Sector).

"I have heard people saying 'where do I find another Black in the WC?' and I say you can hire a bus, I can get them in bus loads for you and drop them at the doorstep" (Retail Sector).

Promotions are also seen as restricted:

"White people get rewarded for fluffy stuff like experience or how much time they have been employed ...while Blacks get passed over for reasons such as "I don't know her that well, she doesn't speak up"(Retail Sector).

"I'm working here for…(x)…years and still have not been promoted, and yet this White girl that joined the company a year ago as a junior just got promoted to planner. When I queried this, I was told that there was no money in the budget to promote me and that this other girl only required a small increase"(Retail Sector).

"The fact that in 2008 I am here alone sitting with 9 White people proves that promotions don't happen often enough for African staff" (Retail Sector).

"If your manager likes you – if there is social rapport, then the manager would allocate tasks according to his/her perception of your capability. If you are not given certain tasks, you won't be able to develop yourself and won't be able to get the exposure to the decision makers. When Black people come into the company, they only perform certain tasks. They don't have the full exposure and they are not given the opportunity to appear at certain fora where senior executive people are. So he who gets exposure to a senior executive meeting is highly likely to perform better than the person who is just down there. To be a top performer the manager must give you the exposure. But managers always say that Black people are not proactive. They won't come to them and say they want this and that therefore I want to give it to the person in whom I can trust that they would deliver – usually somebody of one's own kind" (Financial Services Sector).

What is striking here is that, despite the well-established legislative provisions, African people interviewed in this study have no perception of advantage from employment equity legislation:

"HR have to be forced, which is where I think AA comes in because without it they wouldn't hire Black people"(Retail Sector).

Indeed, it was a commonly-held view that being Black meant having to work harder and perform to a higher standard:

"I just feel when you get the job as a Black person male or female, you are put under so much pressure to over-perform so that you can take away the perceptions that people have about you already. It's like you are judged on your work before you even do it" (Retail Sector).

"…the minute a Black person is employed & the person is an EE candidate there is a perception that they are employed because they are Black & not necessarily because they can do the job. And I hate it actually! I mean I went to university, I studied, I did everything I needed to do to make sure I can do my job & I know I can do my job at the best of my abilities & when people see me they say she got the job because she is Black and I hate it"(Retail Sector).

"As a Black professional you are not supposed to make a mistake. You are supposed to be 110% perfect. In the event a mistake happens, every good that you have done is forgotten. You just become useless. You are incompetent. The expectation is that you must fail and when you don't fail, you then must be perfect. You must be superhuman…" (Financial Services Sector).

"If you are Black it is even more challenging because firstly, you have to prove that you are competent – that you can do it. It doesn't matter whether you have a PhD from Harvard…if you don't deliver in terms of the quality and the quantity in the position, then that may affect your credibility…especially after making a couple of mistakes, staff tend to ignore you and consult with your senior or another White consultant" (Financial Services Sector).

"You have to give 180% for the system to trust you. You have to move the mountain. I always say to those who just came in, I tell them 'you are Black always give 20% extra. Don't just do what everybody is doing. Give it a signature of excellence" (Financial Services Sector).

Working and Living in the Western Cape

In addition to these general perceptions about institutional climate and working conditions, interviewees in this study were asked about experiences that they felt were specific to the Western Cape. There was a broad consensus that **Cape Town is hostile** to African people. A standard comparison is with Johannesburg:

"There is always that impression here in Cape Town that Black people can't quite handle it, too much pressure for Blacks. Yet you go over to Edgars in Joburg there is a whole lot more pressure than here and it's a whole lot more Black people!" (Retail Sector).

"I would like to hang out with more Capetownians but they are funny characters. They live in an environment that is peaceful that allows you to be on your own…very little happens it's just Table Mountain and the sea. Joburg has ubuntu" (Retail Sector).

"People in Joburg have so much energy…they are free man…there is spunk in the air…no-one cares whether you are Black or White, everyone is just happy!" (Retail Sector).

"African professionals find the WC as a home not suitable for Black people. One can say there are greener pastures in Gauteng. I will get more money in Johannesburg. The whole thing is based on the fact that Black people, African people don't see themselves ever progressing in the WC. And seemingly companies are not doing anything to address the issue"(Retail Sector).

"Cape Town is so behind. Johannesburg is cosmopolitan, Cape Town is not. Cape Town is a White man's paradise. They are in charge, they do as they please"(General Category).

Some expressed a **sense of isolation** in the Western Cape:

"If you come to Cape Town…you need to have a support structure because people here are very cliquey" (Retail Sector).

" (because of these cliques)…It's a sad place with a sad psyche…it's such a beautiful place but there is no soul. That's how I feel" (Retail Sector).

"If I walk into a shopping centre I can't wait to get out. I feel self-conscious as a Black man and am treated differently…If I walk to the Waterfront I don't feel like complaining anymore even when I get crap service…as Africans we are numb now" (Retail Sector).

"Despite the loneliness of Cape Town and that one just barely 'tolerates' being here…I appreciate the fact that Cape Town offers a better environment to raise my children" (Retail Sector).

"I have what I needed around me which is my family, but from day to day outside work and into your social life it is difficult to be in Cape Town because there is not lots of Black people around here…so you're on your own. So if you come to Cape Town and you are single, it is much more difficult"(Retail Sector).

"I had been here for two weeks and I haven't had a single black person coming to me and saying hello, my name is Vuyo, my name is Themba or Vusi, congratulations we heard you've been appointed director welcome aboard, please if you need anything, we're around, I'm from Cape Town... I said if I was in Joburg, people would have enquired by now who is this guy where is he from…" (Retail Sector)

"Cape Town is hard to break into socially as everyone is part of a circle and it's hard to break into those circles even if you are a Black from the Eastern Cape you are regarded as an outsider" (Retail Sector).

"In Cape Town they don't talk to you. You are not one of them, you are intruding. In Johannesburg they engage you and you even feel uneasy at first because you are not used to that – you start wondering 'is there an agenda here?" (Financial Services Sector).

Inevitably, this sense of alienation and isolation is seen as the consequence of a racialized hierarchy in which white and coloured people are favoured over African people:

"You have the African cabal, the Coloured cabal...at times I take the view that White people if they chose to be racists, they use Coloureds as a proxy to do whatever silly job, within that cabal you also have the Moslems" (general Western Cape).

"...(When I arrived here some Coloureds said)...'he is going to take our job – why can't he find work in African areas like Gugulethu and Phillipi?'...Coloured employees feel threatened by Africans and the pressure therefore is always on the African person to prove himself" (general Western Cape)..

"...they are threatened, they would treat you like a foreigner because they see you as somebody coming from outside to take their jobs here. It's strange because in Joburg and Durban, there is no difference between Coloureds and Blacks – they identify with Blacks, but here it is completely different" (general Western Cape)..

"...(when I was appointed)...there were some Coloured people who had issues...some people had hoped that somebody who would have been inside would have been appointed...and then they thought here comes this darkie. There were issues." (General Category).

"The problem in the Western Cape is that favouritism happens of Coloureds and Black people are overlooked & told they are slow learners or incompetent or cannot cope. As a Black person you need to work 120-150% to be recognised" (Retail Sector).

"The major stumbling block in Cape Town are Cape Coloureds & I think the Whites in Cape Town want to carry favour with Coloureds because they want their vote or they think they can stomach them better than they can Africans...It serves the Whites to hire Coloureds because it makes them look good because in the books they are Black, while actually Cape Coloureds are not Black because they don't see themselves as Black. So for anyone who wants to attract Black professionals in Cape Town, it's not a micro issue. It's a macro issue as one needs to impact on the culture at a bigger level" (Financial Services Sector)

"It's like I have moved 10 years back or 20 years back. Joburg is like so far and Cape Town is so very backward. Maybe Joburg people are free spirited people maybe that's the difference. I have no idea. What I always ask myself, where do the Black people work in the Western Cape? I don't see them. You walk in the malls, you walk in the store...its either Coloured or White people, Coloured or White! Where are the Black people? How do they pay their bills, what are they eating?" (Retail Sector).

"Cape Town is very pro-White and very pro-Afrikaans...A lot of the interests in Cape Town are driven by the ideals of the average White. So when you try to look for association you don't find it easily. Even the White guys from elsewhere struggle in Cape Town because they say it's very cliquey" (Retail Sector).

"Blacks are more educated in terms of formal qualifications especially compared with Coloureds and that is the threat" (Financial Services Sector).

"The Western Cape is very bad because you have Whites, Indians and Coloureds, the Black person comes last here. You are at the bottom of the pile" (Financial Services Sector).

"It's not just about changing the mind-set of the White and Coloured people in Cape Town, it is also about changing the Black mind-set. African's exclude themselves. They only socialise in the townships. They would come out if there is something that they think is specifically African in town" (Financial Services Sector).

"Cape Town is very racist" (Financial Services Sector).

One measure of relative change is the perception of white attitudes. Several interviewees experienced the attitudes of white colleagues in the Western Cape as backward in comparison with Gauteng:

"You know the difference between Johannesburg and Cape Town is that in Johannesburg you feel very liberated. You feel like you are in South Africa – a liberated South Africa. Even the White people that you deal with in Johannesburg are different" (Financial Services Sector).

"Joburg is free and you can make jokes anytime and nobody gets offended. White people in Joburg understand...even if you find here a White person from Joburg that person thinks differently from a White person in the Western Cape" (Retail Sector).

"It's a different vibe in Joburg. The White people in Joburg are so different. I think the Western Cape is so behind compared to the rest of the country. Being a Black person in Joburg you don't even think like that, you don't even think I am Black...my race has never been an issue like it has been here " (Retail Sector).

"In Joburg if you met your colleague in the mall they would greet you or even invite you for a drink or something. In Cape Town my White colleagues ignore me in shopping malls. I initially thought that it was because they had not seen me, but now I know that White people will ignore one outside of the workplace" (Retail Sector).

These narratives clearly illustrate that wider social factors within the Western Cape impact on the success of the participating businesses to retain their African staff. These extra-work factors influence and shape the sphere of work, and this points to the urgent need for broader stakeholder engagement in the Western Cape between business and other stakeholder groups to address this.

Interview data presented in the individual company reports also shows that **biographical factors** and the **neighbourhoods** where African professionals reside also impacts on their experiences of

living and working in the Western Cape. An analysis of biographical differences amongst the African professionals interviewed show that regardless of their gender differences, those who were married and or who had children or siblings living in the Western Cape relied heavily on these personal networks to cope with adjusting to life and work in Cape Town. This group hence made reference to the huge differences in experience felt by African professionals who relocated to Cape Town with social support compared to those who arrived here single. The data suggests that African professionals who have access to family and wider social networks within the Western Cape, felt more supported and experienced less social alienation:

> *"I have what I needed around me which is my family, but from day to day outside work and into your social life it is difficult to be in Cape Town because there is not lots of Black people around here…so you're on your own. So if you come to Cape Town and you are single, it is much more difficult"(Retail Sector).*

> *""Single people tend to leave…(Cape Town)… sooner when they get bored…people that have family units – that could work – the support system will be there for them."(Financial Services Sector).*

Another biographical difference which helps to explain why the African professionals interviewed would opt to stay on in Cape Town rather than relocate elsewhere in South Africa, has to do with whether or not they have **children living with them in this Province**. By and large those who did have children living here with them regarded Cape Town in terms of the quality of life, as offering a less stressful and crime-free environment than other provinces to their children. For this cohort, Johannesburg is described as being too ridden by crime, and too dense and congested an environment to raise young children. The following narrative captures the contradictory position which many of these African professionals with children find themselves in:

> *"Despite the loneliness of Cape Town and that one just barely 'tolerates' being here…I appreciate the fact that Cape Town offers a better environment to raise my children" (Retail Sector).*

Only one interviewee held a different view to raising her child in Cape Town and expressed the following sentiment:

> *"(After arriving in Cape Town)…I was shocked…I'm thinking that it's not something I can get used to. I want to move away…what hurts me the most is the fact that my 3 year old son is already aware of race…he says mummy you're Black and I am Black. I was shocked and I was so sad…who tells a 3year old that 'you are a Black?'. I can handle it but I don't think I can handle it when it comes to my child"(Retail Sector).*

These contrasting sentiments on child-rearing in the Western Cape correspond to those expressed by African professionals with children who have since left Cape Town for Johannesburg. One camp in this cohort related the positive opportunities that were offered to them to raise their children while living and working in the Western Cape. Here appreciation was expressed for the

lower crime rate, the higher standard of education that they believed is offered in the Province and the greater opportunities they had available to spend more quality time with their children due to a slower pace of life in the Western Cape. For the other camp, while acknowledging that the lower crime rate and better quality of life that Cape Town offered to their children were plus factors, these individuals believed that a lack of critical mass of African professional people in the Western Cape fundamentally posed a serious threat to the development of a healthy self-identity in their children during the post apartheid period:

> *"I want my daughter to grow up differently in a normal post-apartheid society where there are 10 Black kids in the class and because of this she does not have to hang around with them because there are only 2 Blacks in the class. She must not answer stupid questions from White people. I also want her to know that she is an African child. I don't want to have my child grow up only seeing White people in charge as doctors, leaders, etc., I want my child to see that **anybody** can make it and I want her to grow up with that mindset".*

> *"He was the only Black child in his class, and I said I can't have this...it was becoming a problem for me as he was starting to see Black people as different and amongst his white friends, I was viewed as a different type of Black woman".*

The interview data also indicates that **certain suburbs within Cape Town have eased the transition** for some African professionals who have relocated from another province. These suburbs are by and large situated in the north and include neighbourhoods such as Milnerton, Tableview, Blouberg, and Parklands:

> *"We moved to Tableview from Joburg because it was the only place where we were accepted as Black people and we could afford to buy a house here. There were other places we would have liked to have lived in but whenever we were discovered to be Black, the places were no longer available. We also love living near the sea"(Retail Sector).*

> *"I love the diversity in Parklands...you find everybody there from millionaires to drug dealers. It's a suburb that has got a township soul to it"(Retail Sector).*

These views on preferred neighbourhoods for African professionals is also supported by their counterparts who have since relocated back to Gauteng. Data collected from the latter cohort on the suburbs they resided in showed that all those who resided in the Tableview/Blouberg/Parklands/Milnerton areas felt that they had lived in more cosmopolitan and integrated neighbourhoods which assisted them to grow more easily accustomed to life in Cape Town and much sooner than their counterparts living in the other neighbourhoods. It is interesting to note that when all interviewees were asked if the HR department relocated them to suburbs in any of these preferred suburbs, they all responded in the negative. Instead they came to know about these suburbs from other African professionals they met either at work or socially. The only negative aspect of living in these preferred suburbs that was identified by both cohorts

was the daily traffic congestion they encountered when commuting to and from work. Some employers addressed this by offering flexible working hours to bypass daily traffic congestion.

The forgoing analysis of biographical factors and information on residential suburbs within Cape Town is worthy of further consideration by the participating companies, particularly when formulating a more comprehensive retention strategy for African staff.

Interviews were conducted with twelve African professionals who have relocated to Johannesburg. A profile of their employment, and of the push factors that led them to leave the Western Cape, are summarized in the table below.

Point of Entry into Participating Organisation:

Headhunted: 2 individuals
Transferred from another region to the Western Cape: 4 individuals
Applied for the post in the Western Cape: 6 individuals
Already based in another organization within the WC: one individual

Region of Origin

Gauteng: 6 individuals
Limpopo: 2 individuals
Eastern Cape: 2 individuals
Durban: 2 individuals

Suburb resided in WC

Durbanville/ Kraaifontein/Kuilsrivier regions = 5 individuals
Tableview/Blouberg/Parklands/ Milnerton regions = 4 individuals
Muizenberg/Kenilworth/Mowbray = 3 individuals

Push factors within sphere of work	Push factors external to work environment
- Encountered negative stereotypes - Co-workers too laid back/poor work ethic - Subtle corporate politics which was undermining - Poor career/promotion prospects - Organization not patriotic to SA brand - Work not challenging - Poor line management practices	- Family (i.e. spouse/children/siblings) based in Johannesburg - Family unhappy living in WC - Poor environment offered for childrearing - Available social networks in WC limited - Could not find employment in another WC based organization

Table A: Profile of African staff who chose to leave the Western Cape

All had come to the Western Cape from other parts of South Africa (half from Gauteng, and the others from Limpopo, the Eastern Cape and KwaZulu-Natal). Looking back from Johannesburg on this phase in their careers, these interviewees had a number of experiences and perceptions in common.

One theme is **negative stereotyping in which their skills and ability to contribute were tested**:

> *"If you are a Black and you are given a position, certain things are expected off you. There are certain extraordinary things that people want you to do and to achieve and there are also certain worse things that people would say…".*

> *"People in Cape Town have this internalised backward attitude, they have a lot of internalized racism, which they project onto you, and I said 'okay what is this all about?' . You get a Coloured person who is darker than you but says that they are not Black but Coloured…it's a very divided city and even the so called Coloured people are very divided amongst themselves, the Cape Malays and the Moslems, and so on you know. The only thing that combines them is 'oh we love the mountain'!".*

> *"White people in Cape Town don't socialize with Black people. Coloured people don't know what they are. I also found that they don't socialize with Black people. I found that in Cape Town White people aspire to be very English. They aspire to be American. It's almost like they are here by mistake. They don't aspire to be African. They find some aspects of African culture very stupid and backwards. Do you know what I'm saying?".*
> *"I think the White people in Cape Town still have issues about equality".*

> *"In Joburg people are more aware of change and more accepting of change than in the Cape".*

Like African professionals currently working and living in the Western Cape, this group also observed how social or public spaces in the Cape do not reflect the same degree of diversity as Johannesburg:

> "*When visiting a restaurant my husband and I noticed the same thing. We said where are the Black people? We were looked at like to say 'you don't belong here'…where are they?"*

> *"If you go to Cape Town after six o'clock you struggle to find an African person…while in Joburg it's African…in Cape Town they tend to go to their townships".*

> *"I noticed that it's tough for Black people in Cape Town to meet other Black people. You go to malls and places, and people ask 'where the hell are the Black people here?' and half the time you don't want to go to the township, you want to meet them in all those places that are provided to people to socialise…this is what I don't understand either people are poorer or there isn't just enough of them…Cape Town really is like a European place, it's more like that".*

Some interviewees also felt that local Africans living in the Western Cape do little to assert their position:

> *"Have they resigned themselves to want the past to stay the same? Why are they not more visible because they won't be chased away. Legally that can't happen anymore.*

But they still don't come out...it's like they know their place. Why are they not going to the Larney places?".

Some of these interviewees gave more candid views on organizational climate, perhaps because they felt less constrained sharing this information now that they had left these companies. The data from three interviewees in particular provide a glimpse into how differently they experienced the work environment in the Western Cape in comparison with previous experience:

"Capetownians manage to say the most idiotic things in the world, and I don't know how they manage to do that to themselves (laughs)...it's just a lazy city with lazy people. When I say lazy I mean intellectually lazy. They love their comfort zones. Johannesburg is a young city, a bit like New York, young, vibrant and ambitious people come here. If you're ambitious and really want to make something of yourself, this is the city you want to come to...I am a bit of a snob, but have always worked with very smart people. And it was difficult not to work with very bright people at...(X)...There were a few very bright people and the rest were very average. My boss just said and did the most stupidest things. She used to say that I am very clever and I thought if she said that one more time I'm going to klap somebody! When my boss used to say 'you're smart' I used to think you need to go to Joburg as there are many other smart Black people there".

For another interviewee her experience of **not being heard** and **being unable to engage in decision making** led her to make a decision to leave her Western Cape employer within just a year of having started working there. This situation made her believe that her professional status was becoming increasingly eroded:

"Some of the people I worked with across the board, I found were very patronising...predominantly White people...you realised that you can't voice your opinion. When you do voice your opinion it's like you get frowned on...and they continuously try to find a reason why they are not happy. I gave them my opinion but always felt like I was walking on eggs. It was a hostile environment...they would say you are in Cape Town where people do things differently from Johannesburg...all this was very exhausting...".

This narrative also reflects the sense of disempowerment experienced by some of the African professionals interviewed, and highlights the need for the participating companies to review their current processes of communication and feedback being used both within and outside of formal meetings, to ensure that the voices of all staff are heard.

For another interviewee the conservatism of the Western Cape was problematic. He had been transferred to Cape Town by the same company that employed him in Johannesburg. His narrative reflects how the corporate culture within the same organization varied based on its geographical location:

"I found the Western Cape extremely conservative, meaning that there were certain things that we in Gauteng had gone past many, many years. For example we did away with the use of titles, Mr so and so, etc., so everybody is on a first name basis…that was

the kind of culture that we had there…my team was predominantly White…this situation got my adrenaline going as I said that these guys are going to have to understand that this is not how we will do things".

At the same time there was a willingness to exercise personal leadership when encountering challenges. This is captured well in the following narrative:

"In any situation you have to be confident, project yourself and not take nonsense. So whenever I went to a different establishment, I just talked to people and expressed my view and I pushed my way, that's what I do. Coming from the mines I learnt not to submit to these ways and to tackle them head on, and not complain about it. If you treat me bad I'll sort you out right there and then."

Overall, then, both the organizational climate within companies and the general culture of the Western Cape is seen and experienced as inimical to African people.

Being Female

The employment equity statistics show that it is doubly difficult for African women both to find employment and to gain promotion in the economic sectors in this study. These issues are amplified in the individual company reports. Experienced on a day-by-day basis, **race and gender combine as a barrier**:

"Support in the workplace is organised around race. And it is actually alarming. So if you are African, you are just up there on your own. If you do not have the inner resources, you are toast. You have to be able to access other resources outside of the organisation to survive. Gender does help…I find that African males are better off – the Whites respond to them better than African females" (Financial Services Sector).

"If you look at the organisation, as a Black woman it is difficult…as people related issues that are not related to the task crop up where people are thinking you are a Black woman how can you come and talk to me like that." (Retail Sector).

"I've had to work at least a million times harder than anyone else to make them respect me...I have been in the industry for 14 years...I has really been hard to gain the recognition and the respect...It is very hard being a Black woman in this industry – its harsh – its harsh for any woman but then even worse for a Black woman. So you really have to work very hard to establish that respect, that credibility"(General Category).

Women feel a particular **pressure to succeed**:

"As a Black youngish kind of woman I am still faced with instances where you've got people…especially White males…that are wanting to see what I can bring to the table". "(Retail Sector)

"I came in as a woman, and I am Black in a team of all males and White, so you can imagine all my challenges are stacked up. Thus I spend 99% of my energy trying to prove myself as a professional. Firstly, I can be professional, I will deliver, secondly I am a woman and I'm not going to cry and I am not going to be emotional, and thirdly I am a Black person I am competent…They treat me like an EE token so it's kind of a battle for them to hear me, and it's very subtle, but from a victims point of view you can see the discrimination". "(Retail Sector)

Finally, for another interviewee, recognition of her contribution did not just centre around receiving a promotion or higher remuneration. Instead she pointed out that her work environment generally did not provide an uplifting or affirming environment that recognised and celebrated Black talent:

"There is never appreciation shown for work that is well done, but when it's somebody of another colour, you'd hear 'Oh thank you so much, this is excellent, even if you know there is really nothing out of the ordinary they did. It's even stupid work" (General Category).

Making a Difference

While some interviewees expressed feelings of despair, and a significant proportion indicated that they intended leaving the Western Cape when there were suitable opportunities elsewhere, a significant number[6] also expressed a determination to make a difference in the workplace, and more generally. In the words of one interviewee:

"Not all of us can stomach shit. Some people would say, you know what, there are other opportunities while some like me would say that I am going nowhere, I must stay to challenge the status quo" (Financial Services Sector).

Several of those interviewed had a clear sense of comprehensive objectives for the transformation of organizational culture and climate:

"A conducive environment must be created for Black people to come and work in. It's not only about flooding the company with a lot of Black people who will make the numbers while they are very unhappy to be there. In the end they would leave and spread the word about their nightmares here. Transformation happens both ways. It should not be only about the burden of blackness, it is also about teaching the Afrikaners that

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[6] It is interesting to note that the majority of interviewees who expressed a determination to make a difference in the workplace, came from the financial services sector and one petro-chemical company. The quantitative data in this report shows that both sectors have been more successful in making appointments of African staff in top and senior management positions. While a generalization cannot be drawn from this limited sample size, it is tempting to suggest that the gains being made by these participating companies in meeting their EE targets is positively impacting on the organizational culture of these businesses as the presence of African staff in top and senior positions encourages greater personal leadership amongst other African professionals based in these companies.

transformation is about new other ways of securing the future of the company. Transformation can yield new business opportunities to the organisation" (Financial Services Sector).

"It has to be more than just numbers on the scorecard. You often hear that part of the plan with transformation is particularly to attract and retain professionals of African descent. The issue really is what happens once people get here. I think the issue is more cultural, people come in and they don't fit into the culture and they move elsewhere" (Financial Services Sector).

"(we would know my company is transformed because)…as you walk through that door, you would feel at home, someone would be able to say your name properly. You don't have to always explain why Africans do things this way and that way. You would just work and do what you have to do. You would only focus on why you are there. You don't have to be focusing on the peripheral stuff, rather, you are contributing to the bottom-line" (Financial Services Sector).

Others saw this in more practical terms, and had developed strategies for pushing for a change in climate on a day-by-day basis. For example, this interviewee had a strong sense of the value of building social networks within his company:

I don't only phone them when I have a query. Sometimes I just give them a courtesy call-send them a joke, or buy them something-remembering their birthday. I find that if you do that it gets easy – even if they don't feel like helping you, they will. These networks have made my job easy in terms of efficiency and effectiveness" (Financial Services Sector).

Another approach to building a supportive network:

"We…(Black staff)…would get together on Fridays…I met a lot of people there and suddenly i knew people in marketing etc., and this made my first year in the company better" (Petro-chemical Sector)

Such networks can provide African professionals with advice on ways to deal with negative stereotypes in a manner that also improves their leverage in the organization:

"You must always make sure that you are a performer, and second, up skill yourself through every opportunity that you get which would offer you a new skill. You go and do it so that when you ask for opportunities, people then listen to you. Sometimes we can be our own enemies – getting sloppy at work, not communicating properly, not portraying a good image of ourselves, and then we let people confirm their stereotypes about us, and then start saying 'I told you so'"(Petro-chemical Sector)

Becoming a change agent depends on self awareness and confidence. In another interviewee's words:

"...much depends on us. There needs to be an internal process of finding and appreciating oneself, thus totally getting rid of the race of inferiority...some Black folks may be thinking and acting like they are inferior, even with the right qualifications and requisite experience. To me it is very irritating and frustrating to see people with such high level of qualifications and experiences still pandering and acting like they are not other people's equals. That is very irritating for somebody like me. I can call myself a liberated Black person...I am not going to have to prove myself. I do what I do...there's the attitude people may perceive it as arrogant. You see others can be self-confident, but you cannot. If I make a mistake it has nothing to do with my blackness. When someone wants to make me feel small, I put them in their place quickly" (Financial Services Sector)

And again:

"For the first time, you'd be put to the test. I feel pity for people who can't speak for themselves. I have an advantage because I can speak for myself...I had a lot of that". (Financial Services Sector)

The analysis of the employment equity statistics across all sectors suggests that the middle management occupational level is critical to achieving sustainable transformation. This was supported by the observations of several interviewees:

"There are Blacks who are managed by White managers in the middle ranks – the top is committed to change but it is the middle section that is holding firm. That is where the problem is" (Financial Services Sector).

"Unless this organisation in terms of EE at the middle management level employs most Black people things won't change. It is middle managers who are the carriers of the existing culture" (Financial Services Sector).

"We are not doing very well on that front. The tendency has always been to make Black appointments at the highest level while leaving the middle strata almost completely White, and this is where the core business lies" (Financial Services Sector).

At the same time as expressing a determination to push for change in their workplaces, a theme constant to all economic sectors is that pushing for transformation is demanding. For example, initiatives may often be rebuffed:

"It is difficult to work for this organisation. It is very difficult for Black people to stay around here amongst all these Whites who do not relate to what we relate to. I said to them I want to take you to the location so that we can go to Mzoli's and at the end of the day people said yes we'll come. But only one White person came. There is no attempt by the GM or HR to plan a trip to the location. Even though our customer base is Black the refusal to go to the location is short-sighted because it prevents the company from seeing how their customers live" (Retail Sector).

> *"Whenever I try to contribute something to a meeting I'm not heard…whenever I try to speak they would make you feel that whatever I say does not make sense" (Financial Services Sector).*

> *"When you go and attend meetings there, you always have to say something twice before people listen to you" (Financial Services Sector).*

The latter two narratives (which support a recommendation made earlier) also point to the prevalence of what can be coined as "an invisible syndrome", where the manner in which meetings are currently being conducted in some of the participating companies essentially shuts out the voices of minority groups and reinforces the dominant culture. This points to the need for these companies to introduce principles of good diversity management which can ensure equality of respect for difference, and equality of participation in all meetings (i.e. one-on-one and group meetings).[7]

The following comment brings together succinctly the sense of combined pressures:

> *"When black people join the organisation, they must choose – top performer or a change agent. It is difficult to balance the two. Black people who perform exceptionally are not change agents because also there is no time – to be a change agent means you must fight and that needs time and energy. If you spend more time fighting, you won't have time to perform. So you'd find that here, 80% of black people are performers, not necessarily top performers. There is also a generation gap – black people now come here to make money – they will tell you that transformation is tiring. Remember, as an African person, you first fight the Coloured person, by the time you get to the White person, you are very tired. You won't be here. You won't stay". (Financial Services Sector)*

African people working in companies in the Western Cape, then, may be expected, at one and the same time, to be high achievers as well as change agents, and also to push against the apartheid legacy of racialized work hierarchies.

The Employment Equity Managers

African people interviewed as part of this study, then, add a qualitative perspective to the stark message of the employment equity statistics. But at the same time, most of the companies considered here have, at one time or another made a public commitment to transformation and face degrees of pressure from employment equity legislation. Those in the middle within these participating companies are EE managers, at various levels, whose job it is to advance equity in the workplace. How do they feel about the situation?

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[7] Also see Appendix Four which provides more information on the Thinking Environment process which is designed to introduce behavioural components in meetings where all participants are visible as all voices are heard.

Interviews were conducted with twelve managers from the thirteen participating companies. Some were senior managers accountable for employment equity, while others were middle managers responsible for implementation. The set of interviewees were broadly representative by race and predominantly female. As employees, these managers were themselves part of the employment equity profile of their companies, and their views were clearly shaped to an extent by their personal circumstances. Perhaps not surprisingly, black women managers tended to be most critical of their companies' progress in moving towards equity.

One set of observations in these interviews concerned recruitment and selection. In general, employment equity managers felt unsupported by their companies' Human Resources departments. Some felt that their HR departments deliberately stall work with recruitment agencies that specialize in securing black candidates. This criticism also made by several of the employee interviewees. For example:

> *"You'd find that in the last while managerial appointments were made in fields like HR, marketing and even finance, with no Black persons being appointed to those positions. Surely there should be a lot of Black people out there who are highly skilled and experienced in such fields such as these – after all, you are not talking about nuclear physics here. They usually restrict their search to two weeks and they would tell you that in those two weeks they could not find a suitably qualified Black person" (General Category).*

> *"The Western Cape during the apartheid time was characterised by preferential treatment and you still feel that, for instance if you look at our middle management level it's all White and you can tell me that you can't find people from other race groups?...we just pay lip service to transformation" (General Category).*

Employment equity managers commented that delays in responding resulted in applicants withdrawing, or finding employment elsewhere. Foot-dragging tactics continued in selection committees. Several of those interviewed described how selection committees would persuade themselves that a black candidate was not suitable, or unqualified. This could lead to employment equity managers believing that their involvement in selection processes was little more than tokenism.

These practical challenges are seen as rooted in a failure of strategic vision. Employment equity managers tended to lack confidence in HR leadership. Rather than being seen as a set of opportunities for their companies, HR professionals were perceived as having a compliance-driven approach, attempting only to meet minimum requirements of equity legislation. Employment equity managers expressed frustration at this sort of situation, which made their jobs more difficult. This is in some cases compounded by lack of access by employment equity managers to reliable and complete HR data, as well as the outcomes of exit interviews. In general, employment equity managers seem to feel that rather than working in concert with colleagues in HR, they are put in a position of having to work against HR's resistance.

One employment equity manager, who has a long career history in the transformation field, observed how resistance to equity and transformation has over the years become less overt and

direct. This interviewee felt that senior and top staff have acquired the ability to "say the right thing" while at the same time failing to translate their assertions into practice, treating black staff badly:

> *"It's almost like they have developed an intelligence around how to behave…and how to come across as inspirational and whatever…you realise that it's not genuine by the way they treat their staff and how they implement things in their business. I think they still have big time issues, they've just acquired the art of dealing with it surviving in the situation, but a few of them are genuinely trying very hard".*

It seems that, while businesses have established many structures and processes to support their employment equity goals, buy-in from all line managers across the board is still lacking.

