Course Name	Leadership
	NQF 5(27 Credits)
	SAQA ID: 59201
Module Name	Learner Guide
	Leadership
Module Code	11200
Version No	1
Status	Complete
Unit Standards	120300, 252042, 252021, 252026
NQF Level	5
Credits	27

LEARNER GUIDE

Lead Teams

Table of Contents

Dear Learner

This Learner Guide contains all the information to acquire all the knowledge and skills leading to the unit standard:

Unit standard ID:	Unit standard title:
120300	Analyse leadership and related theories in a work context
252042	Apply the principles of ethics to improve organizational culture
252021	Formulate recommendations for a change process
252026	Apply a systems approach to decision making

You will be assessed during the course of your study. This is called formative assessment. You will also be assessed on completion of this unit standard. This is called summative assessment. Before your assessment, your assessor will discuss the unit standard with you.

It is your responsibility to complete all the exercises in the Assessor Guide. The facilitator will explain the requirements of each exercise with you. You will also be expected to sign a learner contract in your assessor guide. This contract explains responsibility and accountability by both parties.

On the document "Alignment to NQF", you will find information on which qualification this unit standard is linked to if you would like to build towards more credits against this qualification.

Please contact our offices if you would like information with regards to career advising and mentoring services.

Peritum Agri Institute
Office: 051-4511120

Enjoy the learning experience!

Key to Icons

	Important Information
	Quotes
	Personal Reflection
	Individual Formative Exercise
	Group Formative Exercise
	Summative Exercise
	Note-pad: Supplementary Information Activity

Alignment to NQF

Element of programme	
1. Name of programme	Leadership
2. Purpose of the programme	To develop Management and Leadership skills for first line supervisors and entry level graduates
3. Duration of the programme	8 days of formal facilitation 270 notional hours
4. NQF level	5
5. NQF credits	27
6. Specific outcomes	US 120300 1. Explain the concept of Leadership 2. Differentiate between Management and Leadership 3. Analyse Leadership Theories

	4. Apply the different roles and qualities of Leadership in the work context US 252042 1. Demonstrate understanding of the relationship between values, ethics and organisational culture and its impact on achieving goals and objectives. 2. Apply the concept of corporate ethics to a unit. 3. Analyse a unit in relation to the principles of corporate ethics. 4. Formulate recommendations for strengthening shared organisational values, the code of conduct and ethical practices. US 252021 1. Demonstrate knowledge of and insight into the need for change within the context of environment change. 2. Analyse an area requiring the implementation of a change process. 3. Select a model for implementing a change management process. 4. Formulate recommendations on implementing the change process. US 252026 1. Apply critical and analytical skills to analyse an issue or problem.

	2. Engage with stakeholders in analysing the issue/problem and developing
	3. Select feasible solutions through a systems approach.
	4. Formulate and communicate the decision.
7. Assessment criteria	US 120300
	1.1 Various definitions of leadership are identified and explained with examples in the workplace
	1.2. Roles and qualities of a leader is explained using examples
	2.1. Leadership and management are defined using examples
	2.2. The roles and qualities of a leader are differentiated and compared with those of a manager in a work context
	2.3. The concepts of accountability and responsibility pertaining to a leader and manager are discussed explained in terms of advantages and disadvantages
	2.4. The role of a leader and a manager is compared in terms of their complementary roles in the work place
	3.1. The various theories of leadership are identified and discussed in the work context
	3.2. Trends and developments relating to the different leadership theories are examined and discussed with examples

	3.3. The various leadership theories are justified in terms of advantages and disadvantages
	4.1. The roles and qualities within leadership contexts are analysed with examples
	4.2. The leadership style of selected leaders are analysed I order to determine its effect on the context
	4.3. The term role model is analysed in order to establish its effect on the work context
	4.4. A leadership theory is selected and applied in own work context
	4.5. Leadership roles, qualities and abilities are analysed in order to formulate own development strategy
	US 252042
	1.1. The relationship between personal values, organisational ethics, and the entity's culture is demonstrated through examples from the South African workplace
	1.2. The complexity of the conflicts between personal values and the entity's values and ethical codes is illustrated with examples from the South African workplace.
	1.3. The potential impact of organisational values and culture on the entity's triple bottom line are analysed and described.
	2.1. The imperatives for ethical conduct in South African organisations are explained with reference to acts, regulations, codes and other documents relevant to the entity.

9

	2.2. The role of corporate governance within an entity is analysed to determine the contribution of a unit in promoting internal organisational codes and ethical practices.
	2.3. The specific ethical practices of a unit in different areas are analysed with examples.
	3.1. An instrument is selected for analysing individual and organisational conduct in respect of organisational values, codes of conduct and corporate ethics.
	3.2. The instrument is applied to gather and record information within a unit in respect of organisational values, codes of conduct and corporate ethics.
	3.3. The instrument is applied to evaluate the current state in a unit against the desired state in respect of organisational values, codes of conduct and corporate ethics.
	4.1. An implementation plan is prepared that described the strengthening of the entity's values, code of conduct and ethical practices in the unit.
	4.2. The role and responsibilities of the manager are described in terms of decision making to strengthen the values, code of conduct and ethical practices in a unit and the entity.
	4.3. The communication activities for promoting the entity's values, code of conduct and ethical practices are outline in the plan, with role allocation and time frames.
	4.4. The process for monitoring and evaluating improvements in relation to the entity's organisational values, code of conduct and ethical practices in a unit is described with role allocation and time frames.

US 252021

1.1. The nature of change and its impact on organisational sustainability are explained with reference to internal and external environmental change affecting a specific unit.

1.2. The need for change is motivated by identifying the benefits of change for a unit.

2.1. The need for change in a unit of an entity is identified in terms of a desired state compared with the current state.

2.2. The results of a SWOT or other suitable analysis are presented to substantiate the argument in favour of a change process. (Range: The SWOT analysis should include the benefits of implementing change, the main risks and obstacles, the positive forces to be harnessed and the change resilience in the unit.)

3.1. The characteristics of two change models are described with reference to their appropriateness for different change processes.

3.2. The reasons for selecting the model are described with reference to the findings of the analysis.

4.1. The change management plan presented describes the changes to be implemented in relation to the needs identified in the SWOT analysis. (Range: The change management plan includes the phases of the plan, the actions, the persons responsible for the actions, the time frames, communication with stakeholders, desired outcomes, anticipated obstacles, expected positive and negative responses to the change, as well as plans to overcome the

	obstacles and negative responses.)
	4.2. The actions proposed for managing the anticipated human responses to the change process are appropriate to the findings of the SWOT analysis.
	4.3. The role and competencies of the change leader responsible for facilitating the dynamics of the change process are motivated in relation to the proposed change process.
	US 252026
	1.1. Critical and analytical skills are applied to analyse and define an issue/problem affecting the functioning of a unit.
	1.2. Critical and analytical skills are applied to determine factors impacting on the issue/problem and other areas in a unit and the entity affected by the issue/problem.
	2.1. The purpose of the consultation is communicated to stakeholders with reference to the aspects of the issue/problem and solutions to be discussed.
	2.2. The critical and analytical processes for analysing the issue/problem and generating ideas on addressing the issue/problem are explained with examples.
	2.3. The participation of stakeholders is obtained in analysing the unit's internal and external environment to identify factors relevant to the issue/problem.
	2.4. The participation of team members is obtained in developing solutions to the issue/problem that would contribute towards the functioning of the unit and the broader system within which it operates.

	2.5. The different ideas, values and perspectives of team members and stakeholders are recognised and respected in view of the value they add to the solution developed.
	3.1. The inputs from stakeholders are analysed to identify feasible solutions to the issue/problem that would improve the functioning of the unit and the broader system within which it operates.
	3.2. The identified solutions are prioritised in terms of their potential outcomes on the various processes/sections in the unit, the wider entity and external stakeholders.
	3.3. A solution(s) is selected that is most appropriate within a systems context taking into consideration interrelated issues that impact on the solution and areas that will be impacted upon by the implementation of the solution
	4.1. The decision on addressing the issue/problem is formulated with reference to the impact of the decision on the unit and the broader system within which it operates.
	4.2. Actions required to implement the decision in the unit are described with reference to activities, role players, resources and time lines.
	4.3. Change processes that are required to support the implementation of the decision are described with reference to their impact on the success of the implementation of the decision.
	4.4. The decision is communicated to relevant team members in the unit and other stakeholders who will be involved in its implementation in a user-friendly format.
8. Critical cross-field	A. Identify and solve problems using critical and creative thinking processes

outcomes	B. Work effectively with others as a member of a team
	C. Organise and manage one self and one's activities responsibly and effectively
	D. Collect, analyse, organise and critically evaluate information
	E. Communicate effectively with visual, mathematical and or oral and written language
	F. Demonstrate and understanding of the world as a set of integrated systems
	G. Use science and technology effectively and critically, showing responsibility to the environment and health of others in promoting ethical practices in the unit and entity
9. Learning assumed to be in place	It is assumed that learners are competent in: ☐ Communication at NQF Level 4. ☐ Mathematical Literacy at NQF Level 4. ☐ Computer Literacy at NQF Level 4.
10. Essential embedded knowledge	Learner must demonstrate an understanding of: Leadership definitions Leadership theories Roles of leaders

Leadership functions

Management functions and roles – the difference between management and leadership

Institutional policies, procedures and legislation

The South African Constitution.

King Report on Corporate Governance.

National and international best practices in respect of business/corporate ethics.

Personal and organisational values.

Principles of business/corporate ethics.

The knowledge underpinning the above specific outcomes is:

- Theories of change.
- Theories of change management.
- Human responses to change.
- Models of change management.
- Techniques for conducting a SWOT analysis (i.e. strengths, weaknesses opportunities and threats).
- Components of a change management plan.

☐ The systems approach as applied to decision making and problem solving.

☐ Critical and analytical thinking techniques.

	☐ Techniques for analysing and defining problems.
12. Recognition of Prior Learning (RPL)	RPL can be applied in two instances: • Assessments of persons who wish to be accredited with the learning achievements • Assessments of learners to establish their potential to enter onto the learning program
13. Learning Materials	Learner Guide, Assessor Guide, Learner PoE Workbook, Facilitator Guide, Unit Standard Guide
14. Links of the programme to registered unit standards, skills programmes, or qualifications	Registered qualification: Title: National Certificate: Generic management ID: 59201 NQF: 5 Credits: 164

PART I

<div style="border:2px solid black; padding:20px;">

Module 1

Management and Leadership defined

</div>

Management and Leadership Defined

Unit Standard	
120300	Analyse leadership and related theories in the work context
Specific Outcomes	
o SO 1 Explain the concept of leadership o SO 2 Differentiate between leadership and management	
Learning Outcomes	
o Be able to define leadership and explain using practical examples o Leadership and management is defined and differentiated using examples	
Critical Cross-field Outcomes	
o Organise and manage oneself and activities o Collect, analyse, organise and critically evaluate information	o Communicate effectively

ARE YOU READY FOR THE RESPONSIBILITY OF LEADERSHIP?

Max Dupree, chairman of Hermann Miller Corporation and author of "*Leadership Is an Art*" says that "leadership is a serious meddling in other people's lives. We need to take very seriously what it means to be a leader!"

The idea that, as leaders, people listen to what we say and oftentimes mould their beliefs because of ours, is humbling. "This is a huge responsibility! Am I really ready for this?" Maybe none of us is ready for the responsibility of leadership, but we can certainly prepare for it.

People always ask how you "do" leadership. We want to be given lists, how-to's and methods. We're so busy that we often forget how to think, feel and innovate! We do lots of tasks, race the clock and go home finished, but not necessarily fulfilled.

DEFINING MANAGEMENT AND LEADERSHIP

Management and leadership are separate although complementary concepts. Each has its own function and characteristic activities, and both are necessary for organizational success.

In researching and writing about leaders for more than 15 years, I'm convinced we have a lot of managers and not nearly enough leaders. Managers control functions. In fact, the word "manager" comes from the Latin word "manus" or hand. It originally referred to the hands on the reins that held the horse. Managers control the systems and techniques that make an organization run.

Managers are appointed. They have legitimate power that allows them to reward and punish. Their ability to influence is founded on the formal authority inherent in their positions.

Management is about coping with complexity, bringing order and consistency to a range of activities which must be coordinated in order to achieve an end result – i.e. the production of goods and/or services.

In summary management can be defined as ……………

 The process of working through individuals and groups to accomplish organisational goals.

Leaders! Now that's another subject!

In contrast, leaders may be appointed, or they may emerge from within a group. Let's look at a few definitions…

Leaders **create an exciting vision** - leaders show the way….

My definition of a leader . . . is a man who can persuade people to do what they don't want to do, or do what they're too lazy to do, and like it. *Harry S. Truman, 1884-1972, Thirty-third President of the United States*

A manager takes people where they want to go. A great leader takes people where they don't necessarily want to go but ought to." *Rosalyn Carter*

The first job of a leader is to define a vision for the organization…. Leadership is the capacity to translate vision into reality. *Warren Bennis, President, University of Cincinnati*

Leaders **influence people and convince** them to do what needs to be done. They establish direction and align people to work together. They move people to take action and inspire them with a shared decision of who they can be and what they can do! You don't have to be a manager to influence people!

If your actions inspire others to dream more, learn more, do more and become more, you are a leader.

John Quincy Adams quotes (American 6th US President (1825-29)

"At the end of the day, we bet on people, not strategy." *Larry Bossidy, CEO of Allied Signal Corporation*

Leadership is about **coping with change**, responding to the increasingly competitive and volatile environment in which organizations operate.

"Leadership is coping with change ………. More change always demands more leadership"

John P. Kotter. Professor of Leadership Harvard Business School

Positive leaders on all levels come from a place of service. They **esteem and value others** by affirming them and making them feel significant. They **make the way, show the way and light**

the way! They believe in people and they help them grow by holding them accountable for their actions.

> "It is not the critic who counts; not the man who points out how the strong man stumbled, or where the doer of deeds could have done them better. The credit belongs to the man who is actually in the arena, whose face is marred by dust and sweat and blood; who strives valiantly; who errs and comes short again and again; who knows the great enthusiasms, the great devotions; who spends himself in a worthy cause; who, at the best, knows in the end the triumph of high achievement, and who, at the worst, if he fails, at least fails while daring greatly, so that his place shall never be with those timid souls who know neither

To summarise, we define leadership as the ability to create a shared vision, communicate and motivate people to make the vision a reality and to plan and adapt to the future.

A few years ago, *Forbes* magazine published a study on leaders. They found that 15% of people were considered natural born leaders, 15% will never be leaders and 70% can learn to lead. Yes, most leaders are made, not born, though they are seldom made as much by others as by themselves.

THE DIFFERENCE BETWEEN A MANAGER AND A LEADER

Manager	Leader
A structured and controlled approach, bringing order and consistency to the organisation	A flexible and creative approach, managing change and providing vision for the organisation

Management focus	Leadership focus
• Planning and budgeting • Organizing resources (both human and material) • Controlling and problem solving	• Providing direction • Influencing and aligning people • Motivating and inspiring

Figure 1: Manager versus Leader

Both management and leadership are critical for organizations to be successful. Of course, not everyone can be good at both leading and managing. Smart organizations value the good managers and the good leaders and know they have struck gold when they have someone who is both.

