AN INVESTIGATION INTO THE IMPACT OF TRAINING AND LEADERSHIP PROGRAMMES ON EMPLOYEE EMPOWERMENT

By

M. RAMJEE

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Promoter: Prof. D. M. Berry

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DECLARATION

I, Meelan Ramjee, hereby declare that:

- The work in this research paper is my own original work.

- All sources used or referred to have been documented and recognised.

- This research paper has not been previously submitted in full or partial fulfilment of the requirements of an equivalent or higher qualification at another recognised educational institution.

Signed: _______________________________

Date: ________________________________
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ABSTRACT

The South African banking industry is currently facing increasing macro- and micro- environmental pressures which had led banks to move towards customer-oriented strategies. This has influenced the way their systems and processes are developed and innovated to provide a satisfactory service to their clients. It appears that service quality has been the differentiating factor that has set the competitors apart in providing their customers with a unique customer experience through client relationships and interaction. As a consequence, banks have resorted to implementing various training and leadership interventions as a driver, to effectively empower their employees to improve service quality.

The aim of this research study was to identify the impact that training and leadership programmes implemented by a particular branch of Standard Bank South Africa (SBSA) had on employee empowerment. This was achieved through a comprehensive literature review and an empirical study to measure whether employees had perceived themselves to be empowered.

The results from this study will be used by the Human Resource Division of SBSA to evaluate and implement effective training methods for the employees of the selected branch in order to improve employee empowerment. This would serve as a great benefit for the bank as employees that are satisfied with the work are generally more productive, hence producing increased revenue for the organisation.

An empirical study was embarked on to measure the respondents’ perception of being empowered and involved a survey of eighty-three employees of the retail branch in the Sandton, Johannesburg area. Forty-three of the employees responded to the anonymous questionnaire and the data obtained was analysed and interpreted into meaningful results.

The results of the survey indicated that the majority of the employees at the selected branch perceived themselves to be empowered and it was concluded that the implementation of the training and leadership programmes by SBSA had a positive impact on them.

The following recommendations were made:

- Firstly, to increase training and development, in the form of leadership courses, inter-departmental learning and on-the-job training sessions to develop the employees to their full potential;
- Secondly, management needs to encourage employees to participate in discussion forums and staff meetings and involve them in decision-making thus improving the perceived lack of a free-flow of information and transparency within the workplace;
- Thirdly, team leaders and supervisors should encourage support and coaching of the junior employees by giving them constructive on-going
feedback, supporting their ideas, delegating tasks, and giving them direction on the way forward;

- Fourthly, a review of the reward and recognition system would be advisable where employees are rewarded (financially or non-financially) for a job or task well done, or to promote certain behaviours and attitudes in the workplace; and

- Finally, it was recommended that the employees be informed and educated on the benefits, associated for both the employees and the organisation, of the Scheme in order to increase their commitment and performance.

The empowerment of employees in the organisation is important as it involves employees who take responsibility for their decisions and actions because they are primarily the ones who solve the problems in their own teams. Empowerment in organisations can thus lead to less absenteeism, lower employee turnover, less employee training costs, increased employee satisfaction and more productive employees.
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CHAPTER ONE

INTRODUCTION AND PLAN OF THE STUDY

1.1 INTRODUCTION
The nature, scope and organisation of this study are discussed under the following headings: background; definition of key concepts; delimitation of the research; significance of the research; research methodology; key assumptions; and the scope and structure of the study.

1.2 BACKGROUND
The South African banking industry is strictly governed and regulated and much effort is made for it to compete or keep up to global and international standards. Metri (2000:34) states that banks currently face intense global, dynamic and fast-paced competition which leads them to rethink the nature of their role in the society, in light of the formidable regulatory and technological changes. Metri (2000:34) suggests that these changes affect the way services are provided, the channels used to deliver those services and the very nature of financial services providers.

An important aspect is the maintenance of client’s services within this highly competitive industry. Reidenbach and Pitts (1986:5) argue that the amount of time, effort, and dollars spent in developing a market for a bank’s product and service offering is proportional to the amount of market share the bank enjoys. They further argue that the better the bank can satisfy the financial needs of its target markets, the greater will be its ability to withstand competitive onslaught from those who would enter its market.

An increasingly innovative and aggressive financial services environment, together with deregulation, has created more competition and a seemingly endless variety of products (International Journal of Bank Marketing, 1996:25). It is suggested that these forces of change have led to banks moving towards customer-oriented strategies. The consequence of this is that the quality of service becomes the fundamental factor which differentiates one organisation from another and would determine whether or not it will survive.
Cocheo, Harris and Kirk (February 2003:40) have responded to the question, “How do community banks make sure they are keeping customers happy?” by deducing that should the customers be happy or satisfied that it would reflect positively on the bank’s earning statement. Further investigation revealed that one in four banks do nothing to check the service quality levels and a third of those institutions take any steps to measure quality.

1.3 PROBLEM STATEMENT

Banks have resorted to empowering their employees through leadership initiative models as a driver to improve service quality due to the increased competition in the banking environment. There seems to be a correlation between employee satisfaction and customer satisfaction where the idea that behind every satisfied customer there is a satisfied employee. Banks would need to understand the following important concepts:

- What is employee satisfaction?;
- What is employee empowerment?; and
- How can leadership programmes be implemented to enhance employee satisfaction and inevitably empower themselves?

This leads to the main problem of this study, which is, what is the impact that training and leadership programmes have on employee empowerment?

1.3.1 Sub-problems

In order to develop a systematic research strategy, a number of sub-problems were identified to enable the researcher to establish an appropriate solution to the main problem. The following sub-problems have been identified:

- Sub-problem one
  What initiatives regarding leadership programmes are revealed in the relevant literature that will assist an organisation in effectively empowering employees?;
• **Sub-problem two**
Do the employees, at the selected financial institution, perceive themselves to be empowered?; and

• **Sub-problem three**
How can the results obtained from the resolution of the sub-problems one and two (above) be combined in identifying ways and means to effectively empower the financial institution’s employees?

### 1.4 DEFINITION OF KEY CONCEPTS
In the context of the study, certain key concepts that relate to the main problem statement will be defined.

#### 1.4.1 Bank or financial institution
The first concept that needs defining is the bank or financial institution. Hawkins (1999:34) defines a bank as a business that looks after people’s money.

Hawkins (1999:232) further defines a financial institution bank as an establishment for the custody of money, which it pays out on a customer’s order.

For the purpose of this study, a bank or financial institution is defined as an institution or establishment that provides financial products and services to a targeted group of consumers.

#### 1.4.2 Empowerment
Robbins (1998:381) suggests that empowering a leaders’ role is to show trust, provide vision, remove performance-blocking barriers, offer encouragement, motivate, and coach employees. He further argues that the problem with current empowerment strategies is they ignore the extent to which leadership can be shared and the conditions facilitating the success of shared leadership.
Darling (1996:2) suggests that empowerment is the transfer of decision making and responsibility to those individuals who have the knowledge and ability to make decisions. This implies trust in other people’s and in one’s own abilities.

Schultz, Bagraim, Potgieter, Viedge and Werner (2003:147) suggest that the definition of empowerment contains the following elements:

- Authority that is delegated from those who have positional power;
- To the lowest possible level within the organisation or society;
- To increase accountability among the lower levels;
- To develop problem-solving capabilities in the people at these levels;
- To assist people in taking charge of their own destinies;
- To help all these people to achieve their full potential; and
- To have the positive impacts of empowerment spill over into the entire lives of these people.

For the purpose of this study, empowerment is defined as a form of employee involvement, designed by management and intended to generate commitment and enhance employee contributions to the organisation (Schultz et al. 2003:148).

1.4.3 Leadership
Kreitner, Kinicki and Buelens (1999:472) define leadership as a social influence process through which the leader seeks the voluntary participation of subordinates in an effort to reach organisational goals.

Schultz et al. (2003:186) define leadership as the social process of influencing people to work voluntarily, enthusiastically and persistently towards a purposeful group or organisational goal.
The University of Michigan (2005) has quoted various academics on the definition of leadership. They are as follows:

Peter Drucker: “The only definition of a leader is someone who has followers”;

John Maxwell: “Leadership is influence – nothing more”;

Warren Bennis: “Leadership is a function of knowing yourself; having vision that is well-communicated; building trust among colleagues and taking effective action to realise your own leadership potential”; and

John Gardener: “Leadership is a process of persuasion and example by which an individual induces a group to take action that is in accord with the leader’s purpose, or the shared purpose of all.”

For the purpose of this study, leadership is defined as the ability to influence a group toward the achievement of goals (Robbins, 1998:347).

1.4.4 Job and employee satisfaction

Bavendam (2000:1) refers to Porter and Lawler who define job satisfaction as a unidimensional construct, in other words, an employee is generally either satisfied or dissatisfied with their job. Bavendam’s research journal (2000:1) further cites Smith, Kendall, and Hulin who define job satisfaction as multidimensional; in other words, an employee may be more or less satisfied with their job, their supervisor, their pay, their workplace, and so on.

As there is a great need for high job satisfaction in the organisation there should be at least four reasons of concern by managers (Robbins, 1998:160):

- Dissatisfied workers are more likely to engage in destructive behaviour;

- There is clear evidence that dissatisfied employees result in higher staff turnover and that these employees are more likely to resign;
It has been demonstrated that satisfied employees have better health and live longer; and

Satisfaction on the job carries over to the employee’s life outside the job.

The goal of high job satisfaction for employees can be defended in terms of rand value, productivity and the organisation’s social responsibility.

Rootman (2006:88) refers to the research concluded by Mullins (1996), which suggests that an employee’s degree of job satisfaction depends on a range of variables relating to individual, social, cultural, organisational and environmental factors. The individual factors that may influence an employee’s job satisfaction include the employee’s personality, level of education, intelligence, age and marital status. Social factors include the employee’s relationships with co-workers, group working and norms. Cultural factors refer to the underlying attitudes, beliefs and values of the employee. Economic, social, technical and governmental influences are the environmental factors that determine the employee’s job satisfaction.

For the purpose of this study, an employee with a high level of job satisfaction holds positive attitudes to his or her job, while an employee who is dissatisfied holds negative attitudes to his or her job (Rootman, 2006:87).

1.5 DELIMITATION OF RESEARCH
The delimitation of the research is important as it sets a perimeter around the context of the study and allows the researcher to conduct the investigation freely within this. This study is limited to a selected financial institution.

1.5.1 Geographical demarcation
The selected financial institution, namely Standard Bank South Africa (SBSA), is a national organisation. This study will, however, be limited to a particular branch in the Sandton, Johannesburg area.

1.5.2 Type of industry
This study focuses on the financial and institutional sector.
1.5.3 **Focus area**
The study concentrates exclusively on surveying employees in the Retail division of the Sandton SBSA branch.

1.6 **KEY ASSUMPTIONS**
The researcher states the following assumptions while conducting this study as:

- The service levels within SBSA will remain the same for the next year; and

- Any outside influences from the macro-environment will not affect the structures or processes within SBSA and that of its shareholders.

1.7 **SIGNIFICANCE OF THE RESEARCH**
Empowerment has become a key-concept as organisations search for answers to the challenges in the 2000’s. Leadership is the key to empowerment and as it builds the bridge toward effective, empowered organisations it is imperative that more attention is paid in creating and sustaining the right kind of leadership (Darling, 1996:2).

Siegal and Gardner (2000:704) cite previous research by Quinn and Sprietzer (1997) on employee empowerment, that in practice these employees have a high sense of self-efficacy, are given significant responsibility and authority over their jobs, engage in upward influence and see themselves as innovative. Empowered employees thus view themselves as more effective in their work and are evaluated as more effective by their co-workers.

The collection of data and information from this survey will make a major contribution to establishing whether the bank’s training and leadership programme is successful in increasing employees’ morale through empowerment and inevitably, customer satisfaction.

The research conducted will prove to be of much benefit for SBSA as the assessment will provide data and recommendations that could be used for sustainable performance in the pursuit of superior customer service and to establish SBSA as a preferred employer of choice.
1.8 RESEARCH METHODOLOGY
The following procedure was followed to solve the main problem and sub-problems. This procedure included a literature study and an empirical study.

1.8.1 Literature study
The literature study was conducted to identify key elements of employee empowerment, an overview of leadership theories and leadership initiatives within organisations. These secondary sources included the following:

- Text books, financial journals and theses were consulted and provided by the Nelson Mandela Metropolitan University;
- The internet was used to search financial and management databases for the relevant information; and
- Information was also provided by the financial institution, SBSA, through the assistance of the Human Resource division.

1.8.2 Empirical study
The primary data was collected through the empirical study using a questionnaire that was distributed to the employees of the selected branch. The structured questionnaire consisted mostly of closed questions and was developed based on information gained from the various literature sources.

The researcher made use of the Likert-type scale to measure the respondent’s feedback to the questionnaire. The Likert-type scale is defined by Hair, Bush and Ortinau (2000:415) as an ordinal scale format that asks respondents to indicate the extent to which they agree or disagree with a series of mental belief or behavioural belief statements about a given object.

The sample size of this study consisted of 83 employees who were requested to complete this questionnaire.

The data was collected, analysed, interpreted and presented in order to conclude and to answer the underlined theme of this study.
1.9 THE SCOPE AND STRUCTURE OF THE STUDY

This study consists of the following six chapters.

Chapter one: Introduction and plan of the study
This chapter involves the investigation into the main problem of this study. It also suggests the plan of this study and the way or method that is to be used to resolve the problem.

Chapter two: The role of banking in the South African economy
This chapter focuses on the role that banking has on the economy and its importance in the industry as well as its social responsibilities.

Chapter three: Leadership in the organisation
The researcher examines the effects that leadership and empowerment initiatives has on the organisation’s employees, in an effort to empower them and inevitably satisfy them in their jobs.

Chapter four: The empirical study
The aim of this chapter is to outline the research design, the questionnaire construction and the data measuring method.

Chapter five: The analysis and interpretation of the empirical study
This chapter includes the analysis and interpretation of the results obtained from the empirical study and aims to fulfil the research objectives of the study.

Chapter six: Conclusions and recommendations
The objective of this study is to determine the impact that the leadership and training programmes has on the organisation’s employees through empowerment. This chapter includes a summary of the research study, problems and limitations experienced by the researcher, recommendations based on the main research findings and opportunities for further research. This chapter ends with concluding remarks.
1.10 SUMMARY

This chapter has served as an introduction to the study by discussing the problem statement, the sub-problems, the definition of key concepts, the delimitations and significance of the study. The research methodology and scope of the study were briefly explained.

In chapter two the author attempts to explain the role that banking plays in the South African economy and the effect that external influences have on leadership and empowerment in financial institutions.
CHAPTER TWO
THE ROLE OF BANKING IN THE SOUTH AFRICA ECONOMY

2.1 INTRODUCTION
Since the beginning of the 1990’s the South African banking industry has gone through significant changes. These changes include new banking legislation and regulatory requirements being introduced, the entering of foreign banks into the domestic market, intensified competition from non-bank entities, increased international scrutiny and increased customer demand for more sophisticated products.

In addition to the above, although the systems used by the South African Banking industry are regarded as first-world, the standard of branch service delivery has been questioned. There has also been a public outcry over the high banking fees being charged to consumers which have been referred to the Competition Commission to investigate the monopolisation of the banks.

According to Russell (2003:1), banks in South African are under political pressure to accommodate a largely un-banked population, pressure to grow volumes and retain market share, decreasing interest rates placing pressure on profit margins and a global banking market changing to comply with Basel II. He further suggests that the previously mentioned pressures can only be endured by making fundamental changes to operating models.

This chapter focuses on a brief outline of the South African banking industry, the country’s economic growth and the role banking plays in South Africa.

2.2 REGULATORY COMPONENTS OF THE SOUTH AFRICAN BANKING INDUSTRY
The main regulatory components of the government with respect to the banking industry of South Africa are the South Africa Reserve Bank, the National Treasury and the Department of Trade and Industry. There are other important government institutions which support the objectives of these three main
components (The International Marketing Council for South Africa: 15 February 2007).

2.2.1 The South African Reserve Bank (SARB)
South African Reserve Bank (SARB) acts as the Central Bank of the country. It is responsible for the formulation as well as implementation of monetary policy. It operates independently of the Constitution, but co-ordinates with the Ministry of Finance in dispensing many of its duties (International Marketing Council for South Africa: 15 February 2007).

SARB also provides liquidity to banks during periods of temporary shortages of cash and implies giving assistance, after a full analysis and on specific conditions, to a bank facing liquidity problems (Reserve Bank: 31 May 2006).

The International Marketing Council for South Africa (15 February 2007) maintains that the main goal of the SARB is to protect the value of the rand and therefore the country’s currency. They further suggest that SARB is also responsible for promoting financial stability in the country while cultivating a healthy environment for business competition and that it tries its best to implement economic policies that will lead to development and growth.

2.2.2 South African National Treasury (SANT)
South African National Treasury seeks to advance economic growth and job creation through appropriate macro-economic, fiscal and financial policies. It plays a pivotal role in the management of government expenditure, setting financial management norms and standards for state departments and reporting any deviations to the auditor-general (South Africa.info reporter: 2004)

2.2.3 The Department of Trade and Industry (DTI)
The DTI’s key strategic objectives are:

- To promote co-ordinated implementation of the accelerated and shared growth initiative;
To promote direct investment and growth in the industrial and services economy, with particular focus on employment creation;

To contribute towards the development and regional integration of the African continent within the New Partnership for Africa Development (NEPAD) framework;

To promote broader participation, equity and redress in the economy; and

To raise the level of exports and promote equitable global trade (Department of Trade and Industry: 2007).

2.3 BACKGROUND OF THE ECONOMY
South Africa is the economic powerhouse on the African continent, with a gross domestic product (GDP) four times that of its neighbouring countries, and comprising 2.5 per cent of the entire GDP of Africa. The country leads the continent in industrial output, where it is 40 per cent of Africa’s total output, and mineral production (45 per cent of total mineral production) and generates most of Africa’s electricity (over 50 per cent). Its major strengths include physical and economical infrastructures, natural mineral and metal resources, a growing manufacturing sector and potential to develop a strong tourism industry (South Africa.info reporter: 2004).

Copolla (2005) reports on a speaker, Mr JP Landman a South African economist and commentator, at a financial services institution presentation stating that the economy was at 1 per cent during the 1980’s and had recently increased to 3.5 per cent. He further projects this to grow to 4.5 per cent by 2010 and claims that it is sustainable. The real success story, according to Landman, is the labour productivity which saw the rate in 1970 at 0.27 per cent, dropping to 0.18 per cent in the 1980’s, and climbing to 294 per cent in the 1990’s.

The Bureau of African Affairs at the US Department of State (2006) confirms that the GDP growth rate for South Africa was at 3.7 per cent in 2004. Many experts say that the country has performed remarkably well considering that it
underwent various processes in transforming from a nation besieged by apartheid into an independent democracy. More and more foreign investment is being ploughed into the economy as the financial systems are becoming integrated into the global economy. Large investments are being made in the areas of plants and machinery. Employment is expected to increase in the next few years as a result of the increase in investments. It is forecasted that the economy will grow by 6 per cent annually by 2010. The unemployment rate in 2006 was at a six-year low (Bureau of African Affairs, US Department of State: 2006).

The Banking Association of South Africa (2004) is another agency that is in support of the government’s economic policies. Its more specific responsibilities include the institutionalisation of "broad-based black empowerment", the development of the agricultural sector, and the promotion of local investment as well as use of savings accounts by more of the population, especially the impoverished sector of the population.

Although many sectors of the economy are highly developed, the transition from apartheid has not been easy. The government is still focused on creating more growth, jobs and to erase the stigma left by apartheid on its economy. This is where the South African banking industry must support the government and its platform for economic growth.

2.4 NEW THRUSTS OF THE BANKING INDUSTRY

Many experts are of the opinion that the country is in fact operating two economies – one that is developed and the other being informal in nature, plagued by high rates of unemployment and marginalisation (Walker:2004). It is this task of uniting the two economies into a single progressive one that the banking industry in South Africa must accept responsibility for.