Key to the success of employment equity in medium to large sized companies such as those included in this study will be the ways in which devolved responsibilities are organized. In most of the companies here, individual business units set their employment equity targets and then these are then consolidated for the company as a whole in order to meet Department of Labour reporting requirements. Equity managers who were interviewed tended to express disquiet about this system, pointing out that targets were affected by varying degrees of commitment to transformation and other interests, and that devolution resulted in a range of processes that were not necessarily compatible with one another. One interviewee pointed out that, previously, attaining equity goals was linked to line management's incentive bonuses. This has been replaced by a system in which equity is one element in a composite scorecard, reducing the incentive for success.

Apart from these formal organizational structures and processes, employment equity managers need to keep in touch with institutional climate. As already noted, this can be made difficult by lack of trust between employment equity managers and colleagues in HR, leading to difficulties in gaining access to information which, while not favourable to the company, is important to improve the efficacy of ongoing transformation. Another measure of the ability of employment equity managers to do their jobs effectively is the degree of trust between them and employees, and specifically African employees for the purposes of this study. When asked about this in interviews, it was notable that only African employment equity managers reported that they regularly had informal relationships with African employees, who felt that they could come to the employment equity manager to share a sense of grievance or ask for advice.

Given this, it not surprising that African employees may have little confidence in their companies' employment and equity processes. For example, one employee commented:

> *"Almost always all the appointments that the company makes are White, and a Black appointment will be one in many other White appointments, and when Whites are appointed, you never hear people complaining. It's as if they came through the mother's womb as engineers, while in fact they were skilled because somebody extended opportunities to them. They get training all the time. They are mentored, but they frown at a Black person who also needs training. The selection is very biased – they always get what they want to get and that is White people into jobs."*

In general, then, and taking into account the small size of the sample, interviews with employment equity managers suggest significant fault-lines in the ways in which companies conceptualize and implement employment equity, in the working relationships between employment equity managers and colleagues within their HR departments and, for employment equity managers who are not African, in the levels of trust between African employees and those charged with steering the implementation of transformation in the workplace.

The Executive View

The interviews conducted as part of this study have provided a set of clear perspectives on employment equity from those most directly affected by the policies – African people working across the range of economic sectors and employment equity managers charged with implementation. But what of the "executive point of view" – the public position on employment equity taken by the boards and top management in their reporting to the Department of Labour, their shareholders, and more generally? Here, these positions have been derived from the business case statements submitted as part of employment equity statements, documents that describe how policies are implemented (and, in particular, systems of executive accountability) as well as, in a few cases, comments by senior managers. Because the interest is in tendencies within the ten participating companies from the three sectors, rather than individual company performance, the three "general category sector" organizations have not been included in this part of the analysis.

In sorting through this information, it has proved useful to divide companies into three broad categories. The first of these brings together those who appear to be complying with legislative requirements at a nominal level. The second category comprises companies that have more comprehensive strategies at an early stage of implementation. In the third category are companies with well developed and sometimes ambitious strategies for moving towards equity.

The documentation available suggests that both Company B and Company D are complying with employment equity requirements at a nominal level. Both are in the retail sector, and both have comparatively low volumes of new promotions and appointments each year (in 2008, 638 new appointments in Company B and 461 new appointments in Company D).

Company B makes no business case for equity, rather stressing compliance: "[Company B] recognises the importance of diversity in the workplace, that Employment Equity is an imperative business driver and therefore supports the principles and intent of the Employment Equity Act of 1998". Similarly for Company D: "[Company D] is committed to transforming the employee profile of each of its working establishments at all levels in the organisation to reflect the demographics of the economically active population (as defined by the latest census figures) of the geographic region in which these establishments are located".

In both companies, accountability for achieving equity targets is devolved to line managers with no apparent sanction for failing to meet targets, or rewards for contributing to equity objectives. Company B has only in recent years appointed a Group Human Resources Director (previously,

all HR responsibilities were subsumed in business units). Consultative forums on equity (a requirement of the legislation) have been established quite recently. Company D has had initiatives to launch several different forms of consultative fora.

A second cluster of companies have more comprehensive strategies that are in some cases still being developed, and in others have yet to be fully implemented. Company A and C (both in the retail sector) and Company J (petro-chemicals sector) fall into this group. Here, there is a range of complexity from the human resources point of view, with Company C making 1275 new appointments in 2008, Company A, 824, and Company J just 233.

In addition to recognizing the importance of compliance, these companies map out a business case for employment equity. Company A expresses this as a set of primary objectives: meeting legal and moral requirements for change; meeting customer expectations through market development; attracting and retaining staff; and adding to shareholder value. Company C makes a connection between employment equity, rights and corporate success, aiming "to ensure that the talents and resources of employees are utilized to the full and that no job applicant, employee or customer receives less favourable treatment on the grounds of race, gender, disability or age. [Company C] recognises the richness and diversity of South Africa's population and values the contribution that everyone can make to developing a company that is committed to a high quality of service delivery". Company J states that it "regards its human resources as a valuable asset and promotes a culture which enhances a joint commitment towards continuous improvement, employee personal growth and well-being and business prosperity". The company has made a commitment to redress the effects of previous discrimination, recognizing that "employment equity goals should be set, employment equity plans prepared and implemented and other relevant and appropriate measures taken to ensure greater participation from the designated groups at all occupational levels and categories of the organisation".

These companies, though, acknowledge challenges in implementing these broad objectives. Despite the reporting requirements of the legislation, Company C has not been able to provide any information on the ways in which equity policies are implemented on a day-by-day basis. For its part, Company A acknowledges that it has lacked appropriate ways of addressing its objectives. One interviewee described implementation as a "black box", closed and obscure as far as staff were concerned: " having these discussions is important as it is part of the retention process. So previously we often had people leaving because they had no clue they were on the promotion radar and were carefully being watched. " More recently, achievement of equity targets has been incorporated in managers' performance appraisals. Company A's managers must have an employment equity plan for their department, play an active role in promoting diversity and put in place staff development plans to support equity. Outcomes are rewarded via managers' performance bonuses. Both divisional and group consultative forums are now in place and active. Company J has had a different set of experiences. Here, the attainment of employment equity targets has in the past been linked to with managers' bonuses, but this did not result in the company being able to meet its goals evenly across the organization and new approaches are being developed. Company J has a consultative forum in place and this reports directly to the CEO.

The third, and largest, group of companies are those that report well developed strategies and implementation mechanisms in place. Only one of these is in the retail sector (Company E, with 932 new appointments and promotions in 2008). All three representatives of the financial services sector are in this cluster (Company F, the largest in this study, with 4136 new appointments in 2008, Company G with 891 new appointments and Company H with 1169 new appointments). The fifth company, Company I (370 new appointments) is in the petro-chemicals sector.

Company E has a five-year strategic plan in which transformation is one pillar (along with social development, an environmental focus and addressing climate change). This is "about ensuring that we are sustainable as a business. Employment equity is an important part of the first pillar, to accelerate transformation…EE is at the core of…(a)… holistic and integrated transformation strategy, as we have realised that the right demographic representation in our organisation is a driver of transformation…it is our aim that as passionate and committed retailers, that our workforce profile and culture will support our ability to understand and lead our customers through excellence and a deep knowledge of our product and services and the world we live in". Employment Equity at Company E is implemented via a Strategy Execution Framework and is monitored via regular business measurement and reward mechanisms. Company E seeks to embed employment equity in its business strategy and processes by means of a cascading employment equity structure that links the leadership of the business with human resource practitioners. The heads of Company E's business units are held accountable for the achievement of employment equity targets, and overall progress is monitored by the Transformation Committee of the Company's Board. A comprehensive system of transformation forums is in place, headed by a National Employment Equity Committee, chaired by the Chief Operating Officer for Support Services.

Company F makes a business case for achieving equity based on the "economic imperative" that meets the "challenging requirements for human capital in the financial services industry". The company "views Employment Equity as a business imperative that will contribute to the sustainability of our organisation and that will enhance business performance". In addition, Company F regards an equitable workplace as a question of legitimacy: "our company vision is to be a demographically representative leading bank in its employment practices, thus becoming legitimate partners in the growing and prospering South Africa". In addition, equity is seen as important for attracting key people to work for the company: "our mission is to establish Employment Equity practices that will contribute towards making [Company F] an employer of choice by reflecting the demographics of the country and ensuring that the workplace is free of discrimination". Company F outlines a four pronged approach to support its equity initiatives: optimise business opportunities; implement measures to condition the environment to support diversity; attract, appoint and retain good calibre employees; and use alternative employment services.

A key operational mechanism in Company F is a Development Forum which focuses on the potential, performance and suitability to role of employees. All staff are profiled to populate a talent pool, which is further analysed by management in terms of gender, race, years of experience, succession opportunities, and development gaps. This information provides management with a means of linking employment equity to talent management. It was not possible to establish how Company F holds managers accountable for achieving equity targets. However, the company has recognized lack of managerial commitment as a barrier to achieving

equity, and has put in place a system of consultative forums which, in turn, report to a Group Diversity Forum.

Company G makes the following business case for employment equity: "[Company G] employs a significant number of people, and has a significant customer base in all market clusters. Our employee profile must therefore reflect the economically active demographics in South Africa because we are serious about growing and securing new business. Employment Equity (EE) is part of our bigger transformation strategy that will help us to serve the South African market better. Achieving diversity through EE is not only sound business practice. It is simply the right thing to do in order to create an optimal mix of skills that will ensure a prosperous future for our employees, customers and shareholders, and our country. Achieving the goals of EE and Diversity will contribute to growing ourr business and making [Company G] a great place to work for all its employees".

Company G supports this policy through a talent management process that is conceptualized around four employee pools: critical skills, potential successors with critical skills, staff with top potential and staff with global leadership potential. This approach is comparatively new and is still bedding down. Line managers at Company G are held accountable for meeting employment equity targets, and their achievements are taken into account in performance reviews, and in determining bonuses. Company G has a comprehensive system of consultative forums in place, ranging from those in business units to a company level Transformation Forum chaired by the Managing Director. In addition, there is a forum for employment equity facilitators (managers in decision making positions).

Company H makes the following business case for employment equity: "[Company H] views employment equity as an integral element of its overall transformation initiative and transformation is a strategic business priority. [Company H] is keenly aware that to reach new markets being created by the country's transforming economic landscape, it needs to address transformation in its own workplace. Product development and service delivery require a cultural understanding of the client, and [Company H] is committed to creating a workforce that is both representative of its market and competent to serve its customers." As part of its strategy for operationalizing this commitment, Company H has set up "succession pools" to identify talented staff with potential. Managers are held accountable for achieving employment equity targets, with a link to annual performance bonuses. Company H has a number of equity forums in place, both at business unit and group level. The chair of the Group EE Forum reports directly to the CEO.

Company I sets out its approach to employment equity as follows: "Employment Equity is a business imperative for [Company I] and a key component of business policies and practices. In line with Government policy, [Company I] recognises the need to redress the imbalances of the past created by discriminatory practices. [Company I] is committed to the creation of an environment where people from designated groups are equitably represented across all occupational categories and levels, an environment where intentional and unintentional exclusionary behaviour is eliminated and an environment where diversity and inclusion as strategic business objectives are valued and encouraged. [Company I's] commitment to Employment Equity is not negotiable and it continues to be a key strategic driver as part the

Transformation process … It is [Company I's] vision to have a workplace where race, gender, disability or creed will have no effect on employment opportunities and career progression and workplace where diversity is seen as an organisational strength."

Company I has a talent management strategy in place for all staff, regardless of race and gender, who occupy positions in the first three occupational levels. During performance appraisal, these staff members are ranked on performance and talent. Staff are informed if they have been identified as having potential during their performance feedback. The pool of high potential candidates is monitored by HR which supports each candidate's development plan. Business unit managers are accountable for achieving equity targets, and report to the CEO in this respect. Each business unit has its own employment equity forum, which report into a company Skills Development and Employment Equity Committee.

Table B below brings together these three categories of company policies and practices as well as descriptors of performance and implementation – key phrases taken from the detailed company profiles prepared as part of this study. In Table B, along with economic sector is a simple measure of complexity in administering equity policies, based on the total number of new appointments and promotions in 2008. Companies scored as Low Complexity made fewer than 500 appointments. Medium Complexity indicates between 500 and 1000 new appointments, and High Complexity, between 1000 and 2000 new appointments. Very High Complexity is more than 2000 new appointments. Looked at another way, the company with the largest volume of staff recruitment (Company F, with 4136 new appointments) had eighteen times the activity of the company with the smallest volume of recruitment (Company J, with 233 new appointments).

Categories	Sector/ Complexity	Performance	Implementation
Nominal Compliance			
Company B	Retail Medium complexity	* made progress in recruiting African staff to top and senior management positions by 2006 but gains reversed as an outcome of corporate restructuring in 2007 * no African staff in either top or senior management positions, and no promotions of African staff at this level * 50% of top management staff recruited in 2008 were white and 75% of promotions into senior management positions were of white people * proportion of African staff recruited to middle management in 2006 (19%) declined to 9% in 2008	* Prior to 2006, HR accountability devolved to business units with no central HR functions * Consultative forums in place
Company D	Retail Low complexity	* no numerical targets have been set for the recruitment or promotion of Africans to senior positions in the company * no significant progress in improving demographic representivity in top and senior management positions * recruitment of African middle managers declined from 11% of appointments in 2003 to 8% in 2008, while more than 70% of appointments to this occupational level were of white people	* Responsibility for employment equity devolved to line managers * no sanctions for failing to meet targets * range of initiatives for consultative forums
Early Stage Strategies			
Company A	Retail	* numerical goals have yet to be set for African staff recruitment or promotion	* equity targets incorporated in

	Medium complexity	* only one African male in a senior management position * no progress in either recruiting or promoting African staff into top or senior management positions over a five year period * some movement towards representivity for middle and junior management positions but proportions of white staff promoted have remained constant	managers' performance appraisals. * managers have EE plan for their departments * outcomes rewarded via managers' performance bonuses * divisional and group consultative forums are in place
Company C	Retail High complexity	* numerical targets set for the employment of African staff in top management, but not for African staff in other occupational levels * a number of Africans in top and senior management * recruitment of Africans to middle management positions declined from 49% of appointments in 2004 to 23% in 2008, and also declined for junior management positions	* no information available for management of employment equity * consultative forums have been established
Company J	Petro-chemicals Low complexity	* company stands out because its single top manager is an African male, and seven (40%) of its senior managers are African * Recruitment and promotion for African staff to middle and junior management has been strong, with levels mostly above 50% of all recruitment and internal promotion * Recruitment and promotion levels for white staff have declined, or remained low	* attainment of EE targets previously linked to managers' bonuses, but this did not result in the company being able to meet its goals evenly across the organization. * consultative forum, reporting directly to the CEO, is in place.

Well Developed Strategies

Company E	Retail Medium complexity	* some progress in the transformation of top and senior management profile * recruitment of Africans to middle management positions increased from 12% in 2003 to 19% in 2008, and internal promotions of Africans increased from 8% to 12%.	* heads of business units accountable for the achievement of EE targets * overall progress monitored by Transformation Committee of the Company's Board * comprehensive system of transformation forums in place
Company F	Financial services Very high complexity	* ambitious targets for recruitment of African staff, although this has yet to be matched by performance * recruitment of African staff in top management positions increased from 50% in 2007 to 60% the following year * for senior management, recruitment of African staff declined from 17% to 13% and of white staff increased from 64% to 73% * between 2007 and 2008, recruitment of African people into middle and junior management positions increased by less than five percentage points for each occupational level	* not possible to establish how managers held accountable for achieving equity targets * system of consultative forums which, in turn, report to a Group Diversity Forum is in place
Company G	financial	* aggressive recruitment of African staff into top management	* line managers at

		positions in 2003, with a subsequent decline in emphasis * significant progress in the top occupational level and has matched national demographics for African men in company leadership in the Western Cape * representivity in senior management well below national levels, and declining between 2003 and 2008 * proportions of African staff in middle and junior management positions are low and declining	Company held accountable for meeting employment equity targets * comprehensive system of consultative forums in place * forum for employment equity facilitators
	services Medium complexity		
Company H	Financial services High complexity	* aggressive recruitment of African staff into top management positions in 2003, with a subsequent decline in emphasis * decline in representivity in senior management positions between 2003 and 2008 * recruitment of African staff to middle management positions increased from 11% in 2003 to 26% in 2008, and internal promotions into the occupational level increased from a nominal 1% to 14% in 2008 * recruitment of African staff to junior management positions has remained constant (39% in 2003 and 38% in 2008) while internal promotions have increased sharply, rising from a negligible level in 2003 to 38% of promotions in 2008	* managers are held accountable for achieving employment equity targets, with a link to annual performance bonuses. * a number of equity forums in place, both at business unit and group level.
Company I	Petro-chemicals Low complexity	* Recruitment of Africans in top management have declined from low to negligible levels in 2008. * proportion of Africans in senior management positions has risen slightly over this three year period * slight rise in the proportion of African people in junior management positions	* business unit managers are accountable for achieving equity targets, and report to the CEO *each business unit has its own employment equity forum, which report into a company Skills Development and Employment Equity Committee

Table B: The Executive View: Policy categories shown with key performance descriptors and implementation styles (complexity measure: Low Complexity = up to 500 appointments in 2008; Medium Complexity = 500-1000 new appointments; High Complexity = 1000-2000 new appointments; Very High Complexity = more than 2000 new appointments in 2008)

Firstly, and most obviously, Table B shows that there is no apparent correlation between the size and complexity of the "equity proposition" at a company, and the sophistication of its business case or implementation strategy. There is also little evident correlation between business case, comparative success in achieving equitable appointments and the extent and forms of consultation with staff in the company; all companies report some form of consultative mechanism in place, and successes and failures in the experience of consultation are spread across the range of company size and complexity and the sophistication or otherwise of business planning.

Secondly, but to be taken with the proviso that Table B is an intuitive overview rather than a systematic analysis, there is no particular evidence that companies with sophisticated policies, well-developed implementation strategies and extensive consultation do very much better at

achieving equity targets than companies that have not invested resources in such policies and processes. Considered at the extremes, companies that complied minimally to employment equity requirements have made no evident progress in achieving equity. But at the same time, companies with well developed strategies also showed disappointing results. It is unlikely that these companies are receiving a reasonable return on the investment they are making in equity planning and implementation.

Thirdly, and again with provisos, the strongest impression to come through the lens of the "executive view" is that effective implementation depends on unambiguous line management accountability linked with effective performance management (in some cases, but not all, with a direct connection to the payment of performance bonuses). Companies with only nominal compliance have devolved accountability and no reported systems of line accountability for achieving equity targets (where these have been set). Companies with early stage strategies show different forms of accountability (not reported in one case, linked to performance management in another, ambivalent outcomes in a third). Companies with well-developed strategies have clear line-management accountabilities integrated into performance management (often with salary implications) and clear reporting lines to the CEO and to the Board.

In more general terms, it is striking how different are the world-views of, on the one hand, black staff who are the focus of company employment equity policies and, on the other the top managers, executive teams and company boards who have shaped these policies and sought to align them with overall company performance. This can be seen as a lack of alignment between policy and implementation strategies, and organizational culture.

One perceptive senior HR manager, from a company with a well developed approach to employment equity that is linked to key business priorities, saw this clearly. She noted that career barriers for African people – the "ebony ceiling" noted earlier – takes the form of what have become known in the company as the "un-saids". The "un-saids" are informal behavioural evaluations made about staff, but not dealt with explicitly. For example, they include opinions about how people should behave in meetings, levels of self-assertion and expressions of confidence. Behind the formal records of performance management and staff development are the shared, informal, "un-saids" in which respect African staff are seen by others to be deficient. The tendency for African staff with excellent qualifications to be denied promotion is described within this company as "choking". Expressed differently, an adverse organizational culture, or which all are aware, operates beneath the level of formal policy and implementation strategies, and undermines them both, contributing to disappointing outcomes in the face of carefully thought out, imaginative and progressive corporate expressions of intent.

The Department of Labour's View

The team which conducts DG Reviews for the Department of Labour (DOL) were provided with a draft copy of the findings of this research report and invited to comment on the research findings and to also provide recommendations which could assist businesses situated in the Western Cape to address EE barriers that are being encountered.

The Department of Labour responded favourably to the forgoing request and the team which conducts and deals with DG Reviews both in the Western Cape and nationally met for a group interview with the lead researcher. It was emphasised by the Department of Labour officials interviewed that their response to this report's research findings must be treated as an independent commentary and therefore not be seen as an indicator of their endorsement of the commissioned research and this report.

The Department of Labour team interviewed chose to reflect on the DG Reviews it has conducted from a national perspective as it maintained that the trends it identified in companies based in the Western Cape were not peculiar to this province, but instead corresponded to those also found in other companies nationally. The DOL team interviewed provided the following response to the research findings and in some instances offered accompanying recommendations:

- The findings derived by the DOL's DG reviews to date nationally, correspond to the findings in this research report. Barriers identified in the report are supported by the DG Review findings. The DOL team interviewed could identify no new trends or EE barriers in this research report as these have also been identified in the DG Reviews that have been conducted in companies nationally.

- Given the above, the DOL team interviewed is not supportive of the position that companies situated in the Western Cape are unable to meet their EE targets for African professionals due to a shortage of skill in this province brought about by past apartheid labour market practices. DG Review findings have shown that many companies have put no concrete plans in place to address this skills gap. These companies EE Plans are often insufficient as they do not reflect clear plans or strategies to address the imbalances of the past. The DOL team interviewed expressed particular concern at the failure of these companies to ensure that their skills development initiatives for existing African staff in lower occupational levels are used to create a pipeline to meet numerical goals for higher level posts through promotion. **The DOL team interviewed recommends that it is necessary for companies to strike a balance between the numerical goals set and the concomitant measures it puts in place (like for e.g. skills development planning) to address imbalances and challenges to retention.**

- The DOL team interviewed is critical of the tendency in some companies to not as yet comply with the basic administrative or procedural aspects of the EE Act. In addition to this, in some instances compliance on the substantive side has also been negligent, and the DOL team interviewed questioned whether the commitment to EE within these companies is indeed genuine. To quote one DOL official further on this: *"there is not a total commitment to EE by some of these companies. They are doing the basic minimum in terms of shuffling paper work, but the distance between the heart and mind is still*

huge. The mindset has not changed, the attitude has not changed and the resistance to EE has not changed either".

To help address this**, the DOL team interviewed recommends that the senior executives in companies find ways to make their managers understand how apartheid divided life in SA, and to raise awareness that racism in the workplace has become multi-faceted**, i.e. it prevails not just between black and white, but also exists between African, Indians, and Coloureds, and along ethnic lines within these sub-groups.

- The DOL team interviewed criticised some companies for only engaging with EE quantitative data using high level statistics, which end up obscuring the glass ceilings which their African staff encounter. The DG Reviews show that in such companies, EE statistics are not broken down to basic detail to allow these companies to honestly engage with barriers to EE. **The DOL DG Review team recommends that internal EE progress reports steer away from high level analyses, to provide the senior leadership in the organisation with transparent EE data on actual progress being made.**

- Commenting on the role of some line managers in not meeting EE objectives, the DOL team maintained that the responsibility ultimately lies with the CEO of the organisation to deal with any resistance to EE by line managers. To quote one DOL official on this: *"If the rot is at the top, the whole organisation will rot. CEO's are ultimately responsible for the progress made on EE...They are the ones who make decisions in companies. Line managers just make recommendations"*. The DOL team maintains that during the DG Reviews many COE's expressed their commitment to EE but upon closer examination, the DG Reviews found that their inaction to deal with line managers ended up making their inaction a major barrier to EE. The DG Reviews have shown that if there is no commitment at the top, there is no commitment from line managers. The DOL team expressed concern that some line managers continue to receive performance bonuses even when failing to meet EE goals. The DOL has attempted to address the need for CEO's to be held more accountable and responsible for EE through the new proposed amendments, which will require that the Senior EE Manager report directly to the CEO. The DOL team interviewed stated that the CEO has the position and power to implement controls to deal with any resistance by line managers. One concrete recommendation would be for CEO's to put performance agreements in place that have associated consequences if EE objectives are not met by their line managers. **The DOL team interviewed recommends that line managers should be assessed in terms of their performance against the EE targets that have been set, as is similarly done when they are assessed for performance made on productivity, profit generation, and other business processes which impact on the bottom-line.**

- The DOL team interviewed is critical of the tendency of some companies to make token appointments of senior African staff who do not contribute to the transformation of the organisation in real terms, but are merely used for 'fronting' to either improve the EE staff profile or to oppress other Black staff in the organisation. The DG Reviews done and off-line conversations held with African staff during these reviews, indicate that some African staff are appointed to oppress other Africans in the organization. **The DOL team recommends that businesses should not make token EE appointments but instead ensure that the best person for the job is appointed. It is recommended that when businesses appoint Black people, it employ suitably qualified Black people who have the necessary qualifications and who are also are not open to being used as tokens based on their personal traits.**

- The DOL team interviewed is of the opinion that regardless of regional location, all companies need to adopt a holistic approach towards understanding race in the workplace, as this would allow business to address the total problem. This should entail having access to data on the views of Coloureds, Indian and White staff in addition to that of Africans, to assess how barriers unfold in the workplace and which in turn impact upon attraction and retention. **The DOL team supports the recommendation made in this report that further research be conducted to include collecting empirical data from the other race groups within the participating companies.**

- The DG Reviews have indicated that many companies across all provinces are not performing well in meeting their EE targets. The DOL team interviewed criticised some companies in the Western Cape who despite having stores nationally, still use regional statistics on the economically active population in the Western Cape to set targets for all their stores. The DG Reviews conducted on companies based in the Western Cape has also led the DOL team to question why is it that despite the fact that Coloured labour is the largest pool that is available in this province, White staff nevertheless still occupy the majority of positions in senior occupational levels than what Coloured staff do?

- The DOL team interviewed cited DG Review cases of companies in the Western Cape that confirms the qualitative findings in this research report, namely that the environment and the culture within the workplace made African professionals feel inferior to Coloureds and Whites. Commenting on this one DOL official stated "*they are actually ejecting Africans out of their companies, instead of creating a conducive environment to retain African staff*".

The DOL team interviewed would not offer any specific recommendations to address the EE barriers encountered by the thirteen companies that participated in this research, as they believed that this could only be fairly done on a case by case basis as the issues varied across these organisations and each company was unique despite some similarities.   The DOL team did however offer the following comments and recommendations to BUSA's membership as a whole:

1) Although the EE Act allows for the signing off by one or more senior managers, the DOL will still continue to hold the CEO accountable for EE.

2) The DOL is concerned that some businesses with franchises place too much emphasis on BEE and often in these franchises only Black owners are entrusted to ensure that there is EE representation amongst their staff. **BUSA is advised to inform its members that it should not confuse EE outcomes with BEE outcomes due to the following differences between the two**:
    - Unlike the EE Act, BEE is not a piece of legislation and its principles borrow from other legislative frameworks.
    - BEE deals with the category "Black" as a whole, while EE deals with the breakdown of this category.
    - The BEE imperatives within each business differ, while the EE Act applies equally to all designated employers.
    - EE is a business imperative, but companies must be mindful that they will only see the results in the long term. BEE generates results in short term outputs in the form of procurement.
    - BEE can be aligned in the transformation strategy together with EE but the outputs must be seen to be different.
    - BEE and EE both address different issues and their objectives are not the same as BEE is voluntary while EE is compulsory.

3) The creation of pipelines within companies is currently insufficient and need to be addressed. **The DG Review recommendations have addressed this by advising companies that the EE targets set must be aligned to the company's Skills Development Plan.** The DOL will continue to monitor progress made by companies on the DG Review recommendations, and organisations are currently being given time to implement these recommendations. Of this one DOL official said "*These companies should know that they are being monitored and are not off the hook*".

4) **Companies should ensure that a sound HR department is put in place**. Companies need to be able to equate their HR department to their department of Finance and invest the same amount of time and consideration to put the correct systems and processes in place to oversee EE and improve its reporting mechanisms. This would make it easier for companies to report on EE, measure progress and to hold line managers accountable.

5) EE processes do not necessarily have to be complex. The basic principles are entrenched in the law for all employers regardless of how complex the company is**. Companies are advised by the DOL team to keep the EE Plan basic, and apply some editorial principles to make the EE Plan more easily understandable.**

6) The DOL team interviewed believes that every South African should take responsibility to seek redress, and that most of it should happen at the workplace level.

7) The DOL team would like to see businesses use national statistics on the economically active population when setting EE targets. **If however regional statistics are used by companies in the Western Cape to set targets, it is recommended that these must be at a sub-regional level to optimally source different EE groups**.

8) The DOL team believes that regardless of whether companies have their head offices based in the Western Cape or not, every attempt should be made to continue to recruit nationally as is currently being done. **The DOL team would like to advise companies to stop seeing the composition of their regional labour markets as a barrier to meet EE objectives, but to focus instead on improving their workplace environments. The DOL team is of the opinion that perceptions, attitudes, etc. that are imported into the workplace are creating major challenges to retention and must therefore be addressed.**

9) The DOL team interviewed is willing to share their findings from DG Reviews conducted on best practice cases in a workshop to all BUSA members, which must also include the participation of the highest authority at BUSA. The DOL team is willing to share good practice cases and to share practical solutions that can be considered by all BUSA members. The DOL has in the past already successfully hosted similar workshops amongst a cluster of group companies.

10) The DOL team envisages compiling a consolidated report based on the DG Reviews it has conducted, on a sector basis. The report will be aimed at all executives in these sectors to provide them with both proper feedback on the DG Reviews and direction on which strategies can be used to improve the progress their companies can make in meeting EE objectives.

Conclusions and Recommendations

What broad conclusions, and consequent recommendations, can be drawn from this quantitative and qualitative analysis of employment equity? Clearly, any deductions must be qualified by the limitations of the study: participating companies are not representative of their economic sectors

nor are they representative of business; there may be partial and inaccurate reporting of data; and interviews were only conducted in-depth with African people and it was not possible to verify many of their perceptions of working conditions and company practices. But at the same time there were clear patterns within and between sectors, a number of evident issues, and issues which company managers themselves have raised as significant.

Conclusions and recommendations are most easily considered at two scales. Firstly, there are general social factors that have a bearing on employment equity within companies, but may be beyond their direct control. These social factors are structured and shaped by the legacies of legislated racial discrimination and, in the Western Cape, by apartheid-era policies that attempted to restrict African migration to the region, and to favour and protect "Coloured labour". Secondly, there are company-specific findings. These are reported in detail in the company reports and are only dealt with in summary form here. But they are particularly important because they tend to be barriers over which companies have control through their in-house policies and procedures.

In general terms, the labour market in South Africa, and particularly in the Western Cape, remains highly inequitable, and the data assembled here is a reasonable snapshot of overall conditions.

Across all sectors in all companies participating in this study, African people are under-represented in all four occupational levels in comparison to their overall contribution to the South African workforce, and they are usually more severely under-represented in the Western Cape. Employment equity data shows that African people are almost always less successful than white people in moving up career paths, creating an "ebony ceiling" effect in all the participating companies across all sectors. African women are always doubly disadvantaged, having to contend with both race and gender discrimination in their career tracks. In contrast, and contrary to frequent media claims that whites are the losers in the South African post-apartheid settlement, white people continued to be appointed and promoted in the participating companies across sectors and in most occupational levels at rates that are in excess, and often significantly in excess, of their contribution to the South African workforce as a whole.

Considered through time, most companies across all sectors show a deteriorating equity situation, loosing small gains in representivity that had been made earlier. While skills shortages may partly explain this, skills shortages alone cannot explain the equity situation in general. Many companies are losing ground in the critical junior and middle management occupational levels, and there is little evidence for effective "pipelines" in which individual participating companies are developing critical skills in the workforce, particularly given that it is now almost two decades since legislated racial segregation of the workplace was dismantled.

This general environment is fuelling a syndrome of pessimistic cynicism and is probably perpetuating the racial hierarchies that defined the apartheid labour system. African people who were interviewed as part of this study by and large, have a negative view of the institutional climate in which they work, whichever the company or economic sector, and however progressive their employer's public positions on transformation and equity. This is exacerbated by racial hierarchies which are particularly acute in the Western Cape, in that African people

invariably see work and social conditions in Gauteng as more favourable. There is marked antagonism to fellow Coloured employees, who may be compared unfavourably to white people. Rather than finding common cause with those who were also victims of discrimination, or moving towards an organizational culture of non-racialism, many African people interviewed feel that Coloured people are their competitors by virtue of race, and act unfairly towards them. Cape Town is seen as particularly hostile to African people. While there may be some slight advantage in terms of crime and its advantages offered for child-rearing, for the majority of those interviewed this is offset by the view that Gauteng is far more pro-African and supportive.

