

Change, Organisational Development And Culture: Human Resource Management's Role In A Future South Africa

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Change is a challenge facing managers now and in the future. Manager's decisions in organisations can affect people's lives. Culture diversity is a reality in all organisations. Unicultural groups are no longer the norm in workplaces. A "world culture" is now evolving. Traditional hierarchical structures, activities, etc in organisations, are being questioned by stakeholders. Leaders and change agents' tasks are to maintain stability and at the same time provide creative adaptation to changes in technology, culture, etc of organisations. Empirical research was undertaken in 2002 and 207 useable responses were received from registered personnel practitioners in South Africa. The results, amongst others, revealed the culture and change aspects in organisations of the current position, 2002, and what would be required in 2010. It can be concluded that culture plays an important role globally to manage organisations. It is dependent on how change and organisation development is approached and managed.

Field of study: Management and HR Management

1. Introduction

Fundamental changes are taking place in organisations by demand. The global pressure on organisations to stay competitive initiates this demand. On the one hand suppliers are demanding quality and cost effective products and on the other hand competitors are demanding level playing fields across cultures, globally. Organisational culture, cultural changes and organisational development across international boundaries have obliged a rethink of the shape and the nature of organisations. The multiple stakeholders are questioning the traditional hierarchical structures and demarcations of activities, functions, responsibilities, authority and effectiveness of organisations. To accommodate these multiple stakeholders' needs and interests, changes are then implemented.

Human nature such as culture, habits, tradition and frames of reference are factors to bear in mind before any organisation can implement any change and also with organisational development. Lombard (1998) is of the opinion that change in an organisational sense is associated with the restructures of organisations, needing to respond to changes in their environments, missions, strategies, culture and technology.

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Cultural diversity in workplaces in South Africa is a reality. Care should be taken to design non-threatening participative implementation process in a gradual manner. These include changing the culture of an organisation. Management must have the support of the employees, their understanding, participation and the changes must be done step-by-step and congruent with the existing culture, in order to maintain stability. Changes must be implemented with the utmost care and sensitivity not to demoralise its loyal employees (Swanepoel, 2003). According to Jackson (2002) managers who were educated in the Western tradition will implement Western human resource practices in cultures, which have a different concept of people and a different regard for people in organisations. He states further that incompatibilities will be manifested in lack of motivation and alienation, which will lead to low productivity and labour strife.

There is a growing interest in the relationship between indigenous and foreign cultures in the practice and development of management and organisational change in the transitional economies of the former Soviet block, China, and in the so-called developing countries of South Asia, Africa and Latin America according to Jackson (2002). In this article, the different practices in some of these countries will be referred to. The empirical research reported on in this article sought to discover informed industry direction from human resources practitioners as to what the profile of the human resources practitioner ought to be in 2010. Also what organisations should do in this regard to be sensitive to change, organisational development and culture diversity and its effects. The theoretical background to this study is first discussed in the next section.

2. Theoretical Background

The difference between successful organisations and those who fail is their ability to adapt and respond to the pace of change. Stone (2005) is of the opinion that HR managers are increasingly taking on the role of change agent. They want to make things happen such as the introduction of new policies and procedures, new practises, to change the culture of the workplace and to make the organisation more responsive, flexible and competitive.

The introduction of changed or new business and HR strategies requires careful implementation and the change agent should be very sensitive for cultural diversity. The importance of cultural diversity should not be minimised, since an organisation's culture, as a system of shared values and beliefs, leads people, decision-making process and procedures and control systems to interact so as to produce behavioural norms (Nel et al, 2004). Culture as well as cultural diversity has an impact on every aspect of life, from the way people behave toward one another to their natural environment. Cultural diversity in an organisation should be recognised and in modern organisations it cannot be over-emphasised.

Therefore it can be said that culture is the communicable knowledge for humans to cope within a particular environment that is passed on for future generations. Nel et al (2004) support this statement and state that the congruence between culture, strategy and managerial style is important because it facilitates organisational efficiency. Twenty years ago Beckhard and Harris (1987) said that the world in which organisations exist, and will be operating in future, is continuously in change: change

in relationships among nations, institutions, business partners and organisations; change in the makeup of the “haves” and the “have nots”; change in dominant values and norms governing societies; change in the character and culture of business or wealth-producing organisations; change in how work is done and change in priorities. The core dilemma for leaders and managers is how to maintain stability and at the same time provide creative adaptation to outside forces, change assumptions, technology, working methods, roles, relationships and the culture of the organisation. Today, these changes are still taking place and there are still more changes to come in the future.