One new thrust of the banking industry in the country is to strengthen the delivery of banking services to the rural areas to aid in the promotion of commerce therein. Many South Africans still live below the poverty line, and this is most obvious in the rural areas. The extension of financial services mainly in the form of micro-credit and finance to the rural areas is the role of community
banks. These banks first organise the savings of small community groups and deposit these in larger banks. Thereafter, they provide micro-credit and finance facilities for these organised community groups who are largely involved with small agricultural businesses (Coetzee & Cross: 2002).

In another report, a partnership of the Vodafone Group Foundation, the United Nations Foundation and the Consultative Group to Assist the Poor all found out that mobile phone banking is a service that is entertained by many low-income families, as they find this service convenient as well as cheaper. As the usage of financial services can aid in transformation by funding small scale businesses, a programme on this is being co-ordinated by the partnership with several banks in the country (UN Foundation: 2006).

2.4.1 Basel II

Udeshi (2005:1) describes Basel II as an important milestone in banking regulation and supervision and ought to be viewed as a necessary process for promoting the safety and soundness of the banking sector and thereby strengthening financial stability. The understanding of Basel II, to be implemented in 2008, and the impact it has on a financial institution is crucial to the pricing of a financial product. Too high pricing results in the organisation being uncompetitive in the market thus affecting staff morale as the employees struggle to find a balance between pressure for increased sales and meeting the bank’s bottom line figure. The following briefly explains key aspects of Basel II.

2.4.1.1 What is Basel II?

Snowden (2005) describes Basel II as a major revision of the international standard on bank capital adequacy, which was originally introduced in 1988. It requires banks and financial institutions to implement enterprise risk management policies that align capital adequacy assessment with underlying credit risk, market risk and operational risk.

Nyamakanga (2007:13) describes Basel II as an international risk management framework that requires banks to set aside enough capital to cover the full amount of total approved facilities regardless of whether these are used.
2.4.1.2 Purpose of Basel II

According to Arteaga (2005) the purpose of Basel II is to establish a more logical and realistic correlation between the minimum working capital of a bank and the type of business it conducts.

The Bank for International Settlements (2004) defines capital as a foundation for a bank’s future growth and as a cushion against unexpected losses. Adequately capitalised banks that are well managed are better able to withstand losses and to provide credit to consumers and businesses alike throughout the business cycle.

Basel II is, in essence, a set of minimum standards that banks are required to comply with. It’s key objective is to bolster the safety and soundness of individual banks. This enhances the safety of the banking and the broader financial system, to the benefit of the economy (Bank for International Settlements: 2005). This set of minimum standards is grouped under what is called the three pillars of Basel II.

2.5 SOCIAL RESPONSIBILITY OF BANKS

In recognition of their duty to become good corporate citizens, many of the largest commercial banks in South Africa have incorporated in their responsibilities the concept of corporate citizenship. This idea encompasses four main ideas: minimizing harm to its stakeholders, employees, communities and the environment, being accountable to these same groups of people, achieving strong financial outcomes, and promoting the well-being of society in general (Centre for Corporate Citizenship:2006).

Steve Booysen, the CEO of one of the largest financial services institutions in the country the Absa Group, comments on their participation in the nation’s Black Empowerment Programme as one of the major thrusts of their corporate citizenship programme. In 2005, they opened 48 new branches, and 34 of these were opened in what they consider as “mass markets”. The bank has also recently launched several Agri-business products, all aimed at encouraging agricultural entrepreneurs to expand their businesses over the short or long term (Absa: 2007).
The social responsibility arm of the Nedbank Group is participating in over projects nationwide with the aim of promoting social and community development, as well as the improvement of the local economy and education. The concentration of the education projects is on improving the skills of women that they may enter the labour force and contribute to the augmentation of income of their families. The foundation is also responsible for allocating seed money or funds to small co-operatives of these skilled women (Nedbank Group: 2006).

On the other hand, another large banking institution in South Africa, the First National Bank, established the First Rand Foundation in 1999 to stand as its functional arm for implementing projects with respect to social corporate responsibility. The Foundation is funded through an annual contribution of 1 per cent of the after-tax profits of all the companies under the First Rand Group. The purposes of the projects of the First Rand Group are arts and culture, education, job creation, skills development and enhancement and primary healthcare. The foundation has established strong ties with many non-governmental organisations around the country for the implementation of programmes which support the foci mentioned above. Recently, the Foundation sponsored the ‘Big Walk’, a mass walk that aimed to raise funds for the arts programmes of several high schools and for Habitat for Humanity. It also donated a sizeable amount of money to the walk (First Rand Foundation: 2007).

Standard Bank South Africa has taken a more proactive stance to the call of the government to aid in its Black Empowerment Programme. It created the Tutuwa Consortium, a subsidiary which not only owns trusts for future black managers of the country’s major industries, but of which 50 per cent will be given away to 250 deserving small and medium scale enterprises across the country. The Tutuwa Consortium constitutes 10 per cent of the capitalisation of Standard Bank South Africa.

To qualify for ownership, the small or medium enterprise must be:

- More than 50 per cent owned and controlled by Black South African citizens;
Have at least 10 permanent employees in its roster as of the end of 2005;

Must have an annual turnover amount between R500,000 and R20,000,000;

Must be a registered business in South Africa; and

Must be a good standing taxpayer (Standard Bank South Africa: 2007).

The current economy is not however, without its own set of problems. After more than a dozen years after the dissolution of the apartheid government, unemployment is at 38 per cent, and the government is experiencing difficulties attracting foreign investment (Lynch: 2006). As mentioned earlier, the two economies of the nation will have to be unified. This is where the banks should, perhaps, play an important role. That is, they should be able to fill in the investment gap left by the apparent lack of foreign investment, and to provide capital to potential entrepreneurs in the country. Attention should also be given to the rural areas, such that commerce and industry may flourish therein.

Another major observation is that the largest banking institutions in the country have not embarked on programmes such as micro-finance and lending, which is usually targeted to serve the interests of the people living in rural areas so that they are themselves able to become entrepreneurs in their own right. As already suggested, the economy is dichotomous in nature – a highly developed one together with a marginalized one – the former being typical of the economies pervading in the rural areas of the country. Rural community banks and other Non-Government Organisations are the main agents of micro-finance credit. These institutions not only provide the funds that will become the capital of these small businesses, but they also provide training and development skills to these potential entrepreneurs.

Another main issue to consider in moving the South African economy forward is the issue of HIV/AIDS. The prevalence of HIV/AIDS in Sub-Saharan Africa is the highest in the world. The first recorded case of AIDS in the nation was established in 1982, but the many years of political upheaval in the nation since then left the AIDS problem unmonitored and unchecked. As of 2005, the AIDS
prevalence rate in the country is at an alarming 21.50 per cent, 13.3 per cent being women, (Avert: 2006). Banks as one of the prime movers of an economy will have to take a more active role, not only in actually preventing the spread of AIDS, and giving aid to those who are afflicted with this disease, but by participating and assisting in funding AIDS education across the country.

The country’s largest financial institutions must aid the government in the fight to combat this deadly disease. The net effect of the disease is that it will deplete the nation’s population, especially the labour population.

2.6 SUMMARY

Russell (2003) suggests that the future key contributors to the success in the South African banking industry are:

- The ability to collect meaningful customer insight, to use this insight to create value propositions suitable to the individual, and to deliver these value propositions via an efficient, multi-channel strategy;

- The ability to leverage the investment in Basel II to provide an economically realistic view of the customer, enabling better risk management and more appropriate pricing;

- Branch automation and process efficiency. Hence the need for employee empowerment for more efficient problem-solving skills and quicker in-house decision-making; and

- Appropriate positioning and structuring of branches to accommodate previously un-banked individuals while appropriately servicing the affluent market.

It is clear that the banking system in South Africa must assist in the government’s programmes to expand the economy. Although each major bank has its own programme to address issues of social responsibility, it will have to do more by reaching out to the rural areas. It should also assist in AIDS
awareness and its prevention through education and sponsorships, which if left alone, will deprive the nation of its much-needed human resources.

According to the Bank for International Settlements (2005), banks perform many important functions such as safeguarding the savings of the public, extending credit and providing payment services. A sound and efficient banking system constitutes a necessary pre-requisite to a healthy and growing economy. Consequently, the above organisation suggests that the business of banking constitutes an indispensable cog in a modern economy. Banks and financial institutions thus play an important role in the overall South African economy.

The numerous internal and external factors influencing the South African banking industry such as, Basel II, social responsibility, the economy, HIV, and so on, impact on how the banks implements their systems and processes. This would in turn affect employee morale (positive or negative) thus affecting services rendered to its customers.

In chapter three the researcher examines the theoretical framework of leadership and employee empowerment programmes in various organisations and its influences on employees.
CHAPTER THREE

LEADERSHIP AND EMPOWERMENT IN THE ORGANISATION

3.1 INTRODUCTION

One cannot underplay the importance of leadership in any organisation, community, or country. All the followers in any set group of people look for leadership so that there is a common direction in order for the group’s goals to be achieved.

As defined in chapter one, leadership is a process by which an individual influences others to be able to achieve goals, and shows the way so that the group of people becomes more unified, more rational and logical. Leaders are people who make use of their beliefs and certain characteristics when carrying out their duties and responsibilities. This requires the spirit of collaboration and co-operation and much interaction takes place among the members of the group.

Recent challenges facing organisations have resulted in them changing their organisational structures by introducing leaner management hierarchies and striving to become more agile and responsive to their environments. This organisational transformation has suggested a need for all individuals at every level to participate in the leadership process (Day, Zaccaro & Halpin, 2004:3).

Leadership is not the exclusive domain of the chief executive officer or the charismatic leader. People will sometime in life be placed in a situation where they have to lead, whether it is in their family, a team at work, a small business or a larger organisation. In a dynamic and challenging world where greater personal initiative and achievement is demanded, leadership is a life-skill that needs to be developed (Schultz et al. 2003:186).

There are many perspectives and discussions of leadership. This chapter will endeavour to examine the theory of leadership, the theory of employee empowerment, and the different leadership programmes implemented in
organisations and the effects and influences they have had over the employees concerned.

### 3.2 OVERVIEW OF LEADERSHIP THEORIES

The quality of leadership in any organisation is essential for its success and its survival thereof. Doyle and Smith (2006) suggest four common ideas or concepts that occur when researching leadership. These are:

- Leadership involves people who influence other people;
- If leaders exist, then there are followers who follow;
- Leaders usually arise when problems or crises arise; and
- Leaders certainly have a clear picture of what they desire and how they are going to achieve this.

Leaders also seem to be blessed with the capacity to think and move creatively in situations that are not normal or routine. These people also are able to influence the ideas, feelings and actions of other people (Doyle & Smith, 2006).

Another way of understanding leadership is to compare it with management. Schultz et al. (2003:186) suggest that management is involved with the planning, organising, problem-solving and control activities related to the everyday running of a business. Darling (1992) suggests the tendency of over-management and under-led, being the primary factors that prevent organisations from growing and changing.

The differences between leaders and management are presented in the following table.
Table 3.1 Leadership and management

<table>
<thead>
<tr>
<th>Leaders</th>
<th>Management</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initiate change</td>
<td>Implement change</td>
</tr>
<tr>
<td>Develop</td>
<td>Maintain</td>
</tr>
<tr>
<td>Inspire people</td>
<td>Monitor people</td>
</tr>
<tr>
<td>Do the right things</td>
<td>Do things right</td>
</tr>
<tr>
<td>Assume a long-term perspective</td>
<td>Act reactively</td>
</tr>
<tr>
<td>Connect with followers</td>
<td>Preserve authority</td>
</tr>
</tbody>
</table>

Source: Schultz et al. (2003:187)

3.2.1 The four categories of leadership

The research literature consulted on leadership may be divided into four categories, namely: *trait*, *behavioural*, *contingency* and *transformational*. The underlying concepts of leadership in all these categories are timeless, and these categories all have their commonalities as well. Figure 3.1 illustrates the perspectives of leadership that will be examined in this chapter.
3.2.1.1 Trait theories

In Gardner's (1989:111) studies of leaders in North American organisations, he was able to point out that leaders have common attributes such as: physical vitality, stamina, intelligence, action-oriented judgment, eagerness to accept responsibility, task competence, an understanding of his followers' needs, the need to achieve, the capacity to motivate, courage, trustworthiness, assertiveness, decisiveness and adaptability. Gardner also stated that sometimes the combination of two or more traits appear in certain situations.

Robbins (1996:414) suggests that trait theories sought personality, social, physical or intellectual traits that differentiated leaders from non-leaders.

Swanepoel, Erasmus, van Wyk and Schenk (2000:375) suggest that the research on leader trait literature by Rost and Smith (1992) revealed that conceptions of leadership based purely on individual differences began to fall out of vogue in the late 1940’s and 1950’s. This is further validated by Stogill’s (1948) and Mann’s (1959) studies, as sourced in Swanepoel et al. (2000:375), that no single trait or constellation of traits clearly and consistently differentiates leaders from non-leaders.
Robbins (1996:415) determines the main reasons why the trait theory approach did not prove more successful. These are:

- It overlooks the needs of followers;
- It generally fails to clarify the relative importance of various traits;
- It does not separate cause from effect (for example, are leaders self-confident or does success as a leader build self-confidence?); and
- It ignores situational factors.

Studies of the trait classification have shown that most often the traits are associated only with the male gender, but for the reverse, that leadership is only associated with the male gender is not manifested in such studies (Rosner, 1997:211).

3.2.1.2 Behavioural theories

Behavioural theories attempt to identify differences in the behaviour of effective leaders and that of ineffective leaders (Schultz et al. 2003:188).

Robbins (1996:415) explains that the differences between trait and behavioural lies in their underlying assumptions. That is, if trait theories were valid then leadership is inborn, where they would either have it or they do not. If there were specific behaviours that identified leaders, then leadership could be taught. This would mean that special training and design programmes could be implemented to change behavioural patterns in individuals who wanted to be effective leaders. The behavioural leadership theory would also suggest that, through training, an infinite number of effective leaders could be supplied.

As there are several alternative approaches to behavioural theories each one will be briefly explained. This included such studies as:

- **Ohio State studies** – These studies occurred in the 1940’s and have concluded that most leadership behaviour described by subordinates
resulted in two categories, namely *initiating structure* and *consideration*. *Initiating structure* is explained by Robbins (1996:416) as the extent to which a leader is likely to define and structure his or her role and those subordinates in the search for goal attainment. These leaders exhibit a high sense of structure and order, where they expect subordinates to maintain definite standards of importance and emphasise the meeting of deadlines.

*Consideration* is described by Robbins (1996:416) as the extent to which a leader is likely to have job relationships characterised by mutual trust, respect for subordinates’ ideas, and regard for their feelings. A leader high in *consideration* could be described as one who helps subordinates with personal problems, is friendly and approachable, and treats all subordinates as equals. Their leadership style is people-oriented with the emphasis on friendliness and empowerment. Figure 3.2 illustrates the 4 leadership styles derived from the Ohio State studies.

**Figure 3.2  Leadership styles**

<table>
<thead>
<tr>
<th>High Consideration</th>
<th>Low Consideration</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Less emphasis is placed on structuring employee tasks while the leader concentrates on satisfying employee needs and wants.</strong></td>
<td><strong>The leader provides a lot of guidance on how tasks can be completed while being highly considerate of employee needs and wants.</strong></td>
</tr>
<tr>
<td><strong>The leader fails to provide necessary structure and demonstrates little consideration for employee needs and wants.</strong></td>
<td><strong>Primary emphasis is placed on structuring employee tasks while the leader demonstrates little consideration for employee needs and wants.</strong></td>
</tr>
</tbody>
</table>

Source: Swanepoel *et al.* (2000:378)
University of Michigan studies – These studies had very similar objectives to the Ohio studies and were also done in the same time period. They too derived two dimensions of leadership behaviour, namely employee oriented and production oriented. A leader could exhibit either one of these two behaviours, but not both (Swanepoel et al. 2000:376). An employee-oriented leader, as defined by Robbins (1996:417), is one who emphasises interpersonal relationships. The production-oriented leader, in contrast, is described as one who emphasises technical or task aspects of the job (Robbins, 1996:417). The Michigan studies concluded that leaders who were employee-oriented in behaviour were strongly favoured and were associated with higher group productivity and higher job satisfaction.

The Managerial Grid - Patterns of behaviours in people identified as leaders can be termed as styles. Blake and Mouton were the first to come up with classifications of these styles and placed them on a managerial grid, which is a graphic portrayal of a two-dimensional view of leadership styles (Robbins, 1996:417). Swanepoel et al. (2000:377) describe the managerial grid as having nine possible positions along each axis, creating eighty-one different positions in which the leader’s style may fall.

Figure 3.3 graphically illustrates a two-dimensional view of leadership style developed by Blake and Mouton in 1978. This illustration is commonly referred to as Blake and Mouton’s Managerial / Leadership grid.
Robbins (1996:418) makes reference to the five leadership style as:

- Impoverished management (1.1) – Exertion of minimum effort to get the required work done is appropriate to sustain organisation membership;

- Country club management (1.9) – Thoughtful attention to the needs of people for satisfying relationships leads to a comfortable, friendly organisation atmosphere and work tempo;

- Organisation man management (5.5) – Adequate organisation performance is possible through balancing the necessity to get work done by maintaining morale of people at a satisfactory level;

- Authority-obedience management (9.1) – Efficiency in operations results from arranging conditions of work in such a way that human elements interfere to a minimum degree; and
Team management (9.9) – Work accomplishment is from committed people. Interdependence through a “common stake” in organisation purpose leads to relationships of trust and respect.

Swanepoel et al. (2000:377) suggests that on the findings of Blake and Mouton, managers were found to perform best under the team management style, as contrasted, to the country club or authority type style.

In conclusion to the outline of the behavioural theories, Doyle and Smith (2006) cite Wright’s (1996) four common leadership styles as:

- The concern for task - Where leaders look for increased levels of productivity;
- The concern for people - Where leaders look after the interests and needs of the people;
- Directive leadership - Wherein leaders made the decisions for others, and expect the followers to abide and follow the decisions made; and
- Participative leadership - Wherein the decision making process is shared by the leader and his followers.

3.2.1.3 Contingency theories
The rise to the contingency theories of leadership occurred due to the lack of evidence that no one leadership style fits all situations and that the leadership style needed to be adapted to the demands of the situation. Swanepoel et al. (2000:379) suggest that effective leadership depends on the particular situation and involves a fit between personality, task, power, attitudes and perceptions. Effective leadership is the result of a fit between the leader, the followers and the situation (Schultz et al. 2003:190).

A brief outline on the most popular and recent contingency theories will be examined.
Fiedler’s contingency leadership model - Robbins (1996:421) defines this model as a theory where effective groups depend upon a proper match between a leader’s style of interacting with subordinates and the degree to which the situation gives control and influence to the leader. The least preferred co-worker (LPC) questionnaire, an instrument developed by Fiedler, aims to measure whether a person is task or relationship oriented.

Fiedler also isolated three situational criteria; leader-member relations, task structure, and position power (Robbins, 1996:421). Doyle and Smith (2006) further expand on the previously mentioned three situational criteria. Firstly, if leaders are liked and respected they are more likely to have the support of others. Secondly, if the task is made clear to all subordinates as to goals, methods, and standards of performance then the leader can be expected to exert more authority over the organisation. Thirdly, if a group of people formally bestow power on a leader with the aim of getting something done, then the influence and authority of the leader is increased greatly.

Swanepoel et al. (2000:380) summarise Fiedler’s model as a fit between leader and situation, where since the leadership style is viewed as fixed, there are only two ways to fit the leader and the situation either by selecting the right leader for a given situation, or by changing the situation to fit the leader.

According to Fiedler, if the leader’s style does not fit the situation, the leader’s only option is to change the situation, as the leader’s style cannot change. For example, if a relationship-oriented leader is in an unfavourable situation then that leader can restructure the task and improve relationships with the followers. This is referred to as job engineering (Schultz et al. 2003:191).