This environment makes progress towards an equitable labour market difficult to achieve. But at the same time, of course, the policies and practices of employers, whether through active agency or because of lack of appropriate interventions, continually recreate adverse circumstances. One particular concern to emerge in this study is the evidence that the participating companies across all sectors tended to do less well in achieving employment equity objectives in 2008 than they had done in previous years. This may be evidence for a self-perpetuating syndrome of negative feedback that limits both the attainment of constitutional objectives for transformation, but also bottom-line business success. Bluntly put, it is difficult to see how the participating companies from sectors such as the retail and financial services sectors, who employ large numbers of skilled people, can survive as national businesses if they continue to increase their reliance on white people who themselves constitute less than 10% of the South African population as a whole. This situation becomes further exacerbated for those participating companies who only have their head office situated in the Western Cape, rather than also nationally.

Turning now to the company reports, some detailed issues which must be seen as barriers to EE, are less relevant to this more general discussion. For example, Company A has yet to integrate talent management with its consultative committee for transformation; Company B's transformation committees need to be strengthened; Company E would benefit by making management's work in recruitment and staff development more transparent; Company H could align its strategy for recruitment with employment equity objectives; Company J could improve its retention strategies (as could Company K). At Company M, employment equity representatives need to be more integrated into recruitment processes. These recommendations are set out in the individual reports; while comparatively small actions, such reforms will be particularly important in removing barriers to EE and improving overall performance.

There are other factors that recur frequently in several, and sometimes in a majority of, individual company reports. These lead logically to specific recommendations.

Collaboration

Individual company reports identified a range of instances of good practice that could serve as models for others to use. In addition, quite a few of the recommendations that follow could be more efficiently implemented if companies were to build collaborative networks to advance employment equity. The analysis above has indicated that the following interventions have been put in place in some of the participating companies to implement their respective employment equity policies:

- Employment equity is embedded in the company's business strategy and processes by means of a cascading EE structure that links the leadership of the business with HR practitioners.
- A 5 year strategic plan is put in place, in which transformation is clearly identified as a pillar.
- Systems are in place to ensure that Heads' of Business Units are held accountable for the achievement of EE targets.
- A Development Forum exists to focus on the potential, performance and suitability to role of employees.
- The talent management process is conceptualized around four employee pools, namely, critical skills, staff with top potential and staff with global leadership potential.
- A comprehensive system of EE consultation forums is put in place.

Given these forgoing practical interventions that are already in place in some of the participating companies, it is recommended that there is further exploration of systematic opportunities for inter-company collaboration (both on a sector specific and general level) to develop <u>new</u> and unpacking further <u>existing interventions</u> to advance employment equity, particularly to address the current challenges being encountered to attract and retain African staff in this province.

In addition to inter-company collaboration, **it is recommended that <u>wider stakeholder engagement</u> needs to occur so as to deal constructively with those social factors in the Western Cape, which continues to make this province an unattractive destination for African people.** Without this partnership businesses, particularly those with only head offices based in the Western Cape, will continue to encounter challenges in attracting and retaining African staff. The willingness of the thirteen businesses to participate in this research reflects a commitment on their part to constructively engage with this challenge, but this will also require the support of broader stakeholder groups.

Practical Interventions

The analysis of data in this report point to immediate practical interventions that can be implemented by the participating organizations, to begin the process of constructively addressing the issue of attracting and retaining African professionals in businesses in the Western Cape. **It is recommended that the following interventions be put in place to address this challenge:**

- Critically review the methodology which companies are currently using to conduct meetings to ensure that future practice ensures that the voices of all staff are recognized, heard and respected. An urgent effort should be made in this regard to stimulate diversity and engagement.

- Improve the value proposition for staff by offering flexible working hours if they reside in suburbs that are preferred by African people but require lengthy commuting.

- HR offers relocation assistance to African staff which includes consideration of offering accommodation in more favoured/cosmopolitan suburbs for new staff relocating from outside of Cape Town.

Setting Employment Equity Targets

Company reports show that several companies, and all those from the financial services sector, have been setting equity targets that are unrealistic. This is not linked to under-developed planning because companies with the most developed business plans for employment equity have also set some of the most unrealistic targets. While high target setting may enable companies to take favourable public relations positions and, arguably, to present as pro-government and, arguably, to reduce pressure from the Department of Labour, there is a clear risk of serious damage from this strategy. It is notable that African staff in companies with unrealistic targets have failed to "buy the dream" and are often sharply critical of their employer's approach to equity. Failure to meet over-high targets leads to criticism and backlash. Combined, these effects damage retention of key staff. In general terms, there is a clear need for ethical standards for setting published employment equity targets that are akin to those now generally accepted for advertizing.

It is recommended that, as a standard of good practice, published employment equity targets should be accompanied by policies and processes, and timelines, for attaining targets as well as evaluations of the relevant labour market. Further, it is recommended that companies in each sector convene a workshop annually, to interrogate the targets that they will be submitting in their EEA 2 reports to the Department of Labour. This will enable them to share information on known trends within their specific labour market sector, and will lead to the formulation of more realistic targets.

Determining the Business Case

The business case for employment equity can range from basic compliance, in which equity is seen alongside health and safety regulations and taxation as part of cost of sales, through to sophisticated policies that relate an equitable working environment to the company's bottom line (or triple bottom line). In this study, companies have been drawn into three clusters: those that report doing little beyond basic compliance; those that have developed business cases that are still unrefined or at an early stage of implementation; and those that have sophisticated policies and processes for employment equity that, as policies are integrated with core business cases.

While, in theory, restricting investment to basic compliance could be a business strategy, this will always introduce the risk of becoming cut off from a viable flow of appropriately skilled and qualified employees. As already argued, it is unsustainable to expect to continue to recruit key people from a white population that is already less than 10% of the South African population, and is diminishing in proportionality. This is clearly a risk for both the retail and financial service sectors, which have substantial, and sometimes very substantial, skilled labour requirements. Consequently, developed business cases are almost always essential for medium to long term success in attaining employment equity objectives.

However, even the most developed business cases seem to lack imagination. While commitment to ethical practice is clearly important, there seems to be considerably more potential for emphasizing the value of a diverse experiential and knowledge base within a company. For example, there are well known examples of competitive advantage in marketing from an intimate understanding of preferences and aspirations in Black communities. The "Black Diamond" case for a new and distinctive Black consumerism has been thoroughly made and disseminated. Expertise in the full range of South Africa's eleven official languages is clearly a competitive advantage. Few of the business cases reviewed here make developed connections between factors such as these, and the company's work in pursuing employment equity targets. **Therefore, it would be advantageous to research and develop case scenarios for equity-directed business planning. By looking in detail at examples of good practice, it will be possible to show how achieving equity in employment is consistent with achieving company business objectives while also contributing to medium to long term sustainability.**

Internal Employment Equity Processes

Rather surprisingly, given the importance of employment equity, internal processes for attaining targets seem not to be adequately "joined up" in a number of companies. There is often little evident link between staff recruitment on the one hand, and the everyday work of employment equity managers, on the other. In some cases; employment equity managers and committees may be untrained. In the interviews conducted as part of this study, there was often evident tension between transformation managers and HR departments, and in some cases it was claimed that HR departments use foot-dragging techniques to delay or derail equity appointments. There was rarely any direct connection between information collected during recruitment processes, indicating employee expectations, and exit interviews. This results in the loss of a longitudinal view of employee experiences. While some companies have well developed "talent management" processes, these are often not linked with employment equity processes. Other companies have no evident succession management processes in place.

In general, then, there need to be integrated business processes for "people management" that connect formal employment equity requirements with company policies and strategies. Such integrated business processes need to be accepted as a basic requirement for in-company management of employment equity. In particular, there needs to be a clear strategy in place for African staff, within the context of setting employment equity objectives for other designated groups.

Given the criticisms of current recruitment and selection processes, it is recommended that more is done to bolster the capacity of employment equity representatives. This could include coaching circles with their counterparts both within their organization and with those from the other participating organizations, as well as making their participation in personal leadership programmes a requirement.

Accountability and Incentives

A more specific issue, that is a key element in internal company business processes, is the system of accountability for line managers. Because all companies have a hierarchy of occupational levels, many staff are in forms of management position. Some line managers will have direct responsibility for making appointments; many others will have a key role in succession planning, providing development and training opportunities and making recommendations for promotion. As a group, line-managers have a key role in advancing equity, or in instituting everyday forms of resistance (a well known phenomenon that has been well theorized in the literature).

Surprisingly, given the general importance of employment equity and the stated objectives in many companies' business plans, only a subset of companies have clear, transparent and well-developed systems of accountability for line managers in this regard. A minority links the attainment of agreed objectives to the formal performance management system for line-managers, and remunerative rewards. However, the evidence does suggest that systems of accountabilities and incentives do have a positive effect on moving towards employment equity. **Consequently, it is recommended that line-managers should be formally accountable for attaining agreed employment equity targets, with formal performance management and remunerative incentives**.

Coaching and Mentorship

Again, specifically, it is generally recognized that coaching and mentorship have an important role in any system of talent management. However, surprisingly few companies in this study reported a direct link between coaching and mentorship systems and employment equity, and there are significant opportunities in this regard. In particular, Africans of other nationalities, who play an important role in many of these companies but who are not reported as part of employment equity statistics, can contribute to the objectives of equity by means of coaching and mentorship. **It is recommended that good case examples of coaching and mentorship be developed so that they can be adapted and adopted as appropriate by companies. It is recommended that the participating companies hold a workshop to share the models of coaching and mentoring that are currently being used. In order to ascertain what impact the use of coaching and mentoring is having on retaining African staff, qualitative retention interviews should be conducted by an independent research provider to ascertain how the programme is working and how other aspects of working in the organization are either improving or limiting the chances of retaining these staff.**

Organizational Culture and Institutional Climate

The complex issue of organizational culture and the consequent institutional climate is more elusive. As already noted, the dissonance between the aspirations of top management and the views of African staff in their companies is striking, and probably the major avoidable factor limiting equitable recruitment and staff retention. How can this be addressed?

Recommendations are made with the realization that this question will have been extensively discussed within many of the companies represented in this study. This was confirmed in a facilitation exercise with participating companies that was carried out as part of this study

(included in this report as Appendix Four). Participants made similar recommendations to those put forward here (such as the development of mentorship and coaching, building supportive networks and ensuring that there are appropriate staff training and development opportunities in place). The overall conclusion was that a "unifying vision" for equity needs to be developed:

> *"The vision should be based on reputable research on the theoretical underpinnings that provide insight into the ontogenesis of the problem area as well as the basis for a way forward in engaging with the behavioural components that initiate and sustain the desired changes. The vision should be the unifying perspective and approach for all change agents involved in this project to ensure consistency in micro and macro contexts".*

This is another way of highlighting the key significance of organizational culture and institutional climate.

Stepping back a little, the overarching theme that defines organizational culture in these (and other) companies in South Africa is the continuing valency of race. This, more than any other factor, determines the "ontogenesis of the problem area". In the Western Cape, and two decades after the repeal of the Population Registration Act, people think and express their views in terms of a racial typology is which "Africans" anticipate set characteristics, attitudes and prejudices according to whether a person is "Coloured" or "White". Although not tested here (since in depth interviews were only conducted with African people) these assumptions are replicated in the views and assumptions of "Coloured" and "White" people. The challenge is to replace this system of prejudices with appreciation and respect for the value of diversity.

Several companies in this study have attempted to deal with this issue through socialization. However, these programmes have tended to be unsuccessful and sometimes counterproductive. For example, African staff have found themselves left to sit together at social functions and ignored by colleagues in chance encounters in public places. Attempts at reciprocation have been rebuffed. This suggests that, before these informal initiatives can be successful, the underlying system of stereotypes needs to be made explicit and tackled. In other words, the "un-saids" perceptively identified as a key factor by one employment equity manager in this study need to be "said". **A systematic set of planned and structured interventions needs to be developed to address and counter the racial stereotypes and hierarchies that structure organizational culture.**

More specifically, there is a clear need to work with white people on their views on the objectives and practices of transformation. There is a tendency in studies such as these to conceptualize transformation as a "black issue". This is reinforced when interviewees are overwhelmingly African. White attitudes are implied or imputed, but not directly tested. As a consequence, African people are cast as perpetual victims who live and work in a miasma of grievance. But looked at another way, it should perhaps have been the case that white beliefs, aspirations and fears should have been a second, and equally emphasized, point of entry for this study. After all, white people hold a significant proportion of top and senior management positions in almost all the companies considered here. Given their authority, they determine business strategy and employment equity policies and practices.   White people frequently

complain that they are being disadvantaged by contemporary legislation in South Africa, and yet the record shows that, across all occupational levels and sectors, they continue to have a far greater chance of employment and promotion than African people. This suggest a major rupture between belief and reality that is worthy of close investigation. **Consequently, it is recommended that further, detailed, research is conducted into white attitudes and practices that restrict and limit the attainment of equity objectives in companies.**

Looking to the Future

Finally, it is important to note opportunities for continuing work. It is clear that businesses will benefit from more empirical data to inform EE interventions. **It is recommended that the Employment Promotion Programme or BUSA commissions a study that targets African staff both in the Western Cape and in Gauteng who are occupying junior and middle management ranks.** The research should be predominantly qualitative to gain a sense of this cohort's perceptions and experiences around promotion, reward and recognition and transformation in general.

Appendix One: Company Analyses and Accompanying Tables

Participating Companies from the Retail Sector

For 2008, the five companies in the retail sector participating in this study reported a total of 17223 permanent appointments in their top four occupational levels (as well as large numbers of additional employees in lower occupational levels). Staff turnover rates (new appointments as a promotion of total appointments) were generally between 20% and 30%, indicating significant strategic opportunities in human resources.(8)

 Table 4 below shows the number of appointments, by recruitment and promotion, for these companies for 2008. These are broken down into the designated group categories used in South African equity legislation (although in this table appointments of white women and men have been combined, and foreign nationals have not been included). This gives a sense of the extent of job mobility in the sector; in 2008, these five companies made over 4000 new appointments. Table 4 also maps the overall landscape of workforce dynamics in the South African economy, which has two dominant features. Firstly, African people are significantly underrepresented in realized employment opportunities in comparison with their dominance of the economically active workforce as a whole (Africans secured just 30% of all positions in these five companies in 2008).   At the same time and by the same measure, white people are significantly overrepresented, successfully securing 34% of all employment opportunities in these five companies. Secondly, this disparity is further skewed by seniority. Table 4 shows that white people secured 65% of all opportunities at top and senior management levels, while African people were appointed to just 10% of these available posts. This disparity is not symmetrical by rank; white people also secured 27% of technical and junior management positions, well over twice their representivity in the workforce as a whole, while African people were appointed to 36% of jobs at the same level.

Table 5 and Table 6 provide further perspectives on the participating retail sector companies as a set, showing respectively the recruitment and in-company promotion for African staff in the five participating companies. In each case, the proportions of African staff in 2008 are compared with the previous available reporting year data, with intervals of between two and five years.

For Top and Senior Management positions, four out of the five participating companies show no significant change, with a tendency through time towards less demographic representivity. None of these four companies recruited any African staff in Top or Senior Management positions in 2008, in one case performing less favourably than two years previously. None of these four companies had promoted any of their African staff into Top or Senior management positions over intervals ranging from two to five years.

The one exception in the company sample from the retail sector is Company C which has its head offices situated both in Gauteng and the Western Cape. Over the past four years, this

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company has promoted some of its existing African staff into Senior Management and Top Management positions (17% and 4% of promotions in 2008, respectively). Company C has also made 11% of its new appointments into Senior Management positions from the African demographic group. The location of this company's head office outside of the Western Cape does give it greater access to a wider labour market pool of Africans with management skills and this factor could therefore account for the success Company C has had in appointing African staff into top and senior management positions during 2008.

Trends for Middle Management, Specialist and Professional recruitment and promotion are different. For this level of appointment, Company C's level of recruitment dropped sharply for 2008 when compared with the earlier reporting year (partly compensated for by an increase in the rate of promotion). Both recruitment and promotion of African staff in this job category declined at Company B. In contrast, both Company D and Company E have shown a consistent trend in internal promotions into this category over the five year period up until 2008. Recruitment and promotion patterns at Company A have remained fairly constant.

In all the participating companies in this sector, the highest levels of recruitment of African staff is into the junior management and skilled technical occupational level. Two companies have increased proportional recruitment in this category, while in the other three companies recruitment of African staff has declined in comparison with other demographic groups. At both Company E and Company C, lower recruitment is matched by lower rates of internal promotion, exacerbating the lack of movement towards workplace representivity. In contrast, both Company A and Company D have shown marked increases in internal promotions over a five year period, the latter company moving from a zero base to 72% of all internal promotions into this category in 2008.

Taken as a group, these five retail sector companies show both general similarities in their employment patterns, but also suggestive variations. The most striking generality, of course, is the emphasis on employment in the lowest occupational level and the almost complete absence of African staff in the top and senior management levels. This is reinforced by the low levels of upward mobility beyond middle management (Table 6), suggesting a persistent "ebony ceiling" that restricts the promotion of African staff beyond middle management levels. But at the same there are sharp variations between different companies. Company C has sharply accelerated recruitment of African staff into senior management positions, while at the same time falling behind in recruitment of African staff for middle and junior positions. In contrast, both Company A and Company B have increased recruitment into the lower two occupational bands while achieving no improvements in the demographics of top management (and in the case of Company B, becoming less representative over a two year period).

It is often argued that the demographics of South African organizations are the inevitable consequence of a shortage of appropriately skilled and qualified African staff. The comparative analysis of the quantitative data from the retail sector companies included in this study suggests that this may not be a satisfactory explanation, because it is evident that targeted recruitment and promotion policies have made a marked difference where they have been applied in the occupational levels below top and senior management posts. Given the success of some companies in changing the demographics of junior and middle management occupational levels,

and one other company in recruiting and promoting into senior management posts, solely on the basis of assessing the quantitative data in the EEA 2 reports, (and excluding any consideration of the available labour market pool in the Western Cape, organizational culture and social factors), there appears to be no logical reason why all companies cannot achieve more representative demographics across all occupational levels.

Another way of looking at patterns across the participating companies in the retail sector is to ask whether these organizations are becoming "whiter". In other words, to what extent are companies moving away from the over-representation of white staff in senior and top management positions, and towards a pattern of employment in which the proportion of white staff in an organization is similar to the proportion of white people in South Africa as a whole (a little under 10%)?

Table 7 shows recruitment patterns for white staff across the five companies reviewed here. With one exception (Company E) there is a decline in the recruitment of white staff into top and senior management positions. However, this is not the case for junior and middle management positions, where proportions of white staff recruited are either more-or-less static, or have increased. Table 8 gives internal promotion indicators for white staff. For senior and top positions, this shows that white staff are more likely to achieve internal promotion than African staff. In addition, there are vigorous levels of internal promotion for white staff in the middle and junior occupational levels, with increases in the promotions of white staff for about half the companies in the sample. Taken together, the indicators in Table 7 and Table 8 suggest that, while external recruitment of white people for top and senior management positions in the participating companies from the retail sector is declining, this is not necessarily the case for more junior positions. At the same time, there is a considerable amount of upward mobility for white staff within their companies, and little evidence of a "white ceiling" restricting career progression.

A further and key aspect of employment equity is the measurement of movement towards gender equity. Here, the objective is parity, both in the overall workforce and at the different occupational levels in organizational hierarchies. Table 9 provides an approximate measure of gender equity for African employees in the four occupational levels and across the five retail sector companies included in this study, and for 2008. In this measure, gender parity is represented by a score of 1. Positive or negative scores indicate the approximate ratio of African women to male employees; a score of +2 indicates twice as many women to men, while a score of -3 would show that African women employees number a third of their male colleagues. "N/a" indicates that there are no African women employed in this occupational level (although there may be African male employees).

Table 9 shows a clear and prevalent pattern for the participating companies from the retail sector. There were no African women in top leadership positions in these companies in 2008. With the exception of Company E (which has achieved gender parity in the remaining three occupational levels), African women were severely underrepresented in senior management positions. While this underrepresentation persisted throughout Company C, the more general tendency is for the representation of African women over African men to increase in lower occupational levels, with up to three times the number of women employed in junior management positions.

Lack of gender parity in more senior positions is, of course, a well known and prevalent phenomenon for organizations in general. Table 9 suggests that this established pattern of gender discrimination is being reproduced in the application of employment equity practices directed at equity in terms of race.

These general patterns and trends for the participating companies from the retail sector are the combination of individual employment equity policies and decisions about human resources. Consequently, it is important to look in some detail at each of the participating company's profiles.

Company A reported a total of 3042 permanent staff (including foreign nationals) in the top four occupational levels in 2008. Staff turnover, taken as the proportion of new appointments (whether by recruitment or promotion) of total reported permanent staff was approximately 27%.

Company A's employment equity profile shows no progress in either recruiting or promoting African staff into top or senior management positions over a five year period (Table 22 and Table 23). Table 24 and Table 25 give the data that underlie these trends, as well as promotions and recruitments for other designated groups, for the benefit of comparison. Figure 1 and Figure 2 show the distribution of African staff in top and senior management positions respectively for this company, giving the profile for the company as a whole in 2003, 2008, and for staff in the Western Cape. The right hand columns provide a comparison with the national economically active population (EAP) for both men and women, which is a reasonable comparison for establishing company representivity. These figures graphically illustrate Company A's level of vulnerability at the top and senior management levels,

There is some movement towards representivity for middle and junior management positions but, at the same time proportions of white staff promoted have remained constant (Table 22, Table 23, Table 24 and Table 25). This is reflected for professional and middle management positions for this company in Figure 3. The situation is better for the lowest occupational level considered here (Figure 4), although it is noticeable that the proportion of African men and women employed in the Western Cape is lower than for Company A's staff as a whole.

This company's EEA2 reports show that numerical goals have yet to be set for African staff recruitment or promotion, and that there is only one African male in a senior management position. This suggests a lack of an appropriate human resources strategy for achieving transformation, and a vulnerability to reversal of the small gains that have been made.

Company B reported a total of 3110 permanently employed staff in its top four occupational levels in 2008, allowing staff turnover to be estimated at 20%. Key aspects of this company's employment equity profile are given in Table 26 and Table 27 (with the underlying numbers in Table 28 and Table 29). In contrast with Company A, Company B had made progress in recruiting African staff to top and senior management positions by 2006. However, these gains were reversed as an outcome of corporate restructuring in 2007, and the 2008 profile shows no African staff in either top or senior management positions, and no promotions of African staff at this level. In contrast, 50% of top management staff recruited in 2008 were white and 75% of

promotions into senior management positions were of white people. Figure 5 shows this reversal in the profile of top management starkly against the demographics of the national economically active African population. Figure 6 (Company B's senior management profile) shows the contrast between this company's national staffing pattern and the situation in the Western Cape.

The demographic reversal that characterizes Company B at top and senior management level occurs again for the middle management and professionally qualified occupational level, where the proportion of African staff recruited in 2006 (19%) declined to 9% in 2008 (Table 26). The decline in internal promotion was much steeper, from 50% for African staff in 2006 to just 2% two years later. In contrast, Company B continues to offer significant employment opportunities for whites, with a recruitment level of 68% in 2008 (up by 6% from two years earlier) and with 70% of internal promotions into this level being awarded to white staff (up from 13% in 2006). Figure 7 shows the outcome of these trends for the company in 2008, with negligible representivity for African staff across the company's workforce as a whole, and an even less favourable profile for the Western Cape.

Company B's demographic profile for junior management and skilled technical positions is illustrated in Figure 8. As would be expected in this lower occupational level, the company profile is closer to the national pattern than for other occupational levels. However, the situation is markedly worse in the Western Cape. Patterns of recruitment and promotion give little basis for optimism that this company's profile will change (Table 26, Table 27, Table 28 and Table 29). While there has been some improvement in the recruitment of African staff (which increased from 23% in 2006 to 35% two years later), internal promotions of African staff have sharply declined (from 53% of all promotions to 17%), and internal promotions of white staff have increased from 10% to 19%.

Company C had 6465 people in permanent positions in the top four occupational levels in 2008, with an estimated staff turnover rate of 20%. The company's top and senior management equity profiles are presented in Figure 9 and Figure 10, and show a marked contrast with both Company A and Company B. While still far from consistent with the economically active population of South African Africans, Company C had by 2008 a number of Africans in its senior echelons. The patterns of recruitment and promotion that have resulted in this are shown in Table 30, Table 31, Table 32 and Table 33. While recruitment of African staff to senior positions was at a low level, there have been significant increases in internal promotions, suggesting that, at least to some extent, the "ebony ceiling" characteristic of the participating companies from the retail sector as a whole has been breached in this case. However, this trend needs to be situated against the backdrop that unlike three participating retailers, Company C does not have a head office only situated in the Western Cape, but instead also has other head offices nationally. These offices have access to a wider labour market where African professionals are not under-represented as they are in the Western Cape labour market.

However and again in contrast with the sector as a whole, these gains have been reversed at the middle and junior management levels. Table 30 and Table 31 show that recruitment of African staff at Company C to middle management and professionally qualified positions declined from 49% of appointments in 2004 to 23% in 2008, and also declined for junior management and skilled technical positions (from 67% to 37%). While internal promotions to middle

management positions were up slightly over this four year period (from 27% to 33%), internal promotions into junior management positions declined from 51% to 40%. Figure 11 and Figure 12 show that, as for the other participating companies in the sector, the effects of these staffing patterns are most acutely felt in the Western Cape.

Company C's EEA2 report shows that numerical targets have been set for the employment of African staff in top management, but not for African staff in other occupational levels. This indicates a strategic approach to employment equity in the upper levels of the organization while implying that a similar view has not been taken of equity imperatives at middle and junior levels. If this has been the case, it would be consistent with the inconsistency between trends and achievements in the upper two occupational levels in comparison with the lower two levels.

Company D reported 1052 staff in permanent positions in 2008. Since this generates an estimated turnover rate for the top four occupational levels of 44%, this data should be treated with caution, and probably indicates an interpretation of Department of Labour reporting differences at variance with the other four companies from the retail sector included in this study.

Table 34, Table 35, Table 36 and Table 37 show that Company D has made no significant progress in improving demographic representivity in top and senior management positions, with neither recruitment nor promotion into these occupational levels in 2003 or 2008. In contrast, 57% of external appointments to senior management positions, and 67% of internal promotions, went to white staff. Figure 13 and Figure 14 show very clearly the consequences of these trends for the company's equity profile, both nationally and in the Western Cape. The company's EEA 2 reports show that no numerical targets have been set for the recruitment or promotion of Africans to senior positions in the company.

Staff in middle management positions are a significant recruitment pool for promotion to more senior posts but here, too, Company D is vulnerable. Table 34 shows that recruitment of African middle managers and professionally qualified staff declined from 11% of appointments in 2003 to 8% in 2008, while more than 70% of appointments to this occupational level were of white people for both years. Even more starkly, in-company promotions at middle management level have never risen above 6% for Africans, and have remained above 70% for white staff. The only occupational level at which Africans are employed in significant proportion at Company D are at the skilled and junior management level, but even at this level the recruitment of whites has increased from 21% in 2003 to 35% in 2008. The company's demographic profiles for middle and junior occupational levels is shown in Figure 15 and Figure 16 respectively.

Company E reported that it had 3554 staff permanently employed in the top four occupational levels in 2008, with an estimated staff turnover of 26%. Table 38, Table 39, Table 40 and Table 41 show that this company has made some progress in the transformation of its top and senior management profile. While there was no external recruitment or promotion of African to top management positions in either 2003 or 2008, there has been a low but consistent level of internal promotion to senior management positions (4% in 2003 and 5% in 2008) and a decline in the internal promotion of white staff to senior management from the very high level of 93% in 2003 to 43% in 2008. None-the-less, fully 80% of all external recruitment to senior management staff in 2008 was from the white group. The consequences of these trends is illustrated in Figure

17 and Figure 18, which again serves mainly to show the distance that still lies ahead for this company in achieving an equitable workplace.

Company E's statistics show some positive directionality for the middle management and professional occupational level, for which recruitment of Africans increased from 12% in 2003 to 19% in 2008, and internal promotions of Africans increased from 8% to 12%. This will have expanded the recruitment pool for more senior positions. At the same time, though, white people are still strongly favoured at this occupational level, accounting for 58% of appointments and 60% of promotions in 2003, and 44% of appointments and 41% of promotions five years later. The consequence for this occupational level is shown in Figure 19, where the contrast with the national economically active population is stark. Figure 20 gives Company E's demographic profile for the lowest occupational level considered here; again, progress in moving towards equity is slow, and is less for the Western Cape than for the rest of the country.

Participating Companies from the Financial Services Sector

In 2008, the three financial sector companies included in this study (Companies F, G and H) reported a total of 34684 permanent employees in the top four occupational levels, with staff turnover rates ranging from 13% to 20%. Table 10 shows that a total of 6196 new appointments were made in this same year. The same broad dimensions that were evident for the participating companies from the retail sector (Table 4) are evident here as well. Thus only just fewer than 30% of these positions were occupied by African men and women, while fully 38% on the new opportunities went to white applicants.   The gradient between the lowest and highest occupational levels is steeper than in the participating companies from the retail sector, with 66% of new openings in 2008 at the skilled technical and junior management level and only a little over 5% of new appointments to posts in the top and senior management levels in combination.

Table 11 shows patterns in the recruitment of African staff on a company-by-company basis. As before, the interval between reports varies, for this sector between one and five years. In comparison with the participating companies from the retail sector, Table 11 shows that these companies have been more successful in recruiting African staff into top and senior management positions. Interestingly, all three companies show an earlier peak of recruitment for senior management positions, followed by declines in 2008 (and in Company G's case, no recruitment of African staff to this occupational level in this most recent year of reporting) In contrast, rates of internal promotion of African staff are negligible (Table 12). This patterning suggests earlier aggressive recruitment of senior and top African staff from outside the companies concerned.

With the exception of professionally qualified and middle management staff recruited to Company G, there is also a clear trend of increased employment of African staff in both the middle and junior management qualification levels. Internal promotion patterns into these two lower qualification levels are more varied, with Company F and Company H either maintaining or improving performance against representivity targets, and Company G again falling back in 2008, in comparison with promotion levels reported for 2003.

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Overall, and again in comparison with the participating companies from the retail sector, there is less of an "ebony ceiling" in the recruitment and promotion indicators given in Table 11 and Table 12. While internal recruitment tails off above the level of middle management, this is compensated for by degrees of recruitment of African staff into senior and top management management, from outside the company. All three companies' success at recruiting into top management positions demonstrates the availability of a pool of African people with appropriate high-level professional abilities and leadership qualities.

This pattern for African employees is matched by some evidence for normalization of recruitment of white staff, with proportions of white recruitment declining steadily across all occupational levels in almost all companies towards proportional representation in the South African workforce as a whole (Table 13). Promotion levels are also declining for white staff into the junior and middle management occupational levels, although they vary considerably for more senior posts, with Company H reporting no internal promotions of white staff into senior management positions in 2008, and Company F reporting that all such promotions were awarded to white staff (Table 14). But overall, the evidence reviewed here suggests a consistent pattern of change.

Indicators for gender equity for African staff are given in Table 12. In contrast with the participating companies from the retail sector (Table 9), all three financial services companies reviewed here have appointed at least some African women into top management positions. But, again in contrast with the participating companies from the retail sector, gender imbalance persists through all occupational levels in two of the three companies, and is almost as marked in junior management positions as in top management. African women in the participating companies in this sector, then, face the double challenge of overcoming at all levels the barriers of both race and gender.

Are these overall patterns supported by the profiles of the individual companies reviewed here?

For 2008, Company F reported a total of 20806 staff in permanent positions in the top four occupational levels, yielding an estimate of staff turnover of 20% (with the methodology, and cautions, applied to the participating retail sector companies). Table 42 and Table 43 show recruitment and promotion patterns for African and White staff in this company, while Table 44 and Table 45 provide the numbers of new appointments that have shaped these trends.

This company has set ambitious targets in its Employment Equity Plan for the recruitment of African staff, although this has yet to be matched by performance. While recruitment of African staff in top management positions increased from 50% in 2007 to 60% the following year, and recruitment of white staff declined from 50% to 20% of appointments over the same period, the trend for senior management was in the opposite direction, with recruitment of African staff declining from 17% to 13% and of white staff increasing from 64% to 73%. These challenges are reinforced by the data for internal promotions; no African people were promoted internally to senior or top management positions in either 2007 or 2008, and all internal promotions for both occupational levels in both years went to white staff.