Concepts of people in organisations, an understanding of the way people are and are seen and how they see themselves in an organisation are fundamental to effective change management of different cultures. Different cultures have different values and approaches towards humanity (Jackson, 2002). Kitaura (1996) reported several years ago already, on the ageing population in *Japan*, and the subsequent altering of industrial structure. Change in organisational behaviour and culture had to be done in stages and evaluated at each stage throughout the employees' working lives. An even stronger opinion is from Batra (1996) in support of human resources and the importance of its contribution towards the profitability of the organisations in *India*.

It is reported by Mellahi (2001) in his study, that the importance of cross-cultural management is diminishing and he suggests that the world is moving towards a single global management culture that is basically Western. In his five-culture study it provided the necessary cultural diversity needed to be able to put them into two groups. The first is the two Western cultures of *France* and the *UK* and the second group is the *Indian*, *Arab*, and *African* cultures. The first group share several commonalities such as autonomy, ambitious and individual financial security, achievement and individual initiative. In the second group's Arab countries, the Islamic religion's philosophical and spiritual beliefs and traditions shape management values. The African members of the group's cultures are collectivists in orientation where the managers put emphasis on interpersonal relations more than individual achievements. Tolerance and forgiveness are two other characteristics of them.

Singapore is no exception in the world when it comes to changes in human resources management and the development thereof, in the opinion of Chew and Goh (1997). According to them Singapore has a tight labour market and therefore a greater need to manage HR not only on operational efficiency but also for strategic effectiveness. Change in an organisation must be managed. Too much change can lead to chaos and too little to stagnation. Change must be constructive and not disruptive. There are two forms of change: Planned change – where change results from a deliberate decision to alter the organisation and unplanned change – where alterations may occur as a result of imposed conditions. Change is often resisted because it is perceived as leading to loss.

3. Problem Statement

In a future South Africa, the anticipated changes in the business environment are of great concern for managers and business owners. The role of human resource departments in organisational development and the management of cultural

changes, to stay globally competitive, are the reasons for undertaking this empirical research. Some solutions are identified and presented in this article.

4. Goal And Objectives Of Research

Empirical research undertaken in South Africa (2002) to identify possible answers and solutions to the future changes in businesses is the main objective of this research. For South African businesses, managers and human resources practitioners it is vital to know about all these future changes to keep and remain globally competitive. Strategic planning is the other area in which they must excel to be one step ahead of their competitors.

5. Methodology

In 1994 a questionnaire was jointly compiled in New Zealand and Australia and used for a survey to identify the future role and quality of human resources in those countries for the year 2000 for use by the Human Resource Institute of New Zealand (IPMNZ, 1994). The same questionnaire was modified and refined and used again in 2000 to determine a future perspective on human resources in 2010 in New Zealand.

The same questionnaire was used with permission after minor modifications for an identical survey in South Africa in 2002. It meant that one section concerning human resources information systems of the questionnaire was not used in an attempt to shorten it to increase the response rate in South Africa. The topics covered in the questionnaire included human resource goals, roles and activities, human resources staffing and implications of changes in the business environment. The final section of the questionnaire sought to obtain demographic information from respondents. The survey was executed in the last quarter of 2002. Various sections of the questionnaire were used to compile the results on change, organisation development, culture and strategies based on the responses with regard to the view of HR practitioners.

6. Results

The completed questionnaires received from respondents were subjected to verification for accuracy before responses were collated and treated statistically using the SPSS program. The statistical analysis was used to obtain responses in terms of the various questions vis-a-vis organisation size, occupation of respondent and so on. Furthermore a comparison of response of the respondents for 2002 and 2010 was also recorded.

Results were recorded to reflect the percentage of all respondents selecting a particular alternative for a particular organisation size or occupation in a particular occupation. Note must be taken that due to the extensive research that was done, not all the results could be discussed in this article and only the aforementioned possibilities are given. The responses were compared in terms of the 2002 result and the envisaged importance in 2010.