Hersey and Blanchard’s situational leadership model - Perhaps one of the most interesting concepts to arise in the situational area of leadership is the model of Hersey and Blanchard which depicts four basic leadership styles. This situational theory focuses on the follower and proposes that effective leader behaviour depends on the readiness or maturity level of the
leader’s followers, where the readiness is defined as the extent to which a follower possesses the ability and willingness to complete a task (Swanepoel et al. 2000:382). This theory further expands on Fiedler’s model, which identifies task and relationship behaviours as leadership dimensions, by considering each leadership dimension as either high or low and then combining them into four leadership styles. Robbins (1996:425) makes reference to these leadership styles as:

- **Telling (high task / low relationship)** – The leader defines roles and tells subordinates what, how, when, and where to do various tasks. This style is associated with very little personal interaction and emphasises directive behaviour. The subordinates are viewed as being unwilling or unsure of how to complete a task;

- **Selling (high task / high relationship)** – The leader provides both directive behaviour and supportive behaviour. The leader attempts to coach, encourage and persuade his or her followers to accept the task without allowing their input or participation. The subordinates are characterised by being willing and motivated but are unable to perform the necessary tasks;

- **Participating (low task / high relationship)** – The leader and follower share in decision-making, with the main role of the leader being facilitating and communicating. The subordinates are able (high readiness) but unwilling or too insecure to perform tasks; and

- **Delegating (low task / low relationship)** – The leader provides little direction or support and allows subordinates to take independent decisions by delegating authority to them. Delegating is also characterised by individuals who are both able and willing to do what is asked from them. Therefore, the followers in this situation, must possess a high degree of competence and experience.

Robbins (1996:427) makes reference to other contingency theories, which due to the context of this study, shall not be examined in great detail. These are:
- **Path-Goal theory** – This theory, developed by Martin Evans and Robert Huse, suggests that a leader’s behaviour is acceptable to subordinates insofar as they view it as a source of either immediate or future satisfaction. The path-goal theory suggests that leaders motivate and satisfy employees in a particular situation by adopting one or more of the following four leadership styles: *directive*, *supportive*, *participative*, and *achievement-oriented* (McShane & Von Glinow, 2000:443); and

- **Leader-Participation model** – A model developed by Victor Vroom and Phillip Yetton suggests that a set of rules are provided to determine the form and amount of participative decision-making in different situations.

### 3.2.1.4 Transformational theories

The latest school of thought with respect to leadership, emerged in the 1990’s, pertains to the transformational approach. It demonstrates the crucial role that dynamic leaders play in creating an adaptive organisation, where an adaptive organisation anticipates change in its environment so that it proactively responds to it (Schultz *et al.* 2003:194).

Bolman and Deal (1997:314) define transformational leaders as visionaries who, through their personal appeal, inspire their followers to change in order for the entire organisation to move towards a better position. In this instance, the leader becomes an agent of change. Swanepoel *et al.* (2000:387) suggest that transformational leadership is the set of abilities that allow the leader to recognise the need for change, to create a vision to guide that change, and to execute the change effectively, thus influencing change in every direction.

The table that follows presents the distinction between transactional and transformational leaders.
### Table 3.2  A comparison between transactional and transformational leaders

<table>
<thead>
<tr>
<th>Transactional</th>
<th>Transformational</th>
</tr>
</thead>
<tbody>
<tr>
<td>Knows what it is that they want out of work and makes sure that they get it if their behaviour and performance merits it</td>
<td>Raises the level of awareness of the organisation to a level where everyone is conscious of the necessary outcomes of the effort</td>
</tr>
<tr>
<td>Exchange rewards for their labours</td>
<td>Does not mind personal interests for the sake of the organisation</td>
</tr>
<tr>
<td>Rewards performance and recognises accomplishment</td>
<td>Is able to widen the range of wants and needs of the people in the organisation</td>
</tr>
<tr>
<td>Is responsive to their own self-interests</td>
<td>Charismatic: Provides vision and a sense of mission, gains respect and trust, instils pride</td>
</tr>
<tr>
<td>Establishes goals / objectives</td>
<td>Individualised consideration: Gives personal attention and treats each person individually</td>
</tr>
<tr>
<td>Designs workflow and delegates task assignments</td>
<td>Intellectually stimulating: Promotes learning, encourages rationality, uses careful problem solving</td>
</tr>
<tr>
<td>Searches for deviations from standards and take corrective action</td>
<td>Inspirational: Communicates high performance expectations, uses symbols to focus efforts</td>
</tr>
</tbody>
</table>

Source: McShane and Von Glinow (2000) and Swanepoel et al. (2000)

It is also important to note, as suggested by Robbins (1996:439), that transformational leadership is built on top of transactional leadership, where it produces levels of subordinate effort and performance that go beyond what would occur with only a transactional approach.
3.3 LEADER AND LEADERSHIP DEVELOPMENT

Another view on the contemporary and, the more recent, transformational leadership theories are leader and leadership development. The author briefly examines leader and leadership development and its association within the context of this study.

Most development approaches focus exclusively on the individual and ignore the social context. It is presumed that developing individual leaders will result in better leadership, where this approach is equivalent to teaching someone better communication skills but not considering the roles of others in the communication process (Day et al. 2004:6).

Day (2000) argues that there is a fundamental difference between leader and leadership development. Leader development could enhance the cognitive and behavioural complexity of leaders, contributing to greater adaptability and self-awareness. Day et al. (2004:7) further suggest that leader development efforts could also increase individual emotional intelligence or the ability to learn from experience and result in enhanced knowledge.

Whereas leader development focuses on individuals, leadership development attends to the social and interpersonal nature of the phenomenon. Leadership development depends on nurturing social relations among individuals in a group, team, or organisation. By helping individuals to learn through their experiences so that leader development becomes a part of ongoing self-development may be one way to quicken leadership development (Day et al. 2004:6).

3.4 EMPLOYEE EMPOWERMENT

As outlined in chapter one, empowerment means giving employees responsibility and authority to make decisions regarding all aspects of product development or customer service. The employees are then held accountable for products and services and share in the result rewards and failures.

Blanchard, Carlos and Randolph (1996:38) also have their own interpretation of what empowerment can do for the employees in an organisation. Their interpretation of empowerment entails the granting of autonomous decision
making authority to employees, thus establishing them as partners in the organisation. Employees become conscious of the bottom line of the organisation and thus a culture of empowerment is developed.

Noe, Hollenbeck, Gerhart and Wright (2003:36) suggest that the success of empowerment is dependant on the role that managers play in the process. This is suggested to be the linking and co-ordinating role to be served by managers. Noe et al. (2003:36) propose that the linking role should involve representing employees by ensuring that adequate resources are provided to perform the work (external linking), facilitating interactions across departments (informal linking), and ensuring that employees are updated on important issues and co-operate by sharing information and resources (internal linking).

Employee involvement is more likely to increase satisfaction when employees receive adequate training, are sufficiently satisfied with their work context, and have high-growth strength. Employee involvement, however, may be difficult to introduce into the organisation due to incompatible cultural values and various forms of resistance to change (McShane and Von Glinow, 2000:314).

According to D'Annunzio-Green and Macandrew (1999), as sourced in Schultz et al. (2003:148), to fully embrace empowerment an organisation must be prepared to view it as a long-term investment, take risks, ensure good fit with organisational culture, be prepared for failure and learn from past mistakes in order to ensure sustainability. It is the philosophy of allocating more responsibility and decision-making authority to the junior people in the organisation and includes, to some extent, the concept of delegation. Another analogy to the empowerment is considering it as an incremental suspension of control (Schuitema, 2004:41). In other words, it is as much a result of ‘not doing’ as it is of ‘doing’. The leader does not do anything to the subordinate, he does things for the subordinate by removing restrictive barriers.

Schuitema (2004:41) further propose that its implication for leadership is that one cannot enable people if one does not have an understanding of maturity. That is, if the job of a superior is to grow and nurture a subordinate, then they would need to differentiate between the subordinate and superior so as to
create the conditions where the one state can be transformed into the other. The common analogy that, ‘don’t give a man fish, enable him to fish’, prevails.

The first step for organisations pursuing empowerment, as suggested by Johnson and Thurston (1997:65), is to invest the time and effort to recognise this distinction among organisational groups and then to formulate a change plan appropriate to empowerment goals.

Mallak and Kurstedt (1996), as sourced in Honold (1997:207), argue empowerment as an expansion upon the concept of participative management. Their model of empowerment includes four concepts. This is, *intrinsically motivate behaviour* which leads to *internal justification for actions taken* whereby *management releases some of its authority and responsibility to other levels in the organisation* that deal directly with the product or service *integrating co-workers for problem solving*.

### 3.4.1 Theories of empowerment

There have been many formulated theories of empowerment over recent decades. Randolph’s empowerment model and the empowerment strategy grid formulated by Johnson and Thurston.

- **Randolph’s empowerment model** – Randolph formulated a three-pronged empowerment plan, as illustrated in Table 3.3, which suggests that open-book management, active information sharing (together with clear goals and relevant training) are needed to build the foundation of trust. From this, Randolph suggests how the *sharing of information, creating autonomy through structure* and *letting teams become the hierarchy* can be achieved (Schultz et al. 2003:148).
### Table 3.3  Randolph’s empowerment model

<table>
<thead>
<tr>
<th>Share Information</th>
<th>Create autonomy through structure</th>
<th>Let teams become hierarchy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share company performance information</td>
<td>Create a clear vision</td>
<td>Provide direction and training for new skills</td>
</tr>
<tr>
<td>Help people understand the business</td>
<td>Collaboratively clarify goals and roles</td>
<td>Provide encouragement and support for change</td>
</tr>
<tr>
<td>Build trust through sharing sensitive information</td>
<td>Create new decision-making rules that support empowerment</td>
<td>Gradually have managers let go of control</td>
</tr>
<tr>
<td>Create self-monitoring possibilities</td>
<td>Establish new empowering performance management processes</td>
<td>Work through the leadership vacuum stage</td>
</tr>
</tbody>
</table>

Source: Adapted from Schultz *et al.* (2003)

Blanchard *et al.* (1996:58) explain Randolph’s empowerment plan below:

- **Sharing of information** – Trust is built through the sharing of organisation information. The hierarchies in an organisation thus disappear because of the existence of trust, and all the employees tend to act like partners in the organisation as they accept responsibility and accountability for their actions;

- **Development of autonomy through structure** – This helps create processes that actually empower the employees. Empowerment therefore, does not happen overnight, but it is a process that the organisation undergoes. If authority filters down the hierarchy, employees will be willing and able to make difficult decisions in the workplace. In this phase, leaders also implement changes that aid workers to be able to achieve their objectives; and
Substitute the hierarchy with proactive teams of workers – Employees may be grouped according to processes or products. These teams will be responsible for planning and managing the work from beginning to end. Everyone in the team carries an equal share in the responsibility given to them. If this is the case, the team leader must be able to clearly show what each member of the team is responsible for.

The empowerment strategy grid – Due to the complexity of empowerment it is seen to be a significant challenge for leadership. It is for this reason that Johnson and Thurston formulated the empowerment strategy grid (as illustrated in Figure 3.4 below). The empowerment strategy grid is an assessment tool that can help companies avoid the implementation pitfalls associated with group differences, variations in the definition and degree of empowerment across an organisation and human-resource interventions, which unintentionally dis-empower (Johnson & Thurston, 1997:64).

![Empowerment strategy grid](source)

Source: Johnson and Thurston (1997:67)
Schultz et al. (2003:149) describe that the empowerment strategy grid is constructed from two continua. The horizontal continuum refers to the distinction between co-acting groups and real teams. The vertical continuum illustrates possible team transitions from disempowered to empowered. The grid is based on themes of authority, control and trust. The empowered end of the continuum is characterised by decision-making authority. This means giving the permission to make a particular choice from a range of options. The disempowered end of the same continuum signifies a lack of decision-making autonomy and management control systems.

Johnston and Thurston (1997:67) depict Figure 3.4 as the intersection of the grid’s continua into four quadrants into which groups may fall following organisation-specific evaluation: namely, empowering managers (upper left quadrant), empowered work teams (upper right quadrant), platoons (lower right quadrant), and automations (lower left quadrant). By identifying the quadrant in which a group is anchored, the researchers found that the organisational participants involved in the change process can better assess their team model, identify gaps between supportive human resource strategy and practice, design interventions to empower teams fully, and measure the transition path into the target area of the grid.

Instances to move a work group along the co-actors-teams continuum may be general team-building exercises, managerial training on team management and workshops on defining and co-designing proposals for work-family options. To move along the disempowerment-empowerment continuum, mechanisms must be established to increase work team authority, control and trust (Schultz et al. 2003:149).

The theory on employee empowerment involves employees who take responsibility for their decisions and actions because they are primarily the ones who solve the problems in their own teams. Empowerment in organisations can thus lead to less absenteeism, lower employee turnover, less employee training costs, increased employee satisfaction and more productive employees.
3.5 LEADERSHIP, EMPLOYEE EMPOWERMENT AND SATISFACTION IN ORGANISATIONS

This section of the paper will attempt to look into examples of leadership in organisations and how this leadership, combined with the dynamics of employee empowerment leads to greater employee satisfaction and performance in the organisation.

3.5.1 Southwest Airlines

3.5.1.1 Introduction

Perhaps a person who embodies the true spirit of leadership is Herb Kelleher, the Chairman of the Board of Southwest Airlines. With most of the other airlines in the United States of America downsizing and retrenching many of their employees, Southwest Airlines decided to take an alternative approach. It had never retrenched any of its employees, and still made profits despite the many downturns of the airline industry. Kelleher was determined to be different from all the other airlines that used the hub-and-spoke style, which is a system of air transportation in which local airports offer air transportation to a central airport where long-distance flights are available, of flight connections. As a service to travellers he decided to avoid using the larger airports which not only cost more to use, but was more advantageous in terms of saving time for travellers. Smaller airport terminals were not so crowded, and thus served as an advantage for travellers who were not travelling on long-haul flights (Southwest Airlines, 2006).

Kelleher identified travellers who took trains and buses and searched for opportunities for them to switch to airplanes as their preferred choice of travel. This meant that he was creating a new market segment for the flying passenger market. He also offered prices that were affordable and even matched their train and bus equivalents. The typical organisational culture encouraged by Kelleher included elements of maintaining low costs, assisting each other and economising on costs whenever possible were displayed by his employees. For example, pilots have been known to assist other employees such that the company’s turnaround time is the lowest in the industry and where a single plane was able to fly more flights in a day (Southwest Airlines, 2006).
Kelleher also challenged the usual processes of the airline industry by only using Boeing 737’s, being only one variation in aircraft, in the organisation’s fleet. In so doing, the company saved on maintenance and service costs by holding in inventory a single set of spare parts and paying salaries for the specialised Boeing 737 mechanics only. Reduction in costs also came in the form of encouraging passengers to book their tickets online and thereby passing down the cost-saving by offering the lowest available prices (Southwest Airlines, 2006).

From the achievements of Kelleher, it can be seen that the true qualities of leadership can give rise to a balance between satisfying one’s customers and contributing profits to one’s corporation. Whereas many airlines in 2006 were continuing to lose profits and were downsizing, Southwest Airlines was able to post a profit of USD 499 million, with an increase of USD 15 million over the 2005 profits. The company has posted profits for 34 consecutive years, despite the 2001 terrorist attacks and the ever-increasing costs of fuel worldwide. The increase in profits was mainly due to the increases in revenue, which could be associated with passenger confidence in the airline. Another contributing factor to the growth in profits was the offsetting of increases in wages and benefits with the introduction of efficiency and productivity increasing measures in the company. Furthermore, for the three months commencing in August 2006, Southwest Airlines carried the most passengers in the United States (Yahoo Finance, 2007).

Southwest Airlines capital expenditure budget and growth plans have also been considered, by the airline adding thirty-six new aircraft to its fleet in 2006. These aircraft were all purchased instead of leased, suggesting the favourable financial position of the organisation. Kelleher is also different from other industry Chief Executives as he has taken advantage of fuel hedging in order to lower the company’s fuel costs and thus passing on lower prices to passengers (Southwest Airlines, 2006).

Thinking of ways to be ‘creatively’ different by providing attractive products and services to consumers will to some extent contribute to the organisations’ returns in terms of revenues and profits. The concept of a low-cost but high
quality service airline became a reality through Kelleher's efforts and through the efforts of the employees that he inspired and shared his vision with.

3.5.1.2 Employee empowerment at Southwest Airlines

Southwest Airlines’ 2005 Annual Report mentions that the airline considers its employees as its most valuable asset and that the organisation considers its success to be attributed to their company’s culture of friendliness, customer caring and resourcefulness. They would, first and foremost, like to think of themselves as a customer service company and that they just happened to fly customers across destinations in the process. They also are known for being a ‘humorous’ and ‘fun-loving’ company ensuring that their passengers have an enjoyable and memorable flight experience. Much effort is exerted in the way of training, hiring, and providing for excellent compensation packages for all employees. This nurtured and rewarding work environment fosters an atmosphere of co-operation, trust and team spirit (Southwest Airlines, 2006).

The main tool in employee empowerment in the organisation is ownership, both literally and figuratively. All employees are afforded the opportunity to take an entrepreneurial role because of the company’s profit sharing and share option plan for all employees. The benefits of an ownership culture are given to all the employees of the organisation, where 15 per cent of the organisation’s pre-tax operating income goes to the profit sharing plan and 25 per cent of each employee’s profit share goes into the purchase of stocks (Southwest Airlines, 2006). In addition to this, employees are also offered an incentive free airfare within the country. This is very effective as one of the greatest needs inherent in all employees is that of family and by the organisation providing a means to fulfil that need, allows the employee to feel more committed to the organisation. The abolition of the company dress code encouraged work attendance and also helped employees arrive at work on time (Tripp, 2007).

During training and briefings, all employees are given guidelines to follow, but are always encouraged to think creatively. Even the company’s unions have embraced the same culture and have become less confrontational and abrasive, thereby being co-operative with management. Information also flows freely through various conduits, and all employees have access to the
organisation’s very own intranet. As a result of this empowerment, the airline has been voted as the Best Airline for five consecutive years (1992-1996), has the lowest turnaround time for all airlines, has the least number of customer complaints, and above all, is the only company to post profits annually since 1973. As for its employees, each employee serves an average of about 2,400 customers annually, which is the highest in the industry, and less than 4.5 per cent of its employees leave annually, also the best record in the industry (Tripp, 2007).

In the case of Southwest Airlines, it is clear that the opportunity to be a part owner of the organisation is a strong form of motivation for all the employees therein. Transparency in the organisation, through the free-flow of information, may also play an important role in having satisfied employees. Some human resource experts will also observe that not having a dress code has contributed towards employee satisfaction in the organisation. This could be perhaps due to the fact that the absence of a dress code has resulted in a more comfortable working environment for the company’s employees.

Kelleher credits Southwest Airline’s employees for his company’s success. He states that he simply hires the best people, treats them with respect, and gives them the freedom to make decisions and to have fun just being themselves. His down-to-earth demeanour has thus endeared him to the airline’s employees (Public Broadcasting Services, 2007). This epitomises Kelleher’s leadership style and it has clearly been successful in his organisation.

3.5.2 Toyota Motor Corporation

3.5.2.1 Introduction

A classic case of corporate leadership can be seen in the Toyota Motor Corporation. This Japanese based company was founded in the early part of last century by a loom maker, Sakichi Toyoda. His inventions were so successful that his loom designs were licensed to a British manufacturer for about YEN 1 million, and this money helped fund the corporation. He often highlighted the importance of teamwork to his employees and that the smallest things have their proper place and must be valued. He also believed that he
owed his success to the world at large and that it was important that the company be of service to humankind by working in good faith and not purely for monetary gain (Toyota Motor Corporation, 2007).

Toyoda’s son, Kiichiro, soon took over the organisation’s operations and under his leadership began developing the company’s first automobile engine. Although the company’s first two cylinder engines were actually copied from a Chevrolet prototype the company was able to come up with its first engine in 1934 and its first car and truck in 1935. Five years after Sakichi’s death, his son presented the “Five main principles of Toyoda”, which they imparted to all their existing and new employees once they joined the organisation (Toyota Motor Corporation, 2007). The Five main principles of Toyoda are:

- Be contributive to the development and welfare of the country by working together, regardless of position, in faithfully fulfilling your duties;
- Be at the forefront of creativity, striving to stay ahead of times in the pursuit of improvement;
- Be practical and avoid frivolity;
- Be kind and generous; striving to create a warm, homelike atmosphere; and
- Be reverent, and show gratitude for things great and small in thought and deed.