Figure 21 and Figure 22 illustrate aspects of current equity patterns for top and senior management in Company F. In both cases, targets for 2012 are reasonably close to the representation of African people in the economically active population, while actual performance remains significantly below target levels. Looked at another way, Company F has set itself the objective of a more than five-fold increase in the number of African people in top and senior management positions over a four year period. In real terms, achieving these objectives will require the recruitment or promotion of more than 200 African men and women into senior and top management positions

Figure 23 and Figure 24 give Company F's current and 2007 staffing profiles for African people in middle and junior management positions. Again, aggressive employment equity targets have been set for these two qualification levels. For middle management, the situation – and the challenge – is much the same as for senior and top management equity. For skilled technical and junior management positions current equity profiles are closer to the aspirational levels set for 2012, although the fall-off in the proportion of African staff in this category between 2007 and 2008 must give the company cause for concern. It must also be noted that, because there are far more staff employed in these occupational levels, recruitment targets are themselves higher. In real terms, Company F will need to employ over 3000 more African people in middle management positions and some 10000 more African staff in skilled technical and junior management positions over this four year period. Given this, the trends suggested by the data in Table 42 and Table 43 are of concern. Between 2007 and 2008, recruitment of African people into middle and junior management positions increased by less than five percentage points for each occupational level (from 27% to 30% and from 39% to 43% respectively). In 2008, Company F recruited the same proportion of whites and Africans for middle management positions, despite the fact that African are more than five times more numerous in the economically active workforce. Internal promotion figures are of even more concern, with promotions of African staff declining for both middle and junior occupational levels between 2007 and 2008 (from 14% to 10% and from 22% to 18% respectively). Over the same period, the internal promotion of white staff into middle management positions remained high (at 67% for 2007 and 62% for 2008) and increased for whites in the lowest occupational level (from 45% in 2007 to 50% in 2008).

Overall then, the employment equity data for Company F presents as a combination of aggressive equity targets that are contradicted by actual trends in the recruitment and promotion of both African and white staff.

Company G had 4984 permanent staff in the top four occupational levels in 2008, and an estimated staff turnover of 18%. Recruitment and promotion patterns for African and white staff are given in Table 46 and Table 47, and the appointment numbers for successive snapshots in Table 48 and Table 49. The demographic patterns for the company in 2003, 2008 and for the Western Cape are illustrated in Figure 25, Figure 26, Figure 27 and Figure 28.

As with other participating companies in the financial services sector, Company G's employment equity data suggests aggressive recruitment of African staff into top management positions in 2003, with a subsequent decline in emphasis; in 2008 no African people were recruited into positions at this level, and recruitment of white people accounted for 50% of appointments

However, equity profiles for 2003 and 2008 (Figure 25) indicate that Company G has made significant progress in the top occupational level and has matched national demographics for African men in company leadership in the Western Cape. But Figure 26 shows a sharply different picture for senior management positions, with representivity well below national levels, and declining between 2003 and 2008. This is confirmed in Table 46 and Table 47. Recruitment of African people into senior management positions declined from 25% in 2003 to 14% in 2008, while internal promotions to senior management positions remained static at 7%. In contrast, recruitment of white people to this occupational level remained significantly above representivity in the workforce (at 76% in 2003 and 67% in 2008) and the majority of internal promotions to senior management went to white people (73% in 2003 and 60% in 2008). As with Company F, Company G has set ambitious employment equity targets for the recruitment and promotion of African staff into senior management positions, and so it is also notable that there is a disparity between aspirations for equity and actual trends in the material transformation of the company's workforce.

Turning now to middle and junior management posts. Company G's EEA2 reports reveal, again, ambitious numerical targets for these occupational levels. Do current demographics and recruitment and promotion trends provide confidence in these targets?

Figure 27 and Figure 28 show African staff in middle and junior management positions in 2003 and 2008, and in the Western Cape in comparison with the national economically active workforce. The pattern is the same for both occupational levels. The proportions of African staff are low and declining, and lower still for the Western Cape in comparison with the country as a whole. Table 46 and Table 47 show that Company G faces challenges similar to Company F. Again, recruitment of African people into both middle and junior management positions has declined between 2003 and 2008 (from 28% to 14% for middle management appointments, and from 40% to 28% for junior management and skilled technical positions). Recruitment and promotion of white people to middle management positions was 58% and 60% respectively in 2003 and remained high at 44% and 41% in 2008. Recruitment of white people into junior positions actually increased between 2003 and 2008 (from 23% to 27%), while promotions were 29% and 25% respectively.

In general terms then, while Company G has set less aggressive employment equity targets than Company F, the profiles, actual trends and challenges of the two organizations are similar.

Company H reported 8894 people in permanent positions in the four occupational levels in 2008, with an estimated staff turnover rate of a low 13%. The equity profile for top and senior management in this company is broadly similar to Company G (Figure 29 and Figure 30, and see Table 52 and Table 53 for the distribution of new appointments across designated and undesignated groups). While the results for top management recruitment have been less spectacular, the profile of African people in senior management positions shows a similar challenge and a decline in representivity between 2003 and 2008. This is evident in Table 50 and Table 51. Thus, while recruitment into top management positions in Company H has been strong, rising from 33% in 2003 to 50% in 2008, there were no reported internal promotions in either year. This is consistent with equity trends in the occupational level below, where

recruitment of African staff declined from 30% in 2003 to 17% in 2008, and internal promotions into senior leadership were a low 4% in 2003, and were non-existent in 2008.

Company H showed some realignment in the specialist and middle management occupational level. Here, recruitment of African staff increased from 11% in 2003 to 26% in 2008, and internal promotions into the occupational level increased from a nominal 1% to 14% in 2008. The resulting staff profile is illustrated in Figure 31; despite the improvement, Company H still has a long way to go before it reflects the national workforce profile and, as is so often the case, the challenge is all the greater in the Western Cape. While levels of representivity are somewhat higher, the pattern is essentially the same for African staff in skilled technical and junior management positions (Figure 32). For this occupational level, recruitment of African staff has remained constant (39% in 2003 and 38% in 2008) while, again, internal promotions have increased sharply, rising from a negligible level in 2003 to 38% of promotions in 2008. The proportion of white staff recruited or promoted into the lower two occupational levels in Company H have declined, as the data in Table 50 and Table 51 show.

Participating Companies from the Petro-chemical Sector

In comparison with the large number of employment opportunities in the participating companies from the financial services sector, the two companies from the petro-chemicals sector included in this study are small. Together, they reported 2791 staff in permanent positions in the four occupational levels included in this study, and accordingly made comparatively few new appointments in 2008 (Table 16). Nevertheless, the now-familiar overall contours are repeated, with a steep gradient from skilled technical and junior management occupational level, where 60% of new appointments were made in 2008, to top and senior management opportunities which together accounted for 7% of all appointments. While less pronounced than in the other two sectors, white people nevertheless secured 21% of new opportunities, and black people 38%.

Turning now to the trends for the participating companies in this sector, Table 17 and Table 18 show both companies moving off equity gains made in earlier years. While Company J increased the recruitment and promotion of African people into junior management positions, both companies showed mixed results in achieving equity in remaining occupational levels. Not surprisingly, recruitment and promotion of white staff remained firm (Table 19 and 20). Gender equity is particularly poor in this sector, with no African women in top management positions, severe under-representation in senior management and a negative ratio at all occupational levels (Table 21).

Company I reported a total of 1142 permanent staff in the four occupational levels in 2008. Since this suggests a staff turnover rate of 32%, there may be a problem with the way that this company is defining permanent employment in its employment equity reports (as with Company D). Recruitment and promotion patterns for 2005 and 2008 are given in Table 54 and Table 55, and the actual numbers of appointments for both years are shown in Table 56 and Table 57. While Company I has had some success at the senior management occupational level, with promotions to these positions rising from 14% to 24% of promotions between 2005 and 2008,

and appointments rising from none to a third of all appointments. However, this gain has not been mirrored at the occupational level immediately below, with recruitment of African people falling from 48% to 23% and promotions into middle management positions remaining constant at 15%. Recruitment has, however, improved somewhat at the skilled technical and junior management level, rising for Africans from 37% in 2005 to 46% in 2008.

Figure 33 and Figure 34 show the consequences of these trends in the demographic profile of top and senior management in Company I. African men in top management have declined from low to negligible levels in 2008 (there are no African women in this occupational level). The proportion of African men in senior management positions has risen slightly over this three year period, while African women have secured a nominal presence. For both occupational levels, there is a wide disparity between the demographics of the company, and the profile of the national economically active workforce.

Figure 36 shows the demographic pattern for the lowest of the four occupational levels. Here, there has been a slight rise in the proportion of African people and also of women (although not for the Western Cape). If this is seen as a journey towards equitable employment, then Company I is about half way there for this occupational level. However, this is not the case for the third occupational level, professionally qualified and middle management positions. This stratum is particularly important, since it serves both as the aspirational level for those in more junior positions, and the pool of potential recruits into senior and top management posts. Figure 35 shows a decline in the numbers of African men and women employed in positions at this level between 2005 and 2008.

Company J had 1649 people employed permanently across the four occupational levels in 2008, and an estimated staff turnover rate of 14%. This company stands out in this study because its single top manager is an African male, and because seven (40%) of its senior managers are African (Figure 37 and Figure 38). The trends in Table 58 and Table 59 have to be understood in this context, given that Company J has made significant gains in attaining equity in the top two occupational levels.

Table 60 and Table 61 provide employment equity trends for middle and junior occupational levels, and these are shown graphically in Figure 39 and Figure 40. At these occupational levels as well, recruitment and promotion for African staff has been strong, with levels mostly above 50% of all recruitment and internal promotion. Recruitment of white staff remained fairly constant between 2006 and 2008 (at around 25% for middle managers, and between 15% and 19% for skilled technical and junior management positions), while promotion levels for white staff have declined, or remained low.

Participating Companies from the General Category

The last three companies in this study are included in this section because they cannot be assigned to a specific sector. Accordingly, what follows are brief overviews of the more detailed, individual, company reports.

Company K stands out in this study as a statutory body rather than a private-sector enterprise. In 2008, this organization reported a total of 366 permanent staff in the four occupational levels of interest here, with an estimated staff turnover of 13%. Table 62 and Table 63 show recruitment and promotion patterns for 2005 and 2008. As with Company J, Company K had a relatively equitable staff profile in 2008, with six of its fifteen top management positions held by African people, and five by white people. Again, this needs to be taken into account when interpreting employment equity trends for the top two occupational levels. Recruitment and promotion patterns for the lower two occupational levels are variable and show no clear trends. However, given the small size of this organization, this is probably more a function of the small number of staff positions and low staff turnover rate. The equity profiles for this organization are shown in Figure 41, Figure 42, Figure 43 and Figure 44.

Company L is a specialist firm in the motor manufacturing sector and reported just 87 permanent positions across all four occupational levels in 2008, with 17 promotions and recruitments (a turnover rate of 19%). While equity data and profiles are included here for completeness, the very small size of the sample denies any interpretive value.

Company M is, in contrast, a large organization in the medical care sector. In 2008, this company reported 5225 staff in the four occupational levels considered in this study, with a staff turnover rate of 21%. A distinguishing feature of this company's profile, and perhaps of the sector as a whole, is that it tends to employ far more women than men.

Table 70 and Table 71 give recruitment and promotion data for Company M, and Table 72 and Table 73 provide the numbers of appointments that underlie these trends. These data show little movement towards employment equity in the top two occupational levels, with no recruitment or promotion of African staff into top or senior management positions in either 2007 or 2008. As with the participating companies from the retail and the financial services sectors, appointments into the key middle management level are cause for concern, with recruitment and promotion of African people remaining low, and recruitment and promotion of white people at levels many times higher than their representation in the workforce as a whole (and, in fact, at some of the highest levels noted in this study). The equity profiles for Company M are shown in Figure 49, Figure 50, Figure 51 and Figure 52.

Tables

Occupational Levels	African	Coloured	Indian	White	Total
Top Management	1	2	2	23	28 (1%)
Senior Management	25	46	18	148	237 (6%)
Prof Qualified, Exp Specialists & Mid Management	189	259	74	480	1002 (24%)
Skilled Technical, Junior Management	1027	868	203	765	2863 (69%)
TOTAL	1242 (30%)	1175 (28%)	297 (8%)	1416 (34%)	4130 (100%)

Table 4: Retail Sector: 2008 new appointments (promotion and recruitment, excluding foreign nationals)

Occupational Levels	Company A	Company B	Company C	Company D	Company E
Top Management	0% (0%)	0% (29%)	0% (0%)	0% (0%)	0% (0%)
Senior Management	0% (0%)	0% (14%)	11% (0%)	0% (0%)	0% (0%)
Prof Qualified, Exp Specialists & Mid Management	8% (2%)	9% (19%)	23% (49%)	8% (11%)	19% (12%)
Skilled Technical, Junior Management	28% (12%)	35% (23%)	37% (67%)	41% (49%)	28% (40%)
Reporting interval, years	5	2	4	5	5

Table 5: Retail Sector: Recruitment of African staff, 2008 compared with earlier reporting year (in brackets)

Occupational Levels	Company A	Company B	Company C	Company D	Company E
Top Management	0% (0%)	0% (0%)	4% (0%)	0% (0%)	0% (0%)
Senior Management	0% (0%)	0% (0%)	17% (10%)	0% (0%)	0% (0%)
Prof Qualified, Exp Specialists & Mid Management	14% (13%)	2% (50%)	33% (27%)	49% (50%)	19% (12%)
Skilled Technical, Junior Management	38% (20%)	17% (53%)	40% (51%)	72% (0%)	28% (40%)
Reporting interval, years	5	2	4	5	5

Table 6: Retail Sector: Promotion patterns for African staff, 2008 compared with earlier reporting year (in brackets)

Occupational Levels	Company A	Company B	Company C	Company D	Company E
Top Management	0% (0%)	50% (57%)	100% (75%)	0% (0%)	0% (0%)
Senior Management	83% (100%)	25% (81%)	69% (87%)	57% (100%)	80% (44%)
Prof Qualified, Exp Specialists & Mid Management	63% (77%)	68% (62%)	41% (29%)	71% (74%)	44% (58%)
Skilled Technical, Junior Management	34% (54%)	33% (46%)	39% (9%)	35% (21%)	27% (23%)
Reporting interval, years	5	2	4	5	5

Table 7: Retail Sector: Recruitment of White staff, 2008 compared with earlier reporting year (in brackets)

Occupational Levels	Company A	Company B	Company C	Company D	Company E
Top Management	100% (0%)	0% (33%)	79% (86%)	0% (0%)	0% (0%)
Senior Management	0% (90%)	75% (50%)	61% (59%)	67% (0%)	43% (93%)
Prof Qualified, Exp Specialists & Mid Management	46% (60%)	70% (13%)	32% (34%)	75% (80%)	41% (60%)
Skilled Technical, Junior Management	38% (36%)	19% (10%)	10% (19%)	13% (0%)	25% (29%)
Reporting interval, years	5	2	4	5	5

Table 8: Retail Sector: Promotion patterns for White staff, 2008 compared with earlier reporting year (in brackets)

Occupational Levels	Company A	Company B	Company C	Company D	Company E
Top Management	n/a	n/a	n/a	n/a	n/a
Senior Management	n/a	-5	-5	n/a	1
Prof Qualified, Exp Specialists & Mid Management	1	1	-4	-2	1
Skilled Technical, Junior Management	3	1	-2	3	1

Table 9: Retail Sector: Gender equity, 2008. Ratio of African women to African men (parity =1)

Occupational Levels	African	Coloured	Indian	White	Total
Top Management	5	2	2	6	15 (>1%)
Senior Management	42	36	39	220	337 (5%)
Prof Qualified, Exp Specialists & Mid Management	446	219	319	750	1734 (28%)
Skilled Technical, Junior Management	1336	836	561	1377	4110 (66%)
TOTAL	1829 (29%)	1093 (18%)	921 (15%)	2353 (38%)	6196 (100%)

Table 10: Financial Services Sector: 2008 new appointments (promotion and recruitment, excluding foreign nationals)

Occupational Levels	Company F	Company G	Company H		
Top Management	60% (50%)	0% (50%)	50% (33%)		
Senior Management	13% (17%)	14% (25%)	17% (30%)		
Prof Qualified, Exp Specialists & Mid Management	30% (27%)	14% (28%)	26% (11%)		
Skilled Technical, Junior Management	43% (39%)	20% (32%)	38% (39%)		
Reporting interval, years	1	5	5		

Table 11: Financial Services Sector: Recruitment of African staff, 2008 compared with earlier reporting year (in brackets)

Occupational Levels	Company F	Company G	Company H		
Top Management	0% (0%)	0% (60%)	0% (0%)		
Senior Management	0% (0%)	7% (7%)	0% (4%)		
Prof Qualified, Exp Specialists & Mid Management	10% (14%)	13% (15%)	14% (1%)		
Skilled Technical, Junior Management	18% (22%)	15% (21%)	38% (1%)		
Reporting interval, years	1	5	5		

Table 12: Financial Services Sector: Promotion patterns for African staff, 2008 compared with earlier reporting year (in brackets)

Occupational Levels	Company F	Company G	Company H		
Top Management	20% (50%)	50% (0%)	50% (67%)		
Senior Management	73% (64%)	67% (76%)	48% (56%)		
Prof Qualified, Exp Specialists & Mid Management	30% (45%)	41% (52%)	46% (64%)		
Skilled Technical, Junior Management	21% (26%)	32% (47%)	38 (44%)		
Reporting interval, years	1	5	5		

Table 13: Financial Services Sector: Recruitment of White staff, 2008 compared with earlier reporting year (in brackets)

Occupational Levels	Company F	Company G	Company H		
Top Management	25% (100%)	0% (40%)	100% (0%)		
Senior Management	100% (100%)	60% (73%)	0% (88%)		
Prof Qualified, Exp Specialists & Mid Management	62% (67%)	51% (69%)	46% (76%)		
Skilled Technical, Junior Management	50% (45%)	39% (40%)	38% (80%)		
Reporting interval, years	1	5	5		

Table 14: Financial Services Sector: Promotion patterns for White staff, 2008 compared with earlier reporting year (in brackets)

Occupational Levels	Company F	Company G	Company H		
Top Management	-3	-3	-3		
Senior Management	-5	-2	-3		
Prof Qualified, Exp Specialists & Mid Management	1	-2	-2		
Skilled Technical, Junior Management	2	-3	-2		

Table 15: Financial Services Sector: Gender equity, 2008. Ratio of African women to African men (parity =1)

Occupational Levels	African	Coloured	Indian	White	Total
Top Management	1	5	4	10	20 (3%)
Senior Management	6	6	3	11	26 (4%)
Prof Qualified, Exp Specialists & Mid Management	59	65	18	55	197 (33%)
Skilled Technical, Junior Management	168	133	11	48	360 (60%)
TOTAL	234 (38%)	209 (35%)	36 (6%)	124 (21%)	603 (100%)

Table 16: Petro-chemicals sector: 2008 new appointments (promotion and recruitment, excluding foreign nationals)

Occupational Levels	Company I	Company J			
Top Management	0% (0%)	0% (0%)			
Senior Management	33% (0%)	0% (67%)			
Prof Qualified, Exp Specialists & Mid Management	23% (48%)	40% (54%)			
Skilled Technical, Junior Management	46% (37%)	56% (63%)			
Reporting interval, years	3	2			

Table 17: Petro-chemicals Sector: Recruitment of African staff, 2008 compared with earlier reporting year (in brackets)

Occupational Levels	Company I	Company J			
Top Management	6% (20%)	0% (0%)			
Senior Management	24% (14%)	0% (100%)			
Prof Qualified, Exp Specialists & Mid Management	15% (15%)	54% (50%)			
Skilled Technical, Junior Management	35% (33%)	58% (50%)			
Reporting interval, years	3	2			

Table 18: Petro-chemicals Sector: Promotion patterns for African staff, 2008 compared with earlier reporting year (in brackets)

Occupational Levels	Company I	Company J			
Top Management	0% (0%)	0% (0%)			
Senior Management	67% (100%)	100% (33%)			
Prof Qualified, Exp Specialists & Mid Management	31% (28%)	26% (25%)			
Skilled Technical, Junior Management	9% (22%)	19% (15%)			
Reporting interval, years	3	2			

Table 19: Petro-chemicals Sector: Recruitment of White staff, 2008 compared with earlier reporting year (in brackets)

Occupational Levels	Company I	Company J			
Top Management	56% (60%)	0% (0%)			
Senior Management	33% (61%)	100% (0%)			
Prof Qualified, Exp Specialists & Mid Management	32% (45%)	21% (50%)			
Skilled Technical, Junior Management	13% (14%)	5% (0%)			
Reporting interval, years	3	2			

Table 20: Petro-chemicals Sector: Promotion patterns for White staff, 2008 compared with earlier reporting year (in brackets)

Occupational Levels	Company I	Company J			
Top Management	n/a	n/a			
Senior Management	-7	-7			
Prof Qualified, Exp Specialists & Mid Management	-5	-2			
Skilled Technical, Junior Management	-2	-1			

Table 21: Petro-chemicals Services Sector: Gender equity, 2008. Ratio of African women to African men (parity =1)

Occupational Levels	2003		2008	
	African Staff	White Staff	African Staff	White Staff
Top Management	0%	0%	0%	0%
Senior Management	0%	100%	0%	83%
Prof Qualified, Exp Specialists & Mid Management	2%	77%	8%	63%
Skilled Technical, Junior Management	12%	54%	28%	34%

Table 22: Company A: 2003 & 2008 Recruitment Patterns for African & White Staff

Occupational Levels	2003		2008	
	African Staff	White Staff	African Staff	White Staff
Top Management	0%	0%	0%	100%
Senior Management	0%	90%	0%	0%
Prof Qualified, Exp Specialists & Mid Management	13%	60%	14%	46%
Skilled Technical, Junior Management	20%	36%	38%	38%

Table 23: Company A: 2003 & 2008 Promotion Patterns for African & White Staff

Occupational Levels	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/0
Senior Management	0/0	0/0	0/0	2/2	0/0	1/0	0/0	7/1	10/3
Prof Qualified, Exp Specialists & Mid Management	1/0	5/4	1/1	8/12	5/1	5/4	1/2	19/28	45/52
Skilled Technical, Junior Management	15/13	18/29	4/3	14/26	36/15	69/44	19/7	77/103	252/240
Total New Appointments	29	56	9	64	57	123	29	235	602

Table 24: Company A: 2003 new appointments (promotion/recruitment, excluding foreign nationals)

Occupational Levels	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0/0	0/0	0/0	1/0	0/0	0/0	0/0	0/0	1/0
Senior Management	0/0	1/1	1/0	4/2	0/0	1/0	0/0	9/3	16/6
Prof Qualified, Exp Specialists & Mid Management	2/3	8/10	1/2	5/15	5/4	9/11	2/2	18/42	50/89
Skilled Technical, Junior Management	22/41	13/40	2/5	8/32	47/98	55/109	15/25	14/136	176/486
Total New Appointments	68	73	11	67	154	185	44	222	824

Table 25 Company A: 2008 new appointments (promotion/recruitment, excluding foreign nationals)

Occupational Levels	2006		2008	
	African Staff	White Staff	African Staff	White Staff
Top Management	29%	57%	0%	50%
Senior Management	14%	81%	0%	25%
Prof Qualified, Exp Specialists & Mid Management	19%	62%	9%	68%
Skilled Technical, Junior Management	23%	46%	35%	33%

Table 26 Company B: 2006 & 2008 Recruitment Patterns for African & White Staff

Occupational Levels	2006		2008	
	African Staff	White Staff	African Staff	White Staff
Top Management	0%	33%	0%	0%
Senior Management	0%	50%	0%	75%
Prof Qualified, Exp Specialists & Mid Management	50%	13%	2%	70%
Skilled Technical, Junior Management	53%	10%	17%	19%

Table 27: Company B: 2006 & 2008 Promotion Patterns for African & White Staff

Occupational Levels	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0/0	1/0	0/0	0/3	0/2	1/1	0/0	1/1	3/7
Senior Management	0/2	2/0	0/0	2/13	0/1	1/1	0/0	1/4	6/21
Prof Qualified, Exp Specialists & Mid Management	10/5	5/4	0/5	0/17	1/16	1/9	2/4	3/53	22/113
Skilled Technical, Junior Management	47/56	22/46	3/40	6/97	36/130	29/96	5/60	10/267	158/792
Total New Appointments	120	80	48	138	186	139	71	340	1122

Table 28 Company B: 2006 new appointments (promotion/recruitment, excluding foreign nationals)

Occupational Levels	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/2	0/2
Senior Management	0/0	0/2	0/0	2/1	0/0	1/1	0/0	1/0	4/4
Prof Qualified, Exp Specialists & Mid Management	5/1	9/4	1/3	24/17	1/4	8/4	1/1	35/19	84/53
Skilled Technical, Junior Management	57/26	44/20	2/4	21/21	40/57	56/43	5/12	26/57	251/240
Total New Appointments	89	79	10	86	102	113	19	140	638

Table 29: Company B: 2008 new appointments (promotion/recruitment, excluding foreign nationals)

Occupational Levels	2004		2008	
	African Staff	White Staff	African Staff	White Staff
Top Management	0%	75%	0%	100%
Senior Management	0%	87%	11%	69%
Prof Qualified, Exp Specialists & Mid Management	49%	29%	23%	41%
Skilled Technical, Junior Management	67%	9%	37%	39%

Table 30: Company C: 2004 & 2008 Recruitment Patterns for African & White Staff

Occupational Levels	2004		2008	
	African Staff	White Staff	African Staff	White Staff
Top Management	0%	86%	4%	79%
Senior Management	10%	59%	17%	61%
Prof Qualified, Exp Specialists & Mid Management	27%	34%	33%	32%
Skilled Technical, Junior Management	51%	19%	40%	10%

Table 31: Company C: 2004 & 2008 Promotion Patterns for African & White Staff

Occupational Levels	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0/0	1/0	0/1	3/3	0/0	0/0	0/0	3/0	7/4
Senior Management	4/0	10/1	7/1	27/5	2/0	3/0	0/0	10/8	63/15
Prof Qualified, Exp Specialists & Mid Management	47/67	38/16	27/10	74/46	20/32	25/7	5/10	10/13	246/201
Skilled Technical, Junior Management	24/57	11/7	1/3	8/5	5/42	3/18	2/7	3/8	57/147
Total New Appointments	199	84	50	171	101	56	24	55	740

Table 32: Company C: 2004 new appointments (promotion/recruitment, excluding foreign nationals)

Occupational Levels	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1/0	2/0	1/0	12/1	0/0	0/0	1/0	7/0	24/1
Senior Management	16/2	13/2	6/1	48/15	3/2	5/2	1/2	20/9	112/35
Prof Qualified, Exp Specialists & Mid Management	68/11	37/18	13/8	47/15	24/15	37/10	8/3	43/30	277/110
Skilled Technical, Junior Management	73/92	48/36	9/21	18/100	47/62	69/32	24/12	12/61	300/416
Total New Appointments	263	156	59	256	153	155	51	182	1275

Table 33: Company C: 2008 new appointments (promotion/recruitment, excluding foreign nationals)

Occupational Levels	2003		2008	
	African Staff	White Staff	African Staff	White Staff
Top Management	0%	0%	0%	0%
Senior Management	0%	100%	0%	57%
Prof Qualified, Exp Specialists & Mid Management	11%	74%	8%	71%
Skilled Technical, Junior Management	49%	21%	41%	35%

Table 34: Company D: 2003 & 2008 Recruitment Patterns for African & White Staff

Occupational Levels	2003		2008	
	African Staff	White Staff	African Staff	White Staff
Top Management	0%	0%	0%	0%
Senior Management	0%	0%	0%	67%
Prof Qualified, Exp Specialists & Mid Management	0%	80%	6%	75%
Skilled Technical, Junior Management	50%	0%	49%	13%

Table 35: Company D: 2003 & 2007 Promotion Patterns for African & White Staff

Occupational Levels	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/0
Senior Management	0/0	0/0	0/0	0/2	0/0	0/0	0/0	0/1	0/3
Prof Qualified, Exp Specialists & Mid Management	0/2	0/1	0/0	2/6	0/1	4/3	0/0	14/14	20/27
Skilled Technical, Junior Management	0/73	0/24	0/9	0/21	1/142	1/73	0/29	0/70	2/441
Total New Appointments	75	25	9	31	144	81	29	99	493

Table 36: Company D: 2003 new appointments (promotion/recruitment, excluding foreign nationals)

Occupational Levels	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/0
Senior Management	0/0	2/1	0/0	3/2	0/0	1/1	0/0	3/2	9/6
Prof Qualified, Exp Specialists & Mid Management	1/3	0/1	0/0	2/7	1/1	4/5	1/5	22/30	31/52
Skilled Technical, Junior Management	33/41	12/16	3/2	3/16	38/49	27/32	13/2	16/60	145/218
Total New Appointments	78	32	5	33	89	70	21	133	461

Table 37: Company D: 2008 new appointments (promotion/recruitment, excluding foreign nationals

Occupational Levels	2003		2008	
	African Staff	White Staff	African Staff	White Staff
Top Management	0%	0%	0%	0%
Senior Management	0%	44%	0%	80%
Prof Qualified, Exp Specialists & Mid Management	12%	58%	19%	44%
Skilled Technical, Junior Management	40%	23%	28%	27%

Table 38: Company E: 2003 & 2008 Recruitment Patterns for African & White Staff

Occupational Levels	2003		2008	
	African Staff	White Staff	African Staff	White Staff
Top Management	0%	0%	0%	0%
Senior Management	4%	93%	5%	43%
Prof Qualified, Exp Specialists & Mid Management	8%	60%	12%	41%
Skilled Technical, Junior Management	28%	29%	35%	25%

Table 39: Company E: 2003 & 2008 Promotion Patterns for African & White Staff

Occupational Levels	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/0
Senior Management	1/0	0/3	0/1	20/1	0/0	1/0	0/1	6/3	28/9
Prof Qualified, Exp Specialists & Mid Management	6/4	22/8	4/4	55/14	7/3	25/4	4/2	46/20	169/59
Skilled Technical, Junior Management	49/35	45/25	22/8	61/24	57/34	59/25	33/7	48/15	374/173
Total New Appointments	95	103	39	175	101	114	47	138	812

Table 40: Company E: 2003 new appointments (promotion/recruitment, excluding foreign nationals)

Occupational Levels	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/0
Senior Management	0/0	7/1	4/0	6/5	2/0	3/1	3/0	10/3	35/10
Prof Qualified, Exp Specialists & Mid Management	8/11	26/18	3/1	23/20	8/13	25/15	6/13	31/35	130/126
Skilled Technical, Junior Management	71/14	65/20	18/3	57/11	67/52	57/74	17/9	43/53	395/236
Total New Appointments	104	137	29	122	142	175	48	175	932

Table 41: Company E: 2008 new appointments (promotion/recruitment, excluding foreign nationals)

Occupational Levels	2007		2008	
	African Staff	White Staff	African Staff	White Staff
Top Management	50%	50%	60%	20%
Senior Management	17%	64%	13%	73%
Prof Qualified, Exp Specialists & Mid Management	27%	45%	30%	30%
Skilled Technical, Junior Management	39%	26%	43%	21%

Table 42: Company F: 2003 & 2008 Recruitment Patterns for African & White Staff

Occupational Levels	2007		2008	
	African Staff	White Staff	African Staff	White Staff
Top Management	0	100%	0	25%
Senior Management	0	100%	0	100%
Prof Qualified, Exp Specialists & Mid Management	14%	67%	10%	62%
Skilled Technical, Junior Management	22%	45%	18%	50%

Table 43: Company F: 2003 & 2008 Promotion Patterns for African & White Staff

Occupational Levels	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0/1	0/0	0/0	1/1	0/0	0/0	0/0	0/0	½
Senior Management	0/6	0/2	0/5	6/42	0/6	0/1	0/0	0/4	6/66
Prof Qualified, Exp Specialists & Mid Management	5/182	2/53	4/107	26/323	2/135	1/62	3/89	9/202	52/1153
Skilled Technical, Junior Management	51/192	31/84	47/91	97/106	65/323	40/162	58/112	140/239	529/1309
Total New Appointments	437	172	254	602	531	266	262	594	3118

Table 44: Company F: 2007 new appointments (promotion/recruitment, excluding foreign nationals)

Occupational Levels	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0/1	0/0	1/0	½	0/2	1/0	1/0	0/0	4/5
Senior Management	0/8	0/1	0/4	0/41	0/0	0/2	0/1	0/6	0/63
Prof Qualified, Exp Specialists & Mid Management	2/211	2/58	8/143	27/264	3/153	1/60	3/111	5/209	51/1209
Skilled Technical, Junior Management	94/319	65/135	68/113	169/126	68/490	85/253	74/177	291/277	914/1890
Total New Appointments	635	261	337	630	716	402	367	788	4136

Table 45: Company F: 2008 new appointments (promotion/recruitment, excluding foreign nationals)

Occupational Levels	2003		2008	
	African Staff	White Staff	African Staff	White Staff
Top Management	50%	0%	0%	50%
Senior Management	25%	76%	14%	67%
Prof Qualified, Exp Specialists & Mid Management	28%	52%	14%	41%
Skilled Technical, Junior Management	32%	47%	20%	32%

Table 46: Company G: 2003 & 2008 Recruitment Patterns for African & White Staff

Occupational Levels	2003		2008	
	African Staff	White Staff	African Staff	White Staff
Top Management	60%	40%	0%	n/a
Senior Management	7%	73%	7%	60%
Prof Qualified, Exp Specialists & Mid Management	15%	69%	13%	51%
Skilled Technical, Junior Management	21%	40%	15%	39%