It is important to realise that both of these roles can be developed. You are invited to join me on this exciting journey to discover how.

1A Individual Formative Exercise: Leadership definitions and debate

Time Frame: 30 min

1B Individual Formative Exercise: Checklist

Time Frame: 30 min

Module 2

Management versus Leadership

Management versus Leadership

Unit Standard	
120300	Analyse leadership and related theories in the work context

Specific Outcomes
SO 2: Differentiate between leadership and management

Learning Outcomes
o   The different levels of management
o   Delegation, Responsibility, Authority, Accountability
o   What do managers do?
o   The management process

Critical Cross-field Outcomes	
o Work effectively as member of a team o Organise and manage self and activities	o Demonstrate an understanding of the world as integrated system

INTRODUCTION

Let's recap:

In Module 1 we distinguished between a Manager and a Leader:

A Manager has a structured and controlled approach, bring order and consistency to the organisation.

A Leader has a flexible and creative approach, managing change and providing vision for an organisation

This module will focus on the role of the manager, whereas later modules will look at the role of the leader. These two roles should always be seen as complementary – both equally important. They can be compared with an artist drawing a picture. First the aim is to concentrate on the outline, the structure of the sketch – to give it it's distinctive from. However after the picture has been outlined, it has to be coloured in and shaded. The first step gets the basic job done, as do managers, but without vision, inspiration and adaptability, the work can become very dull and uninspiring!

Managers work with and through other people to achieve organizational goals and objectives. They do not attempt to carry out all tasks themselves. Managers have the use of and are responsible for, a range of resources including people, money, equipment and information. They are generally considered to spend their time involved with the traditional management functions of planning, organizing, leading and controlling. These functions are often referred to as the management process.

LEVELS OF MANAGEMENT

Managers work in organizations, but not everyone in an organization is a manager. For simplicity's sake, we can divide organizational members into two categories: operatives or managers. **Operatives** are people who work directly on a job or task and have no responsibility for overseeing the work of others. In contrast, **managers** direct the activities of other people. Managers may also have some operative responsibilities; for example, an insurance claims' supervisor may also be responsible for processing insurance claims in addition to overseeing the activities of the other customer officers in the claims department. However, our definition presumes that a manager has subordinates.

Three levels of management found in most organizations are:

1. **Operational:** managers are generally involved in the supervision of non-management personnel. They are essentially technical managers responsible for producing products or services.

2. **Tactical:** middle managers translate the goals of the organization into specific objectives and activities. They are responsible for the co-ordination of resources particularly at the departmental level. They direct and control the work of others.

3. **Strategic:** senior managers are responsible for the efficiency and effectiveness of the organization as a whole. They manage the interaction with the external environment. A long-term, future-oriented focus is required in order to set the most appropriate organizational mission and goals.
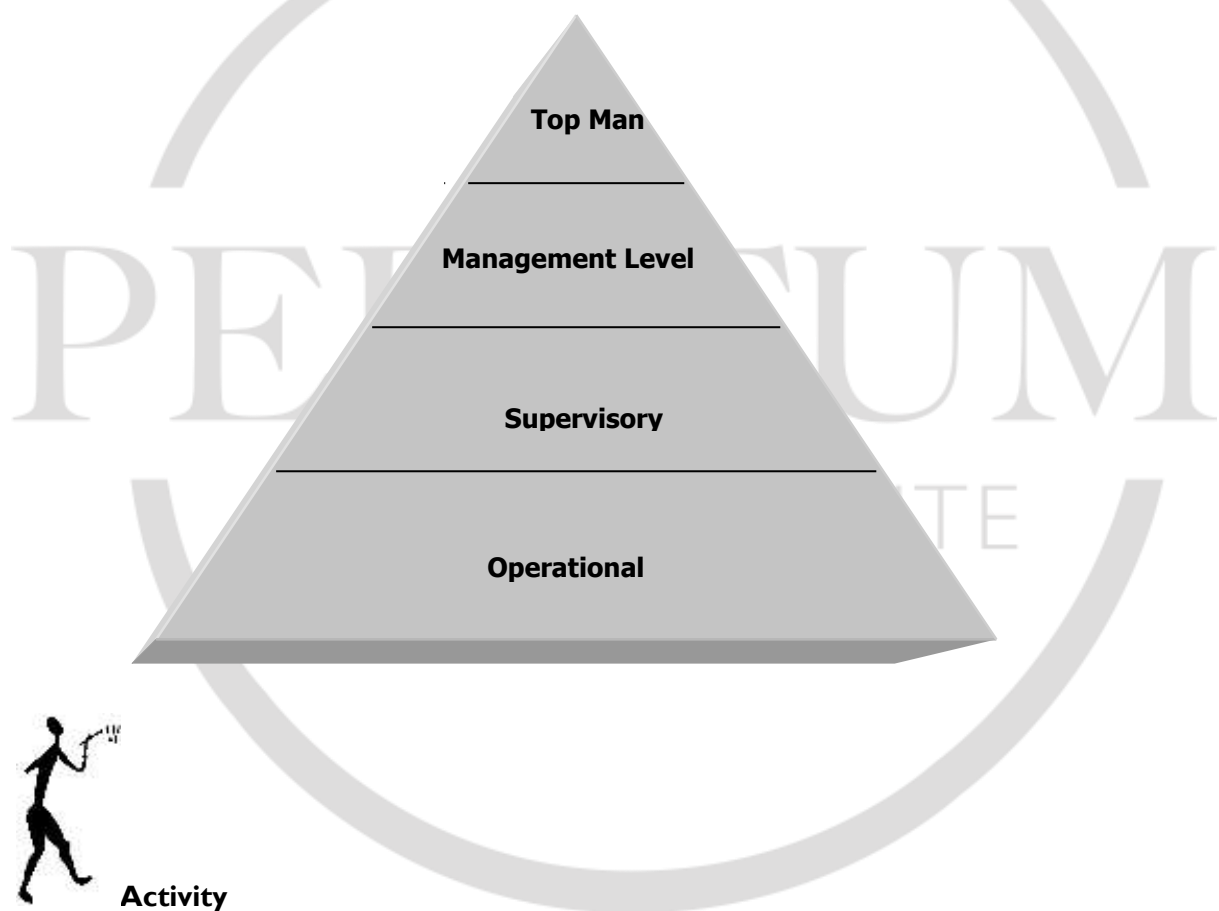
Activity

Explain your organizational structure. What do you think are the differences in responsibilities for different levels of management?

Who falls at this level in your organisation?	Responsibilities at this level

Top management		
Senior managers		
Managers		
Supervisors		

DELEGATION, RESPONSIBILITIES, AUTHORITY AND ACCOUNTABILITY

As mentioned in this module's introduction, managers should not attempt to carry out all tasks themselves. One of a manager's most important tasks is to delegate, or put in other words distribute tasks evenly across his/her area of responsibility. Therefore if each level of management mentioned in the previous section, delegates well, responsibilities would be well distributed across the organisation, put simply, everybody would have a job to do!

If management can be defined as a set of skills for achieving results through people, then all levels of managers should delegate.

Delegation can be defined as:

……………………………entrusting another with the appropriate responsibility and authority to accomplish a specific activity. It involves briefing another person to carry out a task for which the delegator holds individual responsibility, but which cannot be carried out by him or her directly.

Three elements of delegation

There are three elements inherent to delegation; if one or more of these elements are missing from the process, the manager might think he/she is delegating but he/he is not. If he/she is not delegating, he/she might be:

- Dumping: Delegating without giving direction/responsibility

- Hold on to the job, reluctant to delegate, because he/she thinks only he/she can do the job.

1. Responsibility

As manager of a department, you always remain ultimately responsible for what happens in your department. Although you delegate tasks and keep subordinates accountable for their actions, you need to ensure that your department's goals are met. Although the manager remains responsible for the greater goal attainment of the department, he/she can break bigger goals into smaller chunks, delegate responsibility for the smaller task. The manager will however always remain responsible that departmental goals are achieved.

In order to empower your employees, it is important that you break down the bigger responsibility into smaller responsibilities, that way you prepare them to also become managers one day.

2. Authority

Authority is the freedom of staff members to decide how the job needs to be done. The manager must state clearly what the success criteria and end result should look like. How the subordinate reaches this goal, is however up to him/her (obviously within organisational and ethical boundaries). It's no good to give someone the responsibility, but deny him/her the authority to make the decisions to complete the task.

3. Accountability

Accountability is the manager's control over the authority you have delegated. If you do not hold subordinates accountable for tasks delegated to them, you are dumping! The personal concern of a manager for results, is a sign to employees that he/she cares. If the manager simply

walks away after a task has been delegated, without asking for reports, monitoring progress, employees might start wondering if the task is such high priority.

The good delegator continuously strives to encourage his/her subordinates to develop a fuller sense of their responsibilities, he/she refuses to withdraw their freedom of authority. Except in dire emergencies he supports them to sort out their own problems, take their own decisions and learn from their own mistakes. But equally important he/she insists on being kept informed about what is going on – he/she keeps subordinates accountable all the way.

WHAT DO MANAGERS DO?

Remember figure 1 in module 1? We compared the role of the Manager to that of a leader. Let's now look at the management focus:

Management focus	Leadership focus
- Planning and budgeting - Organizing resources (both human and material) - Controlling and problem solving	- Providing direction - Influencing and aligning people - Motivating and inspiring
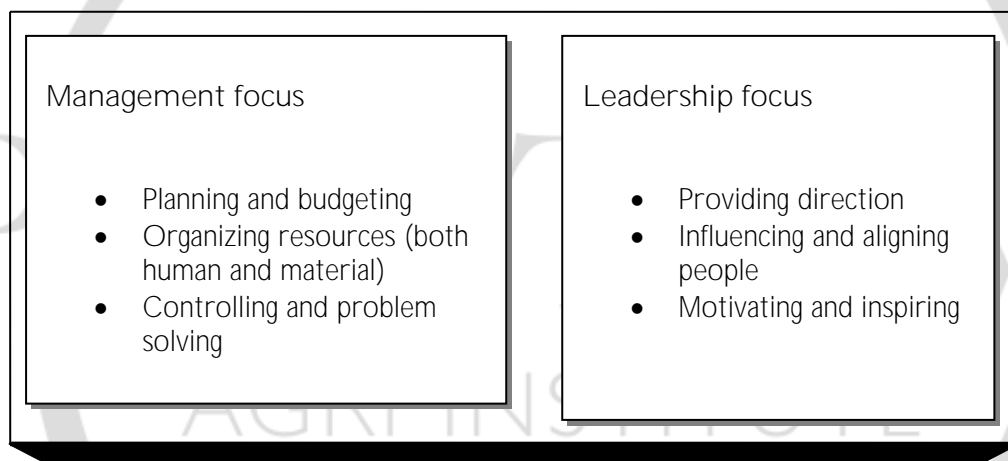
Managers are mainly responsible for two actions:

(1)   Enhance efficiency

(2)   Enhance effectiveness

Efficiency is a vital part of management. It refers to the relationship between inputs and outputs. If you get more output for a given input, you have increased efficiency. Similarly, if you can get the same output from less input, you again increase efficiency. Since managers deal with input resources that are scarce- money, people and equipment-they are concerned with the efficient use of these resources. Management, therefore, is concerned with minimizing resource costs.

It is not enough simply to be efficient. Management is also concerned with getting activities completed; that is, it seeks **effectiveness.** When managers achieve their organizations' goals, we say they are effective. So efficiency is concerned with means and effectiveness with ends.

Means: Ends:

Efficiency   Effectiveness
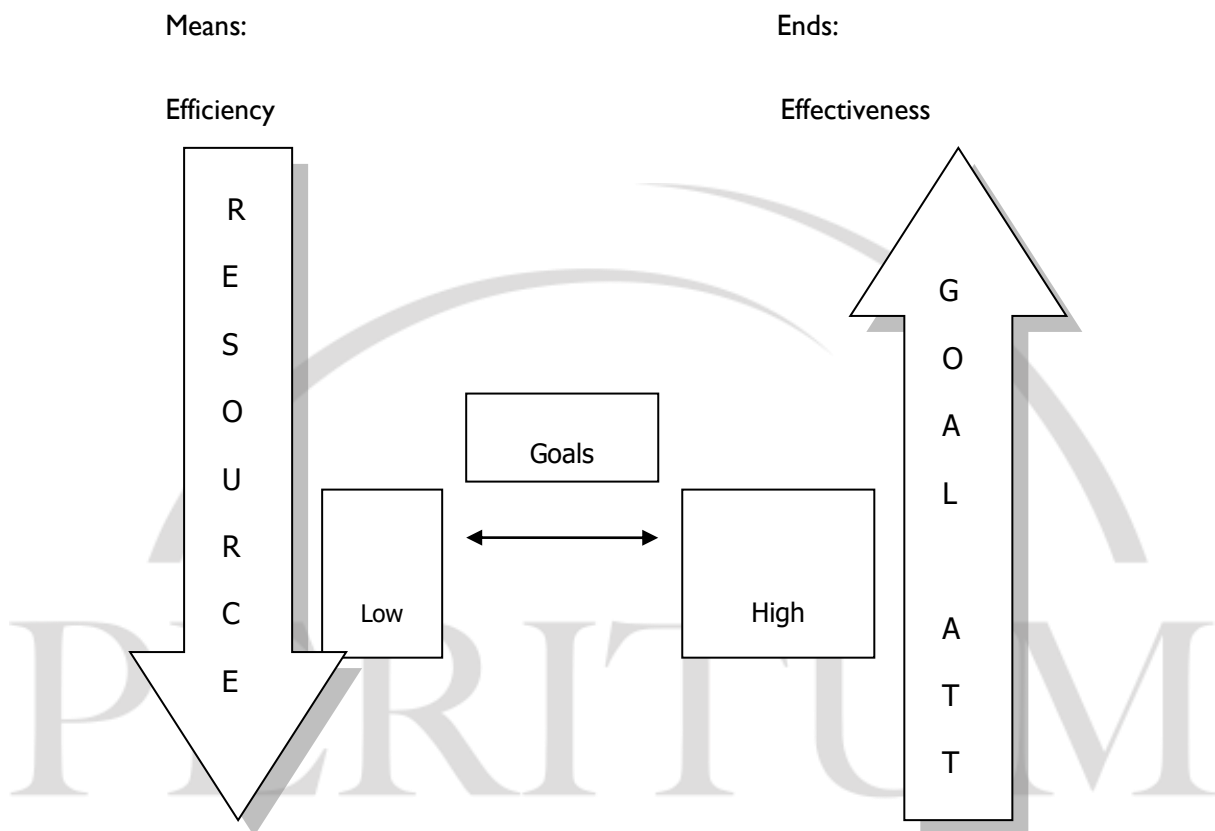
Figure 2: Efficiency vs Effectiveness

Efficiency and effectiveness are interrelated. For instance, it is easier to be effective if one ignores efficiency.