It is interesting to note and perhaps ironic that after the Second World War, during the United States’ occupation in Japan, the organisation through Taiichi Ohno learned and built on the abandoned industrial training programme by the American War Department. This programme focussed on process improvement and employee development and was developed by Ohno into the, now known, kaizen and lean manufacturing process.

Ohno required a method of teaching that would develop and nurture highly capable individuals into this system. He believed that he had found such a tool
or method in Job Instruction Method, which has been the primary teaching tool since the 1950’s (Liker and Meier, 2007). This led to the Toyota Production System (TPS), developed by Ohno, and is outlined by Liker and Morgan (2006:5) as a lean manufacturing initiative that effectively integrates processes, technology and most importantly, people.

In its early years, the leadership of the organisation displayed their willingness to be actively involved in the work. For instance, Kiichiro Toyoda personally applied this leadership style by often rolling up his sleeves on the shop floor and labouring amongst the workers. He always encouraged employees to find out how to solve problems by themselves through identifying the root causes of the problem (Toyota Motor Corporation, 2007). In the Toyota Georgetown, Kentucky plant, the first President of the plant moved his office directly above the manufacturing floor in order to actively manage and be involved in the busiest part of the organisation. The attitude and culture of top quality management thus begins at the very top and filters down to all the employees in the organisation.

Another way in aiding this permeation of attitude and culture to the employees is through the creation of quality circles in the organisation. Basu and Miroshnik (1999:715) suggest that a quality circle is a group of employees working as a team who meet regularly to discuss issues and problems at work, and seek solutions to such problems. Schemes are put in place for implementing suggestions, rewarding employees and feeding back information on the status of the suggestions. According to the SkyMark Corporation (2007) the concept was first promoted and explored by Professor Kauro Ishikawa in the 1960’s. Ishikawa believed in the importance of support and leadership from top level management. He always urged top level executives to take quality control courses, knowing that without the support of the management, these programmes would ultimately fail. He emphasised that it would take strong commitment from all the employees to reach the company's potential for success.

In Toyota, all the processes and procedures are part of a collaborative effort. This effort covers testing, manufacturing, and post-delivery activities. At the
same time, reflecting about the processes is also done in a collaborative manner. In this way, employees are aware that the spirit of teamwork and cooperation are needed for effective problem-solving and to maintain high standards of quality. In a paper presented by Messers. Masahide and Yasufumi (David Hutchins International Limited, 2005), they stated that the three core principals employed by Toyota’s total quality management were putting the customer first, continuous kaizen or improvement, and 100 per cent participation by all the organisation’s employees. They further suggest that quality circles, being an important total quality management activity, are applied by Toyota with the following aspirations in mind:

- To develop the abilities in the workforce and empower them to self-fulfilment;
- To develop an attitude of mutual respect among members and to create a motivating environment; and
- To contribute to corporate development by nurturing continuous improvement of the workplace.

The drive for quality circles in Toyota Motor Corporation, by the end of 2004, included the participation 40,000 employees in a total of around 4,400 quality circles in constant action (David Hutchins International Limited, 2005).

In the Toyota Forklift plant in Indiana, workers form quality circles so that issues of quality are discussed. One result of these quality circles is that all employees have been empowered with the responsibility to look out for problems with respect to quality during every phase of the manufacturing process. Thus, any employee on the manufacturing floor can stop the manufacturing process when a potentially problematic situation is spotted, and at the same time, the employee provides for the correction of the problem (Toyota Industrial Equipment, 2007).
3.5.2.2 Employee empowerment at Toyota Motor Corporation

On of Toyota’s philosophies is the concept of always improving both in safety and quality, known as kaizen (Toyota Industrial Equipment, 2007). For employees to be satisfied in the workplace, the success of kaizen is critical. The company does this by providing all the employees with a work environment that will both satisfy and motivate them to be focussed and be concerned with quality. By proving employees with a transparent career path, plant managers help create a sense of meaning and purpose for their employees. This is further amplified by the plant managers’ communicating to their employees’ information on what is currently happening in the organisation. It is also incumbent upon management to know each member of the teams they work with in order for communication to take place in a comfortable environment as well. The employees thus become aware of what is happening in the workplace and becoming willing to take responsibility for what is happening therein.

The system of coaching, mentoring and facilitating these quality circles has worked very well in the Toyota Kentucky plant. Problem-solving comes naturally to each employee, and it would seem that no one is ever satisfied with his work. Veech (2001:6) mentions that in 1999 a total of 151 328 ideas for Kaizen had been submitted out of a total of 7 800 team members in the Toyota Kentucky plant, and that nearly all of them have been implemented in one form or another. The implemented suggestions have netted the company $45.1 million in savings and a total of $5.1 million have been returned to the teams in the form of incentives. Furthermore, employee turnover as at 2001 was at a low 5 per cent.

Toyota Motor Corporations (2007) presents the following financial facts for the year 2006:

- Sales and revenue increased by 3.7 per cent; and

- Profits increased by 7.1 per cent.

From the foregoing it is not difficult to conclude that the leadership in Toyota Japan caused a snowballing effect that has resulted in the empowerment of the
employees due to their lean manufacturing practices. Employees feel responsible for the performance of the company, and hence have taken an active role in promoting its success. It could also be deduced that the lean manufacturing techniques have resulted in the ability to provide for more benefits for employees, added with greater satisfaction that they have contributed to the success therein, thus allowing them to be highly motivated and satisfied in the long-term.

According to Liker and Meier (2007) it is important to note that Toyota’s employees display similar issues to those of other companies, such as, absenteeism, resistance to change, lack of motivation, and so on. Toyota mitigates these challenges through their interest and effort in drawing out the best of the employee’s abilities and initiating possible solutions. A careful recruitment and selection process is required on a prospective employee’s potential job and organisational fit. Liker and Meier (2007) further mention that Toyota creates situations in which there is an equal balance between reward and punishment in order to encourage the desired behaviour, for example, reward or punishment on job or work attendance. This plays a critical role in the performance of the entire work system.

The Japanese system of management is a complete philosophy of organisation which can affect every part of the organisation. There are three typical components to this system of management, namely, a lean production system, total quality management, and human resource management (Basu and Miroshnik, 1999:714). Toyota, like most Japanese companies, endeavours to attain an organisational environment and culture in which all its employees can develop to their full potential. This is accomplished through teamwork where the organisation’s philosophy is that a well co-ordinated group can achieve a great deal more than the aggregate of an individual effort.

3.5.3 Starbucks Coffee Company

3.5.3.1 Introduction

Another consistently admired company in the United States is the Starbucks Coffee Company. The company was a popular coffee bean store which sold
roasted coffee beans to the public. Howard Schultz, initially the director of marketing and operations at Starbucks in 1982, left the company when the owners resisted his plans to diversify the business into the serving of take-away and sit-down brewed coffee beverages. He established his own successful coffee-bar, which he named IL Giornale, and gained sufficient experience in its management from his travels to Italy. Towards the late 1980’s he purchased Starbucks Coffee Company and merged the business philosophy of IL Giornale into it.

Schultz, now the chairman of Starbucks, led the company to growth from a single coffee store to a worldwide chain of stores serving a vast array of coffee varieties. Skeen (2001) quotes Schultz as saying that his main goal was “to serve a great cup of coffee” and attached to this goal was a principle “to build a company with soul”. Schultz had typically followed McDonald’s model for expansion with a few key differences in mind (Skeen, 2001). Firstly, Starbucks owns its own stores whereas McDonald’s franchises its stores. Secondly, Starbucks has managed to market itself without the need for national advertising. And finally, Starbucks sells premium products to an up-market, urban clientele.

During the 1990’s Starbucks was expanding at a phenomenal rate, where the company listed itself in the stock exchange (thereby receiving funding for its expansion) and growing at an annual rate of between 25 and 30 per cent. The company had almost 4 000 stores in 25 countries, serving 15 million people a week (Skeen, 2001). According to Schultz the success of Starbucks is their competitive advantage over classic brands where direct interaction with the customer creates an emotional connection with them (Kirbyson, 2004).

The introduction, by Schultz, of comprehensive benefit packages, both tangible and intangible and even to part-time employees, stemmed from his father’s hapless career. Schultz senior had a hard time establishing his own career, moving in and out of low paying jobs, and in his father’s old age, he did not have medical insurance, no worker’s compensation when he was injured while working, receiving very little work respect, and in the end, had almost nothing saved for retirement. This sad tale is what inspired Schultz to build a company
where the employees came first, and were respected as partners (Thompson and Gamble, 1999 and Skeen, 2001).

3.5.3.2 Employee empowerment at Starbucks Coffee Company

The following quote by Schultz, as outlined in Moore (2007), highlights the importance of Starbuck’s workforce and its success:

“We built the Starbucks brand first with our people, not with consumers. Because we believed the best way to meet and exceed expectations of our customers was to hire and train great people, we invested in employees.”

Schultz’s strategy to make Starbucks a great place to work begins by him entrenching the trust between management and employees. Schultz knew that the success of Starbucks was dependent on its customers receiving a positive experience and this meant having store employees who were knowledgeable about the company’s products, who paid attention to detail, who eagerly communicated the company’s passion for coffee, and who had the skills and personality to consistently deliver above average customer service (Thompson & Gamble, 1999).

Schultz initially extended healthcare benefits to part-time workers who worked at least 20-hours per week. This was seen as a core strategy to gain employee loyalty and commitment to the company’s mission, since part-time employees constituted two-thirds of the workforce and it was more cost-effective to retain the employee than incur recruitment and training costs. The healthcare benefit was considered even more beneficial to the part-time employees especially since they were not highly paid. It was also important to retain these employees since many of them were familiar with regular customers’ coffee drinking preferences, thereby establishing a close employee-customer relation. His strategy was built on the simple fact that if one treats ones employees well, they will treat the customers just as well or even better.

Once the company began to produce profits in 1991, Schultz pursued a stock or share option plan for all employees. Employees were granted share options equal to 14 per cent of base pay and they could cash up to one-fifth of the
shares after a vesting period of 5 years. They were also allowed to purchase the stocks or shares at 15 per cent discount (Thompson and Gamble, 1999). This form of empowerment has a longer-term view and effect on the company’s employees and clearly equates their contributions and the business’s market value and profit. In addition to these benefits, employees received excellent training, and are given opportunities to advance in the company, thus suggesting that their career path and plan have been clearly defined.

Hammers (2003:58) indicates that the success of the previously mentioned empowerment programmes implemented by Schultz resulted in the company achieving an 82 per cent employee satisfaction rating as measured by the Hewitt Associates Starbucks Partner View Survey. He also reflects that this employee satisfaction rate is significantly higher than the national American average of 50 per cent and the ‘America’s Best Places to Work’ employer’s average of 74 per cent. The employees highlighted in the surveys that they felt that Starbucks was a company where they felt that they were being valued the most.

Customer satisfaction surveys reveal that there are indeed parallels and links between employee engagement and customer satisfaction. Lillich (2004) presents a study by Purdue University indicating that regular consumers of Starbucks products in the United States have an average of 20 returns per month to the store. Thus suggesting that the pleasurable experience by the consumer in a Starbucks store prompts them to go back more and more, irrespective if the price of a cup of coffee at Starbucks is almost double what you pay for the same cup in a competitor’s store. The study also suggests that it is the organisation’s employees who influence the behaviour and attitudes of the customer, thus customers who are more satisfied with the organisation’s products are less expensive to serve, use the product more and are hence more profitable.

One can see that the culture of the company is relationship-oriented as it not only sells coffee drinks, but endeavours to cultivate long-term relationships with its customers. A lifetime relationship, if possible, is what the company strives for and is in-line with the company’s values and principles of superior customer
experience. Therefore, it applies the same principle to each and every one of its employees.

Skeen (2001) indicates that according to Schultz it is important to emphasise and implement the company’s core values at all times, and that those core values should never be compromised. The increased customer satisfaction coupled with the implementation of the company’s core values and principles is strongly reflected in the financial statements of the company. According to Starbuck’s (2007) annual financial statements the following is reflected:

- Sales and revenue increased by 21 per cent to USD 6.2 billion; and
- Operating income increased by 17 per cent to USD 955 million.

The downstream or filtering down effect of employee and customer satisfaction is therefore clearly reflected in the profits of the organisation. Through the previously mentioned employee stock or share option plan, the employees thus indirectly benefit from these increased profits.

3.6 SUMMARY

Leaders do not operate in a vacuum but in relation to their own personalities and values, the values and personalities of their followers and a complex array of situational factors (Schultz et al. 2003:198). This is reflected in the various leadership styles displayed in the reviewed case studies.

A strong and decisive leader is concerned with all the employees in the organisation, addresses these employees as partners in the organisation’s growth and will always provide for the well-being of these employees in order to keep them motivated at all times. Transformational leaders motivate employees, keeping them conscious of the organisation’s vision and direction which would assist them in achieving the organisational goals. Motivational tools and factors such as rewarding of appropriate behaviours, increasing of healthcare benefits, training and coaching, employee share option plans and so on are used to prompt desirable work performances by the employees. The welfare of the employees goes beyond their working environment and is
extended to their financial condition and being able to provide for the needs of their families as this indirectly affect’s morale.

In the case of Southwest Airlines, the leader was mostly concerned with the relaxed organisational culture. This created an atmosphere in the organisation that allowed for transparency and free-flow of information between management and the employees. The encouragement of employees to participate into a share option plan allowed them to own a piece of the business thus sharing in the business’s profits. Herb Kelleher also encouraged his employees to have fun at work as this helped create a culture of friendliness and customer-caring.

The Toyodas of the Toyota Motor Corporation opted to incorporate elements of the Japanese culture, which is referred to as the way of excellence, into the organisation, so that employees found it easy to adjust and adapt to the working environment. The employee is viewed as a partner in the business, where they are considered to be lifetime employed as long as they conform to the organisational standards of excellence, and are trained to aid in problem-solving so that production is at its leanest and most efficient. By choosing the right person for the right job, during the recruitment process, and through effective reward and punishment, management is able to sculpt the appropriate behaviour and attitude. The success of Toyota is such that the organisational culture has been adopted by various divisions of the organisation located in countries whose cultures are different from that of the Japanese. Employees of Toyota feel that they own the company and are responsible for its own destiny by taking matters into their own hands when it comes to looking for ways on how to improve the processes and products of the organisation.

Howard Schultz vowed that none of his employees would have to end up like his father – without the necessary benefits that would have helped to provide for a growing family. Schultz’s primary concern in the business was regarding the employees as a brand of the organisation and to have a lifetime relationship with both its employees and the customers. The trust and investment in employees was so great that he believed that employees who are well taken care of also take care of the company’s customers in return.
Validation of employee satisfaction and excellent performance always translates to the revenue and profit line of a company. The organisations reviewed in this chapter include leaders who have presumed to be different, to do something unique, to care for their employees and empower them. This has resulted in not only improving the organisation’s profits but also providing all their stakeholders, including their employees, with the benefits of sharing in these profits as well.

Furthermore, it is evident from the review of the theories on leadership, employee empowerment and employee satisfaction, that there is a snowballing effect from the decisions of leaders of organisations in allocating responsibility to the employees to assist in the management of the company and the level of satisfaction reached by these very same employees.

In chapter four, the empirical study and the research methodology used will be outlined.
CHAPTER FOUR

THE EMPIRICAL STUDY

4.1 INTRODUCTION

Chapter two focussed on the importance and role that banking plays in the overall South African economy. It was also evident from the chapter that the degree to which the financial institution implemented its systems, processes, and in-house training methods was as a result to the numerous internal stressors (such as, being profitable, being competitive) and external stressors (such as, Basel II, social responsibility, inflation, competition). This becomes paramount to the morale of the employees and the services rendered to the organisation's customers.

Chapter three outlined the various leadership and employee empowerment theories. This was further expanded through leadership initiatives implemented by organisations.

This chapter focuses on the research approach applied to resolve the main and sub-problems as identified in chapter one. It includes an outline of the research design, the questionnaire construction and the data measuring method.

4.2 RESEARCH DESIGN

4.2.1 Defined

According to Leedy and Ormrod (2001:4), research is the systematic process of collecting and analysing information or data in order to increase one’s understanding of the phenomenon about which one is concerned or interested. They identified the following eight characteristics of research projects:

- Research originates with a question or problem;
- Research requires a clear articulation of a goal;
- Research follows a specific plan or procedure;
- Research usually divides the principle problem into more manageable sub-problems;

- Research is guided by the specific research problem, question, or hypothesis;

- Research accepts certain critical assumptions;

- Research requires the collection and interpretation of data in an attempt to resolve the problem that initiated the research; and

- Research is, by its nature, cyclical or, more exactly, helical.

Research design is defined by Malhotra (1993:91) as a framework or blueprint for conducting the marketing research project. It specifies the details of the procedures necessary for obtaining the information needed to structure or solve marketing research problems. Leedy and Ormrod (2001:91) suggest that research design provides the overall structure for the procedures that the researcher follows, the data that the researcher collects, and the data analyses that the researcher conducts.

The research design in this study is thus segmented into the main problem and three sub-problems.

4.2.2 Problem statement

As reflected in chapter one of this study, the main problem is identified as to the impact that training and leadership programmes have on employee empowerment.

The following three sub-problems were identified In order to resolve the main problem. These are:

- **Sub-problem one**

  What initiatives regarding leadership programmes are revealed in the relevant literature that will assist an organisation in effectively empowering employees?
- **Sub-problem two**
  Do the employees, at the selected financial institution, perceive themselves to be empowered?; and

- **Sub-problem three**
  How can the results obtained from the resolution of the sub-problems one and two (above) be combined in identifying ways and means to effectively empower the financial institution’s employees?

### 4.2.3 Problem statement and sub-problem resolution

In order to resolve the main problem and sub-problem of the study, the following process was implemented.

Firstly, chapters two and three reflected a comprehensive literature study, which included an outline and overview of leadership and employee empowerment theories and the role that banking plays in the South African economy. This was used to resolve sub-problem one.

Secondly, chapter five resolves sub-problems two and three through the analysed results of the empirical study from which primary data was collected through the administration of a questionnaire in the selected branch.

### 4.2.4 Purpose of the study

A descriptive research design is described by Hair *et al.* (2000:63) as research that uses a set of scientific methods and procedures to collect raw data and create data structures that describe the existing characteristics of a defined target population.

In this study the objective is to determine the impact of employee empowerment through various training and leadership programmes implemented by the financial institution.
4.2.5 **Use of the research**

The results from this study will be used by the Human Resource division of Standard Bank to evaluate and implement effective training methods for the employees of the selected branch in order for improved employee empowerment. This would serve as a great benefit for the bank as employees that are satisfied with the work are generally more productive hence producing increased revenue for the organisation.

4.2.6 **Units of measurement**

The study was carried out at a selected branch of Standard Bank in the Sandton, Johannesburg area.

Malhotra (1993:352) defines target population as the collection of elements or objects that possess the information sought by the researcher and about which inferences are to be made.

The target population of the study was restricted to the employees of the retail division of bank and included management (for example, supervisors, team leaders, and so on), their relative subordinates, front-line employees (such as enquiries clerks, branch hosts, and so on), sales consultants, bank tellers, and various other back-office employees.

4.3 **CHOOSING THE APPROPRIATE RESEARCH APPROACH**

Malhotra (1993:158) explains that primary data are originated by the researcher for the specific purpose of addressing the problem at hand. Primary data may be qualitative or quantitative in nature as illustrated in Figure 4.1. The figure further illustrates that the distinction between qualitative and quantitative research closely parallels the distinction between exploratory and conclusive research.
Whether a qualitative as opposed to a quantitative research strategy is implemented generally depends on the kinds of questions addressed, the nature of the population being studied and the overall objective of the research (Mariampolski, 2001:22).