Table 47: Company G: 2003 & 2008 Promotion Patterns for African & White Staff

Occupational Levels	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	3/1	0/1	0/0	2/0	0/0	0/0	0/0	0/0	5/2
Senior Management	0/2	1/0	1/0	5/5	1/0	1/0	0/0	6/1	15/8
Prof Qualified, Exp Specialists & Mid Management	34/39	18/20	8/8	127/57	10/19	19/9	1/6	76/49	293/207
Skilled Technical, Junior Management	126/270	184/64	21/62	174/400	116/127	239/87	30/33	299/188	1189/1231
Total New Appointments	475	288	100	770	273	355	70	619	2950

Table 48: Company G: 2003 new appointments (promotion/recruitment, excluding foreign nationals)

Occupational Levels	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0/0	0/1	0/0	0/0	0/0	0/0	0/0	0/1	0/2
Senior Management	3/11	6/7	6/5	26/59	1/8	5/6	1/3	11/36	59/135
Prof Qualified, Exp Specialists & Mid Management	13/16	10/21	7/10	39/38	5/7	16/24	13/7	32/27	135/150
Skilled Technical, Junior Management	12/22	17/35	6/12	16/34	13/27	42/47	12/18	49/48	167/243
Total New Appointments	77	97	46	212	61	140	54	204	891

Table 49: Company G: 2008 new appointments (promotion/recruitment, excluding foreign nationals)

Occupational	2003		2008	
	African Staff	White Staff	African Staff	White Staff

Levels				
Top Management	33%	67%	50%	50%
Senior Management	30%	56%	17%	48%
Prof Qualified, Exp Specialists & Mid Management	11%	64%	26%	46%
Skilled Technical, Junior Management	39%	44%	38%	38%

Table 50: Company H: 2003 & 2008 Recruitment Patterns for African & White Staff

Occupational Levels	2003		2008	
	African Staff	White Staff	African Staff	White Staff
Top Management	0%	0%	0%	100%
Senior Management	4%	88%	0%	0%
Prof Qualified, Exp Specialists & Mid Management	1%	76%	14%	46%
Skilled Technical, Junior Management	1%	80%	38%	38%

Table 51: Company H: 2003 & 2008 Promotion Patterns for African & White Staff

Occupational Levels	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0/1	0/0	0/0	0/1	0/0	0/0	0/0	0/1	0/3
Senior Management	1/7	0/2	1/1	22/11	0/3	1/0	0/2	1/8	26/34
Prof Qualified, Exp Specialists & Mid Management	1/4	8/4	3/3	23/20	0/2	4/3	1/3	32/14	72/53
Skilled Technical, Junior Management	2/241	9/63	5/29	34/247	0/78	11/42	2/10	80/118	143/828
Total New Appointments	257	86	42	358	83	61	18	254	1159

Table 52: Company H: 2003 new appointments (promotion/recruitment, excluding foreign nationals)

Occupational Levels	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0/0	0/0	0/0	0/2	0/2	0/0	0/0	0/0	0/4
Senior Management	3/6	1/6	6/5	10/12	0/2	0/2	4/4	8/11	32/48
Prof Qualified, Exp Specialists & Mid Management	4/20	7/10	1/12	24/28	0/12	2/8	1/3	28/29	67/122
Skilled Technical, Junior Management	2/165	26/64	2/43	14/147	2/122	24/43	11/25	61/145	142/754
Total New Appointments	200	114	69	237	140	79	48	282	1169

Table 53: Company H: 2008 new appointments (promotion/recruitment, excluding foreign nationals)

Occupational Levels	2005		2008	
	African Staff	White Staff	African Staff	White Staff
Top Management	0%	0%	0%	0%
Senior Management	0%	100%	33%	67%
Prof Qualified, Exp Specialists & Mid Management	48%	28%	23%	31%
Skilled Technical, Junior Management	37%	22%	46%	9%

Table 54: Company I: 2005 & 2008 Recruitment Patterns for African & White Staff

Occupational Levels	2005		2008	
	African Staff	White Staff	African Staff	White Staff
Top Management	20%	60%	6%	56%
Senior Management	14%	61%	24%	33%
Prof Qualified, Exp Specialists & Mid Management	15%	45%	15%	32%
Skilled Technical, Junior Management	33%	14%	35%	13%

Table 55: Company I: 2005 & 2008 Promotion Patterns for African & White Staff

Occupational Levels	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1/0	1/0	0/0	3/0	0/0	0/0	0/0	0/0	5/0
Senior Management	4/0	2/0	2/0	13/3	0/0	3/0	0/0	4/1	28/4
Prof Qualified, Exp Specialists & Mid Management	8/9	17/3	4/1	22/3	2/5	3/3	3/0	8/5	67/29
Skilled Technical, Junior Management	18/15	30/9	0/5	10/8	12/10	17/12	2/1	3/7	92/67
Total New Appointments	55	62	12	62	29	38	6	28	292

Table 56: Company I: 2005 new appointments (promotion/recruitment, excluding foreign nationals)

Occupational Levels	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1/0	3/0	2/0	9/0	0/0	1/1	1/1	1/0	18/2
Senior Management	5/1	4/0	2/0	6/1	0/0	2/0	1/0	1/1	21/3
Prof Qualified, Exp Specialists & Mid Management	10/4	21/6	5/4	16/9	¾	15/4	4/2	11/2	85/35
Skilled Technical, Junior Management	31/18	38/17	6/1	9/4	14/18	21/16	1/1	8/3	128/78
Total New Appointments	70	89	20	54	39	60	11	27	370

Table 57: Company I: 2008 new appointments (promotion/recruitment, excluding foreign nationals)

Occupational Levels	2006		2008	
	African Staff	White Staff	African Staff	White Staff
Top Management	0%	0%	0%	0%
Senior Management	67%	33%	0%	100%
Prof Qualified, Exp Specialists & Mid Management	54%	25%	40%	26%
Skilled Technical, Junior Management	63%	15%	56%	19%

Table 58: Company J: 2006 & 2008 Recruitment Patterns for African & White Staff

Occupational Levels	2006		2008	
	African Staff	White Staff	African Staff	White Staff
Top Management	0%	0%	0%	0%
Senior Management	100%	0%	0%	100%
Prof Qualified, Exp Specialists & Mid Management	50%	50%	54%	21%
Skilled Technical, Junior Management	50%	0%	58%	5%

Table 59: Company J: 2006 & 2008 Promotion Patterns for African & White Staff

Occupational Levels	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/0
Senior Management	1/2	0/0	0/0	0/1	0/0	0/0	0/0	0/0	1/3
Prof Qualified, Exp Specialists & Mid Management	3/29	0/6	0/3	2/14	0/5	0/3	0/1	1/2	6/63
Skilled Technical, Junior Management	0/40	2/13	0/0	0/10	4/32	2/10	0/2	0/7	8/114
Total New Appointments	75	21	3	27	41	15	3	10	195

Table 60: Company J: 2006 new appointments (promotion/recruitment, excluding foreign nationals)

Occupational Levels	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/0
Senior Management	0/0	0/0	0/0	1/1	0/0	0/0	0/0	0/0	1/1
Prof Qualified, Exp Specialists & Mid Management	11/14	8/10	0/3	6/10	7/6	0/1	0/0	1/0	33/44
Skilled Technical, Junior Management	11/36	10/10	0/1	1/14	11/29	4/17	0/1	1/8	38/116
Total New Appointments	72	38	4	33	53	22	1	10	233

Table 61: Company J: 2008 new appointments (promotion/recruitment, excluding foreign nationals)

Occupational Levels	2005		2008	
	African Staff	White Staff	African Staff	White Staff
Top Management	0%	0%	40%	40%
Senior Management	0%	0%	33%	33%
Prof Qualified, Exp Specialists & Mid Management	14%	28%	0%	100%
Skilled Technical, Junior Management	94%	0%	100%	0%

Table 62: Company K: 2005 & 2008 Recruitment Patterns for African & White Staff

Occupational Levels	2005		2008	
	African Staff	White Staff	African Staff	White Staff
Top Management	100%	0%	0%	0%
Senior Management	83%	0%	33%	33%
Prof Qualified, Exp Specialists & Mid Management	83%	0%	50%	0%
Skilled Technical, Junior Management	73%	6%	84%	8%

Table 63: Company K: 2005 & 2008 Promotion Patterns for African & White Staff

Occupational Levels	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0/0	0/0	0/0	0/0	1/0	0/0	0/0	0/0	1/0
Senior Management	2/0	0/0	0/0	0/0	3/0	1/0	0/0	0/0	6/0
Prof Qualified, Exp Specialists & Mid Management	7/0	0/0	0/4	0/1	3/1	1/0	1/0	0/1	12/7
Skilled Technical, Junior Management	1/5	0/0	0/0	0/0	12/11	3/0	1/1	1/0	18/17
Total New Appointments	15	0	4	1	31	5	3	2	61

Table 64: Company K: 2005 new appointments (promotion/recruitment, excluding foreign nationals)

Occupational Levels	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0/1	0/0	2/1	0/1	0/1	1/0	0/0	0/1	3/5
Senior Management	1/1	0/0	0/0	0/0	0/0	1/0	0/1	1/1	3/3
Prof Qualified, Exp Specialists & Mid Management	0/0	1/0	0/0	0/0	1/0	0/0	0/0	0/1	2/1
Skilled Technical, Junior Management	2/13	1/0	0/0	0/0	9/5	0/0	0/0	1/0	13/18
Total New Appointments	18	2	3	1	16	2	1	5	48

Table 65: Company K: 2008 new appointments (promotion/recruitment, excluding foreign nationals)

Occupational Levels	2005		2008	
	African Staff	White Staff	African Staff	White Staff
Top Management	0%	0%	0%	0%
Senior Management	50%	0%	0%	0%
Prof Qualified, Exp Specialists & Mid Management	66%	16%	33%	67%
Skilled Technical, Junior Management	0%	14%	50%	0%

Table 66: Company L: 2005 & 2008 Recruitment Patterns for African & White Staff

Occupational Levels	2005		2008	
	African Staff	White Staff	African Staff	White Staff
Top Management	0%	0%	0%	0%
Senior Management	0%	0%	0%	100%
Prof Qualified, Exp Specialists & Mid Management	0%	16%	17%	17%
Skilled Technical, Junior Management	16%	0%	0%	33%

Table 67: Company L: 2005 & 2008 Promotion Patterns for African & White Staff

Occupational Levels	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/0
Senior Management	0/2	0/1	0/0	0/0	0/0	0/0	0/0	0/1	0/4
Prof Qualified, Exp Specialists & Mid Management	0/2	5/0	0/0	1/1	0/2	0/1	0/0	0/0	6/6
Skilled Technical, Junior Management	1/0	3./3	0/0	0/1	0/0	1/3	0/0	1/0	6/7
Total New Appointments	5	12	0	3	2	5	0	2	29

Table 68: Company L: 2005 new appointments (promotion/recruitment, excluding foreign nationals)

Occupational Levels	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/0
Senior Management	0/0	0/0	0/0	1/0	0/0	0/0	0/0	0/0	1/0
Prof Qualified, Exp Specialists & Mid Management	0/1	4/0	0/0	½	1/0	0/0	0/0	0/0	6/3
Skilled Technical, Junior Management	0/0	2/1	0/0	1/0	0/2	0/1	0/0	0/0	3/4
Total New Appointments	1	7	0	5	3	1	0	0	17

Table 69: Company L: 2008 new appointments (promotion/recruitment, excluding foreign nationals)

Occupational Levels	2007		2008	
	African Staff	White Staff	African Staff	White Staff
Top Management	0%	100%	0%	0%
Senior Management	0%	0%	50%	50%
Prof Qualified, Exp Specialists & Mid Management	11%	76%	16%	62%
Skilled Technical, Junior Management	32%	51%	27%	49%

Table 70: Company M: 2007 & 2008 Recruitment Patterns for African & White Staff

Occupational Levels	2007		2008	
	African Staff	White Staff	African Staff	White Staff
Top Management	0%	0%	0%	100%
Senior Management	0%	100%	0%	67%
Prof Qualified, Exp Specialists & Mid Management	5%	70%	10%	61%
Skilled Technical, Junior Management	11%	51%	18%	57%

Table 71: Company M: 2007 & 2008 Promotion Patterns for African & White Staff

Occupational Levels	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/0
Senior Management	0/0	0/0	0/0	0/0	0/0	0/0	0/0	1/0	1/0
Prof Qualified, Exp Specialists & Mid Management	0/3	1/4	0/0	4/15	1/3	4/3	0/0	10/26	20/54
Skilled Technical, Junior Management	3/41	14/18	0/7	12/41	20/265	53/112	6/19	94/443	202/946
Total New Appointments	47	37	7	72	289	172	25	574	1223

Table 72: Company M: 2007 new appointments (promotion/recruitment, excluding foreign nationals)

Occupational Levels	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0/0	0/0	0/0	1/0	0/0	0/0	0/0	0/0	1/0
Senior Management	0/1	1/0	0/0	2/1	0/0	0/0	0/0	0/0	3/2
Prof Qualified, Exp Specialists & Mid Management	1/5	2/2	2/5	16/13	4/4	¾	2/2	20/22	50/57
Skilled Technical, Junior Management	9/30	10/21	0/3	18/35	53/147	61/96	7/22	178/297	336/651
Total New Appointments	46	36	10	86	208	164	33	517	1100

Table 73: Company M: 2008 new appointments (promotion/recruitment, excluding foreign nationals)

Appendix Two: Figures
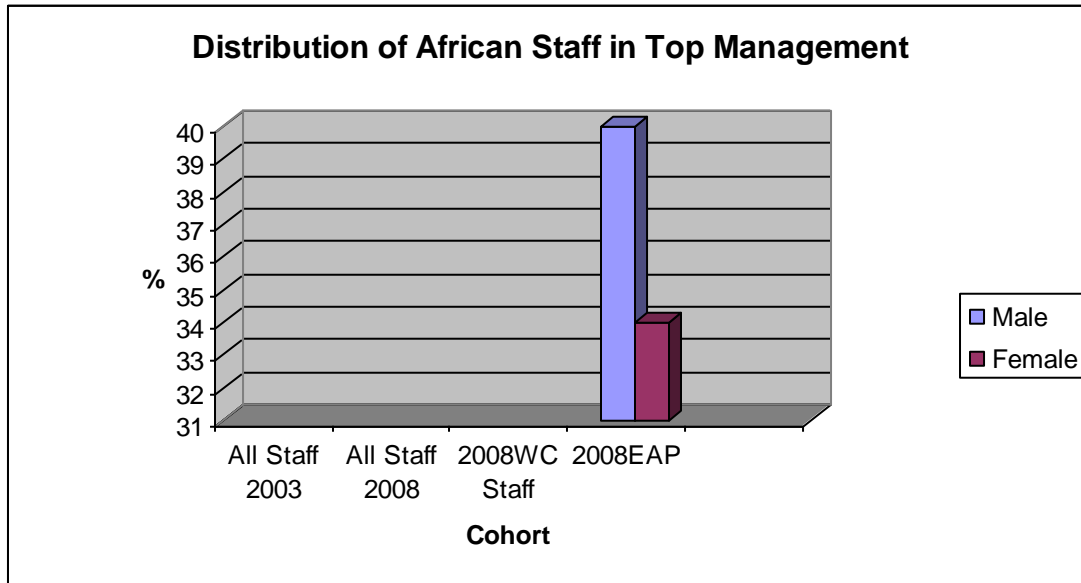
Figure 1: Company A: Distribution of African Staff in Top Management
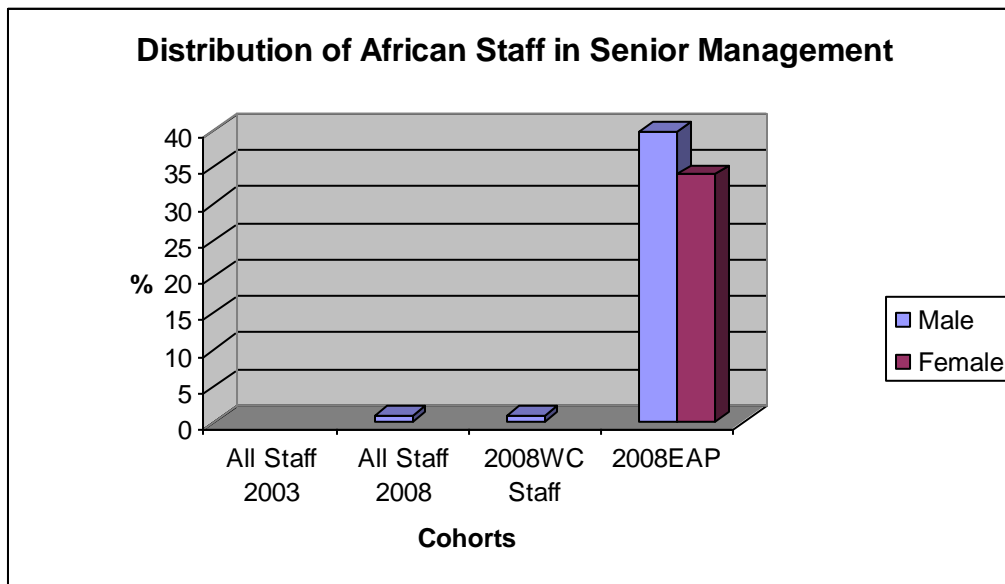
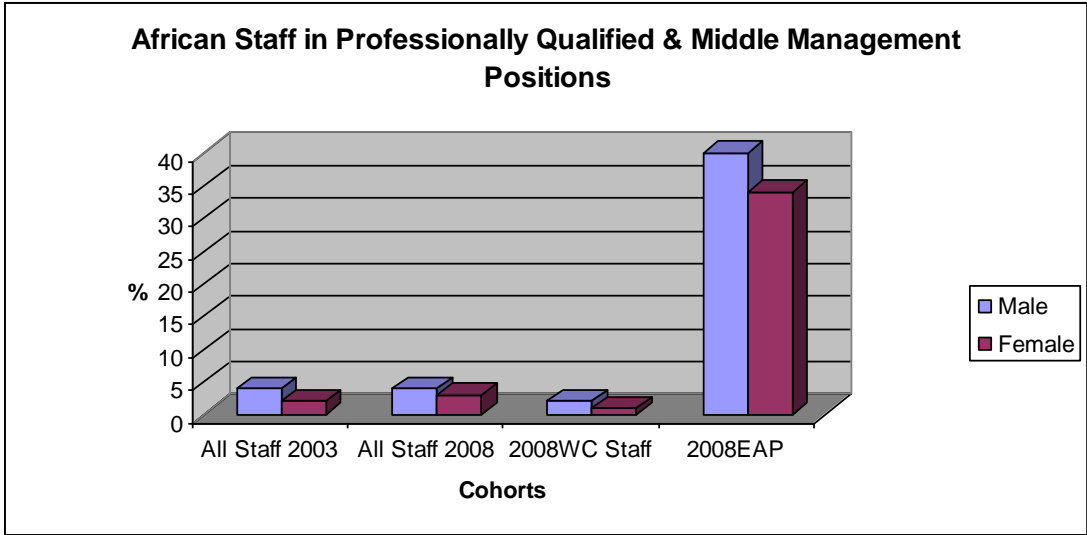**Figure 2: Company A: Distribution of African Staff in Senior Management**
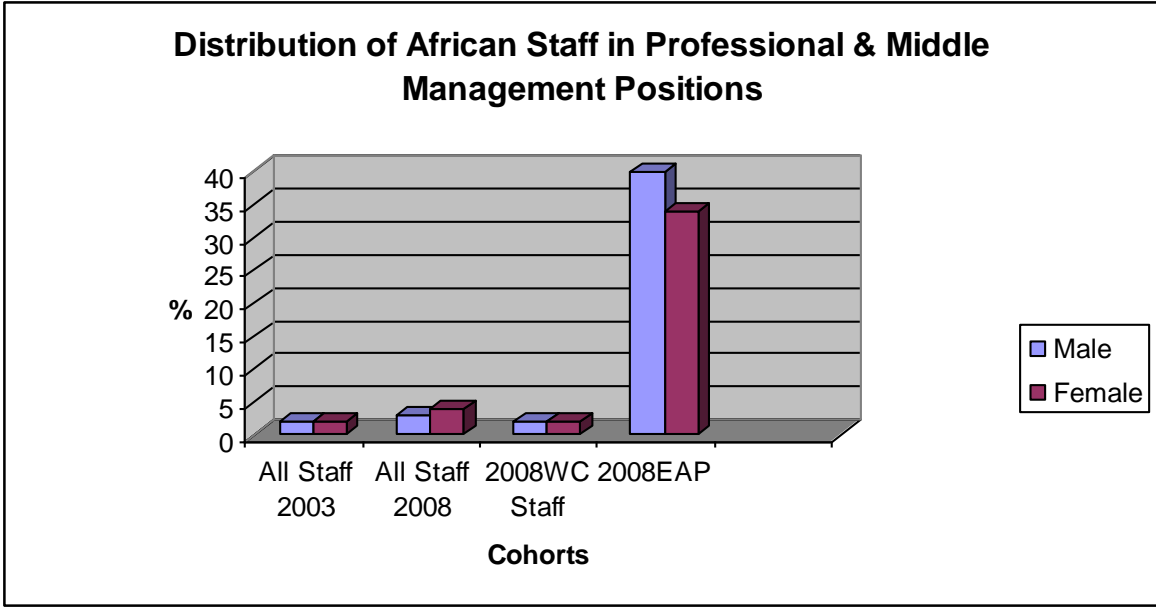
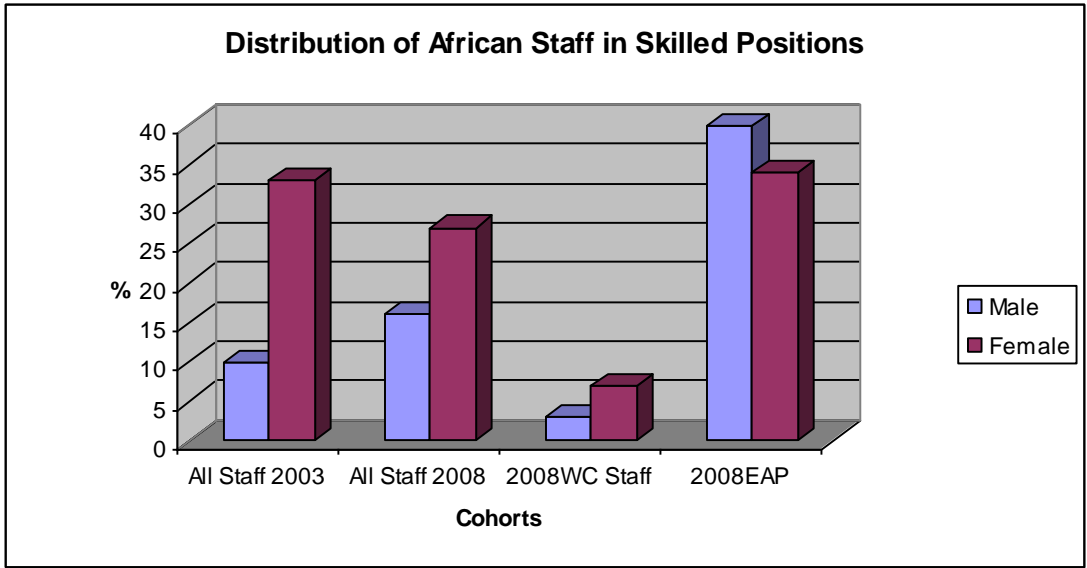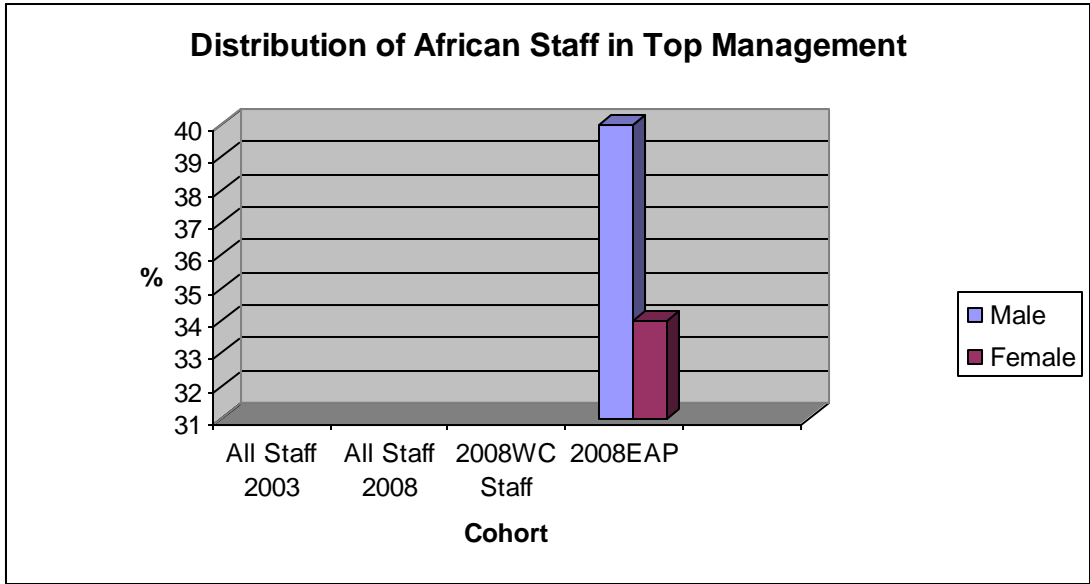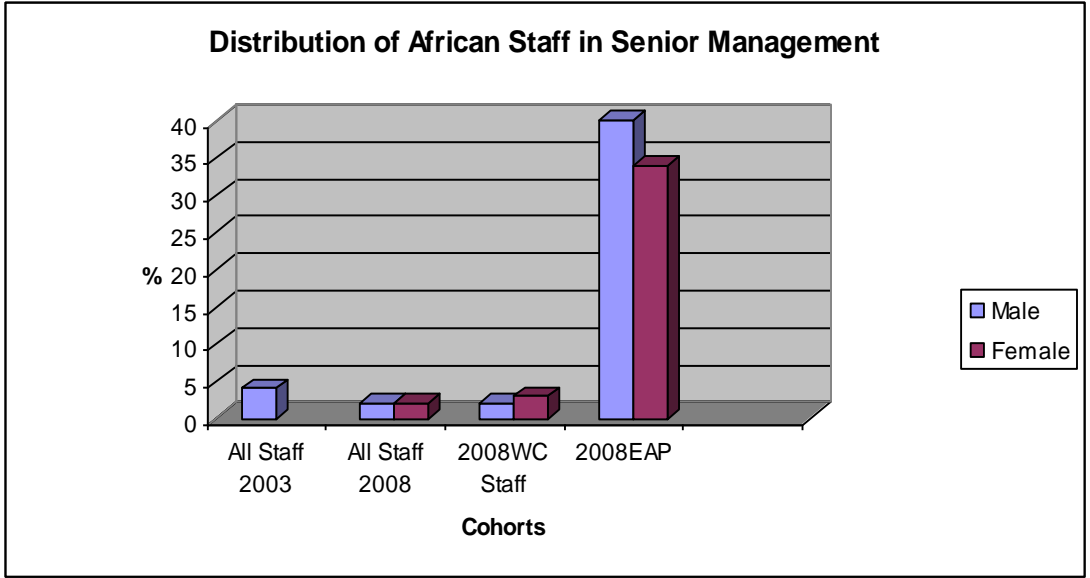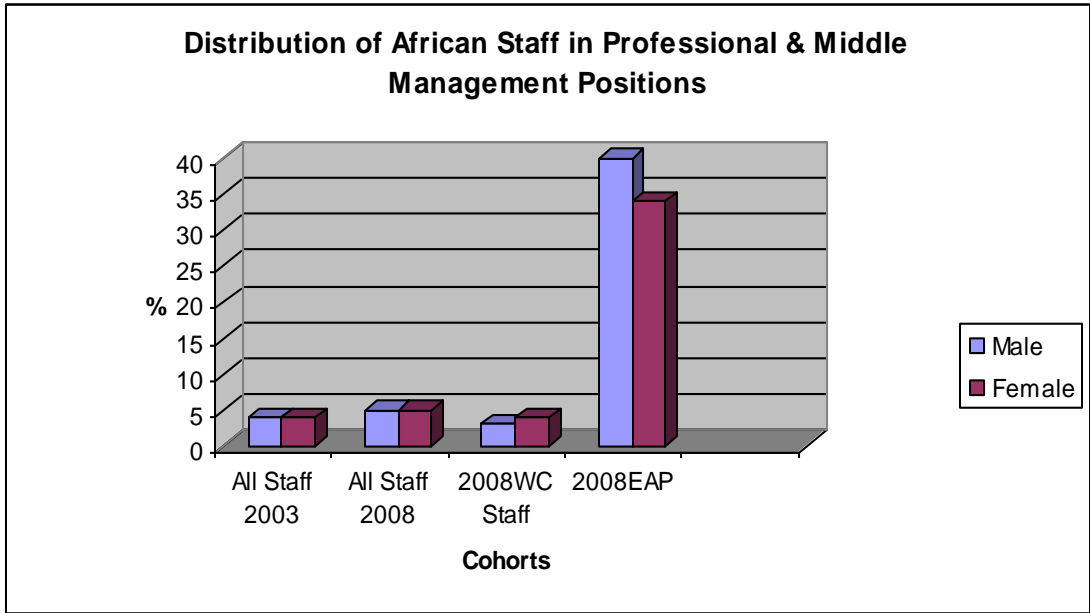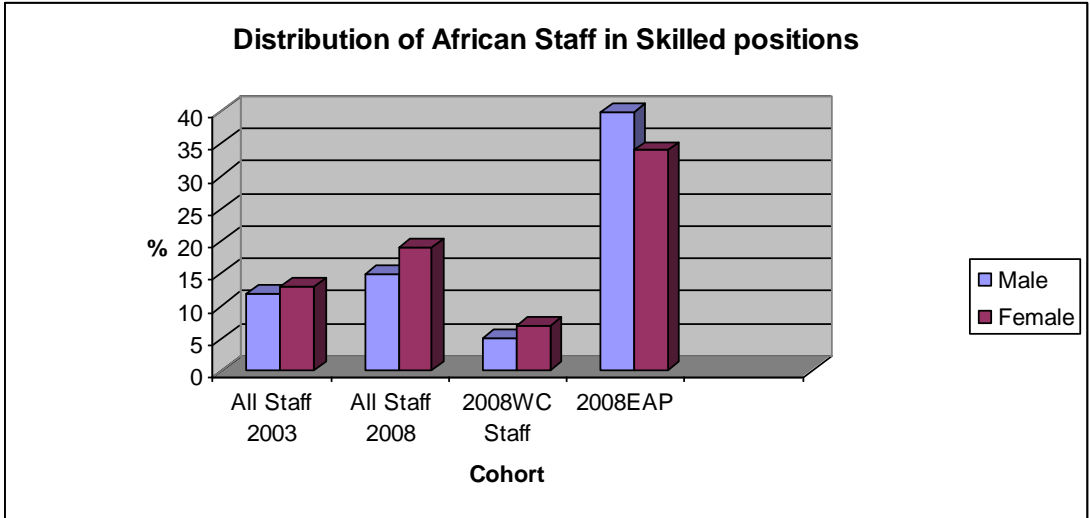**Figure 3: Company A: Distribution of African Staff in Professional and Middle Management Positions**
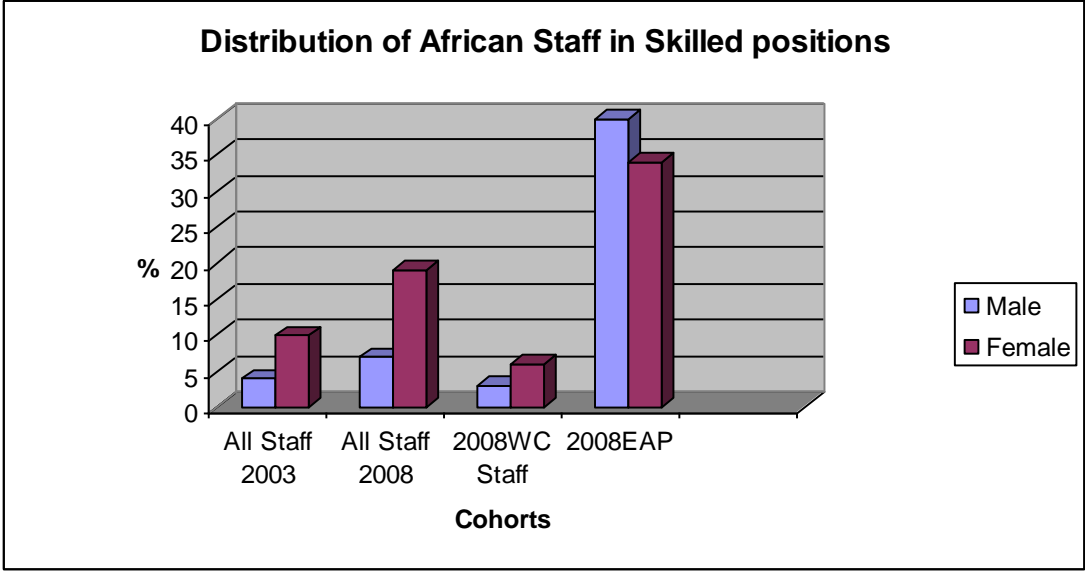
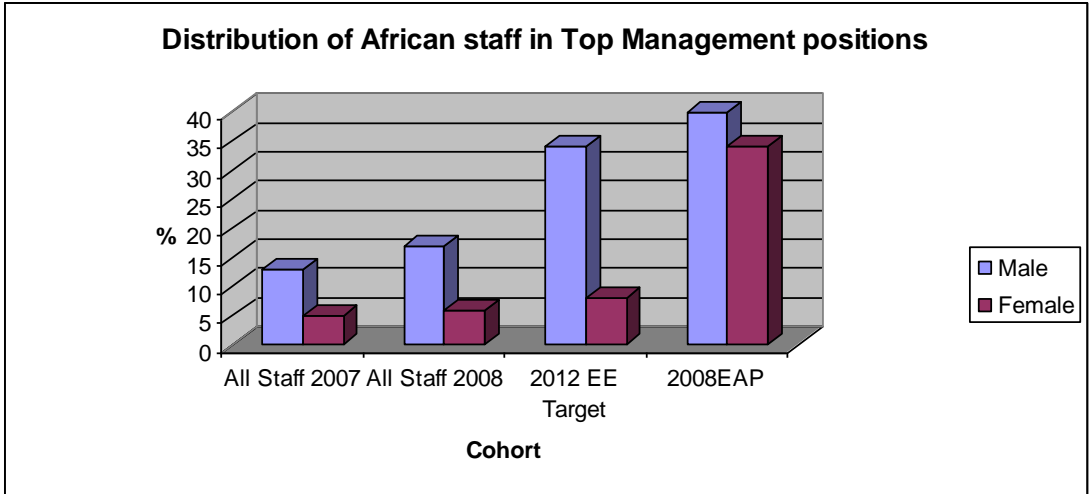**Figure 4: Company A: Distribution of African Staff in Skilled Positions**