Some public service organizations have been regularly attacked on the grounds that they are reasonably effective but extremely inefficient; that is, they get their jobs done but at a very high cost.

 Management is therefore concerned not only with getting activities completed (effectiveness), but also with doing so as efficiently as possible.

Can organizations be efficient and yet not be effective? Yes, by doing the wrong things well!

Activity

Think about examples of how your organization / team is effective (attain goals) yet inefficient (waste resources).

| |
| |
| |
| |

How can efficiency be improved in your organization/ team?

| |
| |
| |
| |

What can be done to raise the level of effectiveness in your organization/ team?

| |
| |
| |
| |

THE MANAGEMENT PROCESS

A common functional description of management is the process or systematic way that a manager carries out the activities necessary to achieve organizational goals. This requires the manager to

plan, organize, lead and control activities, utilizing all organizational resources within the context of his or her organization's environment (see Figure on next page).   These functions involve the following activities:

- **Planning:** Planning activities involve analyzing the organization's current situation including the external environment, identifying and prioritizing appropriate organizational goals and determining the necessary actions required to achieve these goals.
- **Organizing:** Organizing activities include the identification and division of the work to be undertaken to accomplish the organizational goals and the allocation and co-ordination of necessary material and human resources.
- **Leading:** Leading activities are the ways in which managers direct and influence their subordinates to perform the tasks that are essential for achieving the organizational goals.
- **Controlling:** Controlling activities involve monitoring and evaluating actual performance compared to set standard in order to ensure that the organizational goals are in fact being reached.

| Planning | Organizing | Leading | Controlling |

Achieving

The organization's stated purpose
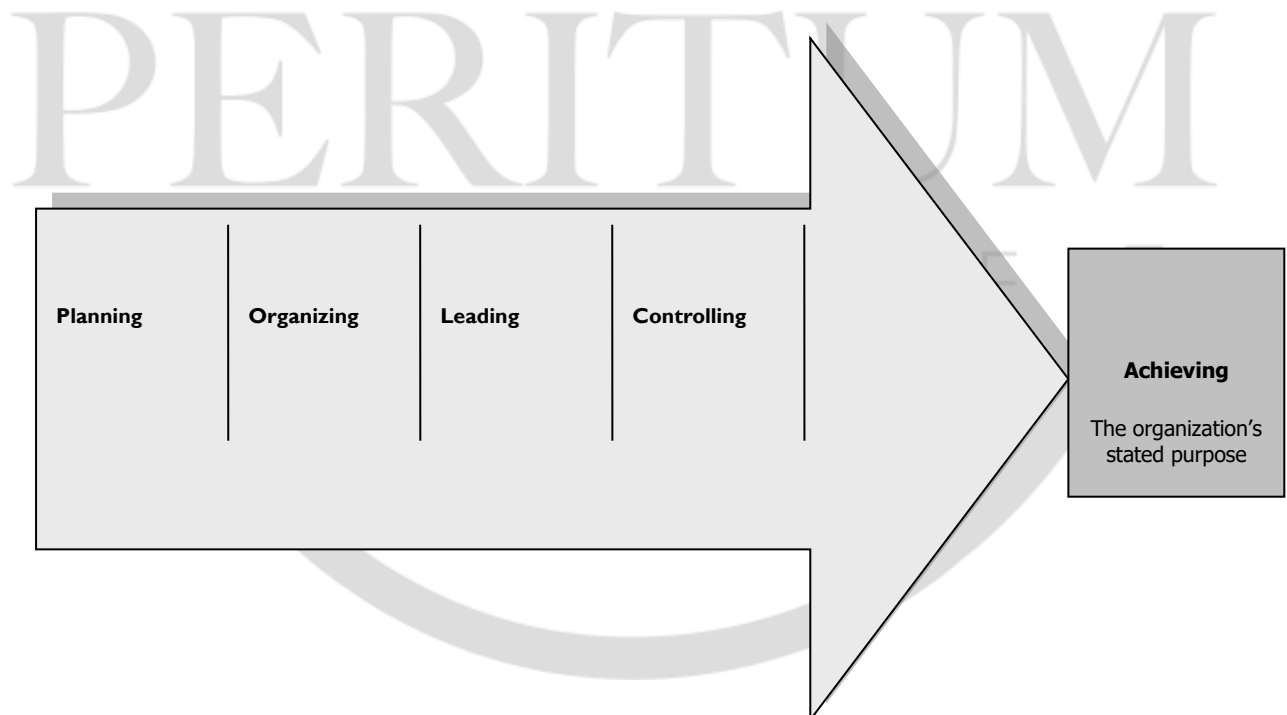
FOR WHICH FUNCTIONS ARE THE MANAGERS RESPONSIBLE?

The manager's functions can be summarized as follows:

PLANNING   refers to the work which managers must do beforehand in order to determine the procedures related to a task/project.

CONTROL   refers to the work done by managers in evaluating the actual results which are achieved in the work, in order to see to it that set objectives are achieved.

INDUCTION   of employees refers to the planned introduction of such newcomers to their new employer, working environment and work.

TRAINING   aims at equipping employees with the necessary knowledge, skills and attitudes needed to do the work.

MOTIVATION (also known as INSPIRATION) refers to the encouragement and persuasion of employees to go on to the required action(s).

COMMUNICATION   refers to the transmission and reception of information between people in order to establish comprehension (understanding).

LEADERSHIP   refers to the process through which others are influenced to act efficiently in order to achieve objectives.

PERFORMANCE EVALUATION   refers to the systematic evaluation of a person's work performance with an eye on his further development.

DISCIPLINE refers to those positive and negative measures which the manager takes in order to correct employees' unsatisfactory behaviour.

WORKING RELATIONS   refers to the creation of a climate (condition) in which people can work together in harmony and as a team.

DELEGATION   refers to the deliberate granting of authority to a lower-level employee for the fulfilment of certain responsibilities.

GRIEVANCE MANAGEMENT   refers to the measures taken by the manager in order to identify grievances amongst lower-level employees and to manage such grievance(s) without delay to the person/people's satisfaction.

These functions cannot be seen in isolation, as they all complement each other. Some functions are normally undertaken simultaneously and some functions also serve as a prerequisite when others are considered.

Activity

Function	This function will be applied in order to:
Planning	
Delegating	
Organizing	
Work relationships	
Leading	
Discipline	
Control	
Grievance	
Induction	
Training	
Motivating	
Communication	
Performance evaluation	

2A Group Formative Exercise: Delegation Checklist

Time Frame: 60 min

2B Group Formative Exercise: Roles and qualities of managers and leaders

Time Frame: 60 min

<div style="border: 2px solid black; padding: 40px; text-align: center; background-color: #e0e0e0;">

Module 3

Leadership

</div>

Leadership

Unit Standard	
120300	Analyse leadership and related theories in the work context
Specific Outcomes	
SO 2: Differentiate between leadership and management	
SO 3: Analyse Leadership theories	
SO 4: Apply the different roles and qualities of leadership in work context	
Learning Outcomes	
o The leadership concept	
o Leadership theories	
o Leadership power	
o Different leadership styles	
Critical Cross-field Outcomes	
o Work effectively as member of a team	o Collect, analyse and critically evaluate
o Organise and manage self and activities	o Communicate effectively

INTRODUCTION

Leadership has traditionally been viewed as an individual attribute that goes beyond management. All managers are expected to be leaders, but not all leaders have expertise in the management functions.

However, leaders may emerge without formal appointment. These leaders become influential either because they have special skills or resources that meet the needs of others or because the formally-appointed manager lacks leadership skills and the informal leader steps in to fill the vacuum. Provided the informal leader is supporting the goals of the organization, this can be a useful support to the manager.

"Managers are people who do things right and leaders are people who do the right things".

- **Warren G. Bennis**

- Your authority as manager comes from above, from the people **who supervise** you (your immediate manager / Board members)

- Your position as a leader comes from the people **you supervise** (your sub-ordinates/ team)

- Management is about **doing something/ your actions**

- Leadership is about **being someone/ your character**

THE DEFINITION AND ELEMENTS OF LEADERSHIP

There are three elements present regarding leadership. Namely: the person taking the lead, the person or people following him/her and the task/job being done.

- The Leader
- The Follower
- The Situation (Task)

We can't speak of leadership if any of these elements are lacking. Now that the elements of leadership are known, the term can more easily be defined.

"It is a process by which people are influenced to act efficiently in order to achieve specific objectives." (Louis A. Allen)

In essence leadership is about:

- Positive attitude

- Sets high but attainable standards

- Recognize good work and gives credit where credit is due

- Accepts responsibility, takes the heat when necessary

- Respects the people he / she leads

LEADERSHIP THEORIES

In order to understand our current thinking on leadership, we need to look at how theories about leadership developed over the years. Studying leadership theories also help us to understand the characteristics of leaders better – i.e. how do we recognise and develop leaders.

Early leadership theories focussed on what qualities distinguished between leaders and followers, while later theories looked at factors such as the situation and skill level as determining factors of leadership behaviour. We will look at four broad categories of leadership theories:

1. Great Man and Trait Theories

These theories assume that great leaders are born, not made. They are heroic, mythic and destined to rise to leadership …..

Later trait theories also assumed that certain traits make great leaders. These theories attempted to identify traits which would predict success in leadership roles.

John Gardner (1989) studied a large number of North American organizations and leaders and came to the conclusion that there were some qualities or attributes that did appear to mean that a leader in one situation could lead in another. These included:

· Physical vitality and stamina

- Intelligence and action-oriented judgement

- Eagerness to accept responsibility

- Task competence

- Understanding of followers and their needs

- Skill in dealing with people

- Need for achievement

- Capacity to motivate people

- Courage and resolution

- Trustworthiness

- Decisiveness

- Self-confidence

- Assertiveness

- Adaptability/flexibility

Criticism against trait theories:

- The assumption of these theories that certain traits would work anywhere from the battlefield to the classroom, is not necessarily correct. Recent research has emphasised that the environment and the type of subordinates play a role in the leadership style or approach required.

- Lists of traits are long – what happens when you have some of them but not all? In essence this question is about where do you draw the line if a leader is efficient or not.

- Traditional lists lean towards typical 'male traits'. The raise of Emotional Intelligence as leadership trait has called to also include typical 'female traits' as effective for leaders.

2. Behavioural theories

Great leaders are made, not born says the behaviourists. People can learn to become great leaders through teaching and observation.

Blake and Mouton has developed the managerial grid. Leaders lean either to a concern for people or to a concern for the task. The ideal leader is seen to have balanced the two in a participative leadership style.

McGregor said there are two underlying beliefs determining a leader's style:

- Theory X says people are generally lazy and would look for opportunities to side step work. A leader who beliefs this would generally be hesitant to delegate, check up on workers regularly and use punishment if goals are not met.

- Theory Y suggests that people are inherently good, hard working and take pride in their work. The leader who beliefs in this theory would delegate readily, trust subordinates to do their best, create a motivating environment and develop subordinates to take more responsibility.

Criticism against behavioural theories:

- They assume that a leader's style is static and that there is an ideal style to work towards, that would be ideal in all situations.

- These theories do not consider that a leader's style might be dependent on the situation or environment in which the leader operates.

3. Contingency and Situational theories

These theories focus on the environmental factors which influence the style that a leader adopts. No single leadership style is best, but rather the style suited to environmental factors such as the leader's style, the followers and aspects of the situation.

Hersey and Blanchard (1977) developed the most comprehensive model of Situational leadership. They said that there are three environmental factors influencing a leader's behaviour:

- Task behaviour refers to how a leader define and organise tasks

- Relationship behaviour refers to the extent to which a manager engage in two way communication with his/her subordinates

- Maturity level of subordinates refer to the readiness of subordinates to execute a task.

The diagram below explain the model:
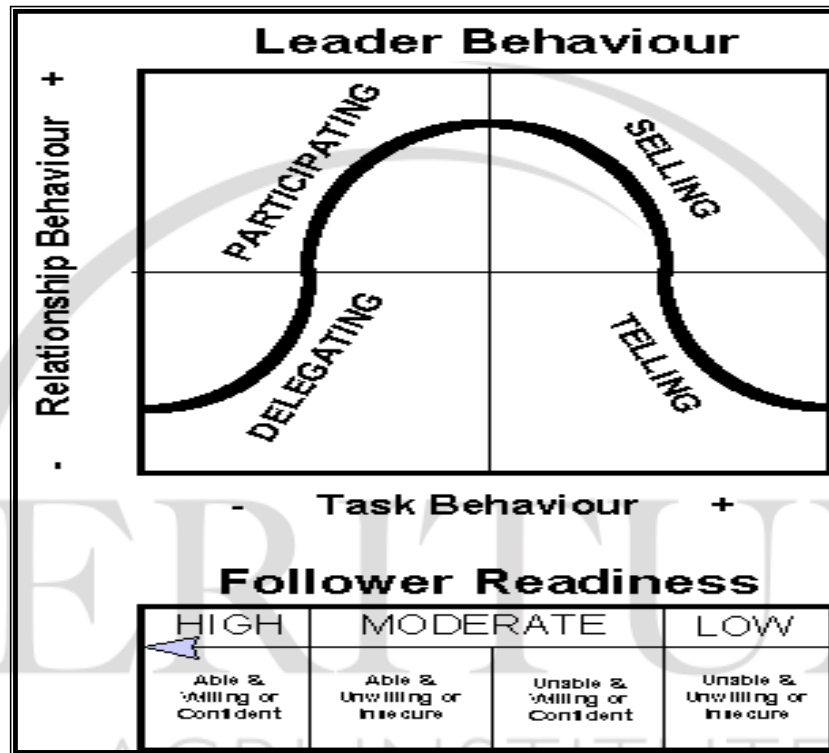
Figure4: Hersey and Blanchard's Situational leadership Model

Criticism against Situational theories:

- These theories were mostly developed in male dominated North American environments. The impact of how culture and gender might influence the situation has not been explored. There might even be more environmental factors impacting a leader's style…….

4. Transactional and Transformational theories

Transactional, also known as Management theories of leadership, focuses on the leader's role within the organisation such as supervision, task completion and group performance. These theories focus on reward and punishment to attain goals.

Transformational theories focus on the relationship between leaders and followers. Leaders motivate and inspire people by helping group members to see the importance and higher good of the task. Group performance as well as individual team member wellbeing are important. These leaders have high ethical and moral standards.

Burns (1977) distinguished as follows between the two:

- Transactional leadership means trading one thing off against another – as soon as you reach the goal I will pay you.

- Transformational leaders are visionary, seeking to appeal to follower's better nature and move them towards higher and more universal needs and purposes. The leader is seen as a change agent.

Bass (1985) suggested that Transactional versus Transformational leadership should not be seen as two ends of a line, but rather as complementary. Three broad roles of a leader emerged from Bass's theory:

- The team leader

- The leader as a change agent

- The leader as a strategic visionary

Criticism against transactional and transformational theories:

- These theories are very broad and are philosophical rather than practical. They are therefore important to keep in mind, but very difficult (if not impossible) to use in recruitment and development purposes.

5. Full range leadership.

The result of over a 100 years of research on leadership, basically using all knowledge to come up with one model, was the work of Bass and Avolio. They came up with a model named the Full range leadership model. This model advocates that efficient leaders have the ability to choose appropriately from any behaviour within the model suitable to what the environment requires.