### 4.3.1 Differences between qualitative and quantitative research

Qualitative research provides insights and understanding of the problem setting, while quantitative research seeks to quantify the data and typically applies some form of statistical analysis (Malhotra, 1993:159). This is the most significant difference between qualitative and quantitative research methods or approaches. Hair et al. (2006:172) summarise the key differences in the following table.
Table 4.1 Differences between qualitative and quantitative methods

<table>
<thead>
<tr>
<th>Factors / Characteristics</th>
<th>Qualitative Methods</th>
<th>Quantitative Methods</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research goals / objectives</td>
<td>Discovery and identification of new ideas, thoughts, feelings</td>
<td>Validation of facts, estimates, relationships, predictions</td>
</tr>
<tr>
<td>Type of research</td>
<td>Normally exploratory designs</td>
<td>Descriptive and causal designs</td>
</tr>
<tr>
<td>Type of questions</td>
<td>Open-ended, semi-structured, unstructured, deep probing</td>
<td>Mostly structured</td>
</tr>
<tr>
<td>Time of execution</td>
<td>Relatively short time frames</td>
<td>Usually significantly longer time frames</td>
</tr>
<tr>
<td>Representativeness</td>
<td>Small samples, limited to the sampled respondents</td>
<td>Large samples, normally good representation of target population</td>
</tr>
<tr>
<td>Type of analyses</td>
<td>Debriefing, subjective, content, interpretive, semiotic analyses</td>
<td>Statistical, descriptive, causal predictions and relationships</td>
</tr>
<tr>
<td>Researcher skills</td>
<td>Interpersonal communications, observations, interpretive skills</td>
<td>Scientific, statistical procedure and translation skills; and some subjective interpretive skills</td>
</tr>
<tr>
<td>Generalisability of results</td>
<td>Very limited; only preliminary insights and understanding</td>
<td>Usually very good; inferences about facts, estimates of relationships</td>
</tr>
</tbody>
</table>

Source: Hair et al. (2006:172)
4.3.2 The research method decided

Leedy and Ormrod (2001:112) have designed a guide, referred to in Table 4.2, which assists researchers in deciding on a qualitative or quantitative research method. This guide was formulated on the basis that, although many research studies would be enhanced by the combination of both quantitative and qualitative techniques, many novice researchers may not have the time, resources or expertise to effectively combine the approaches for their initial research attempts.

Table 4.2 Guide to choosing an appropriate research method

<table>
<thead>
<tr>
<th>Use this approach if:</th>
<th>Quantitative</th>
<th>Qualitative</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. You believe that:</td>
<td>There is an objective reality that can be measured</td>
<td>There are multiple possible realities constructed by different individuals</td>
</tr>
<tr>
<td>2. Your audience is:</td>
<td>Familiar with/supportive of quantitative studies</td>
<td>Familiar with/supportive of qualitative studies</td>
</tr>
<tr>
<td>3. Your research question is:</td>
<td>Confirmatory, predictive</td>
<td>Exploratory, interpretive</td>
</tr>
<tr>
<td>4. The available literature is:</td>
<td>Relatively large</td>
<td>Limited</td>
</tr>
<tr>
<td>5. Your research focus:</td>
<td>Covers a lot of breadth</td>
<td>Involves in-depth study</td>
</tr>
<tr>
<td>6. Your time available is:</td>
<td>Relatively short</td>
<td>Relatively long</td>
</tr>
<tr>
<td>7. Your ability.desire to work with people is:</td>
<td>Medium to low</td>
<td>High</td>
</tr>
<tr>
<td>8. Your desire for structure is:</td>
<td>High</td>
<td>Low</td>
</tr>
<tr>
<td>9. Your skills in the area/s of:</td>
<td>Deductive reasoning and statistics</td>
<td>Inductive reasoning and attention to detail</td>
</tr>
</tbody>
</table>
A quantitative research method has been selected due to the descriptive nature of this study and the way in which, as discussed further in this chapter, the primary data was collected and the type of questions were asked.

4.4 THE EMPIRICAL STUDY

4.4.1 Survey methods
Survey research methods are the pillars of general research and are typically associated with descriptive and casual research situations. One of the distinguishing factors of survey research methods is the need to collect data from large groups of people. Success in collecting primary data is more a function of correctly designing and administering a survey questionnaire than of relying on the communication and interpretive skills of an interviewer or observer. Survey research focuses on the collecting of data that enables the researcher to understand and resolve marketing problems (Hair et al. 2006:221).

Hofstee (2006:122) suggests the following items that researchers should be aware of when conducting a survey-based research. These are:

- The type of questions being asked;
- How the questions are being asked;
- The sample size;
- How representative the sample is;
- Time and cost factors; and
- Ethical questions.
Hair et al. (2006:232) identify four types of survey methods. These are:

- Person-administered surveys – Are data collection techniques that require the presence of a trained human interviewer who asks questions and records the subject’s answers. These include in-home, executive, mall-intercept, and purchase-intercept interviews;

- Telephone-administered surveys – Are question-and-answer exchanges that are conducted via telephone technology. These include computer-assisted telephone interview (CATI), completely automated telephone surveys (CATS), and wireless phone survey;

- Self-administered surveys – Is a data collection technique in which the respondent reads the survey questions and records his or her own answers without the presence of a trained interviewer. Examples include mail panel survey, drop-off survey and mail survey; and

- On-line surveys - In recent times research practices and the delivery systems being used in collecting primary data have changed dramatically as people have increasingly accepted Internet technologies and the researchers’ demand for faster data acquisition and real-time-reporting of results. Examples include fax surveys, e-mail surveys and Internet surveys.

This quantitative study was conducted where primary data was collected by means of a drop-off self-administered questionnaire which was delivered to all employees servicing the retail banking area a selected branch in Standard Bank.

4.4.2 Questionnaire construction

Questionnaires are a form of structured interviewing, where all respondents are asked the same questions and are often offered the same options in answering them, for example, yes/no, ranked on scale, and so on (Hofstee, 2006:132). Hofstee (2006:133) mentions a few advantages that questionnaires have over verbal interviews, where they offer confidentiality to the respondents, are
generally easier to analyse and turn into quantitative results, and they also allow for more volume to raise confidence levels in the sample.

Maher and Kur (1983:100) assert that questionnaires are frequently used to discover training needs, provide personnel information, gather data on employee attitudes and for many other purposes. They further suggest that questionnaires are an indirect method of collecting data as it eliminates the face-to-face interaction. Questionnaires are only valuable if they ask appropriate questions which people can understand and ask them in a format that people can answer.

4.4.2.1 Steps in constructing a questionnaire

Maher and Kur (1983:102) suggest the following steps that will assist in constructing a questionnaire. These are:

- **Step one.** Determine what you need to know;
- **Step two.** Choose a response format for your questionnaire;
- **Step three.** Identify the frame of reference for your respondents;
- **Step four.** Writing the questions;
- **Step five.** Prepare the summary sheet;
- **Step six.** Pilot test your questions and revise them;
- **Step seven.** Put the questionnaire together; and
- **Step eight.** Administer the questionnaire.

The above steps will be broadly outlined in the following subject headings.
4.4.2.2 Characteristics of the questionnaire / questionnaire design
Maher and Kur (1983:100) suggest three issues that should be early considered in the process of questionnaire design. These are:

- Can a standardised questionnaire be used, or should an original questionnaire be designed? Standardised questionnaires have been tested for reliability and validity whereas original questionnaires will not have data on reliability or validity unless such data has been previously developed. Such questionnaires can obtain data more clearly and directly than the standardised questionnaires;

- Is the information needed about a general phenomenon (for example, organisation climate, job satisfaction, and so on) or about a specific, clearly defined issues (for example, what kind of training will help operators work faster, how do supervisors get training on new product specifications, and so on)?; and

- To what extent should open-ended and closed-ended questions be used?

The type of questions asked and the structure of the questionnaire is further expanded in the next subject heading.

4.4.2.3 Types of questions used
Hair et al. (2006:430) summarise the two important issues relating to question phrasing that have a direct impact on survey designs, as the:

- Type of question format.
  
  - Unstructured questions – these are open-ended questions which are formatted to allow respondents to reply in their own words;

  - Structured questions – these are close-ended questions that require the respondent to choose from a predetermined set of responses or scale points; and
● Quality of the question (good or bad).

  o Bad questions – these are any questions that prevent or distort the fundamental communication between the researcher and the respondents. Typical examples of bad questions are those that are incomprehensible to the respondents; are unanswerable due to the respondents not having the information or that none of the answer choices apply to them; are leading in that the respondents are forced or directed into a response; and those that are double-barrelled in that they ask the respondents to address more than one issue at a time.

When compiling the questionnaire the following principles were considered, as suggested by Malhotra (1993:329):

  ● Define the issue;

  ● Use ordinary words;

  ● Use unambiguous words;

  ● Avoid leading or biased questions;

  ● Avoid implicit alternatives;

  ● Avoid implicit assumptions;

  ● Avoid generalisations; and

  ● Avoid dual statements.

The questionnaire used in this study consisted of mostly closed-questions.
4.4.2.4 Purpose and objective of the questionnaire

According to Malhotra (1993:318) any questionnaire has three specific objectives or purposes.

Firstly, it must translate the information needed into a set of specific questions that the respondents can and will answer, where two apparently similar ways of posing a question may yield different responses.

Secondly, a questionnaire must uplift, motivate, and encourage the respondent to become involved in the interview, to co-operate, and to complete the interview.

Thirdly, a questionnaire should minimise response error. Response error arises when respondents give inaccurate answers or their answers are mis-recorded or mis-analysed.

In this research study, the purpose of the structured questionnaire was developed with the main and the sub-problems being taken into account. The question content was derived from the chapter three of this study.

The questions were selected to address the extent to which leadership programmes contribute towards employee empowerment and the factors that motivate them.

The six-page questionnaire was designed as follows:

- A covering letter stated the purpose of the study, the importance of the respondent’s comments, and the researcher’s appreciation for the respondent’s views and comments (refer to Appendix A);

- Section A included the respondent’s biographical information and was used for background purposes. Questions that were relevant included the respondent’s gender, their age group, the division they work in, their job grade or level and their length of employment (refer to Appendix B); and
Section B included four questions that were aimed at identifying the extent or impact that leadership programmes have on employee empowerment and the factors which motivate them. Questions one and two included a combined total of forty-three closed-ended questions (refer to Appendix B).

Each respondent was asked to indicate their views on the questions following the ratings on the five-point Likert scale, as summarised in Table 4.3.

<table>
<thead>
<tr>
<th>Five-point Likert Scale</th>
<th>Question 1</th>
<th>Question 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Strongly agree</td>
<td>Not at all important</td>
</tr>
<tr>
<td>2</td>
<td>Disagree</td>
<td>Somewhat important</td>
</tr>
<tr>
<td>3</td>
<td>Uncertain</td>
<td>Uncertain</td>
</tr>
<tr>
<td>4</td>
<td>Agree</td>
<td>Important</td>
</tr>
<tr>
<td>5</td>
<td>Strongly agree</td>
<td>Extremely important</td>
</tr>
</tbody>
</table>

The remaining two questions in Section B included open-ended questions where the respondents were allowed an opportunity to express in their own words that the bank is to provide to them with gaining greater empowerment in their job, thus making a greater contribution to the organisation.

4.4.3 Pilot Study
A pilot study is an excellent way to determine the feasibility of one's study (Leedy & Ormrod, 2001:116). It may save the researcher time by indicating which approaches will and will not be effective in solving the research problem. This would also indicate whether the responses are of a sufficient quality in answering the research question.

The aim of the pilot study was to ensure that all the questions asked in the questionnaire were understood and relevant to the study. The researcher administered the pilot study questionnaire to two respondents. The selected respondents were from the lowest end of the job grade within the branch, were under 30-years of age and had worked under 5 years at Standard Bank South Africa (SBSA). The feedback received from both respondents was positive and
all questions were answered fully, thus indicating complete comprehension of the questions. Minor adjustments were made and the final questionnaire was prepared for printing.

4.4.4 Administration of the questionnaire

The questionnaire was finalised and eighty-three copies were printed and distributed to the SBSA, Sandton branch. These questionnaires were personally delivered to the manager of the branch, who at a weekly staff meeting requested all the staff to fill out the questionnaire. The branch manager explained to the employees the purpose and importance of completing the questionnaire in its entirety.

The questionnaire was designed to be anonymous to allow the respondents to freely express their views without the fear of victimisation. The covering letter of the questionnaire clearly indicated that all responses and feedback would be kept confidential. In addition, a collection box was made and placed in the staff lunch room where all completed questionnaires were to be posted. The collection box was clearly marked “Employee Empowerment Survey”.

As an incentive to complete the questionnaire, a small incentive in the form of a bite-sized chocolate was attached to each questionnaire. The researcher perceived this as a means of not only increasing the response rate of the questionnaire but also to thank the respondents for their efforts.

4.5 SAMPLE SIZE

Malhotra (1993:351) defines population as the aggregate of all the elements, sharing some common set of characteristics, which comprises the universe for the purpose of the research problem.

Gay (1996) as cited by Leedy and Ormrod (2001:221) suggests the following guidelines for selecting a sample size:

- For small populations (N < 100), there is little point in sampling. Survey the entire population;
- If the population size is around 500, 50 per cent of the population should be sampled;

- If the population size is around 1 500, 20 per cent should be sampled; and

- Beyond a certain point (at approximately \(N = 5 000\)), the population size is almost irrelevant, and a sample size of 400 will be adequate.

In this study, the population size equals the sample size of 83 employees at the Standard Bank branch. All of these employees were requested to answer the anonymous questionnaire.

4.6 VALIDITY AND RELIABILITY

Leedy and Ormrod (2001:31) suggests that the validity and reliability of the researcher’s measurement instruments influence the extent to which one can learn something about the phenomenon being studied, the probability that statistical significance will be obtained in the data analysis and the extent to which the researcher can draw meaningful conclusions from the data.

It is critical that the integrity of the work being researched is based on its credibility thus conforming to the requirements of validity and reliability. The definitions of validity and reliability follow.

4.6.1 Validity

Maher and Kur (1983:100) define validity as the degree to which an instrument (in this case the questionnaire) actually measures what it is intended to measure. Leedy and Ormrod (2001:98) posit that the measurement instruments provide a basis on which the entire research effort rests. They have further identified several types of validity:

- Face validity – is the extent to which, on the surface, an instrument looks like it’s measuring a particular characteristic and is often useful for ensuring the co-operation of people who are participating in a research study;
• Content validity – refers to the extent to which a measurement instrument is a representative sample of the content area being measured. It is often a consideration when people’s achievement in some area is to be assessed;

• Criterion validity – refers to the extent to which the results of an assessment instrument correlate to one another; and

• Construct validity – refers to the extent to which an instrument measures a characteristic that cannot be directly observed but must instead be inferred from patterns in people’s behaviour.

This study made use of content and construct validity where the implemented measurement instrument, being the questionnaire, required feedback from respondents based on their behaviours, skills, and motivators in their work environment. The content of the questionnaire required specific feedback on the employee’s perception of being empowered and/or receiving sufficient training in the work environment to allow for empowerment to take place.

4.6.2 Reliability

Maher and Kur (1983:100) define reliability as the degree to which an instrument consistently measures that which it measures. Leedy and Ormrod (2001:100) propose three ways to enhance the reliability of a measurement instrument:

• The instrument should always be administered in a consistent fashion thereby being standardised;

• To the extent that subjective judgements are required, specific criteria should be established that dictate the kinds of judgements the researcher makes; and

• Research assistants who are using the instrument should be well trained so that they obtain similar results.
As previously described in 4.4.3, a pilot study was used to determine whether
the questions contained in the questionnaire were clearly laid out, relevant and
understood by the respondents. The feedback received from the results of the
pilot study indicated that the respondents understood all the questions.

4.7 RESEARCH RESPONSE
The survey was forwarded to 83 respondents, being all the employees of the
branch. The questionnaire was personally delivered to the branch manager on
the 08\textsuperscript{th} October 2007. The branch manager then formally handed the
questionnaire to all employees at a weekly staff meeting on the 09\textsuperscript{th} October
2007. The questionnaires were collected from the branch on the 12\textsuperscript{th} October
2007.

Reasons for the high percentage of non-respondents, as consulted with the
Manager of the branch, were that some of the employees were off sick, were on
vacation leave and the remainder of the employees could not answer the
questionnaire by the due date due to them being too busy having to fill-in for
staff shortages.

A follow-up to the branch was made a week later for any completed
questionnaires awaiting collection. Table 4.4 below summarises the data
collection process.

<table>
<thead>
<tr>
<th>Deadline date</th>
<th>Number of questionnaires submitted</th>
<th>Number of questionnaires received</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>12\textsuperscript{th} October 2007</td>
<td>83</td>
<td>43</td>
<td>51.80%</td>
</tr>
<tr>
<td>19\textsuperscript{th} October 2007</td>
<td>-</td>
<td>0</td>
<td>0%</td>
</tr>
</tbody>
</table>

Source: Results obtained from analysis of responses by gender

According to Leedy and Ormrod (2001:222) the return rate in a questionnaire
study is 50 per cent or less and the more non-respondents there are, the
greater the likelihood of bias. The response rate result for this study yields
51.80 per cent, which can be regarded as acceptable.
4.8 SUMMARY

The purpose of this chapter was to outline the research design, the questionnaire construction and the data measuring method. This chapter provided the theoretical base upon which the empirical results can be applied in solving the main and sub-problems of this study.

The following chapter will involve the analysis and interpretation of the empirical study.
CHAPTER FIVE

THE ANALYSIS AND INTERPRETATION OF THE EMPIRICAL STUDY

5.1 INTRODUCTION

In chapter four the methodology utilised to execute the empirical study was discussed.

This chapter aims to resolve the following sub-problems:

- Sub-problem two: Do the employees, at the selected financial institution, perceive themselves to be empowered?; and

- Sub-problem three: How can the results obtained from the resolution of the sub-problems one and two be combined in identifying ways and means to effectively empower the financial institution’s employees?

The analysed results of the empirical study from which primary data was collected through the administration of a questionnaire at the selected branch attempts to resolve this sub-problem.

This chapter presents the analysis and interpretation of the results obtained from the empirical study and is followed by a summary of the results.

5.2 RESULTS OF THE BIOGRAPHICAL DATA FROM SECTION A OF THE QUESTIONNAIRE

The survey requested the respondent’s feedback on certain biographical information. This formed part of Section A of the questionnaire and included the respondent’s gender, their age group, the division they work in, their job grade or level and their length of employment. The feedback received from the respondents is reflected in the following sub-headings.
5.2.1 Gender distribution

<table>
<thead>
<tr>
<th>Gender</th>
<th>Number of Respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>15</td>
<td>34.88%</td>
</tr>
<tr>
<td>Female</td>
<td>28</td>
<td>65.12%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>43</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Results obtained from analysis of responses by gender [N=43]

Table 5.1 and Figure 5.1 illustrate the results obtained from the primary data analysis by the respondent’s gender. The results indicate that the majority of the respondents, being 65.12 per cent, are female, and that 34.88 per cent of the remaining were male. All respondents answered the question.

5.2.2 Population group

The population group, as indicated in Figure 5.2, reflect that the majority of employees are of non-white origin (34 out of 43 employees being of non-white origin) and the highest population group being black (this being 15 employees). All respondents answered the question.
Figure 5.2  Respondents by population group

![Bar chart showing the number of responses by population group.](image)

Source: Results obtained from analysis of responses by the population group [N=43]

5.2.3 Age profile group

Figure 5.3 illustrates that 29 employees are between the ages of 20 and 30 years. This represents the majority of the respondents that answered the questionnaire. All respondents answered the question.

Figure 5.3  Respondents by age group

![Bar chart showing the number of responses by age group.](image)

Source: Results obtained from analysis of responses by the age group [N=43]
5.2.4 Job grade or level
The Retail Human Resource division of Standard Bank South Africa (SBSA) has indicated the following job grades or levels exist in the retail banking environment:

- SBG (Standard Bank Grade) 05 to 06 – represents junior employees;
- SBG 07 to 10 – represents employees that are consultants, supervisors and team leaders; and
- SBG 11 to 12 – represents employees that are on a management level grade.