Distribution of African Staff in Top Management
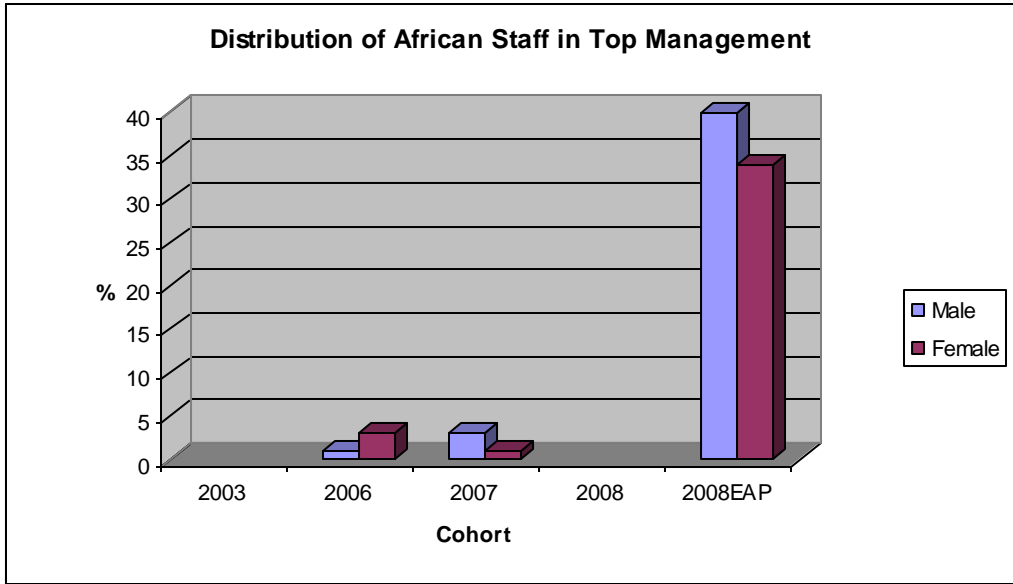
Figure 5: Company B: Distribution of African Staff in Top Management

Distribution of African Staff in Senior Management Positions
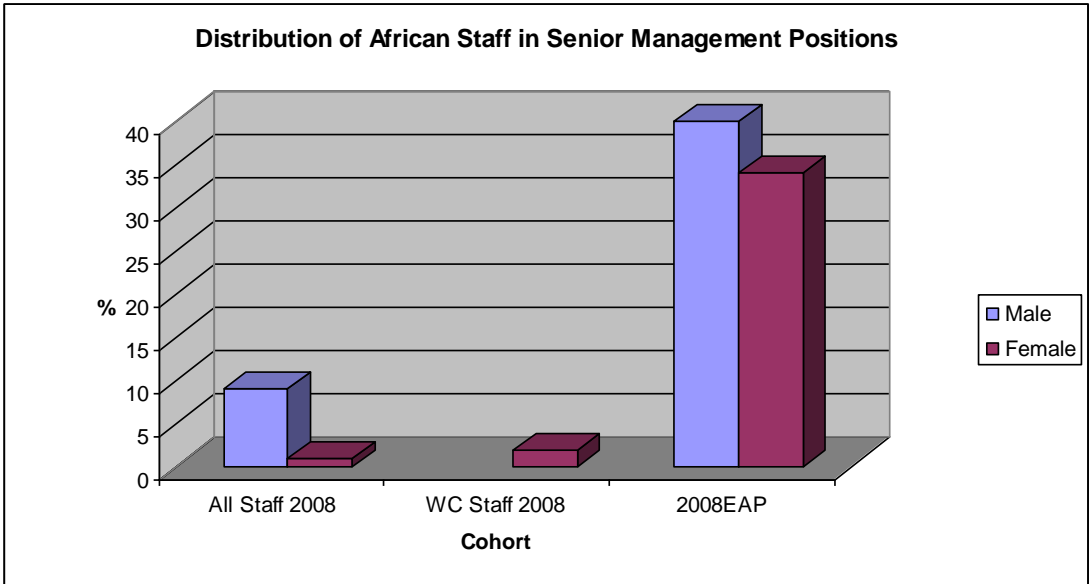
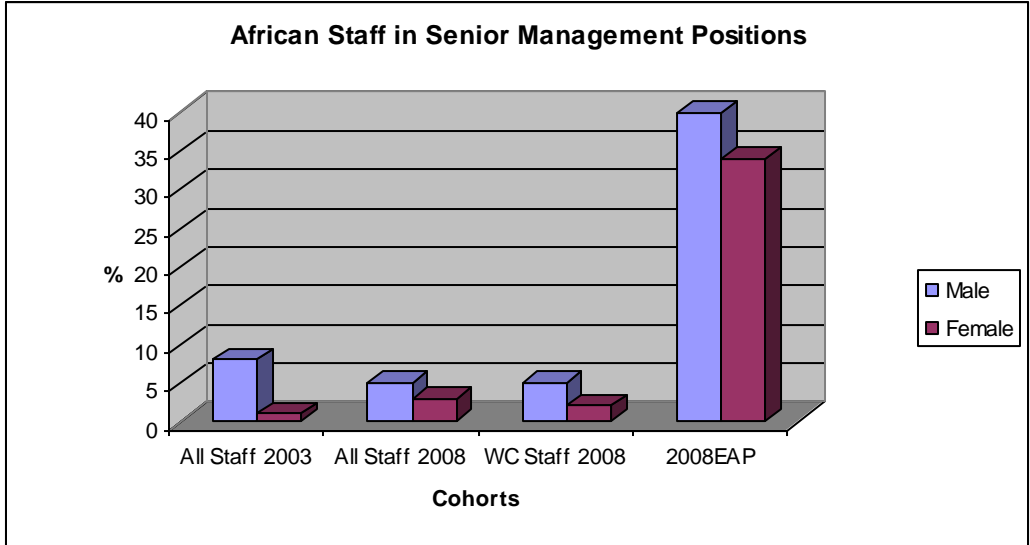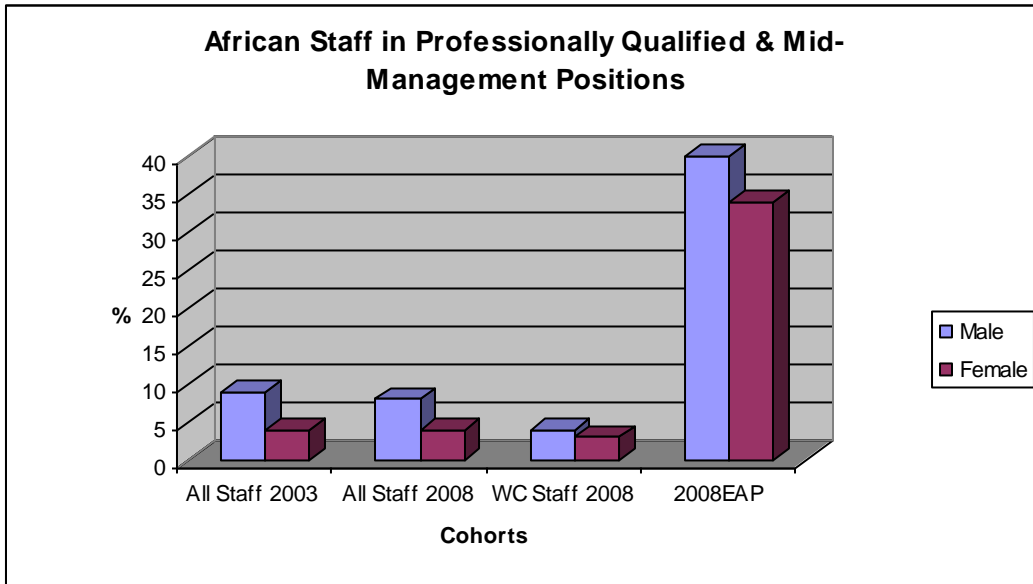Figure 6: Company B Distribution of African Staff in Senior Management Positions
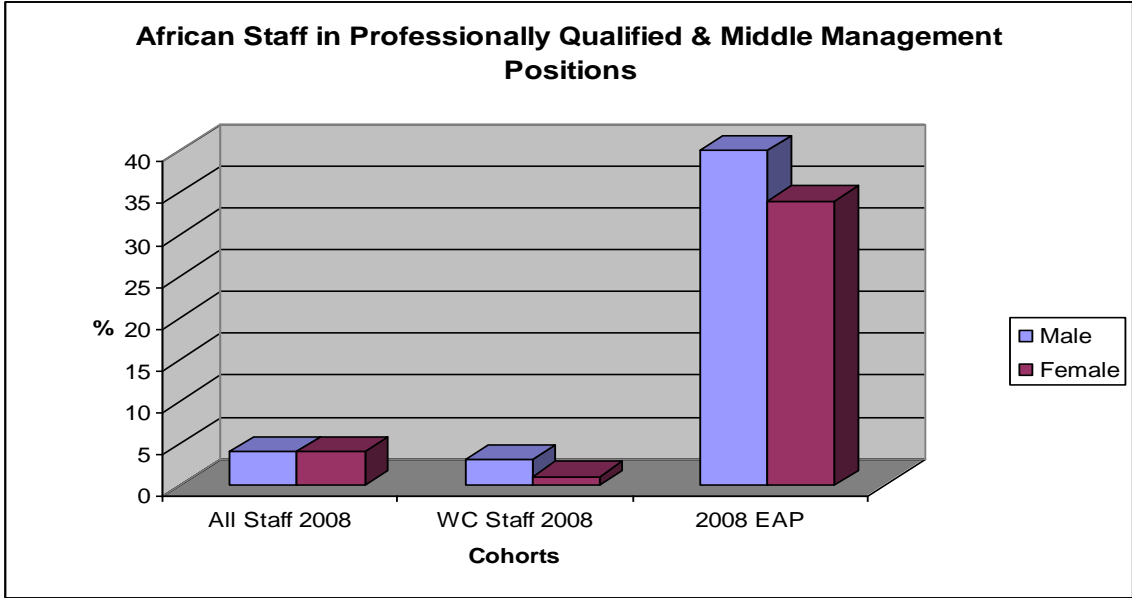
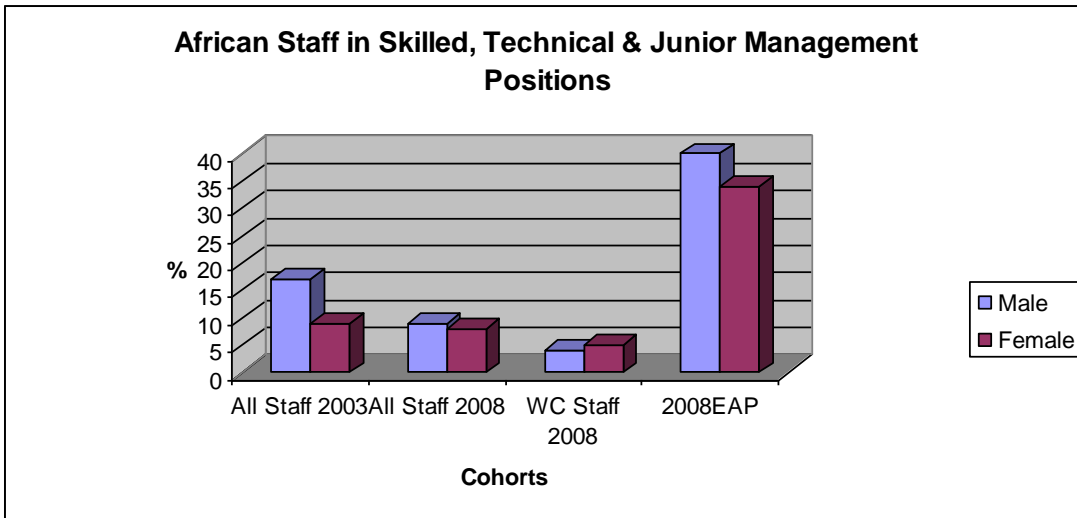**Figure 7: Company B: African Staff in Professionally Qualified and Middle Management Positions**
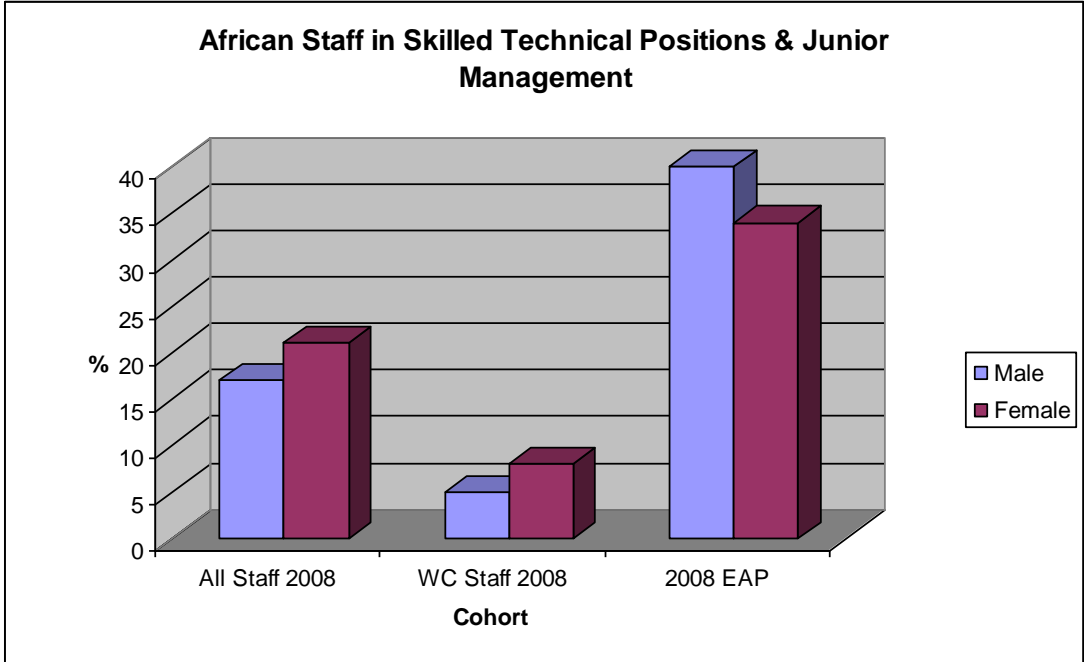
Figure 8: Company B: African Staff in Skilled Technical Positions and Junior Management

Distribution of African Staff in Top Management Positions
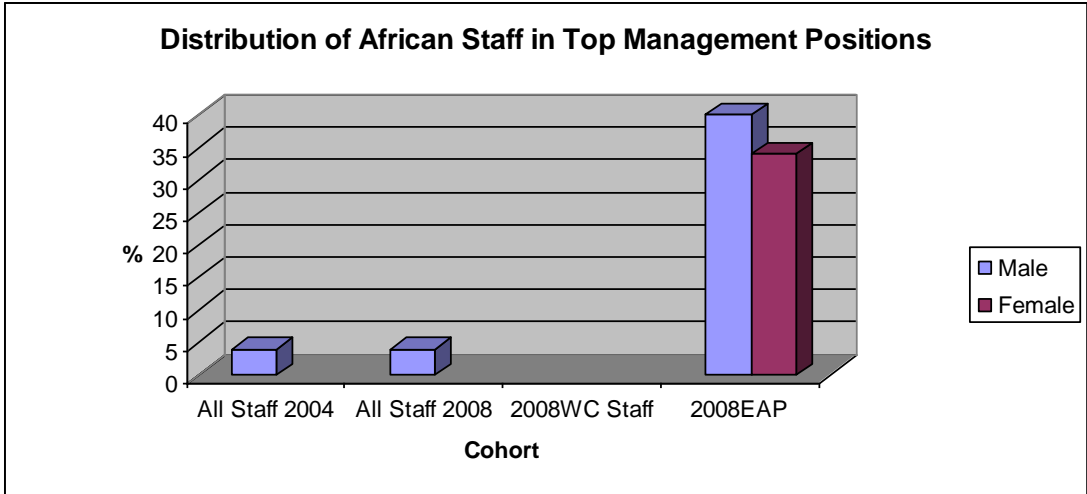
Figure 9: Company C: Distribution of African Staff in Top Management Positions

Distribution of African Staff in Senior Management Positions
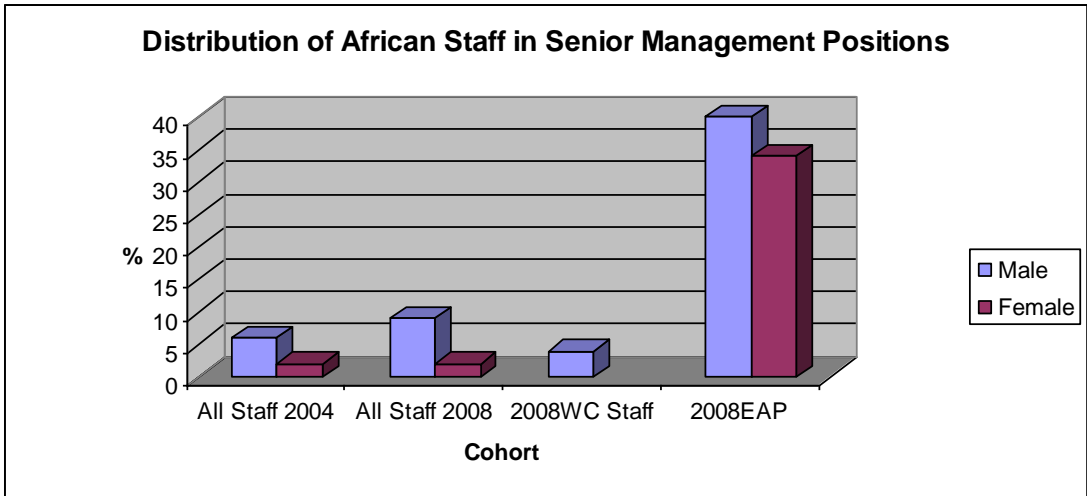
Figure 10: Company C: Distribution of African Staff in Senior Management Positions
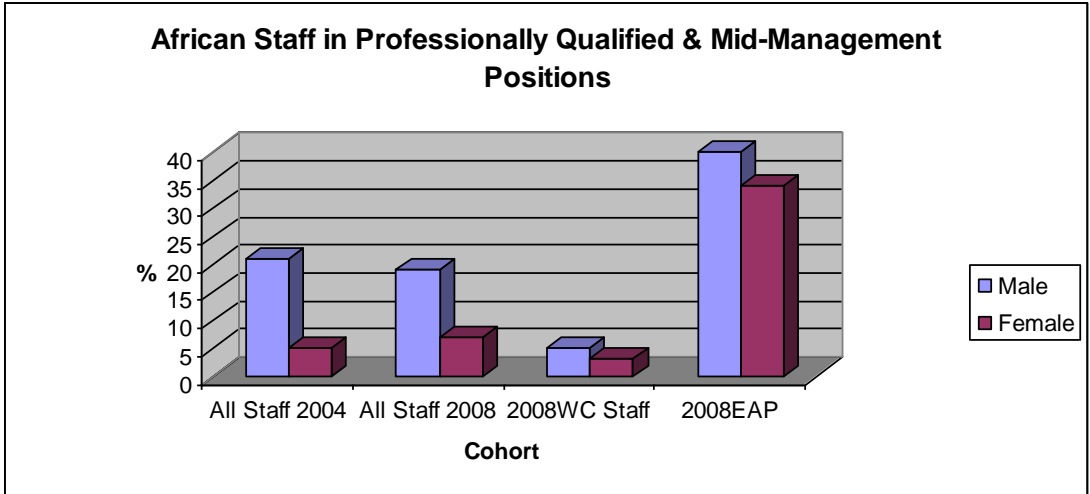
Figure 11: Company C: African Staff in Professionally Qualified and Mid-Management Positions
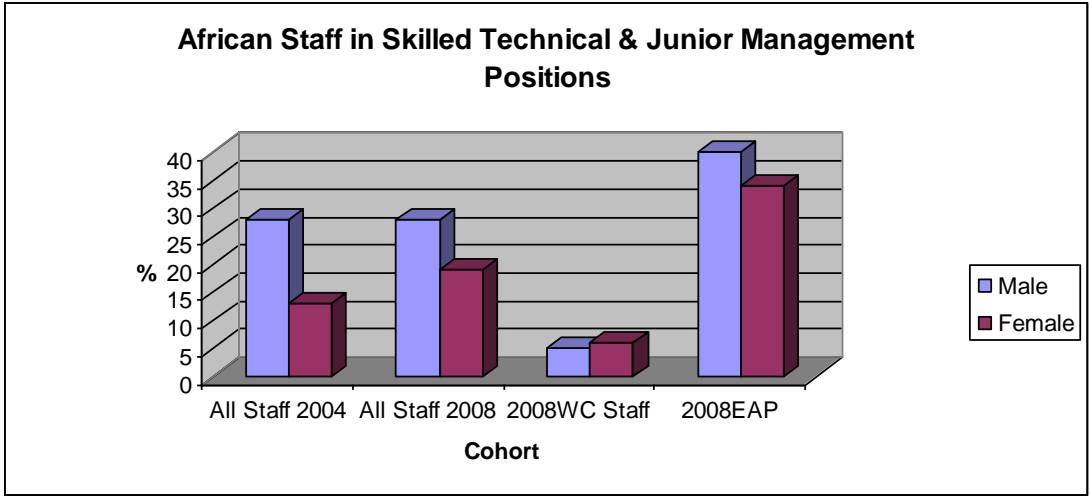
Figure 12: Company C: African Staff in Skilled Technical and Junior Management Positions
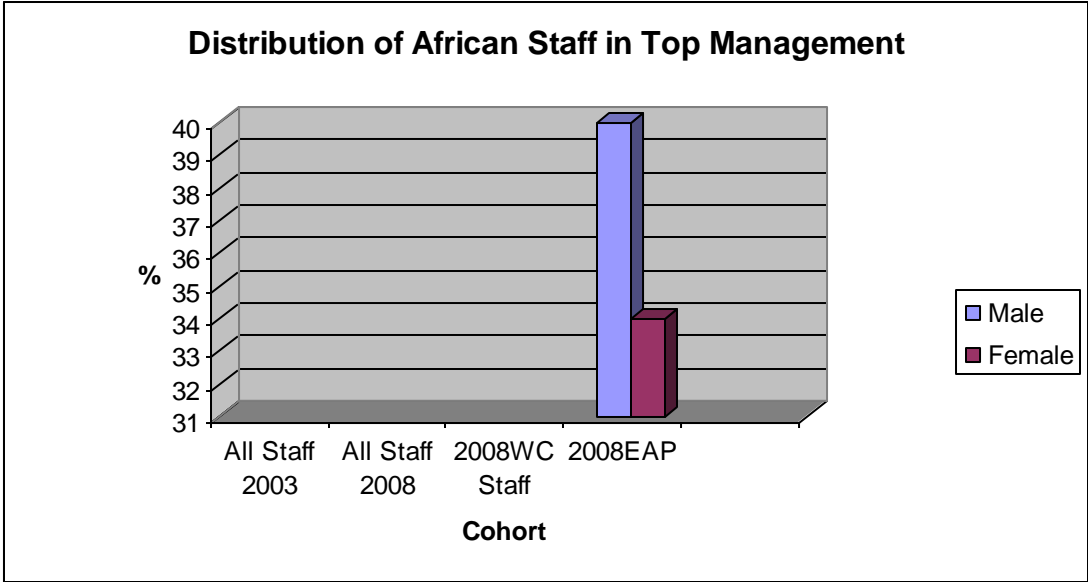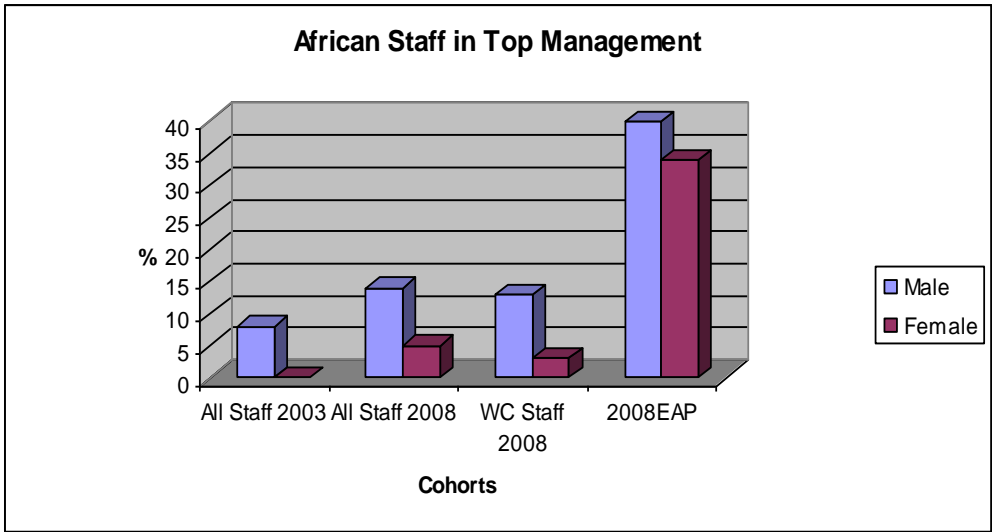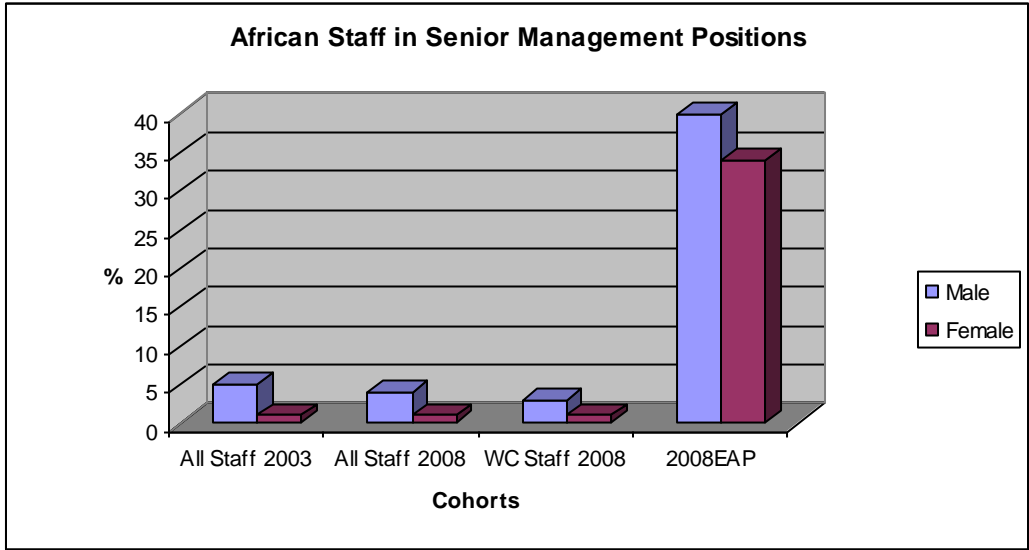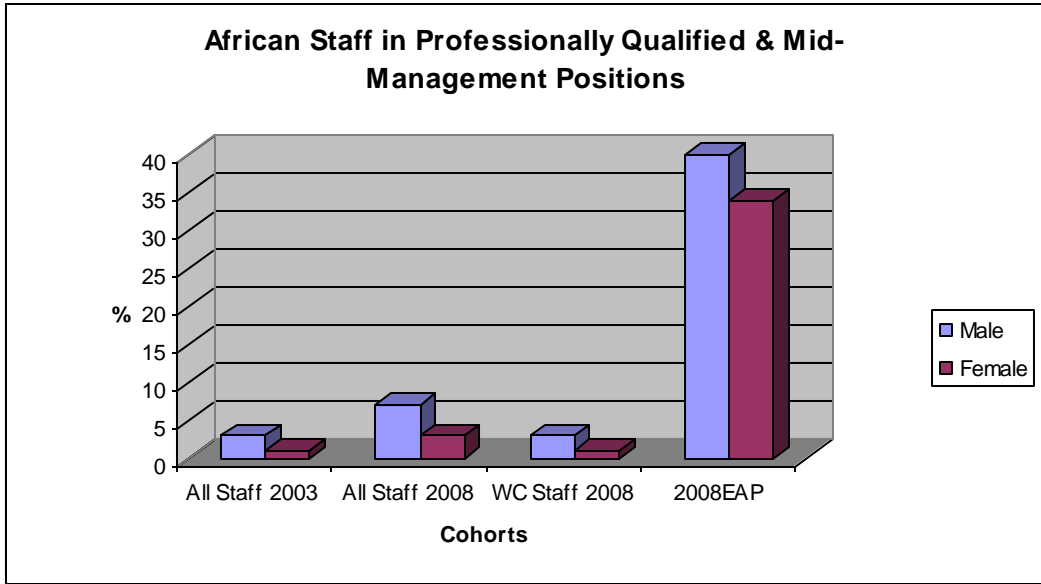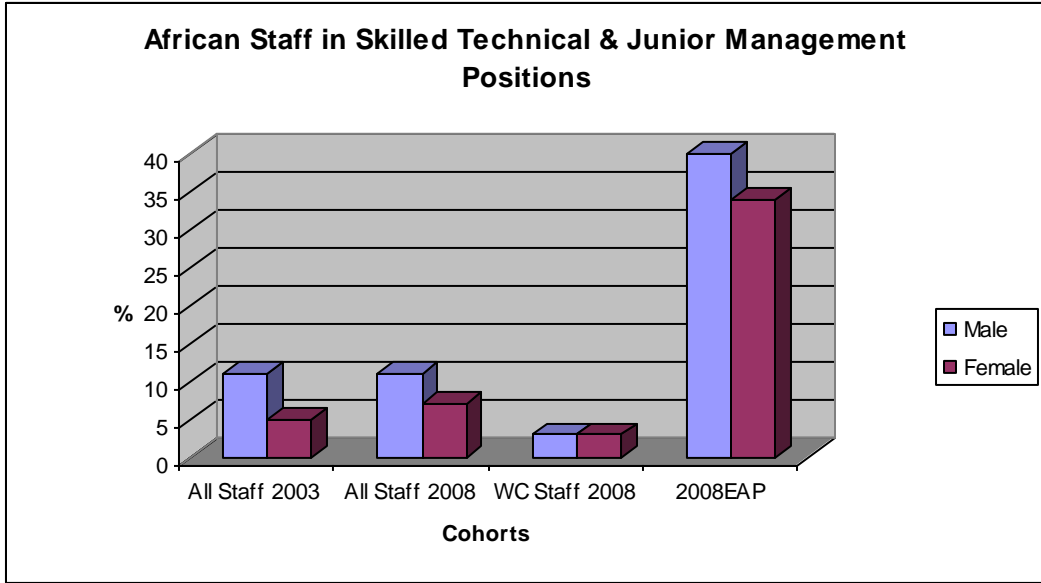
Figure 13: Company D: Distribution of African Staff in Top Management
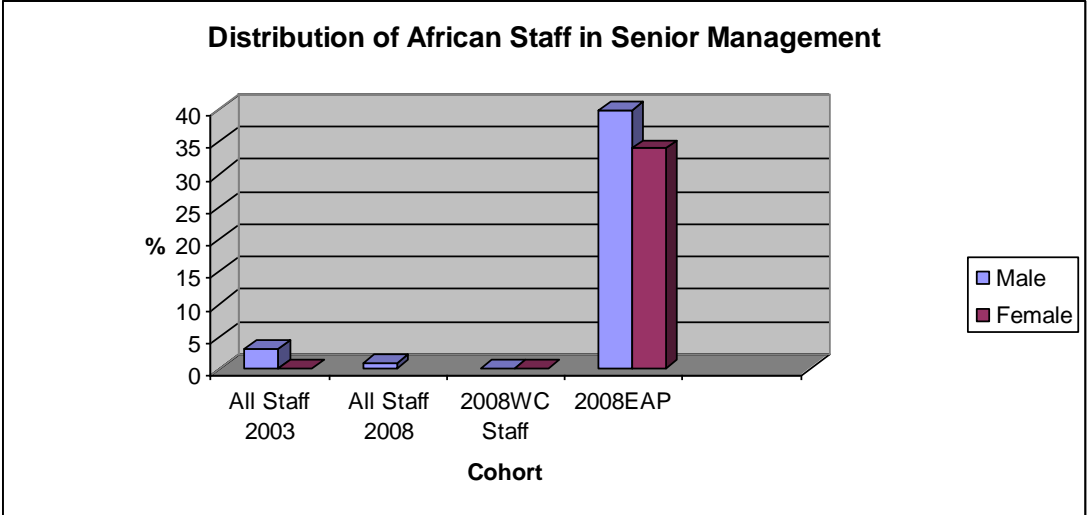
Figure 14: Company D: Distribution of African Staff in Senior Management