Table 1
Profile Of The Respondents By Profession

Profession	South African profile
Human Resources (officer to director of HR)	67.99%
Business (line managers to CEO)	11.43%
Consultants	9.14%
Academic (all tertiary educational institutions)	7.44%
Other	4.00%
TOTAL	100%

The profile of the respondents is spread over a wide spectrum and each respondent has some relation to HR and qualifies to give his/her view as per the questionnaire questions. The fact that almost 68% of the respondents are human resource practitioners makes their opinions for the future role of human resources very reliable and valuable.

Table 2:
Profile Of Respondents By Organisation Size

Number of employees in organisation	South African profile
Fewer than 10	2.5%
10 – 49	6.2%
50 – 99	8.1%
100 – 499	15.7%
500 or more	67.5%
TOTAL	100%

More than two thirds of the respondents are from larger organisations (500 or more employees). The importance of this information is that most large companies in South Africa have a human resource department. More than two thirds of the respondents in this study are therefore human resource practitioners who make their responses very valuable and useable to predict their future role in any changes in organisations.

7. Analysis of the Results

For the purpose of this article, the results are presented in terms of the selected categories. The responses received were 207 (n=207). The selection criteria were the respondents in the 4 & 5 group, in other words, *satisfied* and *very satisfied* for 2002 and the *priority* and *top priority*, also the 4 & 5 group, for 2010. The **other categories** will be ignored for the purpose of this article. More than two thirds of the respondents are from larger organisations (500 or more employees). The importance of this information is that most large companies in South Africa have a human resource department. More than two thirds of the respondents in this study are therefore human resource practitioners that make their responses very valuable and useable to predict their future role in any changes in organisations.

The changes anticipated by the respondents for 2010 as opposed to the current situation in 2002, is reflected in this article. The results reflect the responsibility for human resources to be shared by the human resources function and line management with regard to specific responsibility for **strategy, culture change and organisational development** in an organisation. Strategic management has now developed to such an extent that its primary value is to help the organisation operate successfully in a dynamic environment. Therefore, the results also reflect the respondents' views on who is mainly responsible for business strategies in the organisation. **Communication, ethics and integrity**, and **external relations** are the other important areas the results reflect below. See Fig. 1.