Figure 5.4 illustrates the variety of job grades that was received from the respondents. They can be summarised as follows:

- Junior employees include tellers, enquiries clerks, bank hosts and so on. As represented above, these employees are on a job level of SBG 06 and represent 20.93 per cent. There were no employees at an SBG 05 level;
- Consultants, supervisors and team leaders are illustrated from SBG 07 to SBG 10. The respective percentages are 23.26 per cent, 13.95 per cent, 9.30 per cent and 11.63 per cent. This represents a combined majority total of 58.14 per cent;
- Management level employees are illustrated at SBG 11. This represented 9.30 per cent of the employees. There were no respondents that were on a job level of SBG 12; and
- It is also worth mentioning that 11.63 per cent of the respondents did not answer the question. This perhaps suggests that, although the questionnaire was anonymous, they felt insecure in revealing their job grade or presumed salary earnings.
5.2.5 Years of experience

Figure 5.5 illustrates that 18 employees have been in employment between 0 to 5 years, 14 employees have been in employment between 6 to 10 years, 9 employees have been in employment between 11 to 15 years and 2 employees have been in employment for over 16 years. This suggests that the 58.10 per cent, being the majority, of the employees have been in employment with the bank for over 6 years.

Source: Results obtained from analysis of responses by the length of employment [N=43]
5.3 ANALYSIS AND INTERPRETATION OF RESULTS FROM SECTION B OF THE QUESTIONNAIRE

The results and analysis of Section B of the questionnaire relates directly to resolving the second and third sub-problems of the study. Section B of the questionnaire constitutes the following questions:

- Question 1 – relates to the extent to which the leadership or training programmes implemented by SBSA contribute towards employee empowerment at the selected branch;

- Question 2 – relates to the perceived factors which may motivate the respondent in being empowered; and

- Questions 3 and 4 – are open-ended questions and require the respondent to comment or suggest any particular training method that may assist them in gaining greater empowerment.

The analysis and interpretation of the results from Section B of the questionnaire is presented in the sub-headings which follow.

5.3.1 Quantitative analysis of question 1

Question 1 of Section B required the respondents to rate their attitude and perception towards their job. It is believed that the employee’s attitude and perception is invariably a result of empowerment received and experienced through leadership programmes implemented by SBSA.

Due to the number of answers of question 1 from Section B the quantitative analysis will be segmented into three main categories. These categories, which relate to the concept of employee empowerment, will allow for easier and more specific interpretation of the results. The three main categories are:

- Development and training;

- Internal management practices; and
- Recognition and reward.

The results of these categories will be separately analysed, interpreted and presented.

5.3.1.1 Development and training

Schultz et al. (2003:31) suggest that by providing all employees with the relevant knowledge and skills to enable them to add value to the organisation, they will be valued for their contributions. In this way, the development and training of an organisation’s employees plays an important role in empowering them.

In this category, the employees perception will be analysed to measure whether sufficient development and training has been implemented by the branch.

Table 5.2 reflects the results of the respondents’ opinions on being trained and developed in their working environment.

An analysis of Table 5.2 indicates the following:

- The majority of the respondents (65.12 per cent) were familiar and aware of the training and leadership initiatives implemented in the organisation;

- The researcher included two similar statements (statements 1.1 and 1.5) in the questionnaire to test the reliability of the results. Both statements suggested that the leadership programme had made a major contribution to empowering employees. The results for the two statements (statements 1.1 and 1.5) are very similar with strongly agree or agree being 55.81 per cent for statement 1.1 and 60.46 per cent for statement 1.5. It is interesting to note that two respondents did not answer statement 1.1 whereas all respondents answered statement 1.5;

- 69.77 per cent of the respondents strongly agreed or agreed in receiving sufficient training and development to do their job well. 60.47 per cent of the
respondents strongly agreed or agreed in having the tools and resources to their job well;

- 65.11 per cent of the respondents felt that their job makes good use of their skills and abilities. This is significant since the majority of the workforce in the branch is on a job grade or level of SBG 07 to SBG 10 which is representative of consultants, supervisors and team leaders;

- The majority of the respondents (67.44 per cent) strongly agreed or agreed that their manager explains tasks that need to be done and trusts them to work out how to do it. This suggests that management allows employees to be held accountable as well as being responsible for performing tasks. A higher amount of respondents were uncertain (16.28 per cent) on this statement than strongly disagreeing or disagreeing (11.03 per cent) with it. The positive response on this statement validates the 60.77 per cent of respondents who reported in having the support and authority to make the decisions necessary for accomplishing assigned tasks;

- 69.77 per cent of the respondents strongly agreed or agreed in being satisfied with their involvement in decisions that affect their work whilst 62.79 per cent of the respondents strongly agreed or agreed in their department using their feedback to make improvements; and

- The researcher again included two similar statements (statements 1.6 and 1.12) in the questionnaire to test the reliability of the results. The first statement (1.6) asked the respondent whether they feel encouraged to discover new and better ways in doing things while the second statement (1.12) suggests whether they are encouraged. The reason for this was to compare their internal self factors (statement 1.6), where the encouragement is being self-driven, to the external factors (statement 1.12), where management is encouraging the employees. The results were again similar, with 74.42 per cent of the respondents strongly agreeing or agreeing with statement 1.6 and 79.07 per cent of the respondents strongly agreeing or agreeing with statement 1.12.
Table 5.2 Development and training

<table>
<thead>
<tr>
<th></th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Uncertain</th>
<th>Agree</th>
<th>Strongly Agree</th>
<th>Unanswered</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1</td>
<td>The leadership programme has made a major contribution to empowering employees.</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
</tr>
<tr>
<td>1.2</td>
<td>I receive sufficient training and development to do my job well.</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
</tr>
<tr>
<td>1.3</td>
<td>I have the tools and resources to do my job well.</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
</tr>
<tr>
<td>1.4</td>
<td>I am familiar with the training and leadership initiatives implemented by the organisation.</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
</tr>
<tr>
<td>1.5</td>
<td>The training and leadership programmes have made a major contribution to empowering employees.</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
</tr>
<tr>
<td>1.6</td>
<td>I feel encouraged to come up with new and better ways of doing things.</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
</tr>
<tr>
<td>1.7</td>
<td>My job makes good use of my skills and abilities.</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
</tr>
<tr>
<td>1.8</td>
<td>My manager / supervisor explains what needs to be done and trusts me to work out how to do it.</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
</tr>
<tr>
<td>1.9</td>
<td>I am satisfied with my involvement in decisions that affect my work.</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
</tr>
<tr>
<td>1.10</td>
<td>I have the support and authority to make the decisions necessary for accomplishing assigned tasks.</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
</tr>
<tr>
<td>1.11</td>
<td>My department uses employee feedback to make improvements.</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
</tr>
<tr>
<td>1.12</td>
<td>I am encouraged to come up with new and better ways of doing things.</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
</tr>
</tbody>
</table>

Source: Results obtained from analysis of responses to Question 1 of Section B of the questionnaire [N=43]

Figure 5.6 illustrates the results reflected in Table 5.2 and correlates the responses, in percentage form, of the respondents to the five-point rating scale.

The figure reflects that in total 65.89 per cent of the respondents strongly agree or agree. To the statements contained in Table 5.2. 17.64 per cent were uncertain.
Only 1.64 per cent of all the statements were unanswered.

The results obtained indicate a favourable response by the employees in having received sufficient development and training to empower them in doing their work effectively.

![Figure 5.6 Development and training](image)

Source: Results obtained from analysis of responses to Question 1 of Section B of the questionnaire [N=43]

### 5.3.1.2 Internal management practices

Randolph’s empowerment model, as explained by Blanchard et al. (1996:58), in chapter three of this study, suggests that the development of autonomy through structure helps create processes that actually empower the employees. Thus, should authority be encouraged to filter down the hierarchy, the employees will be willing and able to make difficult decisions in the workplace.

In this category, the respondents’ experience of the internal management practices of SBSA employed in the branch will be examined.

Table 5.3 reflects the results of the respondents’ opinions on the organisation’s internal management practices implemented to create an environment of employee empowerment.
An analysis of Table 5.3 indicates the following:

- The majority (79.07 per cent) of employees understood and were clear on the organisation’s goals and objectives (statement 1.14). The majority (83.72 per cent) also reported that the organisation’s policies were important to them (statement 1.13). 90.70 per cent of the respondents understood how their work contributes to the organisation’s overall goals and strategy;

- 74.41 per cent of the respondents also understood the importance for the bank to value diversity in the workplace as this provides an environment upon which transformation and employee empowerment can be advanced. 16.28 per cent of the respondents were uncertain in answering this statement;

- According to Randolph’s empowerment model, as explained by Schultz et al. (2003:148) in the literature section of this study, an open-book management accompanied by active information sharing are needed to, firstly, build the foundation of trust. Blanchard and Mouton’s managerial grid (Robbins, 1996:418), as explained in chapter three, describes that the team management style for work that is to be accomplished should come from both committed people and interdependence through a common goal in an organisation. This leads to relationships of trust and respect, resulting in higher production and concern for the employees.

The principle being that cementing the trust between management and employees is fundamental in forming a basis of transparency and to allow for a free-flow of information in the workplace.

The majority of the respondents (67.44 per cent) strongly agreed or agreed that the organisation has done a good job in keeping them informed on work-matters that affect them (statement 1.15). This is interesting as 39.53 per cent of the respondents, being the majority, strongly disagreed or disagreed that there was transparency and free-flow of information between management and employees (statement 1.22); 23.26 per cent of the respondents were uncertain and 37.21 per cent of them strongly agreed or
agreed with this statement. It is important to note that all respondents answered statements 1.15 and 1.22;

- 69.76 per cent of the respondents reported on having a meaningful development plan. The majority of the respondents (58.14 per cent) felt that they had a promising future in the organisation (statement 1.17); and that they were satisfied with the opportunity for getting a better job (statement 1.18; 62.79 per cent). 74.42 per cent of the respondents enjoyed working at SBSA, with 11.63 per cent being uncertain and 9.30 per cent not answering the statement; and

- Chapter three of this study explored employees participating in the organisation’s share schemes where in the Toyota Motor Corporation the encouragement of employees to participate into a share scheme allowed the employees to own a piece of the business thus sharing in the profits. In the case of Starbucks Coffee Company, Howard Schultz suggested that participation in employee share schemes, as a form of empowerment, has a longer-term view and effect on the company’s employees.

Statements 1.20 and 1.21 refer to the employees perceptions of participating in the Employee Share Scheme with the bank. The majority of the respondents strongly agreed or agreed (55.81 per cent) that their performance at work has improved since participating in the share scheme; 37.21 per cent of the respondents were uncertain and 4.65 per cent disagreed. The majority of the respondents also strongly agreed or agreed (67.44 per cent) that their participation in the share scheme increased their commitment and loyalty to the organisation; 25.58 per cent of the respondents were uncertain and 6.98 per cent disagreed. The uncertain results obtained in statement 1.21 is consistent with the uncertain results obtained for statements 1.17 and 1.18 which refers to whether the employees have a promising future and whether they were satisfied with opportunities to further their progression within the bank, respectively.
## Table 5.3  Internal management practices

<table>
<thead>
<tr>
<th></th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Uncertain</th>
<th>Agree</th>
<th>Strongly Agree</th>
<th>Unanswered</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.13</td>
<td>The company’s employment policies are important to me.</td>
<td>No. % 2 4.65 1 2.33 3 6.98 20 46.51 16 37.21 1 2.33</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.14</td>
<td>My goals and objectives are clear and understandable.</td>
<td>No. % 3 6.98 0 0 6 13.95 19 44.19 15 34.88 0 0</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.15</td>
<td>The organisation does an excellent job of keeping employees informed about matters affecting us.</td>
<td>No. % 3 6.98 6 13.95 5 11.63 17 39.53 12 27.91 0 0</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.16</td>
<td>I have a meaningful development plan.</td>
<td>No. % 0 0 4 9.30 8 18.60 22 51.16 8 18.60 1 2.33</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.17</td>
<td>I have a promising future in this organisation.</td>
<td>No. % 2 4.65 4 9.30 11 25.58 15 34.88 10 23.26 1 2.33</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.18</td>
<td>I am satisfied with opportunities to get a better job in this organisation.</td>
<td>No. % 2 4.65 5 11.63 8 18.60 19 44.19 8 18.60 1 2.33</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.19</td>
<td>I understand how my work contributes to the company’s overall goals and strategy.</td>
<td>No. % 0 0 2 3.33 3 6.98 23 53.49 16 37.21 0 0</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.20</td>
<td>I feel that sharing in the organisation’s Employee Share Scheme has improved my performance at work.</td>
<td>No. % 0 0 2 4.65 16 37.21 16 37.21 8 18.60 1 2.33</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.21</td>
<td>I feel that participating in the Employee Share Scheme has increased my commitment and loyalty to the organisation.</td>
<td>No. % 0 0 3 6.98 11 25.58 23 53.49 6 13.95 0 0</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.22</td>
<td>There is transparency and free-flow of information between management and employees.</td>
<td>No. % 8 18.60 9 20.93 10 23.26 10 23.26 6 13.95 0 0</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.23</td>
<td>I understand why it is so important for Standard Bank to value diversity by recognising and respecting the value of differences in race, gender, age, etc.</td>
<td>No. % 2 4.65 2 4.65 7 16.28 17 39.53 15 34.88 0 0</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.24</td>
<td>I enjoy working at Standard Bank.</td>
<td>No. % 1 2.33 1 2.33 5 11.63 22 51.16 10 23.26 4 9.30</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Results obtained from analysis of responses to Question 1 of Section B of the questionnaire [N=43]

Figure 5.7 illustrates the results reflected in Table 5.3 and correlates the responses, in percentage form, of the respondents to the five-point rating scale.

The figure reflects that in total 68.41 per cent of the respondents strongly agreed or agreed and 18.02 per cent were uncertain to the statements contained in Table 5.3 and 1.74 per cent of the statements were answered.
The results obtained reflect a favourable response by the employees in experiencing an empowered working environment through the implementation of the organisation's internal management practices.

**Figure 5.7 Internal management practices**

![Bar chart showing the percentage of responses across different categories.]

<table>
<thead>
<tr>
<th>Percentage of Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Disagree</td>
</tr>
<tr>
<td>Disagree</td>
</tr>
<tr>
<td>Uncertain</td>
</tr>
<tr>
<td>Agree</td>
</tr>
<tr>
<td>Strongly Agree</td>
</tr>
<tr>
<td>Unanswered</td>
</tr>
<tr>
<td><strong>Series 1</strong></td>
</tr>
<tr>
<td>4.46%</td>
</tr>
<tr>
<td>7.36%</td>
</tr>
<tr>
<td>18.02%</td>
</tr>
<tr>
<td>43.22%</td>
</tr>
<tr>
<td>25.19%</td>
</tr>
<tr>
<td>1.74%</td>
</tr>
</tbody>
</table>

Source: Results obtained from analysis of responses to Question 1 of Section B of the questionnaire \([N=43]\)

### 5.3.1.3 Reward and recognition

Reward and recognition are important aspects in an effort to promote empowerment in the workplace. It serves to promote positive behaviour of employees, such as employees doing a good job or task, by either offering recognition or by financially rewarding them.

In this category, aspects of reward and recognition of employees will be analysed.

Table 5.4 reflects the results the respondents’ opinions on being rewarded and whether recognition is being afforded to them in the workplace.

An analysis of Table 5.4 reflects the following:
- The majority of the respondents responded to strongly agreed or agreed to their work giving them a feeling of personal accomplishment (81.39 per cent), their job is important to them (95.35 per cent), and the work they do makes a difference (86.05 per cent);

- The respondents strongly agreed or agreed to being praised when doing a good job (55.81 per cent) and feel valued as a team member (55.81 per cent). 60.46 per cent of the respondents are satisfied with the recognition they receive for doing a good job. Approximately a quarter of the respondents in previously mentioned results have reported to strongly disagree or disagree to the statements;

- Statements 1.29 and 1.32 reflected similar results for the strongly disagree or disagree, uncertain and strongly agree or agree ratings. The results for statement 1.29 are 34.89 per cent for strongly disagree or disagree, 23.26 per cent for respondents being uncertain and 39.53 per cent of the respondents strongly agreeing or agreeing to the statement. 39.53 per cent of the respondents feel free to speak their mind without fear of negative responses but 34.88 per cent of the respondents strongly disagreed or disagreed and 20.93 per cent were uncertain with this statement.

There also appears to be a correlation of these results with the previously discussed statement regarding the free-flow of information between management and employees (statement 1.22); and

- 65.11 per cent of the respondents felt that they are accountable for delivering what they have promised (statement 1.33) suggesting that they are held accountable for the work and tasks they do.
Table 5.4  Reward and recognition

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Uncertain</th>
<th>Agree</th>
<th>Strongly Agree</th>
<th>Unanswered</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.25 My work gives me a feeling of personal accomplishment.</td>
<td>No. 2 4.65</td>
<td>2 4.65</td>
<td>4 9.30</td>
<td>22</td>
<td>51.16</td>
<td>13 30.23</td>
</tr>
<tr>
<td>1.26 I am praised when I do a good job.</td>
<td>No. 5 11.63</td>
<td>7 16.28</td>
<td>6 13.95</td>
<td>13</td>
<td>30.23</td>
<td>11 25.58</td>
</tr>
<tr>
<td>1.27 I feel valued as a team member.</td>
<td>No. 1 2.33</td>
<td>9 20.93</td>
<td>7 16.28</td>
<td>15</td>
<td>34.88</td>
<td>9 20.93</td>
</tr>
<tr>
<td>1.28 I am satisfied with the recognition I receive for doing a good job.</td>
<td>No. 3 6.98</td>
<td>7 16.28</td>
<td>6 13.95</td>
<td>17</td>
<td>39.53</td>
<td>9 20.93</td>
</tr>
<tr>
<td>1.29 People who get promoted deserve it.</td>
<td>No. 10 23.26</td>
<td>5 11.63</td>
<td>10 23.26</td>
<td>13</td>
<td>30.23</td>
<td>4 9.30</td>
</tr>
<tr>
<td>1.30 My job is important to me.</td>
<td>No. 1 2.33</td>
<td>0 0</td>
<td>1 2.33</td>
<td>21</td>
<td>48.84</td>
<td>20 46.51</td>
</tr>
<tr>
<td>1.31 The work I do makes a difference.</td>
<td>No. 1 2.33</td>
<td>2 4.65</td>
<td>2 4.65</td>
<td>25</td>
<td>58.14</td>
<td>12 27.91</td>
</tr>
<tr>
<td>1.32 I feel free to speak my mind without fear of negative consequences.</td>
<td>No. 9 20.93</td>
<td>6 13.95</td>
<td>9 20.93</td>
<td>8</td>
<td>18.60</td>
<td>9 20.93</td>
</tr>
<tr>
<td>1.33 In my team people are accountable for delivering what they have promised.</td>
<td>No. 4 9.30</td>
<td>1 2.33</td>
<td>9 20.93</td>
<td>17</td>
<td>39.53</td>
<td>11 25.58</td>
</tr>
</tbody>
</table>

Source: Results obtained from analysis of responses to Question 1 of Section B of the questionnaire [N=43]

Figure 5.8 illustrates the results reflected in Table 5.4 and correlates the responses, in percentage form, of the respondents to the five-point rating scale.

The figure reflects that in total 64.34 per cent of the respondents strongly agreed or agreed, 19.38 per cent strongly disagreed or disagreed and 13.95 per cent were uncertain to the statements contained in Table 5.3 and 2.33 per cent of the statements were answered.

The results obtained reflect a favourable response by the employees being rewarded and receiving recognition for a job or task performed according to the organisation’s goals, strategies and policies.
Figure 5.8  Reward and recognition

<table>
<thead>
<tr>
<th></th>
<th>Percentage of Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Disagree</td>
<td>9.30%</td>
</tr>
<tr>
<td>Disagree</td>
<td>10.08%</td>
</tr>
<tr>
<td>Uncertain</td>
<td>13.95%</td>
</tr>
<tr>
<td>Agree</td>
<td>39.02%</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>25.32%</td>
</tr>
<tr>
<td>Unanswered</td>
<td>2.33%</td>
</tr>
</tbody>
</table>

Source: Results obtained from analysis of responses to Question 1 of Section B of the questionnaire [N=43]

5.3.2 Quantitative analysis of question 2

Question 2 of Section B required the respondent to rate the extent to which the factors may motivate them in achieving greater empowerment in their working environment.

The results of question 2, which consisted of ten closed questions, will be summarised, interpreted and presented in the following table and figure.