Figure 15: Company D: African Staff in Professionally Qualified and Middle Management Positions

Figure 16: Company D: Distribution of African Staff in Skilled Positions

Figure 17: Company E: Distribution of African Staff in Top Management

Figure 18: Company E: Distribution of African Staff in Senior Management

Figure 19: Company E: Distribution of African Staff in Professional and Middle Management Positions

Figure 20: Company E: Distribution of African Staff in Skilled Positions

Distribution of African staff in Top Management positions

Figure 21: Company F: Distribution of African staff in top management positions

Distribution of African Staff in Senior Managment Positions
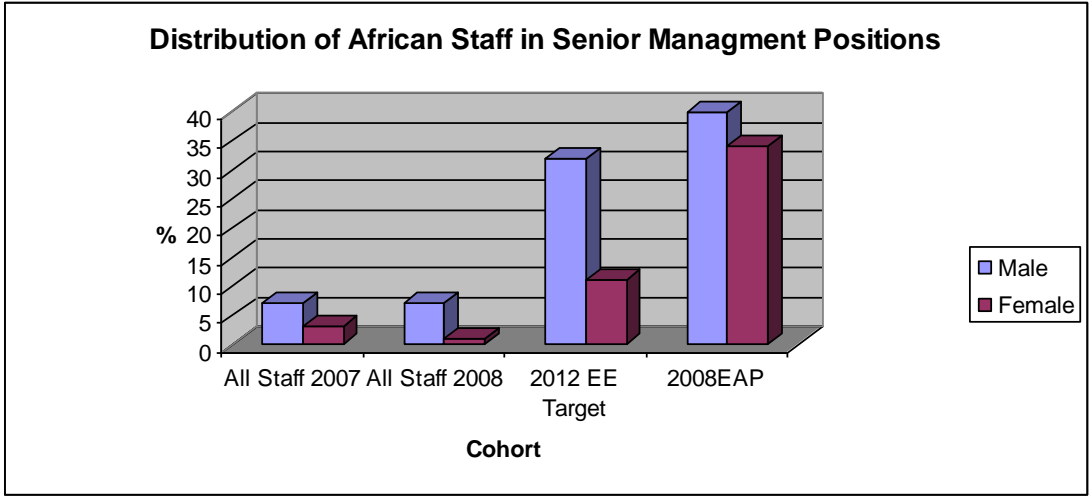
Figure 22: Company F: Distribution of African staff in senior management positions

Figure 23: Company F: African staff in professionally qualified and mid-management positions
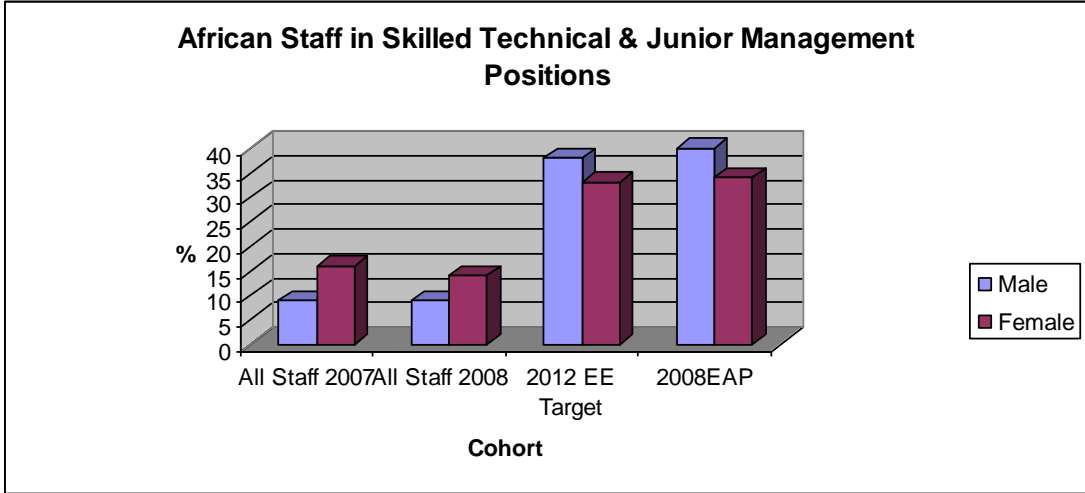
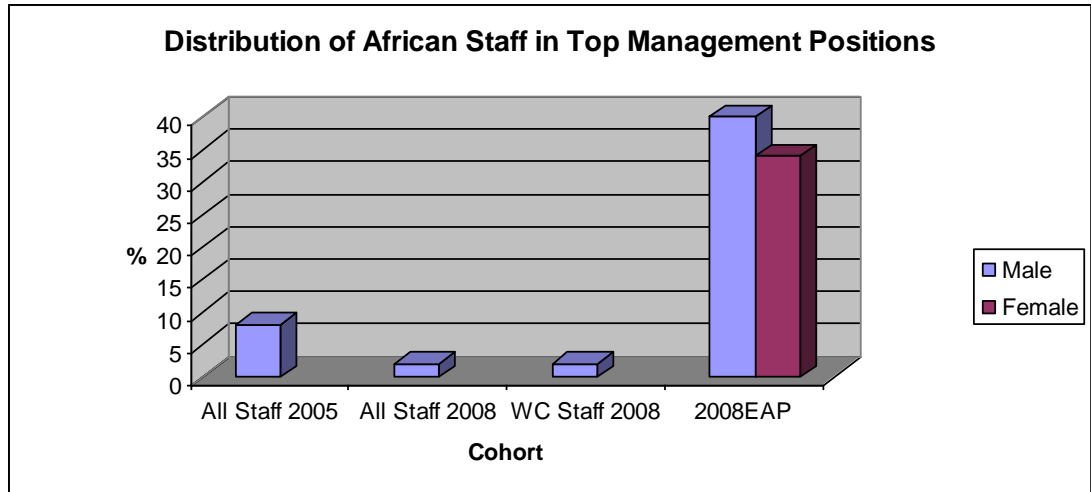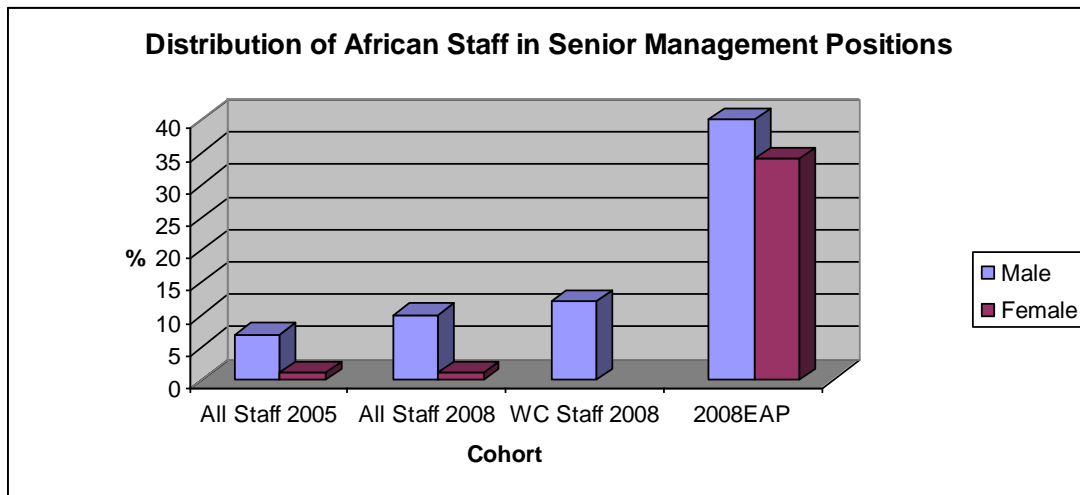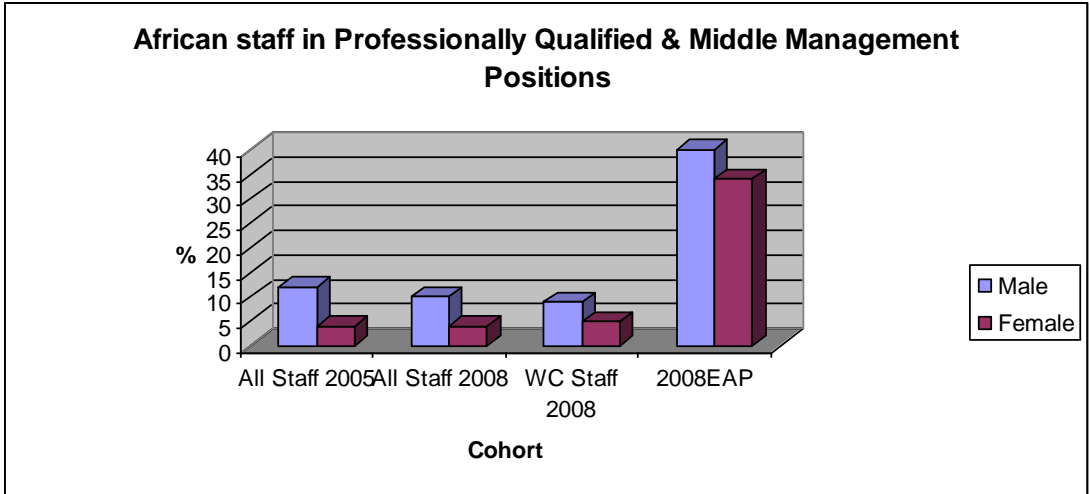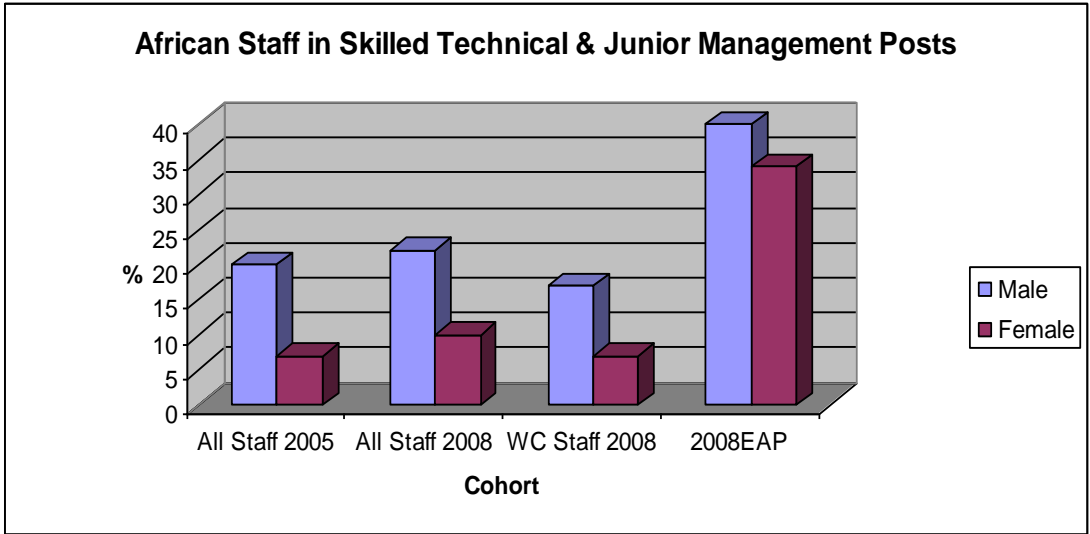**Figure 24: Company F: African staff in skilled technical and junior management positions**
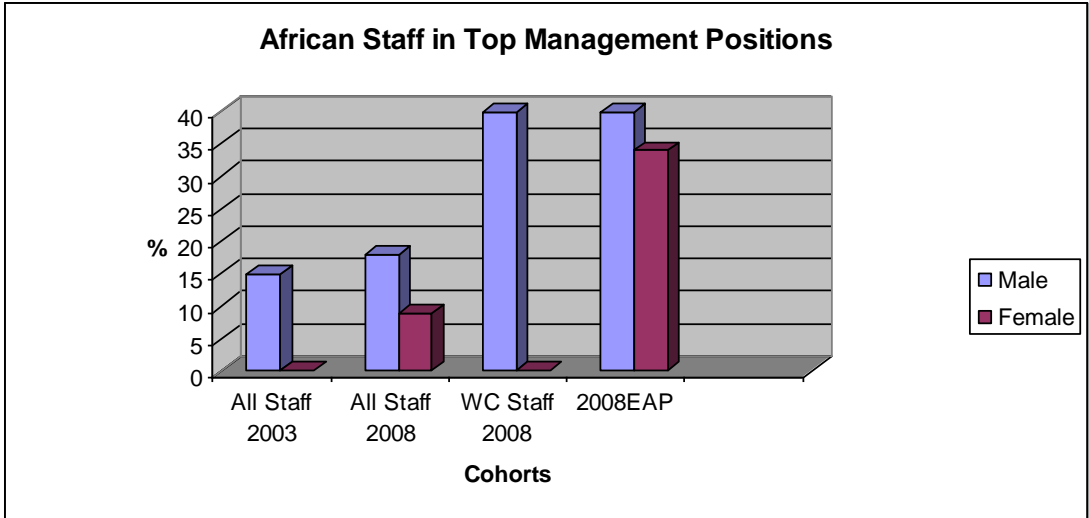
Figure 25: Company G: African staff in top management positions

Figure 26: Company G: African staff in senior management positions

African Staff in Professionally Qualified & Mid-Management Positions

Figure 27: Company G: African staff in professionally qualified and mid-management positions

African Staff in Skilled, Technical & Junior Management Positions

Figure 28: Company G: African staff in skilled, technical and junior management positions

Figure 29: Company H: African staff in top management positions

Figure 30: Company H: African staff in senior management positions

Figure 31: Company H: African staff in professionally qualified and mid-management positions

Figure 32: Company H: African staff in skilled technical and junior management positions
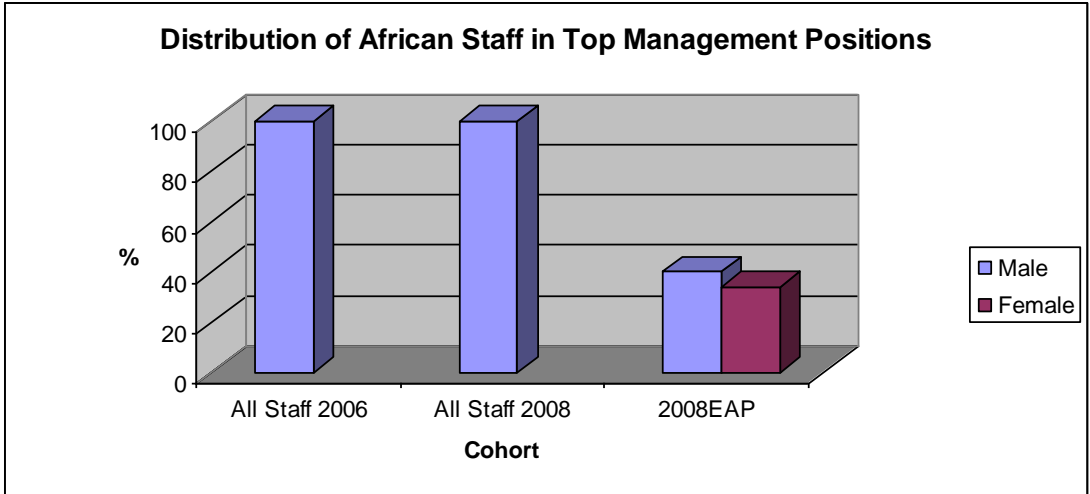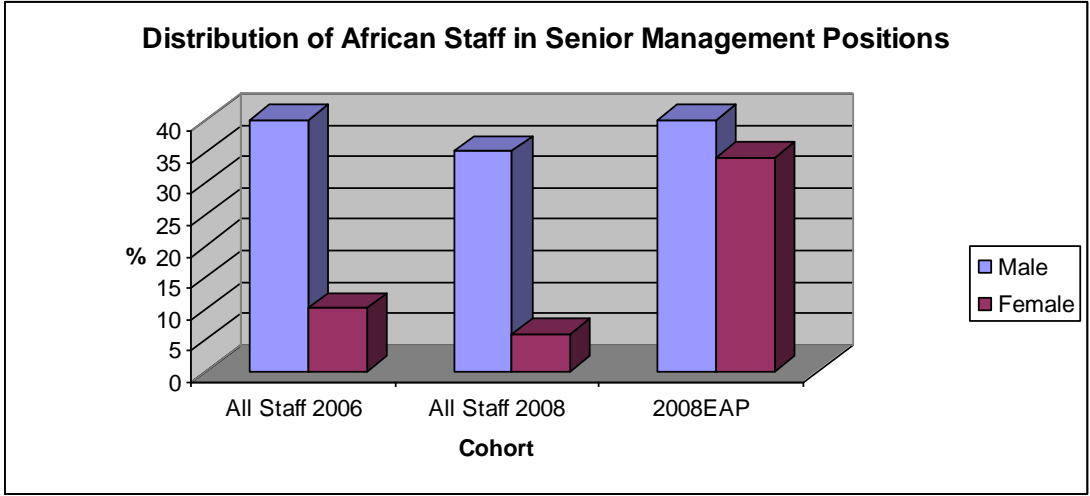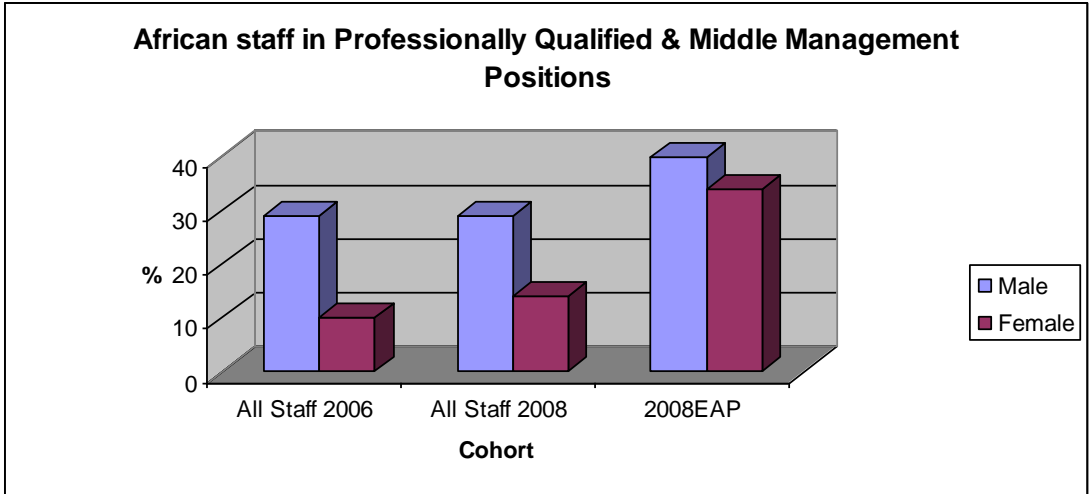
Distribution of African Staff in Top Management Positions

Figure 33: Company I: Distribution of African staff in top management positions

Distribution of African Staff in Senior Management Positions

Figure 34: Company I: Distribution of African staff in senior management positions

African staff in Professionally Qualified & Middle Management Positions

Figure 35: Company I: African staff in professionally qualified and middle management positions

African Staff in Skilled Technical & Junior Management Posts

Figure 36: Company I: African staff in skilled technical and junior positions

Distribution of African Staff in Top Management Positions

Figure 37: Company J: Distribution of African staff in top management positions

Distribution of African Staff in Senior Management Positions

Figure 38: Company J: Distribution of African staff in senior management positions

Figure 39: Company J: African staff in professionally qualified and middle management positions
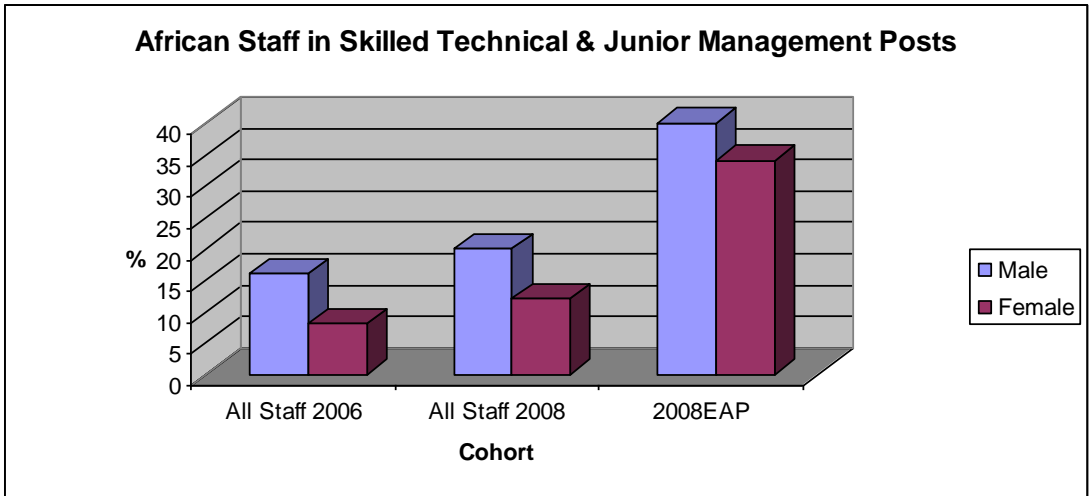

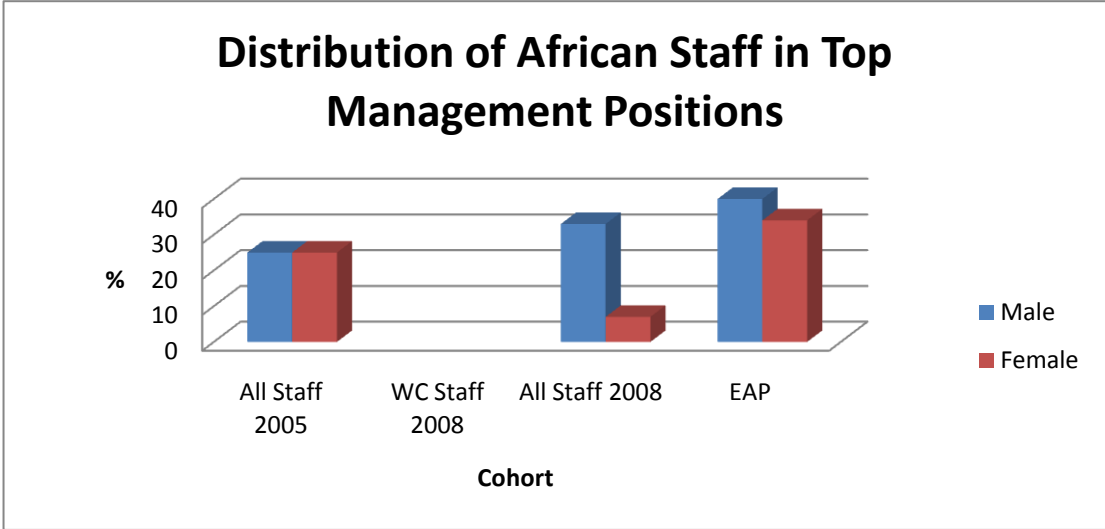**Figure 40: Company J: African staff in skilled technical and junior management posts.**

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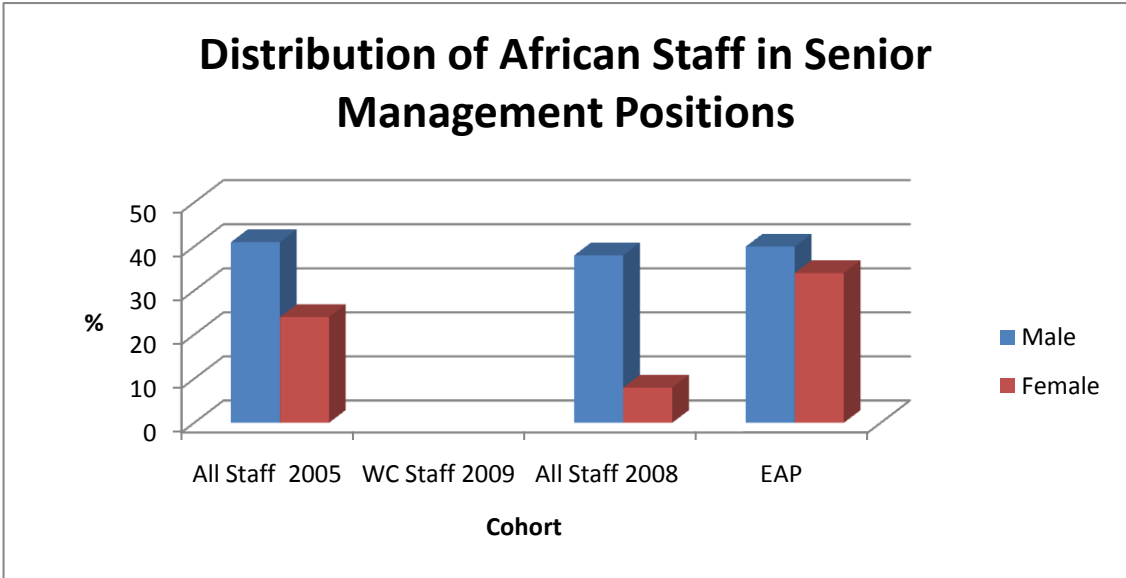**Distribution of African Staff in Top Management Positions**

Figure 41: Company K: Distribution of African Staff in Top Management Positions

Distribution of African Staff in Senior Management Positions

Figure 42: Company K: Distribution of African Staff in Senior Management Positions
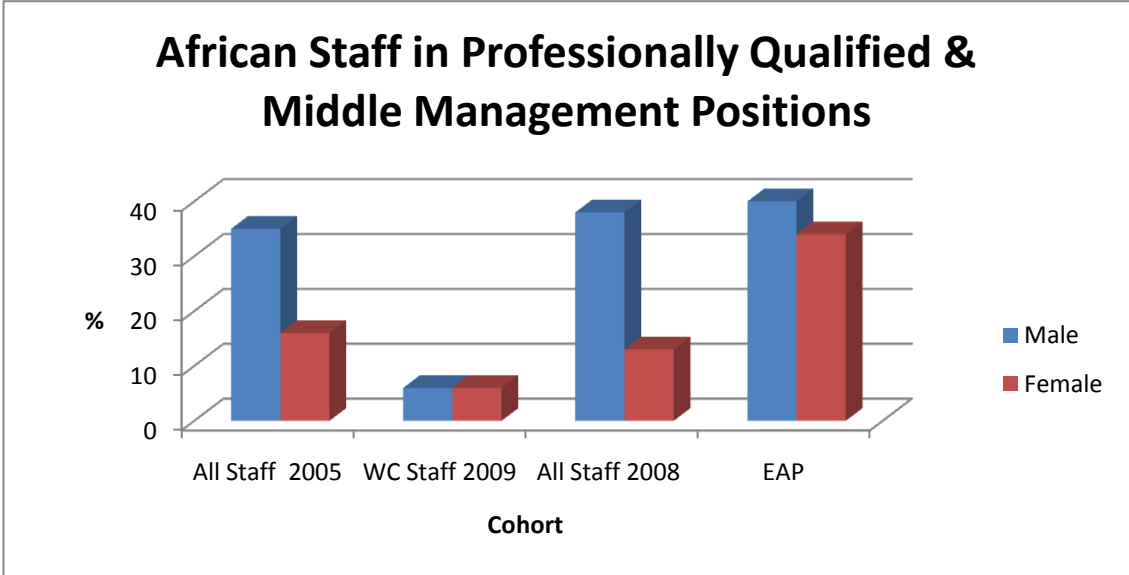
Figure 43: Company K: Distribution of African Staff in Professionally Qualified and Middle Management Positions
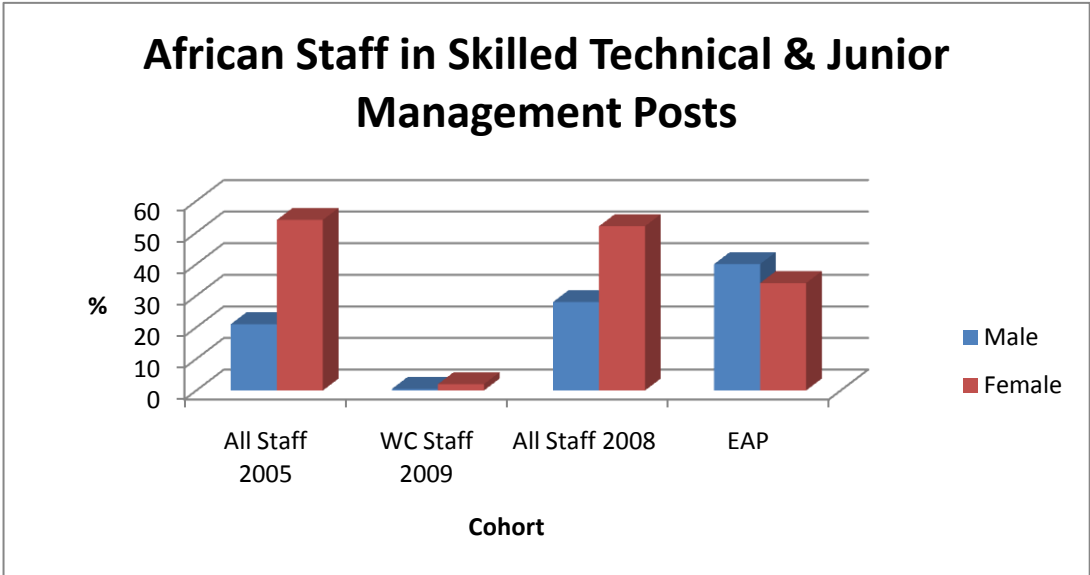