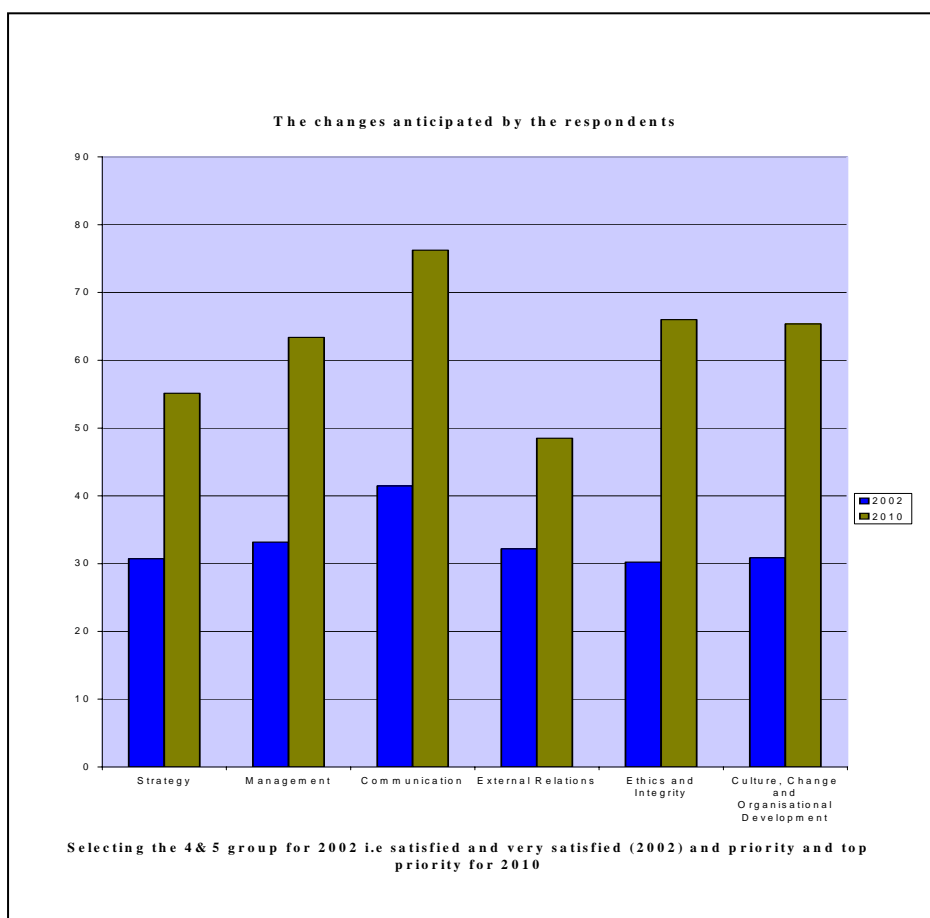


Figure 1: The responses of the respondents showing the anticipated changes from 2002 to 2010 for the different categories

7.1 Human resource strategies must be consistent with business strategies

An organisation should have a strategy that can be sub-divided into sub-strategies for the different departments or functions such as production, finance and human resources. Globally, management tend to neglect human resources as a sub-strategy. It should be included in all strategic planning. There is a shift towards this view in South Africa by management recently, to integrate all resources and forces into appropriate strategy. Obviously synergy is obtained when resources have been combined and coordinated effectively to add extra benefit and value to the organisation. The respondents support this statement when the question was asked if *human resource strategies must be consistent with business strategies*. Almost a third (30.73%) of the respondents regarded it as important in 2002 with an enormous increase of more than 24% (24.39%) in 2010 to 55.12%. It can further be deduced that human resource practitioners want more consistency with the business strategies. It can therefore be said that the consistency of human resource strategies is important for the success of an organisation. Top management has a difficult time organising the varied activities, as mentioned above, such as finance, marketing and so forth.

7.2 Cultural change, change management and organisational development

After the political changes that have taken place in South Africa in 1994, some new labour legislation was promulgated since 1995. It is also important to point out that the said changes had an immeasurable influence and effect on employers and employees. Organisational changes had to take place. Reengineering was done in most organisations to implement the changes in labour legislation, which lead, amongst others, to cultural changes. In terms of issues relating to the design and implementation of ***cultural change, change management and organisational development***, 30.88% of the respondents regarded it as important in 2002 and 65.35% in 2010. This is more than double in 8 years and it can be deduced that with the implementation of certain labour legislation in South Africa the respondents anticipated these tremendous changes.

7.3 External relations

With regard to ***external relations***, that is the actively promoting of positive relations between an organisation and external constituencies (for example customers, trade unions, communities, educational institutions and so on) there were an increase of 16.31% from 2002 to 2010 (32.20% to 48.51%). Trade unions are very active in South Africa and normally have a very militant and aggressive approach when negotiating for any changes. Stone (2005) is of the opinion that unions are primarily instruments of protest with their power base built on anger and frustration. He places the responsibility directly on the doorstep of the HR and line managers to identify and treat the causes of employee dissatisfaction. He warns them further not to ignore this because they will then actually foster the growth of unions in their organisations.

Another very important ***external relationship*** is with suppliers. One of the roles of the manager is to ensure a reliable supply of input resources. Changes in the nature,

numbers, types of any supplier result in forces that produce opportunities and threats to which the manager must respond if the organisation is to prosper (Jones and George, 2003). An organisation's success depends on its response to customers. The authors' view on this is that the manager must be able and capable to identify the organisation's main customers and to produce the goods and services they want, to achieve the organisational goals. One of the most threatening forces that management must deal with is rivalry between competitors. It can result in price competition and falling prices that reduce access to resources and lower profits. This may result in downsizing, according to Jones and George (2003). It is therefore deduced that the external relations will have a higher influence on change and the culture of an organisation in the future and supports the respondent's responses.

7.4 Ethics and integrity

Another major influence in the culture of the business and organisational development is **ethics and integrity**. Ethics are moral principles or beliefs about what is right or wrong, according to Jones and George (2003). These beliefs guide individuals in their dealings with other individuals and stakeholders and provide a basis for deciding whether behaviour is right and proper. It also helps people to determine moral responses to situations. Ethics guide managers in their decisions about what to do in various situations and to respond in the best interests of the stakeholders. It can be described as to ensure that the organisation adheres to high standards of ethics and integrity in all human resources related matters with all constituencies throughout cultural and organisational changes. It is anticipated by the respondents to increase by 35.77% from 2002 (30.24% - 2002 to 66.01% - 2010). It is deduced, therefore that the managers in South African organisations have to improve their management style regarding their decisions so that they always act in the best interest of the stakeholders and the organisation.