The model identifies behaviours associated with transactional and transformational theories.

Transactional behaviours include:

- Laissez-Faire: Hands off leadership approach (Delegative leadership)

- Management by Exception: Putting out fires

- Contingent awards: Let's make a deal

Transformational Leadership include:

- Individualised consideration: Compassionate leader

- Intellectual Stimulation: Thinking outside the box

- Inspirational motivation: Exciting the masses, sharing the vision

- Idealised influence: Actions speak louder than words

Figure 5: Full range leadership model

I
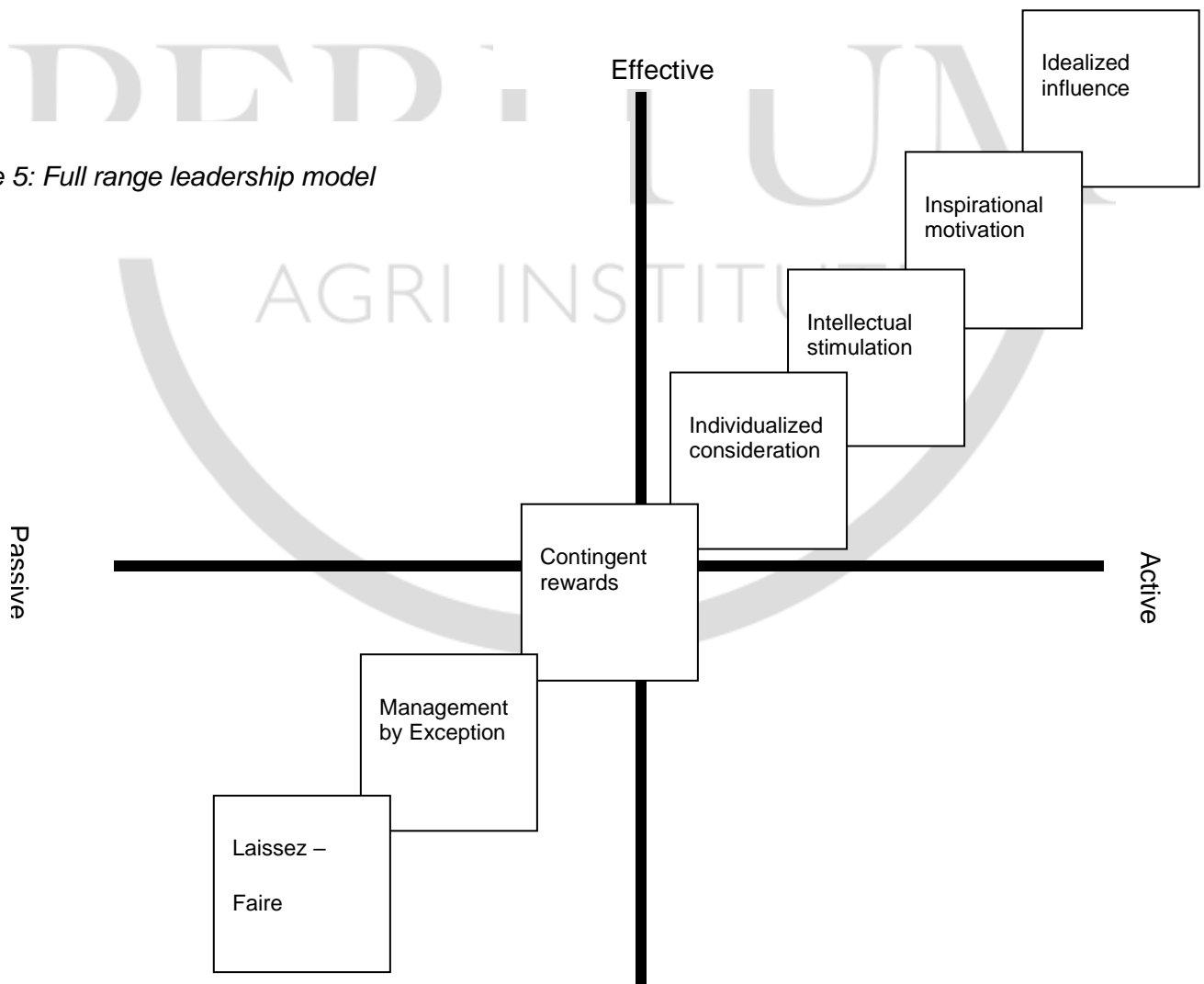
Ineffective

The model also has an impact on the debate, discussion about management versus leadership. It basically implies that the Transactional behaviours are more associated with management, whereas the Transformational behaviours are more associated with Leaders. This model further advocates that being an inspirational leader has a more effective outcome on subordinate behaviour than being more transactional.

Our approach in this course is to first expose you as a manager to the concept of inspirational leadership. This forms the backbone of a good manager. After that there are a number of courses to expose you to the role of the manager.

LEADERSHIP POWER

We have mentioned that leaders, other than managers are not always formally appointed. How do leaders then <u>move</u> people (followers) to support them / accompany them in attaining their goals?

It is generally accepted that leaders have four core sources of power and influence available to the. These are:

1. **Formal (or legitimate) power:** This comes from being appointed by the organization into a leadership position (i.e. as a manager). Cultural norms tend to reinforce the view that a manager has the right to lead subordinates.

2. **Expertise power:** This sort of power comes from having knowledge, skills and expertise which are regarded as important by the leader's followers. With a formal leader, this expertise is usually associated with goal achievement.

3. **Reward/punishment power:** This comes from the leader having the ability to reward and punish followers. That is, they have influence over pay, promotion and recognition of followers.

4. **Personality power:** Many personal characteristics come into this category. If a leader is liked and respected by subordinates and peers, he or she will have more influence over them. This is sometimes called the power of charisma. A charismatic leader is one who inspires his or her subordinates to achieve goals, essentially through force of personality.

We all may differ in what we regard as being leadership characters/behaviour. Research, conducted by Kirkpatrick and Locke in 1991 however highlighted six frails that differentiate leaders from non-leaders.

1. *Drive.* Leaders exhibit a high effort level. They have a relatively high desire for achievement, they are ambitious, they have a lot of energy, they are tirelessly persistent in their activities and they show initiative.

2. *Desire to lead.* Leaders have a strong desire to influence and lead others. They demonstrate the willingness to take responsibility.

3. *Honesty and integrity.* Leaders build trusting relationships between themselves and followers by being truthful or non/deceitful and by showing high consistency between word and deed.

4. *Self-confidence.* Followers look to leaders for an absence of self-doubt. Leaders, therefore, need to show self-confidence in order to convince followers of the rightness of goals and decisions.

5. *Intelligence.* Leaders need to be intelligent enough to gather, synthesize and interpret large amounts of information and to be able to create visions, solve problems and make correct decisions.

6. *Job-relevant knowledge.* Effective leaders have a high degree of knowledge about the company, the industry and technical matters. In-depth knowledge allows leaders to make well-informed decisions and to understand the implications of those decisions.

3A Group Formative Exercise: Leadership theory card game

Time Frame: 30 min

3B Individual Formative Exercise: Questionnaire

Time Frame: 30 min

DIFFERENT LEADERSHIP STYLES

Each leader regards following the correct leadership style towards his/her lower-level employee as being important. Leadership style is often related to your personality preferences and equally often related to your previous experiences of leadership (conditioned or learned).

We will explore various leadership styles. **It is important though that you complete Formative exercise 3C BEFORE you study these styles. You however need the description of the styles to do Formative exercise 3D.**

COERCIVE

The leader's modus operandi:	Demands immediate compliance
The style in a phrase:	"Do what I tell you"
Underlying emotional intelligence competencies:	Drive to achieve, initiative, self-control
When the style works best:	In a crisis, to kick start a turn-around, or with problem employees
Overall impact on climate:	Negative (especially if overused)

VISIONARY

The leader's modus operandi:	*Mobilises people toward a vision (mission directed)*
The style in a phrase:	*"Come with me"*
Underlying emotional intelligence competencies:	*Self-confidence, empathy, change catalyst*
When the style works best:	*When changes require a new vision, or when a clear direction is needed*
Overall impact on climate:	*Most strongly positive*

AFFILIATIVE

The leader's modus operandi:	*Creates harmony and builds emotional bonds*
The style in a phrase:	*"People come first"*
Underlying emotional intelligence competencies:	*Empathy, building relationships, communication*
When the style works best:	*To heal rifts in a team or to motivate people during stressful circumstances*
Overall impact on climate:	*Positive*

DEMOCRATIC

The leader's modus operandi:	*Forges consensus through participation*
The style in a phrase:	*"What do you think?"*
Underlying emotional intelligence competencies:	*Collaboration, team leadership, communication*
When the style works best:	*To build buy-in or consensus, or to get input from valuable employees*
Overall impact on climate:	*Positive*

PACESETTING

The leader's modus operandi:	*Sets high standards for performance*
The style in a phrase:	*"Do as I do, now"*
Underlying emotional intelligence competencies:	*Conscientiousness, drive to achieve, initiative*
When the style works best:	*To get quick results from a highly motivated and competent team*

COACHING

The leader's modus operandi:	*Develops people for the future*
The style in a phrase:	*"Try this"*
Underlying emotional intelligence competencies:	*Developing others, empathy, self-awareness*
When the style works best:	*To help an individual or team improve performance or develop long-term strengths*
Overall impact on climate:	*Positive*

Module 4

Principles for Inspirational Leadership

Principles of Inspirational Leadership

Unit Standard	
120300	Analyse leadership and related theories in the work context

Specific Outcomes
SO 2: Differentiate between leadership and management
SO 3: Analyse leadership theories

Learning Outcomes
At the end of this unit you will be able to demonstrate an understanding of: o   Leadership with integrity   o   Leadership with passion

o Leadership through service	
Critical Cross-field Outcomes	
o Work effectively as member of a team	o Collect, analyse and critically evaluate
o Organise and manage self and activities	o Communicate effectively

INTRODUCTION

To inspire, according to the dictionary, means to affect or guide by divine influence; to stimulate to action, to draw forth, elicit, or arouse; to bring about. In its archaic form, inspire meant, "to breathe life into."

The truly inspirational leader does seem to breathe life into a project, a team and an organisation. The same work and the same people who seemed dull and routine yesterday take on a different aura when we are inspired to see them as belonging to a larger and more important whole of which we are also a part. An old story goes: There were once two bricklayers, one of whom went about his work with competence but without enthusiasm, looking forward only to completing his work and going home to supper. The other bricklayer worked with delight and took pleasure in his achievement at the end of each day. When each was asked what he was doing, the first man said, "I am laying bricks." "The second man said, "I am building a cathedral."

Helping another person to connect his or her daily efforts to the strategic goals and vision of the organisation is the challenge of the inspirational leader.

We often use the metaphor that a person with an enlarged personality "sucks all the air of the room." An inspirational leader, by contrast, seems to bring fresh air into a room, enlarging the hopes, intentions, and expectation of all those whom he or she touches.

Group activity:

1. Think of a person/s that really inspires you. What about his / her behaviour / way of living / action is it that inspires you?
2. Discuss this with your team members.
3. Compile a list of all the things team members said about people that inspires them. Use the table below

Team member	Who inspires him/her	Characteristics/Behaviour

Leaders instil inspiration

The inspirational leader **feels passionate about the vision and mission** of the organisation. He is also able to share the passion in a way that enables others to feel passionate, too. The nature of the vision and mission is critical for enabling others to feel as if their work has purpose and meaning beyond the tasks they perform each day. Sometimes leaders have to help their staff connect the dots by explaining this big picture to all. Communicating the big picture regularly will help reinforce the reason your organisation exists.

The inspirational leader **listens to the people** of the organisation. Talking to people about your passion is not enough. To 'share meaning' – you must allow the ideas and thoughts of your staff to

help form the vision and mission, or minimally, the goals and action plan. No one is ever one hundred percent supportive of a direction they had no part in formulating. People need to see their ideas incorporated – or understand why they were not.

To experience inspiration, **people also need to feel included.** Inclusion goes beyond the listening and feedback; for real inclusion, people need to feel intimately connected to the actions and process that are leading to the accomplishment of the goals or the decision.

Important to inspiration is the **integrity of the person leading**. Yes, vision and passion are important, but employees must trust you to feel inspired. They must believe in you. Your 'person' is as important as the direction you provide. Employees look up to a person who tells the truth, tries to do the right things, live a good life and do their best. Trust me. Your actions play out on the stage of your organisation. And your staff does the boo and cheer and vote with their feet and their actions.

Finally, an inspirational leader **gives people what they want within his capabilities**. (You can't provide a raise in pay without company profitability, as an example, but you absolutely must share the rewards if the organisation is doing well.) The inspirational leader also understand that while money is a motivator, so are praise, recognition, rewards, a thank you and noticing and individual's contribution to a successful endeavour.

Group Activity:

In your groups:

Compile a profile of an inspirational leader listing 5 to 8 key characteristics that this person would hold. Use the table below.

Characteristics	Behaviour	Impact on people
E.g. Integrity	Never tell lies.	Sense of security – know we can trust what he said.

INSPIRING PEOPLE AT WORK

Your moral compass consist of principles, values, and beliefs that guide your aspirations and your actions. Everyone has one. Suppose we asked you to tell us about your moral compass. What would you say? What is the set of values that anchors you? How would you want others to think of you? Our guess is that you would describe an interesting accomplished person, one whose actions are guided by a set of admirable values. Everyone is predisposed to be moral. That doesn't mean that we always act in accordance with our values; even where you would least expect to find it.