Figure 44: Company K: Distribution of African Staff in Skilled Technical and Junior Management Positions
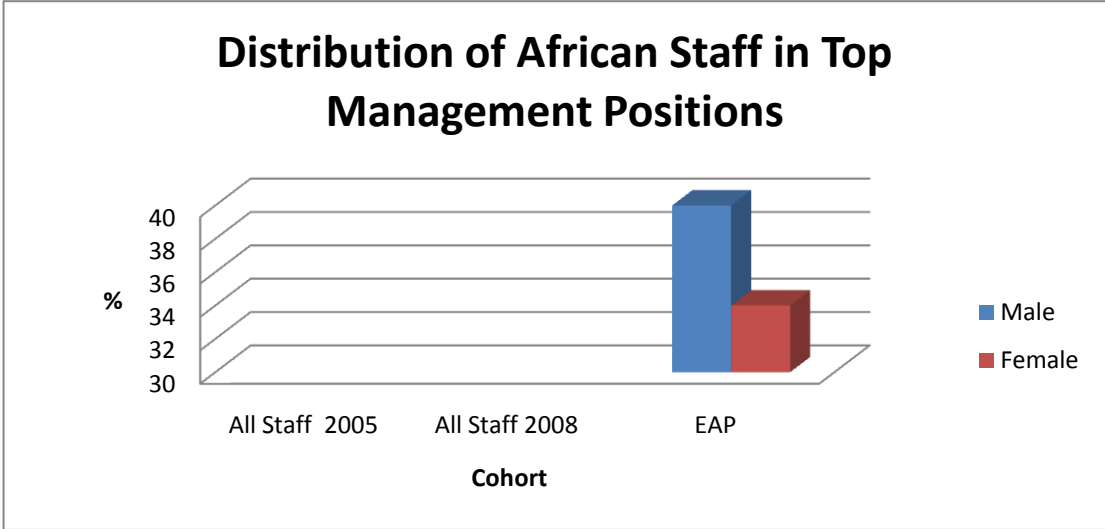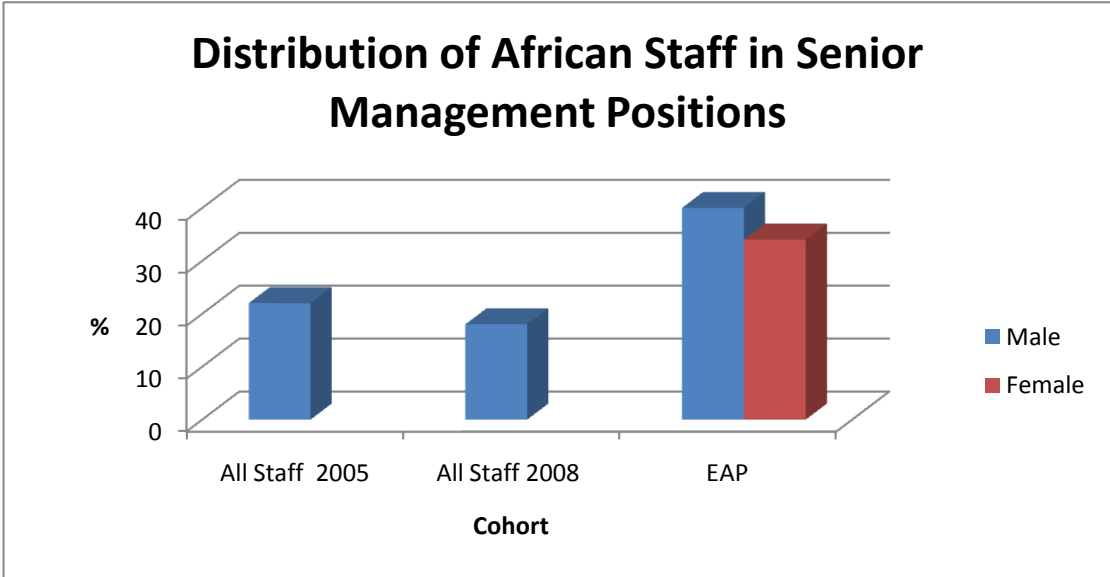
Distribution of African Staff in Top Management Positions

Figure 45: Company L: Distribution of African Staff in Top Management Positions

Distribution of African Staff in Senior Management Positions

Figure 46: Company L: Distribution of African Staff in Senior Management Positions

African Staff in Professionally Qualified & Middle Management Positions

Figure 47: Company L: Distribution of African Staff in Professionally Qualified and Middle Management Positions

African Staff in Skilled Technical & Junior Management Posts

Figure 48: Company L: Distribution of African Staff in Skilled Technical and Junior Management Positions

Figure 49: Company M: Distribution of African Staff in Top Management Positions

Figure 50: Company M: Distribution of African Staff in Senior Management Positions
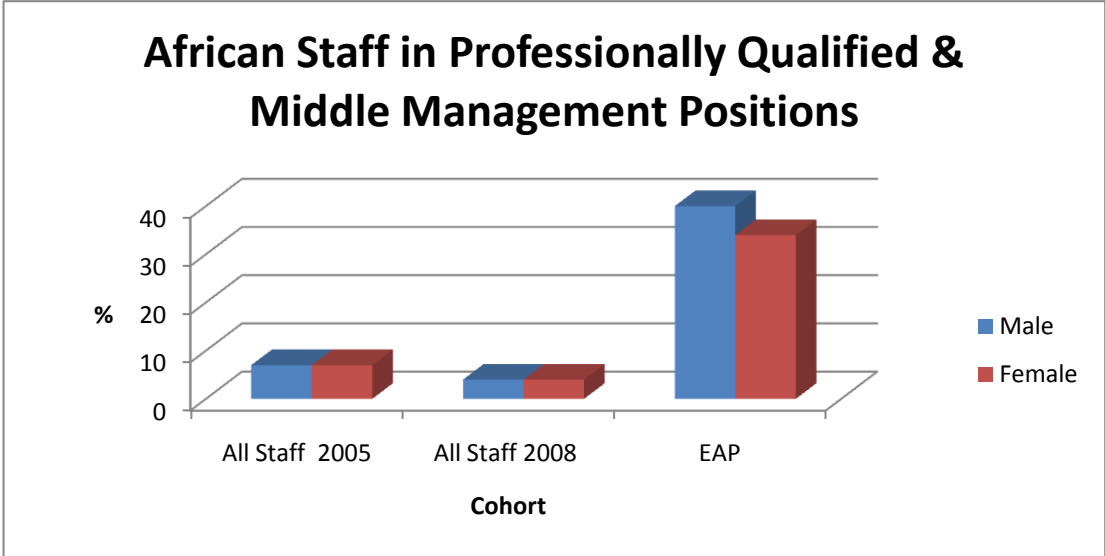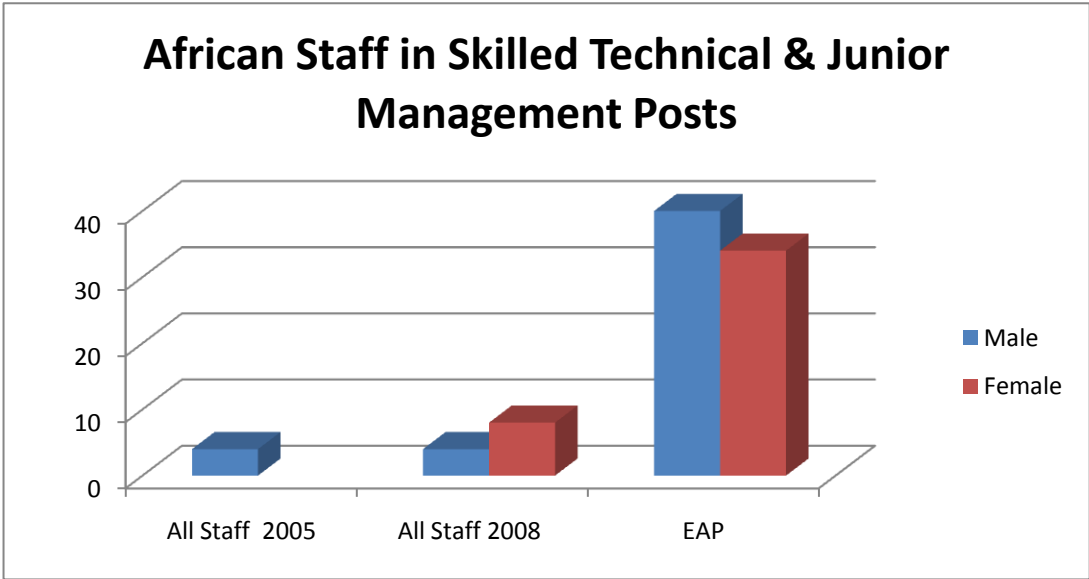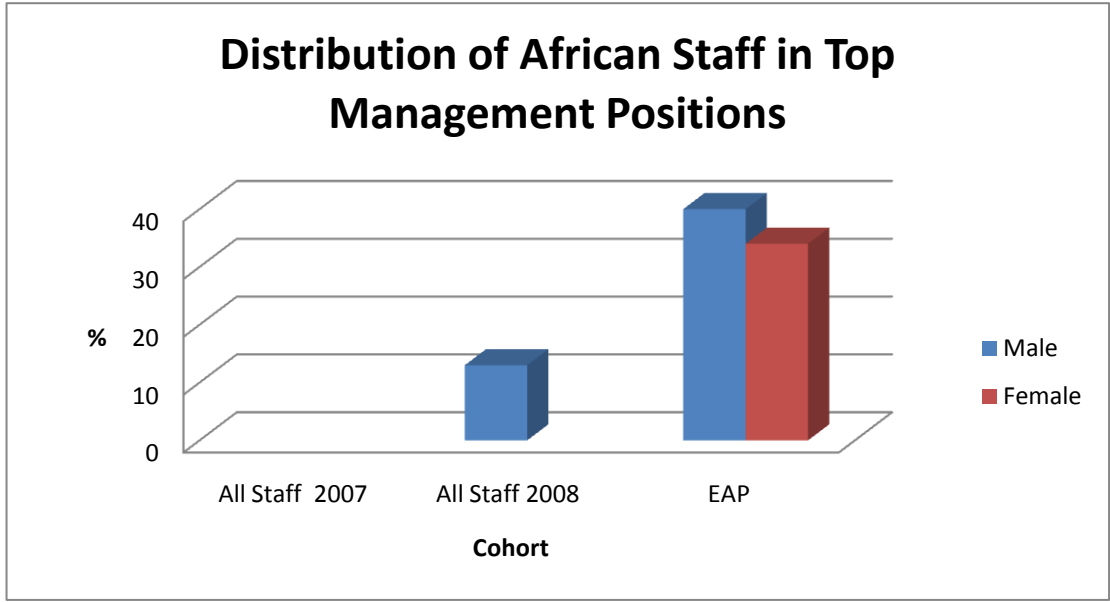
Distribution of African staff in Professionally Qualified and Middle Management Positions

Figure 51: Company M: Distribution of African Staff in Professionally Qualified and Middle Management Positions

African Staff in Skilled Technical & Junior Managment Positions

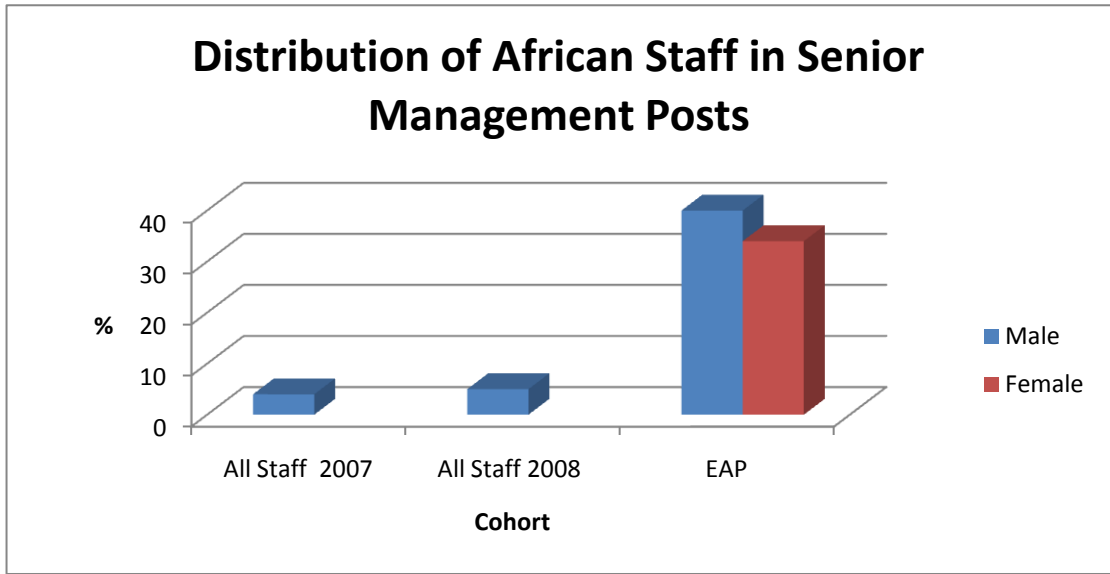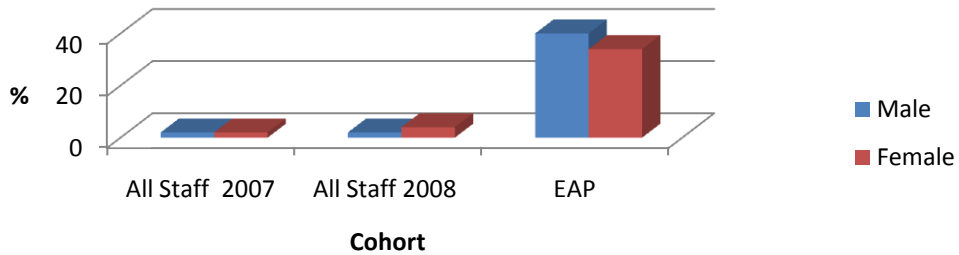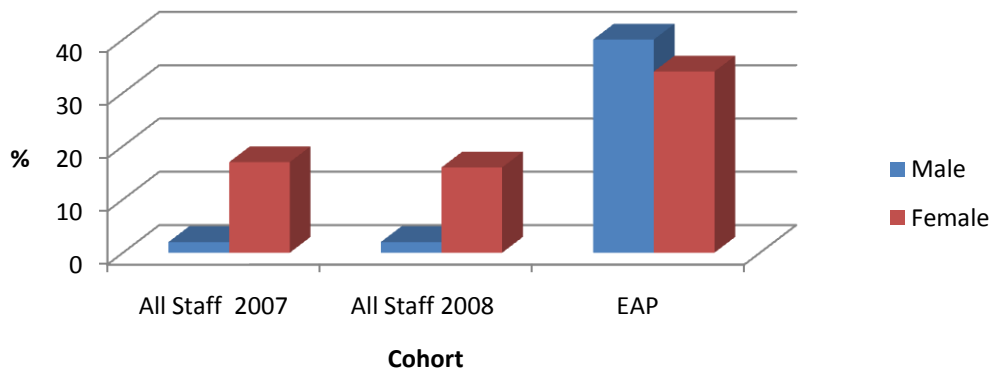**Figure 52: Company M: Distribution of African Staff in Skilled Technical and Junior Management Positions**

Appendix Three: Methodology

Data for this research was collected by analyzing documentation collected from numerous sources and through the collection of interview data.

The documentary sources used were primarily sourced from the thirteen participating organizations. A request was made for the provision of electronic copies of the following employment equity documentation:

- The current Employment Equity Plan
- EEA 2 and EEA 4 reports from 2003 – 2008
- Employment equity data on their staff establishment based in Cape Town using Department of Labour occupational levels
- Any other internal EE documentation which would be of relevance to the study.

By and large, most of the participating companies co-operated well in providing the research team with the requested documentation. A handful of companies though failed to promptly forward the documentation where in one case the last batch of documentation was only received by the research team in the third week of March 2009 (i.e. barely less than two weeks before the report submission deadline). Some of the reasons for this stemmed from the company not being able to find copies of past reports submitted to the Department of Labour to having no electronic copies of the reports readily available. In instances where an Employment Equity Plan was not submitted, telephonic contact was made with the participating organization to confirm whether one was available or not. Other agencies that were also approached for documentation included Stats SA for data from Labour Force Surveys, the Sociology of Work Unit (SWOP) at Witwatersrand University for a copy of their 2008 employment equity research that was conducted for the Department of Labour and finally, the Department of Labour web-site for employment equity legislation. Finally information on the company profiles of the participating organizations were sourced by visiting the respective web-site of each.

Interview data was collected from 70 interviews that were conducted. Forty six of these interviews were with African staff currently working in the Western Cape, 12 with African staff who previously worked in the Western Cape and who have since relocated to Gauteng, and 12 with senior managers/middle management level staff who are responsible for EE in twelve of the thirteen participating organizations.

In the tender proposal that was accepted it was anticipated that interviews would be done with 65 African staff currently working in the Western Cape. This target could not be met as interviews were secured with only 46 staff. All interviews were voluntary. The full target was not met due to a host of factors ranging from refusals by some staff to be interviewed, to some staff not being able to commit to a suitable time due to work-related commitments, and in some instances some of the participating companies did not have in their employ five African staff in senior or middle

management positions. Due to tight time constraints, the research team did not have sufficient time available to find an additional 19 willing participants. One weakness inherent in the sample selection of the 46 staff who participated was that their names were forwarded by management to the research team. As these staff were not approached by the researchers independently, the possibility that they felt pressured to participate exists, more especially so as the interviews took place during working hours mostly at the company. This in turn could have had an impact on the willingness of these interviewees to feel completely safe and comfortable sharing their views. The interviews with the 46 African staff were conducted by the two members of the research team currently completing their PhD's.

Interviews with twelve former staff now residing in Gauteng and twelve employment equity managers were conducted by Dr. Surtee. With the exception of three staff the names of nine former staff that have since left the province were provided by managers in the thirteen participating organizations. There is no indication in the data collected that the testimonies of the three staff, who were independently selected by the researchers, reflect a greater willingness to share opinions than the nine staff who were referred by management. Interviews conducted with the twelve employment equity managers were primarily geared to fill any gaps that emerged in the documents that were analyzed. Despite numerous attempts by the researchers, it was not possible to secure an interview with one of the senior employment equity managers from the retail sector.

The interview schedules used for interviews with African staff in the Western Cape (Schedule I) and those who have since relocated (Schedule II) follow respectively below.

Schedule (I)

1. **Please share with me information on the nature of your work and how you currently experience it?**

probe further to get information on:

- *Current rank and position*
- *Description of work done*
- *How job is being experienced in terms of its content*
- *How job is being experienced in terms of relationship with other colleagues (probe more on the impact of their race, gender, political persuasion, rank, etc)*
- *Their access to social and cultural capital in the organisation*
- *Networks of support at work*
- *How does the use of language at work impact on his/her experience at work*
- *How does political issues feature in the workplace*
- *Point of entry into current position (i.e. were they headhunted/recruited) and how this links up to their experience within the organisation & access to networks*
- *Their views on employment equity/affirmative action and their perception of how their company is engaging with it*

2. **What can you share with me on the culture of the company you are presently working in?**

(*Probe further on how the formal culture differs from how the respondent actually experiences it. For example, the company's mission statement could be "We value Diversity" but in practice this may not be the case. Please ask for concrete examples if possible.*)

3. **Are the current recognition (i.e. promotion) and reward systems in your company adequate or not for you?**

Probe if they believe that discriminatory practices in terms of recognition and reward are prevalent in their company. If yes, who are the winners and who are the losers? If these systems are adequate for the respondent, probe, how these systems feature for others in the company (based on race, gender, rank, regional differences)

4. **Where do you see yourself in terms of your career a year from now, 2 years from now and five years later?**

(*Probe here to assess what their perception is of career progression opportunities/the lack thereof.*

5. **Where would you like to see yourself in terms of your career a year from now, 2 years from now and five years later? What do you think about the brand of the company you work for both as an employee and a consumer?**

Probe here on what their career aspirations are.

Probe further if they believe that their career aspirations will/can be met by the organisation they're currently working in.

Probe further by asking what should their current employer be doing to support their career aspirations.

If there is a mismatch between their career aspirations and what the company can offer to meet them, probe where would they be heading off to meet these aspirations **and where** *(i.e. somewhere in the Western Cape or elsewhere).*

6. **I would now like to ask you some questions regarding the progress of Transformation in the company you currently work in. Let's begin first by asking you to share what you mean by transformation. In other words, if they company you work in is transformed, what would it look like for you?**

Probe here to establish is it numerical representivity / culture change / etc. See if you can get the respondent to list in rank order what the elements of transformation should be.

7. **Do the senior leaders who have the most power in your company demonstrated the will to do what needs to be done to achieve transformation?**

Be wary of the regional vs. Head office split here. If HO is in Joburg, probe how does the leadership differ on this aspect in the WC vs. Gauteng.

8. **Do these senior leaders ask a lot of questions about EE and transformation related matters rather than making statements, thereby creating a climate of vibrant dialogue and debate about the brutal facts?**

9. **Have you seen your company's EE plan? If not why is this so? If yes, what do you think about the EE Plan?** *(Present a copy of a blank Occupational levels table from the Department of Labour Report).* **This is a table from the EE report that your company submits to the Department of Labour annually. Can you identify where your post appears on this table?**
10. **Does your company have a transformation/EE forum in place? If yes, how does it provide staff such as you with feedback on progress being made?**
11. **Please share with me in which other companies you worked in prior to occupying a position in this current company?**

Probe further to establish:

- *Where was this organisation (i.e. Western Cape / other region)*
- *Why did they leave previous company*
- *Establish unobtrusively if they have a history of job hopping and why did they job hop (was it because of monetary factors / hostile environment/ poor career prospects / all of the above)*

12. **How has your own race and gender impacted on your work experience and as a Black person working in an organisation based in the Western Cape?**

*You may not have to explicitly ask this question as you may get information from questions above. **Only** ask this question if the respondent does not divulge this information on their own accord.*

13. **You have shared a lot of valuable information with me on your work experience. Can you please tell me more about yourself outside your life at work?**

Probe further to establish:

- *Where they were born, schooled and lived the greater part of their life*
- *Educational background (list qualifications & institutions they were attained from)*
- *Marital status &/ support from a partner*
- *Family information (do they have children and if yes how do they attain work-family life balance; are there family networks of support available to them?)*
- *Community involvement and networks of support*
- *Social networks of support (**Important**: establish if their friends are from the same company they work in / not; are their friendships newly formed in Cape Town / were they established in another province. How did they meet their friends) **Ask them if they would welcome an opportunity to be able to form professional and social networks with other African professionals living and working in the Western Cape.***
- *What language do they use at home compared to what is used at work?*
- *Current residential information (which suburb are they living in? why there? And for how long? Where did they reside previously in the Western Cape? How does it differ from where they are now?)*

14. **What has it been like for you to live and work in the Western Cape?**
15. **Is there anything else that you would like to share with me?**

Schedule II

1. **Tell me more about your work and personal circumstances before you left for the Western Cape.**

   - *Where were you working and what position did you occupy?*
   - *Why did you leave this job to relocate?*
   - *Why were you attracted to the position in Cape Town/*
   - *Where you headhunted/promoted/transferred/apply for the post in CT?*
   - *What were your social and business networks and forms of support like before you left for CT?*

2. **Please share with me in which other companies you worked in prior to occupying a position in the WC based company.**

- o *Establish unobtrusively if they have a history of job hopping and why did they job hop(was it because of monetary factors / a hostile work environment / poor career prospects / all of the above)*
- o

3. **Let's now talk about what your experiences were like in Cape Town. What were your experiences like from a social and business point of view?**

   - o *What was the relocation experience like?*
   - o *Where did you end up finding a place of your own to live?*
   - o *What was the induction period like for you?*
   - o *What was the organizational culture like?*
   - o *What made it different to what you may have experienced in Joburg?*
   - o *How was the job that you did the same or different to the one you held in Joburg?*
   - o *What were your networks of support like at work in CT?*
   - o *How do other Black work colleagues in CT differ from those you worked with in Joburg?*
   - o *How did political issues feature in the workplace in CT?*
   - o *What was transformation like in CT? Is it any different than in Joburg?*
   - o *What progress did the CT Company you worked in make in terms of EE?*
   - o *What are your views on EE?*
   - o *What were your social networks of support like in Cape Town?*
   - o *What was it like for you as an African person to live and work in Cape Town?*
   - o

4. **Were you happy with the reward and recognition systems while you worked in Cape Town?**

5. **When you were in Cape Town where did you see yourself in terms of your career both in the short and long term?**

6. **You shared a lot of valuable information with me on your work experience. Can you please tell me more about yourself outside your life at work?**

   - o *Where were you born, schooled and where did you live for the greater part of your life?*
   - o *What is your educational background*

- *Tell me about your marital status and about support from a partner/family/other*
- *Tell me about your family life (children, how work-family balance is attained; family networks of support, etc.)*
- *Tell me more about your life in your community? (involvement and networks of support available from community life)*

7. **Is there anything else that you would like to share with me?**

Appendix Four: Report on Facilitation Session

Date: 20th March 2009 10h30-13h30
Venue: Woolworths Cape Town CBD
Facilitator: D Aiken PhD; D Prof

Brief: to facilitate discussion of the findings in the Summary Paper towards the development of possible strategies at company level, as well as in partnership with other stakeholders, in the attraction and retention of African professionals to the Western Cape.

Background
In addressing the brief, the facilitation design took into account four key elements.

The quantitative findings. Conclusions based on statistical evidence were given as follows: in all three sectors there should be serious concerns about investment in equitable human resources for continuing transformation; the continuing "whitening" of companies is evident across all three sectors; in the three sectors transformation is at best stalled, and perhaps in reverse.

The qualitative experience of current employees based in the Western Cape. Dominant themes in the sphere of work were cited: stereotypes regarding African people in the Western Cape; opportunities provided at work for wider social networking; perceptions on career progression, recognition and reward and its implications for retention; political discourse in the workplace; the use of language as an exclusionary mechanism.

Perspectives on what transformation in the workplace should look like, and perceptions and experiences on how transformation is being implemented in the workplace; race identity, race relations and the quality of life in the Western Cape (a significant theme outside the sphere of work)

The role-players: the sectors, roles and research experience in their respective organizations of those attending the facilitation session and in the broader field of change management, transformation and resistance to change.

Facilitation objectives
Guided by these four elements above, the approach adopted was to offer two perspectives to address their scope:
- The behavioural components that underpin sustained organisational culture transformation in line with EE mandates – addressing qualitative issues.
- A systemic framework with which to diagnose and 'map' current realities, and to then plot strategies for both micro (within companies and their specific contexts) and macro (regional context) implementation – enabling quantitative measurable data.

Behavioural competencies

- Existing current research on transformative initiatives and their outcomes in organisations in the Western Cape report similar findings (e.g. University of Cape Town, iNCUDISA Sanpad Research Project) as well as experience with colleagues in research and practical engagement in organisations, working with transformation initiatives (country-wide and particularly in the Western Cape).

- Conclusions in the Overview Report - as well as those of the iNCUDISA research - reflect the limited success of employment equity legislation, employment equity forums and transformation forums, as well as organisational leadership to effect equitable employment practices. These research findings suggest that developing a potentially successful strategy depends on conditions being present in the organisations and for the role-players responsible for effective change. The nature of these conditions is currently the pioneering work of researchers and practitioners working in the field of organisational change and sustainable transformation.

A critical condition emerges as the knowledge base that informs such role-players and change agents. In academic terms, this knowledge base is dependent on a theoretical understanding of identity construction in the context of socio-political and economic factors that have prevailed in particular environments. Such insight is a key enabling factor to the two aspects on which organisational culture depends – consistent policies and practices in support of their strategic intentions, and the behavioural competencies on which successful implementation depends. Such a knowledge base provides an understanding of past conditions (determining the perceived realities and internalised perceptions of diverse groups) and which continue to prevail as current reality. The reasoning is that unless we understand the conditions that have led to different lived experiences and therefore of perceptions of one group relative to another, an adequate platform on which to build realistic change strategies is unlikely.

With reference to elements that informed the design of the facilitation session, the role-payers and participants have yet to decide upon a unifying and consistent theory of behavioural competencies - a knowledge base – to support strategies of attraction and retention of African professionals to the Western Cape. Such a unifying vision based on solid theoretical principles and supported by best practice models would be a first requirement in support of change agents in specific company contexts and stakeholders in the broader Western Cape environment.

Hence, regarding behavioural components, the choice was to introduce participants to principles of good diversity management which ensure equality of respect for difference and equality of participation in one-on-one and in group meetings – in this case the model chosen was the "Thinking Environment" process.

Further, participants were introduced to a theoretical understanding of current identity construction across different groups in South Africa with reference to a video. The video (based on an experience of discrimination in a third grade classroom in America) demonstrates three interlocking components that embed an ideology of superiority as the lived experience of all groups, when that ideology of superiority formally becomes enshrined in governance at every level of institutional life.

Understanding behavioural components that endure from past embedded experiences in different groups in itself is necessary but not sufficient. Repositioning conditions for requisite behavioural components needs a consistently-applied systemic framework within which mandates and policies can come to life in a way that is experienced by all groups as balanced, effective and efficient, and in the best interests of individuals and the organisations they serve.

Systemic framework

The model of such a framework presented at this facilitation session was that of Integral Leadership: as the diagram below suggests, the framework brings into focus four key area of operation in any situation:

- the inner landscape, values and beliefs of individuals (Upper Left),
- the manifest way in which individuals show up in their actions and behaviours Upper Right),
- the inner landscape of communities or organisational cultures (values, intentions – Lower Left), and
- the manifest expression of these in concrete reality – architecture, technology, policies, practices, profits etc (Lower Right).
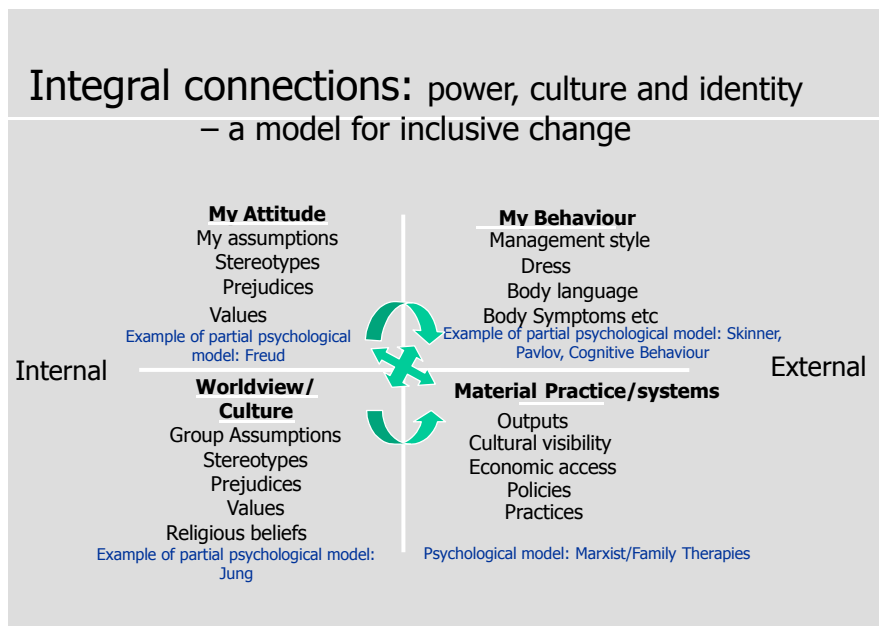
These four quadrants provide a coherent framework for mapping and diagnosing consistencies and incongruence at every level within organisational structures. Each quadrant is valid – but partial. Typically organisational cultural audits and research data do not identify and sort specifically the key areas (in this model, the quadrants) in which findings arise. Incongruence between what espoused values and values in use will cause 'noise' in the system. Integral theory maintains that an essential step in creating solutions to existing problems is to locate the particular domains in which the problems manifest. Failure to do so may lead to 'one-size –fits-

all' solutions, and to reductionist solutions that are correct but partial in their emphasis on one approach (one quadrant – e.g., team-building, cultural diversity awareness which emphasise only Lower Left development) rather than an integral approach which targets all four quadrants in strategies that are contextually relevant.

Facilitation Outcomes

The participants worked in pairs to raise ideas on opportunities for leveraging positive change in the attraction and retention of African professionals to the Western Cape. Suggestions for leverage from participants were as follows:

- Cape Town is a wonderful environment and already has a fantastic marketing machine (e.g. tourism) to attract professionals to the Western Cape
- Aim at developing local talent among African people – Western Cape residents
- Cross-business mentoring of talent (in the petroleum industry)
- Meet regularly as a BUSA group to share experiences
- Ensure research is tangible to provide irrefutable evidence
- Realistic remuneration issues currently in Western Cape – engage with Deloitte & Touché on two fronts re best practice
- Build on social and cultural inclusions through church, schools, sport, community networks
- Engage with perceptions in communities of exclusivity – e.g. the perceived rights of citizens of Langa over those in Khayelitsha to jobs
- Engage with leaders – those responsible for and empowered to influence policy and practices
- Ensure adequate development and training of EE and Transformation fora in respect of change management, resistance to change, EE policy and mandates.
- Engage with leaders to link and empower EE and Transformation fora with regard to business strategy and objectives.
- The DG reviews conducted by the Department of Labour were instrumental in getting the senior leaderships engagement with EE matters, and these reviews should therefore continue.

Conclusions and recommendations

This facilitation session was essentially a high-level meeting – considerably more time is required to enable the participants to get beyond what is known, both experientially and via the research report which provided the context of this meeting, to develop strategies that address the problem issues identified in the research report that currently impede the attraction and retention of economically active African people to the Western Cape.

To create success steps arising from the suggestions for leverage offered by the participants, a unifying vision is recommended. The vision should be based on reputable research on the theoretical underpinnings that provide insight into the ontogenesis of the problem area as well as the basis for a way forward in engaging with the behavioural components that initiate and sustain the desired changes. The vision should be the unifying perspective and approach for all change agents involved in this project to ensure consistency in micro and macro contexts.

Further, a unifying and consistent systemic framework is recommended for all change agents in this project to engage with both behavioural components and existing policies and mandates aimed at equitable employment of economically active African people in organisation in the Western Cape.

A final recommendation is, given that the stakeholders and role-players in this project have a unifying vision and framework, a pilot programme in a limited context is initiated to actively experiment with what is working/not working.