Table 5.5 reflects the results the respondents’ motivational factors that contribute and may influence employee empowerment.
Table 5.5  Motivational factors that contribute to employee empowerment

<table>
<thead>
<tr>
<th>Factor</th>
<th>Not at all Important</th>
<th>Somewhat Important</th>
<th>Uncertain</th>
<th>Important</th>
<th>Extremely Important</th>
<th>Unanswered</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1 Remuneration and financial rewards.</td>
<td>1 2.33</td>
<td>1 2.33</td>
<td>2 4.65</td>
<td>14 32.56</td>
<td>25 58.14</td>
<td>0 0</td>
</tr>
<tr>
<td>2.2 Work culture and environment.</td>
<td>0 0</td>
<td>2 4.65</td>
<td>5 11.63</td>
<td>15 34.88</td>
<td>21 48.84</td>
<td>0 0</td>
</tr>
<tr>
<td>2.3 Intangible benefits (eg. Flexi working hours, etc).</td>
<td>0 0</td>
<td>2 4.65</td>
<td>5 11.63</td>
<td>19 44.19</td>
<td>15 34.88</td>
<td>0 0</td>
</tr>
<tr>
<td>2.4 Recognition.</td>
<td>0 0</td>
<td>2 4.65</td>
<td>1 2.33</td>
<td>12 27.91</td>
<td>25 58.14</td>
<td>3 6.98</td>
</tr>
<tr>
<td>2.5 Standard Bank brand.</td>
<td>0 0</td>
<td>1 2.33</td>
<td>2 4.65</td>
<td>15 34.88</td>
<td>24 55.81</td>
<td>0 0</td>
</tr>
<tr>
<td>2.6 Self-development.</td>
<td>0 0</td>
<td>0 0</td>
<td>0 0</td>
<td>14 32.56</td>
<td>29 67.44</td>
<td>0 0</td>
</tr>
<tr>
<td>2.7 Efficient work processes.</td>
<td>0 0</td>
<td>0 0</td>
<td>2 4.65</td>
<td>16 37.21</td>
<td>25 58.14</td>
<td>0 0</td>
</tr>
<tr>
<td>2.8 Career progression.</td>
<td>0 0</td>
<td>1 2.33</td>
<td>2 4.65</td>
<td>10 23.26</td>
<td>30 69.77</td>
<td>0 0</td>
</tr>
<tr>
<td>2.9 Client interaction.</td>
<td>0 0</td>
<td>2.33</td>
<td>2.33</td>
<td>30 23.26</td>
<td>27 62.79</td>
<td>1 2.33</td>
</tr>
<tr>
<td>2.10 Participation in an Employee Share Scheme.</td>
<td>2 4.65</td>
<td>2 4.65</td>
<td>3 6.98</td>
<td>15 34.88</td>
<td>21 48.84</td>
<td>0 0</td>
</tr>
</tbody>
</table>

Source: Results obtained from analysis of responses to Question 2 of Section B of the questionnaire [N=43]

Figure 5.9 illustrates the results reflected in Table 5.5 and correlates the responses, in percentage form, of the respondents to the five-point rating scale.

The figure reflects that in total 89.54 per cent of the respondents rated the motivational factors as extremely important or important, 4.43 per cent rated not at all important or somewhat important and 5.12 per cent were uncertain. 0.93 per cent of the factors were not rated.

The results obtained reflect that the majority of the respondents have favourably rated the motivational factors in them achieving greater employee empowerment in the workplace.
Figure 5.9  Motivational factors that contribute to employee empowerment

<table>
<thead>
<tr>
<th>Percentage of Responses</th>
<th>Series1</th>
<th>1.86%</th>
<th>2.56%</th>
<th>5.12%</th>
<th>33.26%</th>
<th>56.28%</th>
<th>0.93%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not at all Important</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Somewhat Important</td>
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<tr>
<td>Uncertain</td>
<td></td>
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<tr>
<td>Important</td>
<td></td>
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<tr>
<td>Extremely Important</td>
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</tr>
<tr>
<td>Unanswered</td>
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<td></td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Results obtained from analysis of responses to Question 2 of Section B of the questionnaire [N=43]

5.3.3 Qualitative analysis of questions 3 and 4

The final two questions of Section B, questions 3 and 4, asked the respondents to suggest ways in which the bank could assist them in achieving greater employee empowerment in their job.

The response rate for questions 3 and 4, as indicated in the Table 5.6, was poor with only 25.58 per cent and 30.23 per cent of the questions being answered respectively.

| Table 5.6  Response rate for questions 3 and 4 |
|-------------------------|----------|----------|----------|
| **Section B**          | **No. Answered** | **% Answered** |
| Question 3             | 11       | 25.58%   |
| Question 4             | 13       | 30.23%   |

Source: Results obtained from analysis of responses to Questions 3 and 4 of Section B of the questionnaire [N=43]

The responses obtained from these questions will be used to resolve sub-problem three since these responses would indicate what is lacking in the training and leadership programmes offered in an attempt to empower the employees at the branch.
The following, despite the poor response rate, reflects the broadly grouped responses from questions 3 and 4 and serves to provide ways to effectively empower the employees:

- Junior staff to be more involved in employee discussions and meetings and to be involved in the decision-making;

- Administering of more recognition for work done well with a focus on achievement acknowledgement;

- Attending of more learning and development programmes. Increased interactive and on-the-job training. Regular attending of training courses to remind the employees of the bank’s goals, objectives and vision as well as what the bank provides and offers to employees;

- The respondents also suggested that more staff attend leadership courses and training sessions in order to develop them to their full potential;

- Allow employees the opportunity to rotate in various jobs in the branch in order to achieve greater understanding and inter-departmental learning of the different complexities associated with each job; and

- To be recognised in terms of salary and job description. This relates to the employees’ job status where employees who have a longer length of service within the branch be treated as more senior and perhaps with more respect.

5.4 SUMMARY

This chapter focussed on the analysis and interpretation of the results obtained from the empirical study through the research questionnaire. Comparisons of the data obtained were related to the contemporary literature on leadership and employee empowerment. The analysis and interpretation of the results was approached with the specific aim to fulfil the research objectives described in chapter one and in so doing, resolved sub-problems two and three.
Chapter six will focus on the conclusion and recommendations based on the findings of this chapter. A brief summary of the problems and limitations encountered during the study and opportunities for further research will be discussed.
CHAPTER SIX

CONCLUSIONS AND RECOMMENDATIONS

6.1 INTRODUCTION

In chapter five, the results of the empirical study were analysed, interpreted and presented. The results obtained were compared to the contemporary literature reviewed in chapters two and three of this study.

In this chapter, the researcher endeavours to summarise the study, including the main findings, in order to resolve the main and sub-problems. The problems and limitations encountered during the research study will be described. Recommendations will be made based on the main findings of the research study and will then be followed by opportunities for further research. The chapter will end with concluding remarks.

6.2 SUMMARY OF STUDY

The summary of the study will, firstly, include an outline and resolution of the main and sub-problems of the research and, secondly, a summary of the main findings identified from the previous chapter.

6.2.1 Main and sub-problems

The main problem of the study was identified in chapter one as:

What is the impact that training and leadership programmes have on employee empowerment?

Three sub-problems were established as an appropriate solution to the main problem of the study. These are:

- Sub-problem one

What initiatives regarding leadership programmes are revealed in the relevant literature that will assist an organisation in effectively empowering employees?
Sub-problem two
Do the employees, at the selected financial institution, perceive themselves to be empowered?; and

Sub-problem three
How can the results obtained from the resolution of the sub-problems one and two (above) be combined in identifying ways and means to effectively empower the financial institution’s employees?

The main and sub-problems were identified to determine the impact that training and leadership programmes implemented by the branch of the bank had on empowering employees. As described in chapter four, the previously mentioned sub-problems were resolved as follows:

Sub-problem one was resolved through the comprehensive literature study reviewed in chapters two and three.

In chapter two, the role that banking plays in the South African economy was described as well as the external and internal factors that affect employees.

In chapter three, an overview of leadership theory, empowerment theory and employee empowerment and satisfaction in organisations were described. It was deduced from chapter three that communication between employees and management, participation of employees in a share scheme, adequate reward and recognition of a job well done, and sufficient training and development were important in enhancing employee empowerment in the workplace; and

Sub-problems two and three were resolved through the analysis and interpretation of the results obtained from the empirical study as outlined in chapter five.

In chapter five it was indicated that the majority of employees perceived themselves to be empowered through the training and leadership programmes implemented by the branch. This resolved sub-problem two.
A qualitative analysis of questions 3 and 4 of Section B of the questionnaire (refer Appendix A) provided ways in which to effectively empower the financial institution’s employees, thus resolving sub-problem three.

6.2.2 Main findings of the study
A summary of the main findings of the study will be described under the following sub-headings.

- Development and training:
  - The respondents were familiar and aware of the training and leadership programmes implemented by the bank (65.12 per cent);
  - 55.81 per cent of the respondents believed that the training and leadership programmes made a major contribution to empowering the employees;
  - The majority of the respondents were in agreement that they received sufficient training and development to do their jobs well (69.77 per cent); and
  - The majority of the respondents were encouraged to come up with new and better ways of doing things in the workplace (79.07 per cent).

- Internal management practices:
  - There was overall consensus that the respondents understood how their work contributes to the organisation’s overall goals and strategy (90.70 per cent);
  - There were mixed responses regarding transparency and free-flow of information between management and employees (the majority being 39.53 per cent strongly disagreed or disagreed with the statement) and that the organisation did a good job in keeping employees informed on work-matters that affected them (the majority being 67.44 per cent strongly agree or agreed with the statement);
The participation of the employees in the share scheme in the bank appears to be a success. The majority of respondents (55.81 per cent) affirmed that their performance at work has improved since participating in the share scheme. The majority of respondents (67.44 per cent) also indicated that the share scheme had increased their loyalty and commitment to the organisation; and

It is important to note that 74.42 per cent of the respondents enjoyed working at SBSA and it appears to be in-line with the previous feedback received.

Reward and recognition:

The respondents provided favourable feedback to be being praised when doing a good job, feel valued as a team member and that they are satisfied with the recognition they receive for doing a good job; and

The previously mentioned findings are contrasted with the feedback that they feel free to speak their mind without fear of negative responses (39.53 per cent feel free to speak their mind whereas 34.88 per cent do not). As mentioned in chapter five, the results validate the response that there was transparency and free-flow of information between management and employees in the workplace.

Motivational factors that contribute to enhancing employee empowerment:

From the results discussed in chapter five it is evident that all of the motivational factors are important in contributing to higher employee empowerment in the workplace with the respondents answering the majority of the responses as extremely important or important; and

The top three motivational factors are, firstly, self-development of employees (100 per cent), secondly, efficient work processes (95.35 per cent), and in joint-third, career progression (93.02 per cent) and client interaction (93.02 per cent). These were calculated by combining the extremely important and important response of the ten
motivational factors and then selecting the first three factors with the highest percentages.

- The biographical data in chapter five suggest that organisational transformation is occurring in the branch with the following being evident:
  
  o Most of the respondents are women;
  
  o Most of the respondents are of non-white origin;
  
  o Most of the respondents are considered to be young employees between 20 and 30 years of age; and
  
  o The majority of respondents have been employed for between 0 and 5 years.

6.3 PROBLEMS AND LIMITATIONS

The researcher experienced a few problems during the course of the study which may have influenced the outcome of the research. These were identified as follows:

- The response rate of the survey was 51.80 per cent and may be regarded as acceptable. As reflected in chapter four, a possible reason for the high percentage of non-respondents were that the majority of employees could not answer the questionnaire by the due date as they were too busy filling-in for staff shortages (refer section 4.7). Follow-up reminders were made to the respondents to encourage further feedback;

- The rate of response was anticipated by the researcher despite efforts in encouraging responses with a small reward or incentive, as described in chapter four (refer section 4.4.4);

- The respondents in all job grades participated in the survey reflecting a balanced perspective and reducing any possibility of prejudice or bias; and
As the majority of the respondents have been employed between 0 and 5 years, further distinguishing as to whether they were newly employed should have been made. That is, a further rating should have been inserted for 0 to 1 year. This would have added further validity to the results of the study.

6.4 RECOMMENDATIONS
The aim of this study was to determine the impact of training and leadership programmes on employee empowerment at a retail branch of Standard Bank South Africa (SBSA).

To accomplish this, various literature was referred to in establishing the theory of leadership and employee empowerment in organisations. Secondly, an empirical study was conducted to demonstrate whether these employees perceived themselves to be empowered. The empirical study also sought ways, with a particular focus on employee empowerment, to improve the effectiveness of the training and leadership programmes by the SBSA.

An evaluation of the results of the survey indicates that the majority of the employees (55.81 per cent) at the selected branch perceived themselves to be empowered through the implementation of the training and leadership programmes by SBSA. However, there were certain aspects to employee empowerment that were not being conformed to thus creating uncertainty, mistrust and disagreeing with certain statements by the employees.

The following represents the recommendations to this study:

- Firstly, the respondents have suggested a need for increased development and training, in particular, leadership courses and on-the-job training sessions in order to develop them to their full potential. These workshop sessions or courses should ideally be conducted on an informal basis and should be interactive. This would allow for the sharing of information between colleagues and management and lay the foundation for easier communication in the workplace. The respondents also suggested that more staff attend training courses or workshops in order to familiarise themselves
with the bank’s goals, objectives and vision as well as what the bank provides and offers to employees.

A few respondents recommended that they be allowed the opportunity to rotate in various jobs in the branch in order to achieve greater understanding and inter-departmental learning of the different complexities associated with each job.

The fact that the self-development motivational factor was rated the highest (100 per cent) suggests that the respondents are eager to learn, be trained, and be mentored in order to be held accountable and responsible for any delegated tasks assigned and any decisions that are to be made;

- Secondly, staff (particularly junior staff) to participate in discussion forums and meetings and to be actively involved in the decision-making. Through management driving and encouraging this process should improve the perceived lack of free-flow of information and transparency within the workplace;

- Thirdly, team leaders and supervisors should encourage support and coaching of the junior employees by giving them constructive on-going feedback, supporting their ideas, delegating tasks, and giving direction on the way forward;

- Fourthly, a few respondents suggested a need to be recognised in terms of salary and job description. This relates to the employee’s job status where those who have a longer length of service within the branch be treated as more senior and perhaps with more respect. The respondents also appreciated more recognition for work done well with a focus on acknowledging achievement. A review of the reward and recognition system would be advisable where employees are rewarded (financially or non-financially) for job or task well done or to promote certain behaviours and attitudes in the workplace; and

- Finally, although the majority of the respondents are aware and are motivated by the Employee Share Scheme there are some employees who
do not perceive any benefit being derived from it. It is recommended that the employees be informed and educated on the benefits of the Scheme, associated for both the employees and the organisation, in order to increase their commitment and performance.

6.5 OPPORTUNITIES FOR FURTHER RESEARCH

It is envisaged that this study can lay the foundation for further research within the SBSA group. The SBSA Human Resource department could roll-out or introduce the questionnaire in all its branches and the results obtained could be segmented nationally, per province, per city and so on.

Alternatively, the Human Resource department could also investigate the empowerment of employees in the various other units and divisions within the bank, for example, Corporate Banking, Business Banking, Global Markets, Transactional Banking and so on.

The benefits of the results could assist the SBSA Human Resource department to effectively formulate specific learning and development training models to enhance motivation and empowerment of employees in the workplace.

6.6 CONCLUDING REMARKS

This chapter focussed on concluding the study by reviewing the main problem and resolving each of the identified sub-problems.

The main findings of the empirical study were summarised and was followed by the problems and limitations the researcher experienced while conducting the study.

Based on the main findings, a list of relevant recommendations was made which could be used by the organisation to further enhance employee empowerment. Opportunities for further research involved the Human Resource department of the bank to extend or broaden the research survey to either the geographically segmented retail branches or to all other units and divisions within SBSA.
Lastly, it can be concluded that the majority of the respondents in the branch do perceive themselves to be empowered due to the training and leadership implemented by the bank and that creating a culture of coaching and mentoring is crucial in sustaining employee empowerment and motivation in the workplace.
REFERENCE LIST


• Hofstee, E. 2006. *Constructing a Good Dissertation: A practical guide to finishing a Master's, MBA or PhD on schedule*. Johannesburg, South Africa: EPE.


Nyamakanga, R. Nedbank will also charge overdraft fee. Business Day newspaper. 18 April 2007


APPENDIX A
THE COVERING LETTER

09 October 2007

Attention: The Branch Manager
Standard Bank, Sandton

Dear Sir,

SURVEY ON EMPLOYEE EMPOWERMENT

This survey represents the part fulfilment of the requirement to complete my studies towards a Master’s degree in Business Administration.

For the sake of the study, empowerment is defined as a form of employee involvement, designed by management and intended to generate commitment and enhance employee contributions to the organisation (Schultz, Bagrain, Potgieter, Viedge and Werner, 2003:148).

The purpose of the study is to investigate the impact of training and leadership programmes implemented by the organisation on employee empowerment.

As your views and comments are important in achieving the objectives of this study, care has been taken to make the process of answering the questions with minimum inconvenience and should not take longer than 10 minutes of your time. All your responses will be treated as confidential.

I thank you for the time and effort taken in filling out this questionnaire.

Milan Ramjee
MBA Student

083 636 6399
APPENDIX B
THE QUESTIONNAIRE

SECTION A

Biographical Information

1. Respondent Number: ___________

2. Please indicate your gender:
   - Male
   - Female

3. Please indicate to which population group you belong (for statistical purposes only):
   - Asian
   - Black
   - Coloured
   - White
   - Not willing to disclose

4. Please indicate to which of the following age groups you belong:
   - Between 20 – 30 years
   - Between 31 – 40 years
   - Between 41 – 50 years
   - 51 years and older

5. Kindly indicate the Division you work in: _______________________

6. Kindly indicate your Job Grade or Level: _______________________

7. Please indicate your length of employment at Standard Bank:
   - Between 0 – 5 years
   - Between 6 – 10 years
   - Between 11 – 15 years
   - 16 years or more
SECTION B

QUESTION 1 – THE EXTENT TO WHICH LEADERSHIP PROGRAMMES CONTRIBUTE TOWARDS EMPLOYEE EMPOWERMENT

INSTRUCTIONS FOR COMPLETING QUESTION 1 OF SECTION B

1 = Strongly Disagree
2 = Disagree
3 = Uncertain
4 = Agree
5 = Strongly Agree

1. It is believed that leadership programmes have made a major contribution to empowering employees. I would like to find out your attitude and perception towards your job at Standard Bank.

It is important to note that there are no right or wrong answers to this survey. Kindly rate the statements below which best indicate your views.