7.5 Effective communication

Effective communication in an organisation was one of the most discussed issues previously. In this research it is clear from the respondents that **effective communication** will ensure that employees understand the future business directions, the vision, the goals and objectives, the future challenges and strategic planning and the influence that well informed employees' positive attitudes can have on business issues. This statement is supported by the response of the respondents in that 76.24% regarded **effective communication** important in 2010 against only 41.46% currently (2002). An enormous increase of 34.78% proves once again the importance of effective communication in an organisation. Jones and George (2003) refer to two phases of communication ie the transmission phase (information is shared between two or more individuals) and the feedback phase, where a common understanding is assured. They also warn against *ineffective* communication because the organisation's performance will suffer and any competitive advantage is most likely to be lost. It can also lead to serious accidents or loss of a life. They conclude by saying that effective communication is so important that managers must ensure that their subordinates are effective communicators and then the organisation is most likely to perform highly and gain competitive advantage.

7.6 The importance of managements' role

Change occurs because new realities in the organisation replace old ones. Successful change requires unfreezing the status quo, a movement to a new state or structure and re-freezing the new change to make it permanent. The commitment of top management for and during changing is crucial. Change has to be managed because employees can perceive it as a threat to their self-interest on the one hand and on the other it can be beneficial such as a salary increase. Harigopal (2001) supports this but goes a step further by reminding management that change is all about people and their behaviour and not just about restructuring tasks and systems. Managers must shape the human behaviour as well. Managers are central figures in organisational change. As change agents they have a proactive role in anticipating and shaping the environment for change. In the research done, the respondents supported this important role of managers as change agents in implementing human resource programmes for cultural changes, organisational changes and organisational development. An enormous increase in the **importance of management's role** of 30% is anticipated by the respondents to 2010 (33.17% in 2002 to 63.37% in 2010). The sustaining of the momentum of the change effort to ensure completion of the change requires maintaining the energy and the interest of employees. Management will have to provide support, competency development, reinforcing the desired behaviours and providing emotional security to help the employees cope with the changes according to Harigopal (2001). It is deduced that the above mentioned activities required from managers can be the reasons why the respondents regarded **managements' role** as so important resulting in a 30% increase in 8 years.

8. Conclusions and Management Implications

It is concluded that the results support the fact that cultural change, managers' role in changes, strategic planning and change in organisations is of great concern to management. Management and their roles will undoubtedly change from 2002 to 2010 and the manager of 2010 will have to be able to cope with all these changes. It is not just the role and responsibilities of human resources managers that will change in the future but also the traditional roles of managers. They will have to be the change agents and leaders with implementing all the programmes and practices for these changes. With the political changes that have taken place in South Africa recently, managers will have to be sensitive in communicating and negotiating changes with trade unions to avoid labour unrest and demoralised union members. They will have to keep these trade unions and all other stakeholders informed and ensure to promote their external relationships to have a positive workforce.

There is a drive for achieving a win-win ideal with a surge in coaching, mentoring, leadership development as well as personal development, which can include organisational development. Culture, change and organisational development involve guiding, direction, influencing and then initiating of the action. The leader/manager/change agent must have vision and judgement to have these changes smoothly implemented. South Africa has a diverse workforce coming from, not only overseas countries or from neighbouring countries such as Botswana,

Zimbabwe, Mozambique and others but the local employees are from different tribes and clans. South African organisations employ thousands of these citizens from neighbouring states. With the eleven official languages in the country, it becomes a very difficult task for any manager to accommodate all cultures. The 2010 manager, therefore, will have to be ultra sensitive to each and every culture.

Leadership is the key to create and sustain a successful organisation in the twenty first century, according to Kotter (1996). He foresees a new employee that will have to know more about both leadership and management than did their previous decade's counterparts. Nel et al (2004) support this view, but include more than just leadership for a successful business by saying that the congruence between culture, strategy and managerial style is important because it facilitates organisational efficiency. In summary it can be said that poor leadership leads to failed businesses, job losses, customers and financial interests that are hurt and careers derailed. In particular, cultural diversity must be recognised as an important form of diversity. The challenges posed by diversity and change demand human resource managers intervene proactively by recognising the nature of these two forces and implementing the necessary strategies to channel them in a positive direction.

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