Copy right: ITO Focus Model of Inspirational Leadership
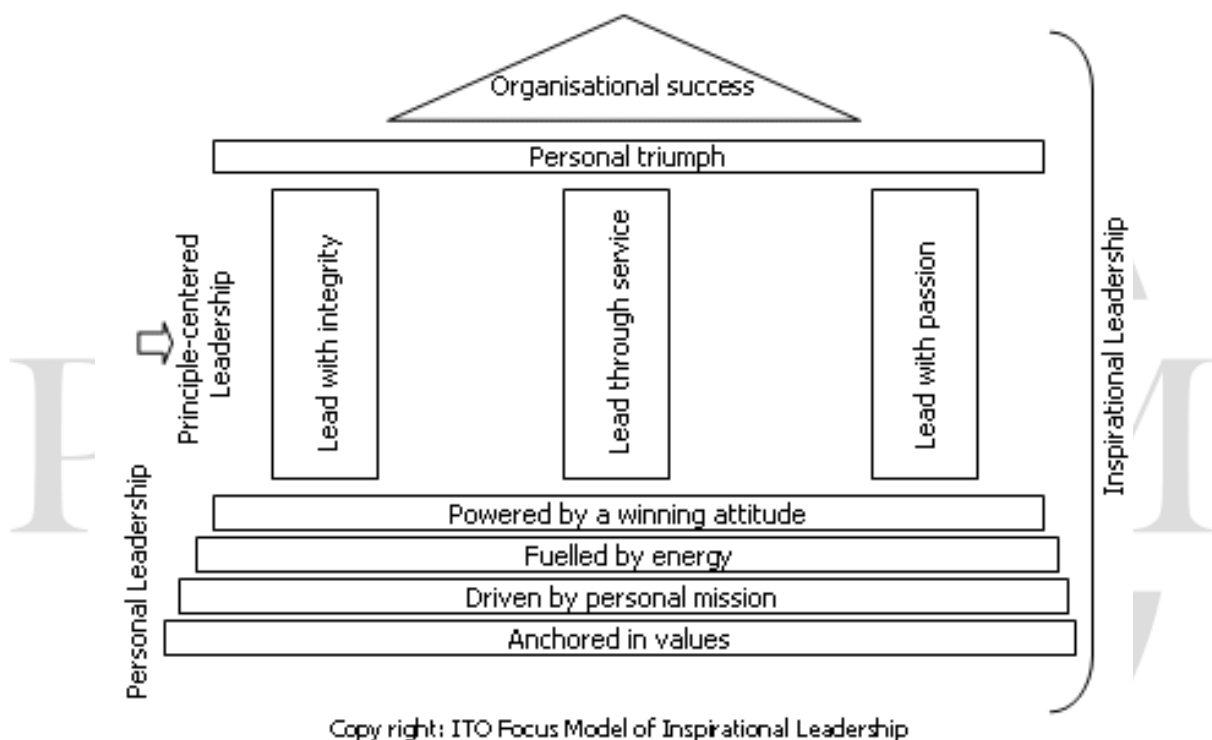
The Three Pillars of Inspirational Leadership in Action

We will now look at the following very important pillars for inspirational leaders. These are related to action (things we do), whilst the previous learning unit focused more on who we are:

    a.   Lead with integrity.

    b.   Lead with passion.

    c.   Lead through service.

Pillar 1: Integrity

One of the reasons many people struggle with integrity issues is that they tend to look outside themselves to explain any deficiencies in character. But the development of integrity is an inside job. Take a look at the following three truths about integrity that go against common thinking:

> *To starve to death is a small thing, but to loose one's integrity is a great one.*
>
> *-Chinese Proverb*

Integrity Is Not Determined By Circumstances

Some psychologists and sociologists today tell us that many people of poor character would not be the way they are if only they had grown up in a different environment. Now, it's true that our upbringing and circumstances affect who we are, especially when we are young. But the older we are, the greater the numbers of choices we make – for good or bad. Two people can grow up in the same environment, even in the same household, and one will have integrity and the other won't. Ultimately, you are responsible for your choices. Your circumstances are as responsible for your character as a mirror is for your looks. What you see only reflects what you are.

Activity

Do you know people who have overcome their background / circumstances to excel in life? Share with your group.

_____

_____

_____

_____

_____

_____

Integrity Is Not Based On Credentials

In ancient times, brick makers, engravers, and other artisans used a symbol to mark the things they created to show that they were makers. The symbol that each one used was his "character". The value of the work was in proportion to the skill with which the object was made. Only if the quality of the work was high the character esteemed. In other words, the quality of the person and his work gave value to his credentials. If the work was good, so was the character. If it was bad, then the character was viewed as poor.

The same is true for us today. Character comes from who we are, but some people would like to be judged not by who they are, but by the titles they have earned or the position they hold, regardless of the nature of their character.

Their desire is to influence other by the weight of their credentials rather than the strength of their character. Credentials can never accomplish what character can. Look at some differences between the two:

Credentials	Character
Are transient.	Is permanent.
Turn the focus to rights.	Keeps the focus on responsibilities.
Add value to only one person.	Adds value to many people.
Look to past accomplishments.	Builds a legacy for the future.
Often evoke jealousy in others.	Generates respect and integrity.
Can only get you in the door.	Keeps you there.

No number of titles, degrees, offices, designations, awards, licenses, or other credentials can substitute for basic, honest integrity when it comes to the power of influencing others.

Integrity Is Not To Be Confused With Reputation

Some people mistakenly emphasise image or reputation. Listen to what William Hersey Davis has to say about the difference between character and its shadow, reputation:

The circumstances amid which you live determine your reputation…

The truth you believe determines your character…

Reputation is what you are supposed to be, character is what you are…

Reputation is the photograph, character is the face…

Reputation comes over one from without; character grows up from within…

Reputation is what you have when you come to a new community; character is what you have when you go away…

Your reputation is made in a moment; your character is built in a lifetime…

Your reputation is learned in an hour, your character does not come to light for a year…

Reputation grows like a mushroom, character lasts like eternity…

Reputation makes you rich or makes you poor; character makes you happy or makes your miserable…

Reputation is what men say about you on your tombstone, character is what the angels say about you before the throne of God.

Certainly, a good reputation is valuable. A good reputation exists because it is a reflection of a person's character. If a good reputation is like gold, then having integrity is like owning the mine. If you struggle with maintaining your integrity, and you're doing all the right things on the outside – but you're still getting the wrong results – something is wrong and still needs to be changed on the inside. The following questions will help you nail down areas that need attention.

Individual Activity:

Don't be too quick to respond to the questions. If character development is a serious area of need in your life, your tendency may be to skim through the questions, given answers that describe how you wish you were rather than who you actually are. Take some time to reflect on each question, honestly considering it before answering. Then work on the areas where you're having the most trouble. And remember this:

Many succeed momentarily by what they know, some succeed temporarily by what they do; but few succeed permanently by what they are.

The road of integrity may not be the easiest one, but it's the only one that will get you where you ultimately want to go.

Questions

1.	How well do I treat people from whom I can gain nothing?	
2.	Am I transparent with others?	
3.	Do I role-play based on the person(s) I'm with?	
4.	Am I the same person when I'm in the spotlight as I am when I'm alone?	
5.	Do I quickly admit wrongdoing without being pressed to do so?	
6.	Do I put other people ahead of my personal agenda?	
7.	Do I have an unchanging standard for moral decisions, or do circumstances determine my choices?	
8.	Do I make difficult decisions, even when they have a personal cost attached to them?	
9.	When I have something to say about people, do I talk to them or about them?	
10.	Am I accountable to at least one other person for what I think, say, and do?	

Guidelines for behaviour with integrity

The bottom line when it comes to integrity is that it allows others to trust you. Without trust, you have nothing. Trust is the single most important factor in personal and professional relationships. It is the glue that holds people together. And it is the key to becoming a person of influence.

People today are desperate for leaders, but they want to be influenced only by individuals they can trust, persons of good character. If you want to become someone who can positively influence other people, you need to develop the following qualities of integrity and live them out every day:

Model Consistence of Character:

Solid trust can develop only when people can trust you all the time. If they never know from moment to moment what you're going to do, the relationship will never deepen to a confident level of trust.

➤ **Employ Honest Communication:**

To be trustworthy, you have to be like a good musical composition, your words and music must match.

➤ **Value Transparency:**

People eventually find out about your flaws, even if you try to hide them. But if you're honest with people and admit your weaknesses, they will appreciate your honestly and integrity. And they will be able to relate to you better.

➤ **Exemplify Humility:**

People will not trust you if they see that you are driven by ego, jealousy, or the belief that you are better than they are.

➤ **Demonstrate Your Support to Others:**

Nothing develops or displays your character better than your desire to put others first. As our friend Zig Ziglar says, help enough other people to succeed, and you will succeed.

➤ **Fulfil Your Promises:**

Never promise anything you can't deliver. And when you say you will do something, follow through on it. A sure way to break trust with others is to fail to fulfil your commitments.

➢ Embrace an Attitude of Service:

We have been put on this earth not to be served, but to serve. Giving of yourself, and your time to others shows that you care about them. Missionary-physician Sir Wilfred T Grenfell held that "the service we render to others is really the rent we pay for our room on this earth." People of integrity are givers, not takers.

➢ Encourage Two-way Participation With The People You Influence:

When you live a life of integrity, people listen to you and follow you. Always remember that the goal of influence is not manipulation, its participation. Only as you include others in your life and success do you permanently succeed.

It has been said that you don't really know people until you have observed them when they interact with a child, when the car has a flat tire, when the boss is away, and when they think no one will ever know. People with integrity never have to worry about that. No matter where they are, who they are with, or what kind of situation they find themselves in, they are consistent and live by their principles.

Individual Activity:

Choose key points from the guidelines of integrity. Identify how you can integrate these specific concepts into your life. Be practical.

What and how to apply:

Personal	Professional

Copy right: ITO Focus Model of Inspirational Leadership
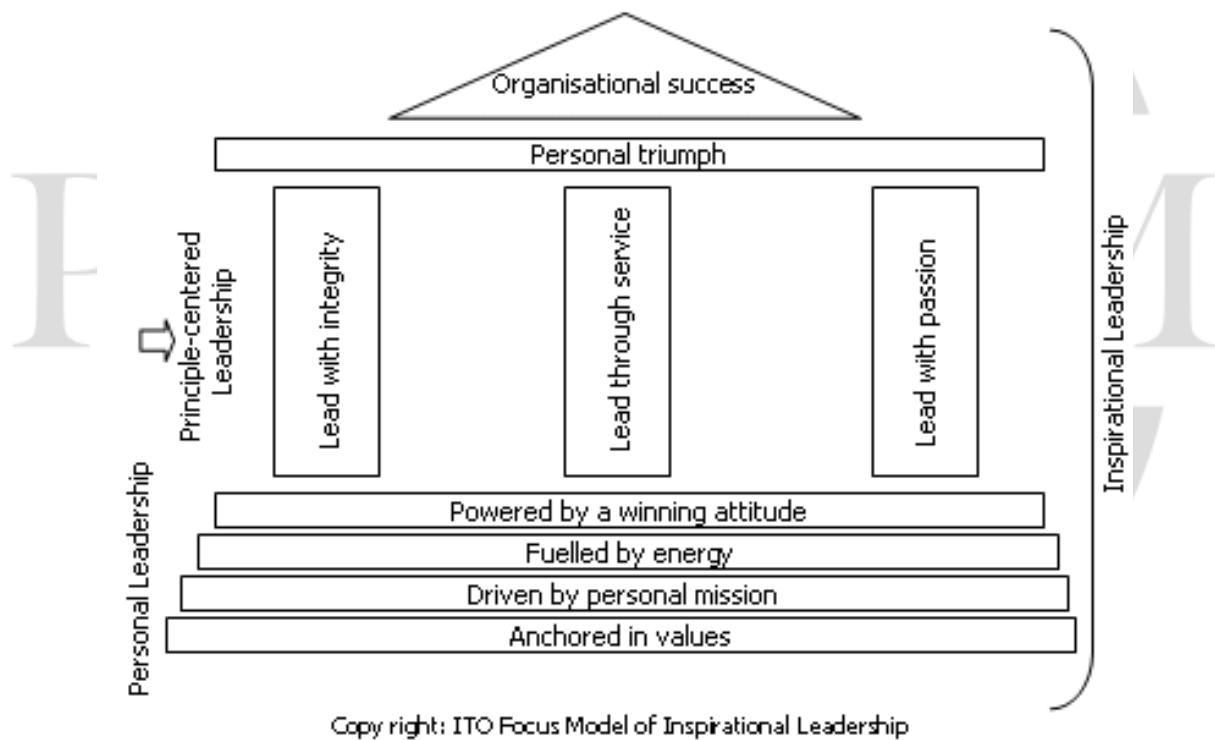
Pillar 2: Lead with Passion

> *'Passion is a source of unlimited energy from your soul that enables you to produce extraordinary results!'*

> *-Charles Kovess*

What is passion? Passion is not an intellectual thought. It is a feeling, an emotion.

- **A burning desire or hunger**

    Mahatma Ghandi had a burning desire or hunger to help his fellow human beings. He had a burning desire to spread awareness of two basic principles – truth and non-violence – and his vision was so powerful that most people in his country indeed eventually adopted these principles. Ghandi was a passionate man, and his passion enabled him to produce extraordinary results.

Activity

Watch the DVD on the story of Ghandi and the relevance it has for us today.

- **A feeling of inspiration**

    When you are inspired by some great purpose, some extraordinary project, all your thoughts break their bonds. Your mind transcends limitations, your consciousness expands in every direction, and you find yourself in a new, great and wonderful world. Dormant forces, faculties and talents become alive, and you discover yourself to be a greater person by far than you ever dreamed yourself to be.

---

*Kahlil Gibron in **The Prophet**, explored this dichotomy between passion and reason he wrote:*

"Your soul is oftentimes a battlefield, upon which your reason and your judgement wage war

---

> *against your passion and your appetite…*
>
> *Your reason and your passion are the rudder and the sails of your seafaring soul.*
>
> *If either your sails or your rudder be broken, you can but toss and drift, or else be held at a standstill in mid-seas.*
>
> *For reason, ruling alone, is a force confining; and passion, unattended, is a flame that burns to its own destruction."*

- **A feeling in the pit of the stomach**

If thinking about a particular issue, task, or activity gives you a 'hit' in the stomach with nerves, tingling, pressure, or palpitations, you could be passionate.

- **A sense of excitement**

Like the example in the preceding paragraph, your excitement may arise in your stomach, or any of your five senses. How do you know you are excited? Where is the excitement located? Where in your body do you feel the emotion?

It can be something you see in your mind's eye; it can be something you hear in your head; it can be the incredible lightness of being; it can be a taste or a smell. Each one of us has a unique mix of these sensual experiences when we are excited. Becoming aware of your own unique mix will help you recognize states of true excitement.

- **A state of arousal**

Being aroused is different to being excited. How different is it for you? Sometimes, the passion could be an arousal caused by an injustice, such as unjust treatment of children. The state of arousal is different from an 'excited' state.

- **A feeling of limitless energy**

Passionate people do not easily get tired. Which people around you demonstrate such limitless energy? Would you describe them as passionate? Do you envy their energy, their apparent ability to work harder than most people?

- **The feeling that 'I shouldn't be paid for doing this; I am having too much fun!'**

The way that we earn a living, or work, does not have to be boring, dull, and uninspiring. However, the statistic show that less than 10 percent of workers in Australia impress their fellow workers as being passionate – can easily cause most people to believe that work, almost by definition, is a struggle and something that can only be enjoyed in exceptional or unusual times.

If you are not passionate about your work, then it is hard to see how it could be fun. What would it be like if work was so much fun that you would do it for nothing? Or, alternatively, if you had R10 million in the bank, would you do the work you are now doing? If the answer is 'yes', you are clearly passionate.

- **The belief that nothing is too much trouble**

The rewards for me, in those circumstances, were greater than the fees. The rewards for a job well done, of a grateful client, of seeing a little more fairness, created a sense of well-being that generated and fuelled the desire to repeat such moments.

- **A clarity of vision**

Can you 'see' what business or enterprise you are trying to create for the future? Can you see how it will operate?

The quality of the picture in your mind's eye will demonstrate to you the power of your passion. Passionate people have a spectacular clear picture of what they want to create, of how the world will be when they have achieved their passion.

- **A sense of caring deeply**

What do you care about? Who do you care about? This is a slightly different experience from the feeling that nothing is too much trouble, but when you care, you have greater energy, a greater ability to create, a greater ability to produce. Caring comes from a part of us that is more than body or mind: is soul connection, or a heart-to-heart connection.