<table>
<thead>
<tr>
<th></th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Uncertain</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1</td>
<td>The leadership programme has made a major contribution to empowering employees.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>1.2</td>
<td>I receive sufficient training and development to do my job well.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>1.3</td>
<td>I have the tools and resources to do my job well.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>1.4</td>
<td>I am familiar with the training and leadership initiatives implemented by the organisation.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>1.5</td>
<td>The training and leadership programmes have made a major contribution to empowering employees.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>1.6</td>
<td>I feel encouraged to come up with new and better ways of doing things.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>1.7</td>
<td>My job makes good use of my skills and abilities.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>1.8</td>
<td>My manager / supervisor explains what needs to be done and trusts me to work out how to do it.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>1.9</td>
<td>I am satisfied with my involvement in decisions that affect my work.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>1.10</td>
<td>I have the support and authority to make the decisions necessary for accomplishing assigned tasks.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>1.11</td>
<td>My department uses employee feedback to make improvements.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>1.12</td>
<td>I am encouraged to come up with new and better ways of doing things.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>QUESTION 1 /...continued</td>
<td>Strongly Disagree</td>
<td>Disagree</td>
<td>Uncertain</td>
<td>Agree</td>
<td>Strongly Agree</td>
</tr>
<tr>
<td>--------------------------</td>
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</tr>
<tr>
<td>1.13 The company’s employment policies are important to me.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>1.14 My goals and objectives are clear and understandable.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>1.15 The organisation does an excellent job of keeping employees informed about matters affecting us.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>1.16 I have a meaningful development plan.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>1.17 I have a promising future in this organisation.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>1.18 I am satisfied with opportunities to get a better job in this organisation.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>1.19 I understand how my work contributes to the company’s overall goals and strategy.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>1.20 I feel that sharing in the organisation’s Employee Share Scheme has improved my performance at work.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>1.21 I feel that participating in the Employee Share Scheme has increased my commitment and loyalty to the organisation.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>1.22 There is transparency and free-flow of information between management and employees.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>1.23 I understand why it is so important for Standard Bank to value diversity by recognising and respecting the value of differences in race, gender, age, etc.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>1.24 I enjoy working at Standard Bank.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>1.25 My work gives me a feeling of personal accomplishment.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>1.26 I am praised when I do a good job.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>1.27 I feel valued as a team member.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>1.28 I am satisfied with the recognition I receive for doing a good job.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>1.29 People who get promoted deserve it.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>1.30 My job is important to me.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>1.31 The work I do makes a difference.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>1.32 I feel free to speak my mind without fear of negative consequences.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>1.33 In my team people are accountable for delivering what they have promised.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>
QUESTION 2 – FACTORS WHICH MAY MOTIVATE YOU

INSTRUCTIONS FOR COMPLETING QUESTION 2 OF SECTION B

1 = Not at all Important
2 = Somewhat Important
3 = Uncertain
4 = Important
5 = Extremely Important

2. Kindly rate the following in terms of the extent to which they motivate you:

*It is important to note that there are no right or wrong answers to this survey. Kindly rate the statements below which best indicate your views.*

<table>
<thead>
<tr>
<th></th>
<th>Not at all Important</th>
<th>Somewhat Important</th>
<th>Uncertain</th>
<th>Important</th>
<th>Extremely Important</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1 Remuneration and financial rewards</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.2 Work culture and environment</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.3 Intangible benefits (eg. Flexi working hours, etc)</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.4 Recognition</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.5 Standard Bank brand</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.6 Self-development</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.7 Efficient work processes</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.8 Career progression</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.9 Client interaction</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.10 Participation in an Employee Share Scheme</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
QUESTION 3

3. Kindly add any additional comments which may assist you in gaining greater empowerment at your work:
_______________________________________________________________________
_______________________________________________________________________
_______________________________________________________________________
_______________________________________________________________________
_______________________________________________________________________
_______________________________________________________________________

QUESTION 4

4. Are there any particular training methods and/or leadership programmes that would empower you in becoming a better leader in your job and working environment?
_______________________________________________________________________
_______________________________________________________________________
_______________________________________________________________________
_______________________________________________________________________
_______________________________________________________________________

Thank you for your co-operation.
APPENDIX C
THE RESULTS OF THE EMPIRICAL STUDY

SECTION A

Biographical Information

1. Respondent Number: 

2. Respondent's gender:

<table>
<thead>
<tr>
<th>Gender</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>15</td>
<td>34.9%</td>
</tr>
<tr>
<td>Female</td>
<td>28</td>
<td>65.1%</td>
</tr>
<tr>
<td>Total</td>
<td>43</td>
<td>100%</td>
</tr>
</tbody>
</table>

3. Respondent's population group

<table>
<thead>
<tr>
<th>Population Group</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asian</td>
<td>13</td>
<td>30.2%</td>
</tr>
<tr>
<td>Black</td>
<td>15</td>
<td>34.9%</td>
</tr>
<tr>
<td>Coloured</td>
<td>6</td>
<td>14.0%</td>
</tr>
<tr>
<td>White</td>
<td>9</td>
<td>20.9%</td>
</tr>
<tr>
<td>Not willing to disclose</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Total</td>
<td>43</td>
<td>100%</td>
</tr>
</tbody>
</table>

4. Respondent’s age group

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between 20 – 30 years</td>
<td>29</td>
<td>67.4%</td>
</tr>
<tr>
<td>Between 31 – 40 years</td>
<td>8</td>
<td>18.6%</td>
</tr>
<tr>
<td>Between 41 – 50 years</td>
<td>6</td>
<td>14.0%</td>
</tr>
<tr>
<td>51 years and older</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Total</td>
<td>43</td>
<td>100%</td>
</tr>
</tbody>
</table>

5. Respondent's job grade:

<table>
<thead>
<tr>
<th>Job Grade</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>SBG 06</td>
<td>9</td>
<td>20.9%</td>
</tr>
<tr>
<td>SBG 07</td>
<td>10</td>
<td>23.3%</td>
</tr>
<tr>
<td>SBG 08</td>
<td>6</td>
<td>14.0%</td>
</tr>
<tr>
<td>SBG 09</td>
<td>4</td>
<td>9.3%</td>
</tr>
<tr>
<td>SBG 10</td>
<td>5</td>
<td>11.6%</td>
</tr>
<tr>
<td>SBG 11</td>
<td>4</td>
<td>9.3%</td>
</tr>
<tr>
<td>Not answered</td>
<td>5</td>
<td>11.6%</td>
</tr>
<tr>
<td>Total</td>
<td>43</td>
<td>100%</td>
</tr>
</tbody>
</table>

6. Respondent’s length of employment at Standard Bank:

<table>
<thead>
<tr>
<th>Length of Employment</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between 0 – 5 years</td>
<td>18</td>
<td>41.9%</td>
</tr>
<tr>
<td>Between 6 – 10 years</td>
<td>14</td>
<td>32.6%</td>
</tr>
<tr>
<td>Between 11 – 15 years</td>
<td>9</td>
<td>20.9%</td>
</tr>
<tr>
<td>16 years or more</td>
<td>2</td>
<td>4.7%</td>
</tr>
<tr>
<td>Total</td>
<td>43</td>
<td>100%</td>
</tr>
</tbody>
</table>
SECTION B

QUESTION 1 – THE EXTENT TO WHICH LEADERSHIP PROGRAMMES CONTRIBUTE TOWARDS EMPLOYEE EMPOWERMENT

1. It is believed that leadership programmes have made a major contribution to empowering employees. I would like to find out your attitude and perception towards your job at Standard Bank.

<table>
<thead>
<tr>
<th></th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Uncertain</th>
<th>Agree</th>
<th>Strongly Agree</th>
<th>Unanswered</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1 The leadership programme has made a major contribution to empowering employees.</td>
<td>No. 4</td>
<td>9.30</td>
<td>2</td>
<td>4.65</td>
<td>11</td>
<td>25.58</td>
</tr>
<tr>
<td>1.2 I enjoy working at Standard Bank.</td>
<td>No. 2</td>
<td>2.33</td>
<td>1</td>
<td>2.33</td>
<td>5</td>
<td>11.63</td>
</tr>
<tr>
<td>1.3 My job is important to me.</td>
<td>No. 1</td>
<td>1.28</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>2.33</td>
</tr>
<tr>
<td>1.4 The company’s employment policies are important to me.</td>
<td>No. 2</td>
<td>4.65</td>
<td>1</td>
<td>2.33</td>
<td>3</td>
<td>6.98</td>
</tr>
<tr>
<td>1.5 I receive sufficient training and development to do my job well.</td>
<td>No. 1</td>
<td>1.28</td>
<td>1</td>
<td>2.33</td>
<td>3</td>
<td>6.98</td>
</tr>
<tr>
<td>1.6 I have the tools and resources to do my job well.</td>
<td>No. 3</td>
<td>6.98</td>
<td>6</td>
<td>13.95</td>
<td>8</td>
<td>18.60</td>
</tr>
<tr>
<td>1.7 I am familiar with the training and leadership initiatives implemented by the organisation.</td>
<td>No. 1</td>
<td>2.33</td>
<td>6</td>
<td>13.95</td>
<td>7</td>
<td>16.28</td>
</tr>
<tr>
<td>1.8 The training and leadership programmes have made a major contribution to empowering employees.</td>
<td>No. 1</td>
<td>2.33</td>
<td>6</td>
<td>13.95</td>
<td>3</td>
<td>30.23</td>
</tr>
<tr>
<td>1.9 I feel encouraged to come up with new and better ways of doing things.</td>
<td>No. 1</td>
<td>2.33</td>
<td>3</td>
<td>6.98</td>
<td>6</td>
<td>13.95</td>
</tr>
<tr>
<td>1.10 My work gives me a feeling of personal accomplishment.</td>
<td>No. 2</td>
<td>4.65</td>
<td>2</td>
<td>4.65</td>
<td>4</td>
<td>9.30</td>
</tr>
<tr>
<td>1.11 My goals and objectives are clear and understandable.</td>
<td>No. 3</td>
<td>6.98</td>
<td>0</td>
<td>0</td>
<td>6</td>
<td>13.95</td>
</tr>
<tr>
<td>1.12 The organisation does an excellent job of keeping employees informed about matters affecting us.</td>
<td>No. 3</td>
<td>6.98</td>
<td>6</td>
<td>13.95</td>
<td>5</td>
<td>11.63</td>
</tr>
<tr>
<td>1.13 I understand why it is so important for Standard Bank to value diversity by recognising and respecting the value of differences in race, gender, age, etc.</td>
<td>No. 2</td>
<td>4.65</td>
<td>2</td>
<td>4.65</td>
<td>7</td>
<td>16.28</td>
</tr>
<tr>
<td>1.14 My job makes good use of my skills and abilities.</td>
<td>No. 6</td>
<td>13.95</td>
<td>3</td>
<td>6.98</td>
<td>6</td>
<td>13.95</td>
</tr>
<tr>
<td>1.15 My manager / supervisor explains what needs to be done and trusts me to work out how to do it.</td>
<td>No. 2</td>
<td>4.65</td>
<td>3</td>
<td>6.98</td>
<td>7</td>
<td>16.28</td>
</tr>
</tbody>
</table>
1.16 I feel free to speak my mind without fear of negative consequences.

<table>
<thead>
<tr>
<th>No.</th>
<th>%</th>
<th>9</th>
<th>20.93</th>
<th>6</th>
<th>13.95</th>
<th>9</th>
<th>20.93</th>
<th>8</th>
<th>18.60</th>
<th>9</th>
<th>20.93</th>
<th>2</th>
<th>4.65</th>
</tr>
</thead>
</table>

1.17 In my team people are accountable for delivering what they have promised.

<table>
<thead>
<tr>
<th>No.</th>
<th>%</th>
<th>4</th>
<th>9.30</th>
<th>1</th>
<th>2.33</th>
<th>9</th>
<th>20.93</th>
<th>17</th>
<th>39.53</th>
<th>11</th>
<th>25.58</th>
<th>1</th>
<th>2.33</th>
</tr>
</thead>
</table>

1.18 I am praised when I do a good job.

<table>
<thead>
<tr>
<th>No.</th>
<th>%</th>
<th>5</th>
<th>11.63</th>
<th>7</th>
<th>16.28</th>
<th>6</th>
<th>13.95</th>
<th>13</th>
<th>30.23</th>
<th>11</th>
<th>25.58</th>
<th>4</th>
<th>9.30</th>
</tr>
</thead>
</table>

1.19 People who get promoted deserve it.

<table>
<thead>
<tr>
<th>No.</th>
<th>%</th>
<th>10</th>
<th>23.26</th>
<th>5</th>
<th>11.63</th>
<th>10</th>
<th>23.26</th>
<th>13</th>
<th>30.23</th>
<th>4</th>
<th>9.30</th>
<th>1</th>
<th>2.33</th>
</tr>
</thead>
</table>

1.20 I have a meaningful development plan.

<table>
<thead>
<tr>
<th>No.</th>
<th>%</th>
<th>0</th>
<th>0.00</th>
<th>2</th>
<th>4.65</th>
<th>9</th>
<th>20.39</th>
<th>8</th>
<th>18.60</th>
<th>22</th>
<th>51.16</th>
<th>8</th>
<th>18.60</th>
</tr>
</thead>
</table>

1.21 I have a promising future in this organisation.

<table>
<thead>
<tr>
<th>No.</th>
<th>%</th>
<th>2</th>
<th>4.65</th>
<th>4</th>
<th>9.30</th>
<th>11</th>
<th>25.58</th>
<th>15</th>
<th>34.88</th>
<th>10</th>
<th>23.26</th>
<th>1</th>
<th>2.33</th>
</tr>
</thead>
</table>

1.22 I am satisfied with my involvement in decisions that affect my work.

<table>
<thead>
<tr>
<th>No.</th>
<th>%</th>
<th>1</th>
<th>2.33</th>
<th>3</th>
<th>6.90</th>
<th>9</th>
<th>20.93</th>
<th>23</th>
<th>53.49</th>
<th>7</th>
<th>16.28</th>
<th>0</th>
<th>0.00</th>
</tr>
</thead>
</table>

1.23 I am satisfied with opportunities to get a better job in this organisation.

<table>
<thead>
<tr>
<th>No.</th>
<th>%</th>
<th>2</th>
<th>4.65</th>
<th>4</th>
<th>9.30</th>
<th>11</th>
<th>25.58</th>
<th>19</th>
<th>44.19</th>
<th>8</th>
<th>18.60</th>
<th>1</th>
<th>2.33</th>
</tr>
</thead>
</table>

1.24 I have the support and authority to make the decisions necessary for accomplishing assigned tasks.

<table>
<thead>
<tr>
<th>No.</th>
<th>%</th>
<th>1</th>
<th>2.33</th>
<th>7</th>
<th>16.28</th>
<th>9</th>
<th>20.93</th>
<th>19</th>
<th>44.19</th>
<th>7</th>
<th>16.28</th>
<th>0</th>
<th>0.00</th>
</tr>
</thead>
</table>

1.25 My department uses employee feedback to make improvements.

<table>
<thead>
<tr>
<th>No.</th>
<th>%</th>
<th>1</th>
<th>2.33</th>
<th>7</th>
<th>16.28</th>
<th>7</th>
<th>16.28</th>
<th>19</th>
<th>44.19</th>
<th>8</th>
<th>18.60</th>
<th>1</th>
<th>2.33</th>
</tr>
</thead>
</table>

1.26 The work I do makes a difference.

<table>
<thead>
<tr>
<th>No.</th>
<th>%</th>
<th>1</th>
<th>2.33</th>
<th>2</th>
<th>4.65</th>
<th>2</th>
<th>4.65</th>
<th>25</th>
<th>58.14</th>
<th>12</th>
<th>27.91</th>
<th>1</th>
<th>2.33</th>
</tr>
</thead>
</table>

1.27 I understand how my work contributes to the company's overall goals and strategy.

<table>
<thead>
<tr>
<th>No.</th>
<th>%</th>
<th>0</th>
<th>0.00</th>
<th>1</th>
<th>2.33</th>
<th>3</th>
<th>6.90</th>
<th>23</th>
<th>53.49</th>
<th>16</th>
<th>37.21</th>
<th>0</th>
<th>0.00</th>
</tr>
</thead>
</table>

1.28 I feel valued as a team member.

<table>
<thead>
<tr>
<th>No.</th>
<th>%</th>
<th>1</th>
<th>2.33</th>
<th>9</th>
<th>20.93</th>
<th>7</th>
<th>16.28</th>
<th>15</th>
<th>34.88</th>
<th>9</th>
<th>20.93</th>
<th>2</th>
<th>4.65</th>
</tr>
</thead>
</table>

1.29 I am encouraged to come up with new and better ways of doing things.

<table>
<thead>
<tr>
<th>No.</th>
<th>%</th>
<th>1</th>
<th>2.33</th>
<th>2</th>
<th>4.65</th>
<th>5</th>
<th>11.63</th>
<th>26</th>
<th>60.47</th>
<th>8</th>
<th>18.60</th>
<th>1</th>
<th>2.33</th>
</tr>
</thead>
</table>

1.30 I am satisfied with the recognition I receive for doing a good job.

<table>
<thead>
<tr>
<th>No.</th>
<th>%</th>
<th>3</th>
<th>6.90</th>
<th>7</th>
<th>16.28</th>
<th>6</th>
<th>13.95</th>
<th>17</th>
<th>39.53</th>
<th>9</th>
<th>20.93</th>
<th>1</th>
<th>2.33</th>
</tr>
</thead>
</table>

1.31 I feel that sharing in the organisation's Employee Share Scheme has improved my performance at work.

<table>
<thead>
<tr>
<th>No.</th>
<th>%</th>
<th>0</th>
<th>0.00</th>
<th>2</th>
<th>4.65</th>
<th>16</th>
<th>37.21</th>
<th>16</th>
<th>37.21</th>
<th>8</th>
<th>18.60</th>
<th>1</th>
<th>2.33</th>
</tr>
</thead>
</table>

1.32 I feel that participating in the Employee Share Scheme has increased my commitment and loyalty to the organisation.

<table>
<thead>
<tr>
<th>No.</th>
<th>%</th>
<th>0</th>
<th>0.00</th>
<th>3</th>
<th>6.90</th>
<th>11</th>
<th>25.58</th>
<th>23</th>
<th>53.49</th>
<th>6</th>
<th>13.95</th>
<th>0</th>
<th>0.00</th>
</tr>
</thead>
</table>

1.33 There is transparency and free-flow of information between management and employees.

<table>
<thead>
<tr>
<th>No.</th>
<th>%</th>
<th>8</th>
<th>18.60</th>
<th>9</th>
<th>20.93</th>
<th>10</th>
<th>23.26</th>
<th>10</th>
<th>23.26</th>
<th>6</th>
<th>13.95</th>
<th>0</th>
<th>0.00</th>
</tr>
</thead>
</table>
2. Kindly rate the following in terms of the extent to which they motivate you:

<table>
<thead>
<tr>
<th></th>
<th>Not at all Important</th>
<th>Somewhat Important</th>
<th>Uncertain</th>
<th>Important</th>
<th>Extremely Important</th>
<th>Unanswered</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1 Remuneration and financial rewards</td>
<td>No. 1 2.33%</td>
<td>1 2.33%</td>
<td>2 4.65%</td>
<td>14 32.56%</td>
<td>25 58.14%</td>
<td>0 0%</td>
</tr>
<tr>
<td>2.2 Work culture and environment</td>
<td>No. 0 0%</td>
<td>2 4.65%</td>
<td>5 11.63%</td>
<td>15 34.88%</td>
<td>21 48.84%</td>
<td>0 0%</td>
</tr>
<tr>
<td>2.3 Intangible benefits, eg. Flexi working hours, etc.</td>
<td>No. 2 4.65%</td>
<td>2 4.65%</td>
<td>5 11.63%</td>
<td>19 44.19%</td>
<td>15 34.88%</td>
<td>0 0%</td>
</tr>
<tr>
<td>2.4 Recognition</td>
<td>No. 2 4.65%</td>
<td>1 2.33%</td>
<td>0 0%</td>
<td>12 27.91%</td>
<td>25 58.14%</td>
<td>3 6.98%</td>
</tr>
<tr>
<td>2.5 Standard Bank brand</td>
<td>No. 1 2.33%</td>
<td>1 2.33%</td>
<td>2 4.65%</td>
<td>15 34.88%</td>
<td>24 55.81%</td>
<td>0 0%</td>
</tr>
<tr>
<td>2.6 Self-development</td>
<td>No. 0 0%</td>
<td>0 0%</td>
<td>0 0%</td>
<td>14 32.56%</td>
<td>29 67.44%</td>
<td>0 0%</td>
</tr>
<tr>
<td>2.7 Efficient work processes</td>
<td>No. 0 0%</td>
<td>0 0%</td>
<td>2 4.65%</td>
<td>16 37.21%</td>
<td>25 58.14%</td>
<td>0 0%</td>
</tr>
<tr>
<td>2.8 Career progression</td>
<td>No. 0 0%</td>
<td>1 2.33%</td>
<td>2 4.65%</td>
<td>10 23.26%</td>
<td>30 69.77%</td>
<td>0 0%</td>
</tr>
<tr>
<td>2.9 Client interaction</td>
<td>No. 0 0%</td>
<td>1 2.33%</td>
<td>1 2.33%</td>
<td>13 30.23%</td>
<td>27 62.79%</td>
<td>2 2.33%</td>
</tr>
<tr>
<td>2.10 Participation in an Employee Share Scheme</td>
<td>No. 2 4.65%</td>
<td>2 4.65%</td>
<td>3 6.98%</td>
<td>15 34.88%</td>
<td>21 48.84%</td>
<td>0 0%</td>
</tr>
</tbody>
</table>