> *Defining passion:*
>
> *Passion is a source of unlimited energy from the soul (or 'spirit' of 'heart')*
> *that enables a person to produce extraordinary results.*
>
> *- Charles Kovess*

> *'Nothing is really work, unless you would rather be doing something else.'*
>
> *-James Matthew Barrie*

Activity:

– **What do you feel passionate about in life?**

_____

_____

– **How do you tend to experience this passion?**

_____

_____

– **How do you integrate your passion and your work life?**

_____

Leadership and Passion

If you as a leader or manager have not been willing or courageous enough to do your own work of introspection, then you will not be able to encourage your employees to do so!

Make a decision that you want to find your passion, and as you progress along the path of inner wisdom and inner knowing, the path toward self-knowledge, your ability to bring your employees with you and to motivate them to access their own passion will increase in direct proportion.

Activity

Ben Xander DVD: Radiating possibilities - Attitude

Watch the DVD and discuss what aspects are important in having a positive attitude.

How to ignite and nurture passion at work

- **Discover the highest possible purpose for your business**

  Your business has a higher purpose than just making a profit. The higher the purpose you can find, the more willing the employees will be to engage their minds as well as their hearts. If a business is just about making money, many people will refuse to engage all three aspects of their humanness, and simply do their job for their salary. The leader will be left yearning for more, and wondering why he or she 'cannot find good employees these days!'

Discover the higher purpose and spread the message to all of your employees.

Beware, however, or false messages: if the leaders do not believe in the higher purpose, it will not have the desired impact on the employees. Here are some questions that will help you to discover or remember the higher purpose of your business:

- o Why was the business established?
- o What contribution does the business make to its customers' lives?
- o What value is the business adding?
- o What contribution does the business make to our planet?
- o Who benefits from the different activities of the business?
- o What will be the benefits, other than financial gain, if the business achieves its goals?

A clearly articulated higher purpose has great power and attraction for employees as well as customers.

- **Discover and Eliminate Suppressors of Spirit and Soul**

  The spirit of employees can be suppressed in many ways. Wide-eyed, excited youngsters (or even the more experienced veteran) arriving for work on their first day soon fall into the mould of putting up with the daily grind! How can this syndrome be avoided?

Activity:

Tick the following statements that are true for your workplace.

	Yes/No
o Employees get no encouragement from their bosses.	
o Employees get no recognition when they do a good job.	
o Employees get no recognition when they put in a special effort.	
o Employees have to do things that are contrary to the company's published values or to the employees' own values.	
o Employees feel that they are treated like second-class citizens.	
o Employees are given no credit for being able think.	
o Employees are not trusted and are not given responsibility.	
o Employees are sometimes forced to tell lies to customers.	
o Employees are 'put down' in front of others for making mistakes.	
o Relationships between employees are strained and stressful.	

- **Demonstrate that the business is about more than making a profit**

  This process is complementary to the process of discovering the higher purpose. The key word is to 'demonstrate', as opposed to just making statements. A recurring theme in companies and organisations that I have worked with is the conflict between what is *said to* be important and the actual *behaviour* of leaders. These conflicts have to be minimized to allow passion and spirit to flourish.

Living up to the values of the business is the key way to demonstrate this principle, and leaders should take the opportunity to show and tell the employees that the values are actually being observed. Repetition is important. Leaders and managers may think that the employees have been shown that values have been put into practice in the past, but all of us have so many contrary experiences that believing and trusting that values will be practiced takes time.

- **Engage employees in the dream and the passion that started the business**

Every business is unique and has a unique history. Every business that exists on the planet today started as one human being's dream, which then became a thought or idea and, in the case of the great businesses, was driven by a passion. What is the dream and the passion that created the history of your business? When was the last time that the employees heard the history? Has the dream ever been shared with them?

- **Engage employees' hearts as well as their minds**

All human beings have feelings!

However, most businesses seem to deny this fundamental human trait.

Does your business allow the existence and utilization of feelings? If not, you are reducing the opportunities for the existence of passion.

'WIFL' – 'What I Feel Like saying'

Each of the teams in your business, whenever a formal meeting starts, can start with a 'WIFL'. This requires team members to access their feelings. Each team member speaks, without interruption, for an agreed period or for as long as that person *feels* like saying. This is not a *thinking* process, and through practice, team members become more comfortable with expressing their unique perspectives without feeling the need to censor, or suppress, their truth.

The commitment of the leader of the group to the process is the most important factor to insuring that it is effective; if the leader does not fully and openly participate, the employees will certainly not do so. One of the key elements of the process is for others to listen actively without interruption, and this lack of interruption is most unusual today! Another key element is that there is no judgment of what team members say. There is no need to justify our feelings, and correspondingly there is no need for others to take on any blame for

the feelings of another. This is easy to say and difficult to do, but the long-term benefits of regular WIFLs are proven.

WIFLs are also opportunities to express what we are actually feeling and to get into the practice of raising our awareness levels of those feelings.

- **Make employees feel important**

Employees can feel when they are important and valued. *Telling* them that this is the case will not *create* the feelings. If they do not feel it, they will not believe it!

Here are some of the deeds by which a leader can demonstrate that his or her employees are important and valuable:
  o Commit to their ongoing learning and development and actually do something about it by organizing and investing in relevant programs.
  o Understand that attending a training program will not cause radical changes in the employees overnight; a learning program is like a golf lesson: we learn the techniques, but for change to occur, ongoing repetition, practice, and mistakes are also required!
  o Give all employees clarity about what is expected of them in the workplace and how their performances will be assessed.
  o Give employees the right to complain when the values of the business are not being observed.
  o Commit to communicating with employees, and make allowance for their unique perspectives; this includes telling them when they've done something right as well as when they've done something wrong.
  o Commit to a process of giving more trust to the employees. This process, by definition, cannot be achieved overnight, but until the leader demonstrates trust, the employees will not be willing to trust. Trust needs to be built like a brick wall, brick by brick, day by day, and there needs to be a high awareness of how easily and quickly the brick wall can be demolished.

> *'Unless we try to do something beyond what we have already mastered we cannot grow.'*

Activity:

(a) **Evaluate your organization in terms of the above guidelines. To what extent does your organisation encourage passion?**

(b) **Discuss in your groups and list three practical things that you can do to ignite passion in the workplace.**

(c) **ARE YOU GOING TO TAKE ACTION?**

_____

_____

_____
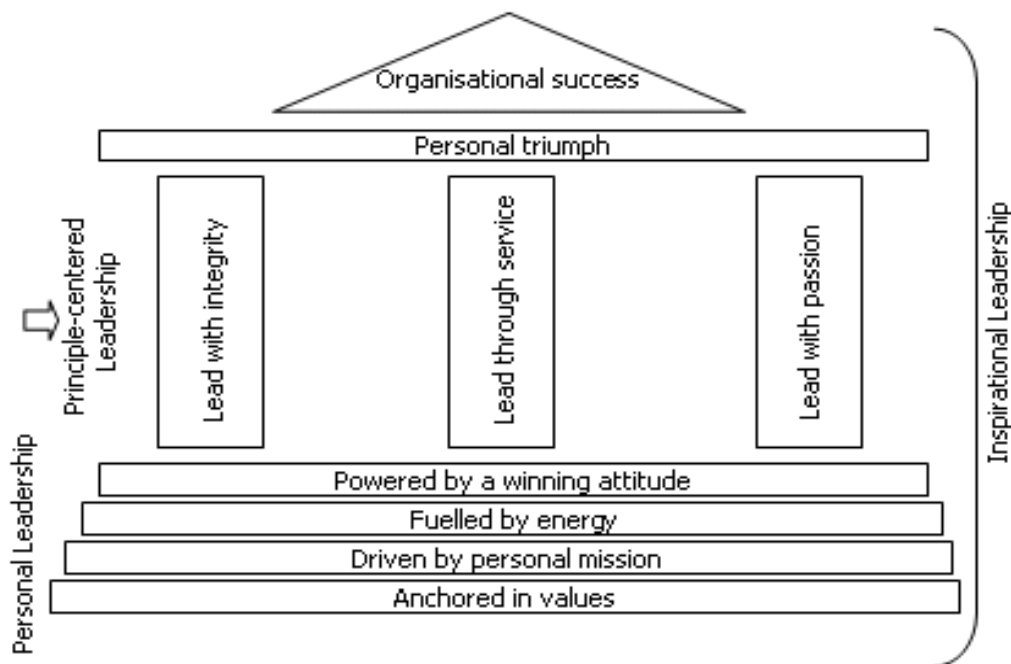
Copy right: ITO Focus Model of Inspirational Leadership

Pillar 3: Lead through service

We are all responsible for contributing to the well-being of others. Why is serving others an essential moral competence? Think back to the biological origins of morality. We come into the world programmed to be interdependent. We would not be around today if our earliest human ancestors had not huddled together to help their fellow tribes people survive. If we do not work to serve others, we fail to act as morally intelligent leaders. Serving others is, in fact, a great way to show integrity and to encourage others to model it in other words, to lead by example.

Suppose you do not buy the idea, that interdependence is innate. It still makes sense to actively care about the well-being of others. Here is why: We all value personal happiness. We want to be happy even though we know it is a self-centered motivation. For most of us, the happiness we seek does not happen in a vacuum. Happiness is hard to come by without help from others. Most of us need others to help us be happy.

Service is important, but serving others serves ourselves at least as much. "Every time I've done something for others, it's given me a better feeling about myself. When I help family or friends or even charities, I actually have stopped and asked myself if I'm really serving others or if I'm just being selfish."

Ignoring the needs of others keeps us from experiencing genuine pleasure. For most people, lasting happiness comes from activities that give us a sense of meaning and purpose such as serving others. Recent studies on longevity have found that serving as a volunteer with some worthwhile organization adds years to our lives (not to mention life to our years).

> *At first, as a student, I wanted freedom only for myself, the transitory freedoms of being able to stay out at night, read what I pleased, and go where I chose. Later as a young man in Johannesburg, I yearned for the basic and honourable freedoms of achieving my potential, of earning my keep, of marrying and having a family – the freedom not to be obstructed in a lawful life. But I then slowly saw that not only was I not free, but my brothers and sisters were not free… that is when the hunger for my own freedom became the greater hunger for the freedom of my people. It was this desire for the freedom of my people to live their lives with dignity and self-respect that animated my life, that transformed a frightened young man into a bold one, that drove a law-abiding attorney to become a criminal, that turned a family-loving husband into a man without a home… I am no more virtuous or self-sacrificing than the next man, but I found that I could not even enjoy the poor and limited freedoms I was allowed when I knew my people were not free. – Nelson Mandela*

Accepting responsibility, for serving others is also a secret weapon for leaders who want to promote high performance among their workforce. To make their businesses successful, leaders need committed employees. One of the best ways to encourage people to unleash their creative energy in service to their company is for their leaders to serve them. Employees do not need to be coerced into doing their best work for your organization. People have an inherent and insatiable appetite for personal growth. Left to their own devices, employees will spontaneously contribute to your organization as their way of growing and succeeding in life.

 That is why leaders don't need to impose goals from on high. Much of the time and effort companies devote to complicated performance management systems is unnecessary.   When we serve our employees, we send them this message:

"I know that what you are capable of producing is far greater than what our company needs in order to succeed. So my opportunity as your leader is to serve you as you do what you want to do, which I already know goes beyond what I need from you. My goal is to serve your needs and help each of you be as successful as you want to be and help you get out of life what you want. If I can help you accomplish what you want to do, then I know our company will do very well. I do not have to focus on the numbers. I have to focus on you and all our people. Then the numbers will be fine. Because together; our people will perform better than our financial targets require. I know that serving you serves the bottom line."

Activity:

Discuss the value of the above statement.

_____

_____

_____

_____

_____

We grow more personally when we are giving ourselves to others. The moment we give/serve we find our relationships improve and deepen.

According to Covey:

"It has generally been my experience that the very top people of truly great organizations are servant-leaders. They are the most humble, the most reverent, the most open, the most teachable, the most respectful, the most caring."

Jim Collins in his book Good to Great: described the highest, most pure form of leadership:

The most powerfully transformative executives possess a paradoxical mixture of personal humility and professional will. They are timid and ferocious. Shy and fearless. They are rare- and unstoppable… good to great transformations don't happen without level five leaders at the helm, they just don't.

LEVEL 5 HIERARHY
Good to Great – Jim Collins
LEVEL 5 **Level 5 Executive** Builds enduring greatness through a paradoxical combination of personal humility plus professional will.
LEVEL 4 **Effective Leader** Catalyzes commitment to and vigorous pursuit of a clear and compelling vision; stimulates the group to high performance standards.

LEVEL 3	**Competent Manager** Organizes people and resources toward effective and efficient pursuit of predetermined objectives.
LEVEL 2	**Contributing Team Manager** Contributes to the achievement of group objectives; works effectively with others in a group setting.
LEVEL 1	**Highly Capable Individual** Makes productive contributions through talent, knowledge, skills and good work habits.

Being of service

At the heart of the nurturing process is genuine concern for others. When you hear the word *nurture,* what do you first think of? If you're like most people, you probably envision a mother cradling a baby. She takes care of her child, protecting him, feeding him, encouraging him, and making sure that his needs are met. She doesn't give him attention only when she has spare time or when it's convenient. She loves him and wants him to thrive. Similarly, as you try to help and influence the people around you, you must have positive feelings and concern for them. If you want to make a positive impact on them, you cannot dislike, despise, or disparage them. You must give them love and respect. Or as human relations expert Les Giblin put it, "You can't make the other fellow feel important in your presence if you secretly feel that he is nobody."

You may be wondering why you should take on a service role with the people you want to influence, especially if they are employees, colleagues, or friends - not family members. You may be saying to yourself, isn't that something they can get somewhere else, for example, at home? The unfortunate truth is that most people are desperate for encouragement. And even if a few people in their lives build them up, you still need to become a nurturer to them because people are influenced most by those who make them feel the best about themselves. If you become a major nurturer in the lives of others, then you have an opportunity to make a major impact on them.

Check and recheck your motives as you help and encourage others. Don't be like a little girl named Emily. Her father, Guy Belleranti, was driving the family home from church one Sunday when the five-year-old girl said, "When I grow up, I want to be like the man who stood in front."

"You want to be a minister?" asked Emily's mother.

"No," said Emily, "I want to tell people what to do."

Your goal is others' growth and independence. If you nurture others but allow them to become dependent on you, you're really hurting them, not helping them. And if you help them because of your desire to meet your needs or to heal the hurts of your past, your relationship with them can become co-dependent. It's not healthy to try to correct your personal history by reliving it vicariously through others.

One: Service through faith in people

People rise and fall to meet your level of expectations for them. If you express scepticism and doubt in others, they will return your lack of confidence with mediocrity. But if you believe in them and expect them to do well, they will go the extra mile trying to do their best. And in the process, they and you benefit. John H. Spalding expressed the thought this way: "Those who believe in our ability do more than stimulate us. They create for us an atmosphere in which it becomes easier to succeed."

If you've never been one to trust people and put your faith in them, change your way of thinking and begin believing in others. Your life will quickly improve. When you have faith in others, you give them an incredible gift. Give others money, and it's soon spent. Give resources, and they may not be used to their best advantage. Give help, and people will often find themselves back where they started in a short period of time. But give them your faith, and they become confident, energized, and self-reliant. They become motivated to acquire what they need to succeed on their own. And then later if you share money, resources, and help, they're better able to use them to build a better future.

- **Believe in them before they succeed**

  Everyone loves a winner. It's easy to have faith in people who have already proved themselves. It's much tougher to believe in people *before* they have proved themselves. But that is the key to motivating people to reach their potential. You have to believe in them first, before they become successful, and sometimes before they even believe in themselves. French writer and moralist

Joseph Joubert said, "No one can give faith unless they has faith. It is the persuaded who persuade." You need faith in others before you can persuade them, to believe in themselves."

Some people in your life desperately want to believe in themselves but have little hope. As you interact with them, remember the motto of French World War 1 hero Marshal Ferdinand Foch: "There are no hopeless situations; there are only men and women who have grown hopeless about them." Every person has seeds of greatness within, even though they may currently be dormant. But when you believe in people, you water the seeds and give them the chance to grow. Every time you put your faith in them, you're giving life-sustaining water, warmth, food and light. And if you continue to give encouragement through your belief in them, these people will bloom in time.

- **Emphasize their strengths**

The best way to show people your faith in them and motivate them is to focus your attention on their strengths. According to author and advertising executive Bruce Barton, "Nothing splendid has ever been achieved except by those who dared believe something inside them was superior to circumstances." By emphasizing people's strengths, you're helping them believe that they possess what they need to succeed.

Praise them for what they do well, both privately and publicly. Tell them how much you appreciate their positive qualities and their skills. And anytime you have the opportunity to compliment and praise them in the presence of their family and close friends, do it.

- **List their past successes**

Even when you emphasize people's strengths, they may need further encouragement to show them you believe in them and to get them motivated.

Not everyone has the natural ability to recognize past successes and draw confidence from them. Some people need help. If you can show others that they have done well in the past and help them to see that their past victories have paved the way for future success, they'll be better able to move into action. Listing past successes helps others believe in themselves.

- **Instil confidence when they fall**

When you have encouraged people and put your faith in them, and they begin to believe they can succeed in life, they soon reach a critical crossroads. The first time or two that they fail-and they will fail because it's a part of life-they have two choices. They can give in or go on.

Some people are resilient and willing to keep trying in order to succeed, even when they don't see immediate progress. But others aren't that determined. Some will collapse at the first sign of trouble. To give them a push and inspire them, you need to keep showing your confidence in them, even when they're making mistakes or doing poorly.

One of the ways to do that is to tell them about your past troubles and traumas. Sometimes people think that if you're currently successful, you have always been that way. They don't realize that you have had your share of flops, failures, and fumbles. Show them that success is a journey, a process, not a destination

- **Experience some wins together**

It's not enough just knowing that failure is a part of moving forward in life. To really become motivated to succeed, people need to believe they can win.

Winning is motivating. Novelist David Ambrose acknowledged this truth: "If you have the will to win, you have achieved half your success; if you don't, you have achieved half your failure." Coming alongside others to help them experience some wins with you gives them reasons to believe they will succeed. And in the process, they sense victory.

To help people believe they can achieve victory, put them in a position to experience small successes. Encourage them to perform tasks to take on responsibilities you know they can handle and do well. And give them the assistance they need to succeed.

- **Visualize their future success**

We heard about an experiment performed with laboratory rats to measure their motivation to live under different circumstances. Scientists dropped a rat into a jar of water that had been placed in total darkness, and they timed how long the animal would continue swimming before he gave up and allowed itself to drown. They found that the rat usually lasted little more than three minutes.

Then they dropped another rat into the same kind of jar, but instead of placing it in total darkness, they allowed a ray of light to shine into it. Under those circumstances, the rat kept swimming for thirty-six hours. That's more than seven hundred times longer than the one in the dark! Because the rat could see, it continued to have hope.

If that is true of laboratory animals, think of how strong the effect of visualization can be on people, who are capable of higher reasoning. It's been said that a person can live forty days

without food, four days without water, four minutes without air, but only four seconds without hope. Each time you cast a vision for others and paint a picture of their future successes, you build them up, motivate them, and give them reasons to keep going.

- **Expect a new way of living**

German statesman Konrad Adenauer observed; "We all live under the same sky, but we don't all have the same horizon." As an influencer, you have the goal of helping others see beyond today and their current circumstances and dream big dreams. When you put your faith in people, you help them to expand their horizons and motivate them to move to a whole new level of living.

Individual Activity:

(1) Identify two employees in your team/or another team with the potential to the leaders.

(2) Now think of how you can apply the "service through faith principles" in their lives – keep in mind that they may have different needs. Be practical!

(3) How are you practically going to build each one of them when you are back at work?

Plan for person A	Plan for person B

Two: Service through listening to people

 Activity:

Discuss the value of listening in your group (refer to bullets below). Share related experiences from your life and come up with practical examples/applications.

_____

_____

_ _____

_ _____

_ _____

- **Listening shows respect**

  Psychologist Dr. Joyce Brothers said: "Listening, not imitation, may be the sincerest form of flattery." Whenever you don't pay attention to what others have to say, you send them the message that you don't value them. But when you listen to others, you communicate that you

respect them. Even more, you show them that you care. German-born philosopher-theologian Paul Tillich commented, "The first duty of love is to listen."

A mistake that people often make in communicating is trying very hard to impress the other person. They try to make themselves to appear smart, witty, or entertaining. But if you want to relate well to others, you have to be willing to focus on what they have to offer. Be *impressed and interested,* not *impressive and interesting.* Poet-philosopher Ralph Waldo Emerson acknowledged, "Every man I meet is in some way my superior, and I can learn of him." Remember that and listen, and the lines of communicating will really open up.

- **Listening builds relationships**

By becoming a good listener, you are able to connect with others on more levels and develop stronger, deeper relationships because you are meeting a need. Author C. Neil Strait pointed out that "everyone needs someone who he feels really listens to him." When you become that important listener, you help that person. And you take a significant step toward becoming a person of influence in his or her life.

- **Listening increase knowledge**

Wilson Mizner said; "A good listener is not only popular everywhere, but after a while he knows something." It's amazing how much you can learn about your friends and family, your job, the organization you work in, and yourself when you decide to really listen to others.

One common problem as people gain more authority is that they often listen to others less and less, especially the people who report to them. While it's true that the higher you go, the less you are required to listen to others, it's also true that your need for good listening skills increases. The farther you get from the front lines, the more you have to depend on others to get reliable information. Only if you develop good listening skills early, and then continue to use them, will you be able to gather the information you need to succeed.

- **Listening generates ideas**

Fresh, innovative ideas help us to find new ways to solve old problems, to generate new products and processes to keep our organizations growing, and to continue growing and

improving personally. Plutarch of ancient Greece asserted, "Know how to listen, and you will profit even from those who talk badly."

When you consistently listen to others, you never suffer for ideas. People love to contribute, especially when their leader shares the credit with them. If you give people opportunities to share their thoughts, and you listen with an open mind, there will always be a flow of new ideas. And even if you hear ideas that won't work, just listening to them can often spark other creative thoughts in you and others. You'll never know how close you are to a million-dollar idea unless you're willing to listen.

- **Listening builds loyalty**

A funny thing happens when you don't make a practice of listening to people. They find others who will.

On the other hand, practicing good listening skills draws people to you. Karl Menninger, psychiatrist, author, and one of the founders of the Menninger Foundation, said, "The friends who listen to us are the ones we move toward, and we want to sit in their radius." Everyone loves a good listener and is attracted to him or her. And if you constantly listen to others, valuing them and what they have to offer, they are likely to develop a strong loyalty to you, even when your authority with them is unofficial or informal.

Three: Service through understanding

Knowing what people need and want is the key to understanding them. And if you can understand them, you can influence them and impact their lives in a positive way. If we were to boil down all the things we know about understanding people and narrow them down to a short list, we would identify these five things:

- **Everybody wants to be somebody**

There isn't a person in the world who doesn't have the desire to be someone, to have significance. Even the least ambitions and unassuming person wants to be regarded highly by others.

- **Nobody cares how much you know until he knows how much you care**

To be an influencer, you have to love people before you try to lead them. The moment that people know that you care for and about them, the way they feel about you changes.

Showing others that you care isn't always easy.

If you want to help others and become a person of influence, keep smiling, sharing, giving, and turning the other cheek. That's the right way to treat people. Besides, you never know which people in your sphere of influence are going to rise up and make a difference in your life and the lives of others.

- **Everybody needs somebody**

Contrary to popular belief, there are no such things as self-made men and women. Everybody needs friendship, encouragement, and help. What people can accomplish by themselves is almost nothing compared to their potential when working with others. And doing things with other people tends to bring contentment.

Everybody needs somebody to come alongside and help. If you understand that, are willing to give to others and help them, and maintain the right motives, their lives and yours can change.

- **Everybody can be somebody when somebody understands and believes in her/him**

Once you understand people and believe in them, they really can become somebody. And it doesn't take much effort to help other people feel important. Little things, done deliberately at the right time, can make a big difference.

When was the last time you went out of your way to make people feel special, as if they were somebody? The investment required on your part is totally overshadowed by the impact it makes on them. Everyone you know and all the people you meet have the potential to be someone important in the lives of others. All they need is encouragement and motivation from you to help them reach their potential.

 Activity:

Rate your understanding. Use the following scale to rate your ability to understand people (circle the rating that applies to you):

Superior   I can nearly always anticipate how people will feel and react in any given situation. Understanding is one of my strongest abilities.

Good   Most of the times what people do and what makes sense to me. I consider my ability to understand people an asset.

Fair   I'm surprised by people just as often as I'm able to anticipate their thinking. I consider my ability to understand others to be average.

Poor   Most of the time people's feelings and motivations are mysteries to me. I definitely need to do better in this area.

Four: Service through enlarging people

Author Alan Loy McGinnis observed, "There is no more noble occupation in the world than to assist another human being-to help someone succeed." Helping others enlarge themselves is one of the most incredible things you can ever do for them.

- **See their potential**

  Unrealized potential is a tragic waste. And as an enlarger, you have the privilege of helping others discover and then develop their potential. But you can't do that until you *see* their potential.

  Olympic gold medal swimmer Geoffrey Gaberino sums it up this way: "The real contest is always between what you've done and what you're capable of doing." Whenever you look at people, you desire to enlarge, try to discern what they are capable of doing. Look for the spark of greatness. Watch and listen with your heart as well as your eyes. Find their enthusiasm. Try to visualize what they would be doing if they overcome personal obstacles, gained confidence, grew in areas of promise, and gave everything they had. That will help you to see their potential.

- **Cast a vision for the future**

When you cast a vision of others, you help them see their potential and their possibilities. And when you add to that vision your faith in them, you spark them to action. The great British statesman Benjamin Disraeli declared, "Nurture great thoughts for you will never go higher than your thoughts." Help people have great thoughts about themselves, and they will begin to live like the people they can become.

- **Tap into their passion**

As you look for other's passions, go beyond the surface of their daily wants. Look deep within them. Harold Kushner perceptively wrote, "Our souls are not hungry for fame, comfort, wealth, or power. Those rewards create almost as many problems as they solve. Our souls are hungry for meaning, for the sense that we have figured out how to live so that our lives matter, so that the world will at least be a little bit different for us having passed through it."

Once you discover their passion, tap into it. Show them how it can activate their potential to the point that they will be able to realize their vision for their lives. Passion can help them make their dreams come true. Passion is the fuel that helps people nourish and protect their dreams.

- **Address character flaws**

As you explore how you can help others enlarge themselves, you need to address any character issues they may have.

Martin Luther King, Jr., said, "The ultimate measure of a man is not where he stands in moments of comfort and convenience, but where he stands at times of challenges and controversy." Your goal should be to help the people you're developing to stand strong the midst of challenges. But you have to start with the little things. Help others learn to conduct themselves with integrity in every situation, and they will be ready to grow and reach their potential.

- **Focus on their strengths**

Instead of focusing on weaknesses, pay attention to people's strengths. Sharpen skills that already exist. Compliment positive qualities. Bring out the gifts inherent in them.

- **Enlarge them one step at a time**

To enlarge others, help them take growth steps that stretch them regularly without overwhelming or discouraging them.

For each person, that process will look different. But no matter where people are from or where they are going, they need to grow in certain areas.

Activity:

Go back to one of the people that you've worked with in the practical previously. Now consider how you can apply the above six guidelines to enlarge this person. What can you practically do (action) to apply each guideline?

See his/her potential	What is his/her potential?	Action/What can you do?
Cast a vision for his/her future	What is his/her vision for his/her life? What is your vision for his/her life? Does it coincide?	What can you do?
Tap into his/her passion	What is his/her passion? Do you know? Does he/she know?	What can you do?
Address his/her character flaws	List the character flaws.	What can you do?
Focus on his/her strengths	His/her strengths?	What can you do?
Enlarge him/her		What can you do?

What do you expect the result to be?

_____

_____

_____

_____

_____

_____

4A Individual Formative Exercise: Pillars of Leadership

Time Frame: 60 min

S1 Individual Summative Exercise: Personal development plan report

Time Frame: 50 hours

Module 1

Introduction to Ethics Management

Unit Standard	
252042	**Apply the principles of ethics to improve organisational culture**

Specific Outcomes
SO 1: Demonstrate understanding of the relationship between values, ethics and organisational culture and its impact on achieving goals and objectives.
SO 4: Formulate recommendations for strengthening shared organisational values, the code of

conduct and ethical practices	

Learning Outcomes

- Understand the concept of Corporate Ethics
- Be able to distinguish between personal values, organisational ethics and organisational values and understand practical conflicts between these concepts.
- Understand the impact of organisational values and culture on the triple bottom line.

Critical Cross-field Outcomes

Identify	Demonstrating
Working	Contributing
Science	

1. Introduction

In recent years, for many reasons, organisations have become socially responsible, to act with increased social sensitivity and to report on the organisation's performance relative to its ethics statement to stakeholders. A well-known fact amongst business leaders today is that organisations that recognise the strategic importance of ethics within business and pro-actively manage ethics reap the benefits of stakeholder confidence, public trust in the organisation and a good reputation.

Organisations wanting to improve their ethical health should pro-actively build an ethical culture by identifying ethical leaders, implementing ethics strategies and following a formal ethics management process.

Building an ethical organisational culture is a long term process, but renders long term benefits, including a good reputation and stakeholder confidence – all critical in ensuring sustainable business success and service delivery.

Managing ethics in the workplace holds great moral and practical benefit for leaders and managers. This is particularly true today, when it is critical to understand and manage highly diverse values in the workplace.

However, organisations aspiring to 'walk the ethics talk' should recognise the fact that organisational ethics is much more than a code of ethics with a few ethical platitudes to aspire to.

2. What is Ethics?

Simply put, ethics involves learning what is right or wrong, and then doing the right thing…..but the 'right thing' is not nearly as straight forward as it seems. As case studies will prove, most ethical dilemmas are not simply a matter of 'Should Bob steal from Jack?' or 'Should Jack lie to his boss?'

Many prophets of ethics belief there is always a 'right thing to do', while others belief the 'right thing to do' depends on the situation or its up to the individual. Many philosophers consider ethics to be a 'science of conduct'. Some describes it as the fundamental ground rules by which we live our lives. As far 2500 years back, this ethics debate originated with the classical philosophers Plato, Socrates and Aristotle.

Business ethics focuses on what is the right thing to do in the workplace. Again this seems simpler than it is. Often, in times of change and turmoil, values that were previously taken for granted, are now strongly questioned. Attention to ethics in the workplace should ensure that when leaders and

managers are struggling in times of crises and confusion, they have a strong moral compass. During this course we will also look at the additional benefits a strong ethics management program has for businesses.

To further define the concept of ethics, one can look at the 'dark side of ethics', which can be explained by two terms:

- Managerial mischief includes illegal, unethical or questionable practices of individual managers or organisations, as well as causes of behaviours and remedies to eradicate them. Many writings on managerial mischief, leads to belief that ethics is a matter of preaching the basics of what is right and wrong. Business ethics should however rather be seen as a matter of dealing with dilemmas that have no clear indication of what is right or wrong.

- Moral mazes of management includes numerous ethical problems that managers must deal with on a daily basis, such as potential conflicts of interest, wrongful use of resources, mismanagement of contracts etc.

In summary, workplace ethics is defined as the principles, norms and standards that guide an organisation's conduct of its activities, internal relations and interactions with external stakeholders.

3. Business Ethics is now a Management Discipline

Business ethics has come to be considered a management discipline, especially since the birth of the social responsibility movement in the 1960s. In that decade, social awareness movements raised expectations of businesses to use their massive financial and social influence to address social problems such as poverty, crime, environmental protection, equal rights, public health and improving education. An increasing number of people asserted that because businesses were making a profit from using our country's resources, these businesses owed it to our country to work to improve society. Many researchers, business schools and managers have recognized this broader constituency, and in their planning and operations have replaced the word "stockholder" with "stakeholder," meaning to include employees, customers, suppliers and the wider community. The emergence of business ethics is similar to other management disciplines. For example, organizations realized that they needed to manage a more positive image to the public and so the recent discipline of public relations was born. Organizations realized they needed to better manage their human resources and so the recent discipline of human resources was born. As commerce became more complicated and dynamic, organizations realized they needed more guidance to ensure their dealings supported the common good and did not harm others -- and so business ethics was born.

Note that 90% of business schools now provide some form of training in business ethics. Today, ethics in the workplace can be managed through use of codes of ethics, codes of conduct, roles of ethicists and ethics committees, policies and procedures, procedures to resolve ethical dilemmas, ethics training, etc.

4. What Business Ethics are NOT

Business ethics in the workplace is about prioritizing moral values for the workplace and ensuring behaviours are aligned with those values - its values management. Yet, some of these myths arise from general confusion about the notion of ethics; other myths arise from narrow or simplistic views of ethical dilemmas.

Myth 1: Business ethics is more a matter of religion than management.
Altering people's values or souls isn't the aim of an organizational ethics program - managing values and conflict among them is.

Myth 2: Our employees are ethical so we don't need attention to business ethics.
Most of the ethical dilemmas faced by managers in the workplace are highly complex. One knows when they have a significant ethical conflict when there is presence of a) significant value conflicts among differing interests, b) real alternatives that are equality justifiable, and c) significant consequences on "stakeholders" in the situation. Most ethical dilemmas are grey.

Myth3: Business ethics is a discipline best led by philosophers, academics and theologians.
Real life ethical dilemmas has given rise to National Codes of Governance (such as King in South Africa), which has made Ethics management a business imperative.

Myth 4: Business ethics is superfluous -- it only asserts the obvious: "do well!"
The value of a code of ethics to an organization is its priority and focus regarding certain ethical values in that workplace. For example, it's obvious that all people should be honest. However, if an organization is struggling around continuing occasions of deceit in the workplace, a priority on honesty is very timely and honesty should be listed in that organization's code of ethics.

Myth 5: Business ethics is a matter of the good guys preaching to the bad guys.
Those people well versed in managing organizations realize that good people can take bad actions, particularly when stressed or confused. Managing ethics in the workplace includes all of us working together to help each other remain ethical and to work through confusing and stressful ethical dilemmas.

Myth 6: Business ethics is the new policeperson on the block.

Many believe business ethics is a recent phenomenon because of increased attention to the topic in popular and management literature. However, business ethics was written about even 2,000 years ago - at least since Cicero wrote about the topic in his On Duties. Business ethics has gotten more attention recently because of the social responsibility movement that started in the 1960s.

Myth 7: Ethics can't be managed.

Actually, ethics is always "managed" - but, too often, indirectly. The point of this course is to assist you to learn how to manage ethics in the workplace.

Myth 8: Business ethics and social responsibility is the same thing.

The social responsibility movement is one aspect of the overall discipline of business ethics, as the definition and further discussions will prove Writings about social responsibility often do not address practical matters of managing ethics in the workplace, e.g., developing codes, updating polices and procedures, approaches to resolving ethical dilemmas, etc.

Myth 9: Our organization is not in trouble with the law, so we're ethical.

One can often be unethical, yet operate within the limits of the law. Further, breaking the law often starts with unethical behaviour that has gone unnoticed. The "boil the frog" phenomenon is a useful parable here: If you put a frog in hot water, it immediately jumps out. If you put a frog in cool water and slowly heat up the water, you can eventually boil the frog. The frog doesn't seem to notice the adverse change in its environment.

Myth 10: Managing ethics in the workplace has little practical relevance.

Managing ethics in the workplace involves identifying and prioritizing values to guide behaviours in the organization, and establishing associated policies and procedures to ensure those behaviours are conducted. One might call this "values management." Values management is also highly important in other management practices, e.g., managing diversity, Total Quality Management and strategic planning.

5. Personal values, organisational ethics and organisational culture.

Personal values: Each individual employee brings to the organisation their own personal value system. This value system enables the individual to make decisions in every aspect of their lives, including their work life. It important for the organisation and the individual to realise though is that the overlap between personal values and organisational values will overlap in varying degrees.

Organisational ethics is the principles, norms and standards that guide an organisation's conduct of its activities, internal relations and interactions with external stakeholders. In other words, these are the organisation's value system. If this organisational value system is very clear, it will be easier for employees to bring their personal values in line with organisational values, or at least adhere to organisational values while under the organisation's jurisdiction.

Corporate Social Responsibility
Inner Processes of Moral Behaviour
Moral Climate
Ethical Climate
Ethical Environment

Organisational culture is a wide concept describing the complex network of relationships within an organisation established over years of its existence. Organisational culture could have an intense impact on ethics.

Picket's (2001) research on the relationship between employee's beliefs and their consequent behaviour gave birth to the Model of Ethical leadership discussed below. This model is very useful to explain the relationship between personal values, organisational ethics and organisational culture.

Ethical Leadership
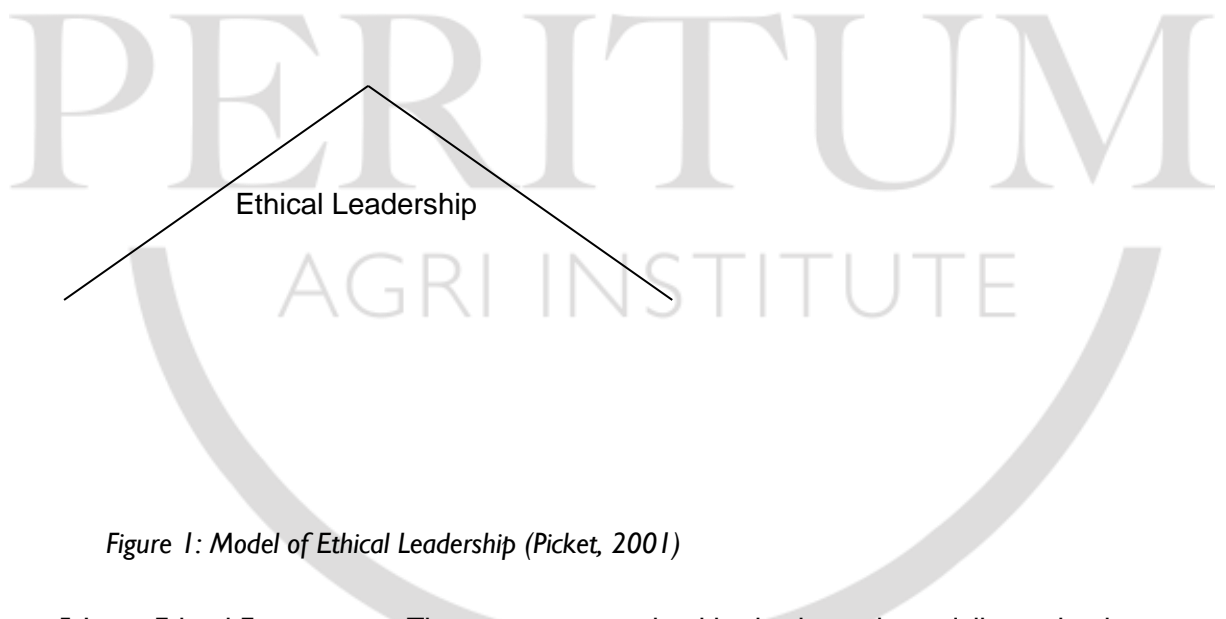
Figure 1: Model of Ethical Leadership (Picket, 2001)

5.1.   Ethical Environment: This encompasses ethical leadership, role modelling, ethical norms, reward systems that support ethical conduct and identifies the degree to which unethical behaviour is punished in organisations.

5.2.   Ethical Climate: Nine ethical climates has been identified:

· Egoist-individual - self-interest is the expected norm

· Egoistic-local - the company's interest guides the decisions that are made

· Egoist-cosmopolitan – efficiency is the expected norm

- Benevolent-individual – the welfare of individuals inside the organization guide decisions

- Benevolent-local – the welfare of groups inside the organization guide decisions

- Benevolent-cosmopolitan – the welfare of individuals and groups outside the organization

- guide decisions

- Principled-individual – personal morals guide decisions

- Principled-local – organizational rules and regulations are the norm

- Principled-cosmopolitan – external laws and codes guide ethical decisions

5.3. Moral Climate can be defined as the way in which employees perceptions of organisational norms forms their intentions, consideration of consequences, observation of contracts, and implementation of procedures.

5.4. Inner processes of Moral Behaviour: Early theories on morality argue that moral behaviour is determined by behaviour, feelings and thoughts. The thoughts that usually goes through the mind when deciding on moral action could look as follows:

- How do my actions affect the welfare of others?
- Formulate moral course of action, including ideal situation
- Select best option from above
- Execute and implement

5.5. Corporate social responsibility: Reasons for organisations to become more socially responsible are many, but can be summarised in four categories: economical, legal, ethical and philanthropic. The ethical reason for corporate social responsibility is that society expects from businesses to fulfil their ethical responsibilities by avoiding questionable practices and to adhere to the *spirit of the law,* not only the *letter of the law*.

The Johannesburg Stock Exchange (JSE), has developed a Social responsibility Investment Index (SRI). Companies rated tops on this index of 94 points, included Anglo American, Nedcor, Standard Bank, Firstrand, ABSA, Woolworths, MTN, Nampak, and Illovo Sugar.

Interesting websites to visit to view South African examples of Social Responsible companies are:

- www.virginactive.co.za
- www.bridgestone.co.za
- www.is.co.za
- www.lexmark.co.za

6. The Triple Bottom Line

King II recommends that organisations report on a triple bottom line and not on financial performance only. The triple bottom line refers to social, economic and environmental aspects.

The environmental aspects include the effect that the product or services produced by the company have on the environment. Social aspects involve values, ethics and the reciprocal relationship with stakeholders other than the shareowners of the company. Economic aspects refer to the financial performance of the company. The way in which a company should report on the triple bottom line is recorded in the Global Reporting Initiative (Appendix XI of the King II Report).

Non-financial issues such as human rights, ethics and Aids are becoming part of the responsibility of organisations, and thus part of the triple bottom line reporting requirement.

To summarise in the words of King II (p22): "successful governance in the world of the 21st century requires companies to adopt an inclusive approach that takes the community, its customers, its employees and its suppliers into consideration when developing the company strategy. This inclusive approach requires that the purpose of the company is defined and that the values by which it will operate are identified and communicated to all stakeholders. The relationship between the company and its stakeholders must be mutually beneficial. The company must be open to institutional activism and there must be greater emphasis on the non-financial aspects of its performance. Boards must apply the test of fairness, accountability, responsibility and transparency in all acts or omissions and be accountable to the company but responsive and responsible towards the company's identified stakeholders. The correct balance between conformance and performance must be struck."

Individual Formative Exercise 1A: Questionnaire

Time Frame: 15 min

Group Formative Exercise 1B: Case Study

Time Frame: 30 min

Group Formative Exercise 1C: Annual Report

Time Frame:15 min

Module 2

The Imperatives for Ethics

Unit Standard	
252042	Apply the principles of ethics to improve organisational culture

Specific Outcomes
SO 2: Apply the concept of corporate ethics to a unit.
SO 4: Formulate recommendations for strengthening shared organisational values, the code of conduct and ethical practices .

Learning Outcomes
· Understand the Imperatives for Ethics in the South African Workplace
· Understand the requirements of the King Report of Corporate Governance in terms of Ethics in the South African workplace
· Understand how the Principles of Peritum Agri Institute impacts on the South African workplace

Critical Cross-field Outcomes	
Identifying	Science
Working	Demonstrating
Collecting	Contributing

1. The Imperatives for Ethics

The 19th century can be seen as the century of the entrepreneur, laying the foundations of modern corporations. The 20th century was the century of management with phenomenal growth in management theories, management consultants and management teachings. The 21st century promises to be the century of governance; hence the developments of several international governance codes laying the framework for legislators and corporations to follow.

The South African Constitution should be seen as the basis of all ethical conduct in companies. The two main references in the Constitution impacting on ethics are:

- The Bill of Rights detailing the individual rights of citizens (by implication also those associated with companies.)
- The Basic values and principles governing Public Administration

In South Africa, the King Commission has published the first King Report of Corporate Governance in 1994, the second King Report in 2002 and the third King Report in 2009 (to be implemented in 2010). Legislation which has been developed subsequent to the first King Report, and which touches on the aspect of governance, some directly and others indirectly include:

- Labour Relations Act (No. 66 of 1995) regulates the collective relationship between employer and employee.

- Basic Conditions of Employment Act (No. 75 of 1997) regulates the individual contractual relationship between the employer and the employee.

- Employment Equity Act (no. 55 of 1995) regulates affirmative action measures to be taken by employers in appointment of employees in order to redress the imbalances of the past.

- National Environmental Management Act (No. 107 of 1998) provides for co-operative environmental governance by establishing principles for decision-making on matters affecting the environment, institutions that will promote co-operative governance and procedures for co-ordinating environmental functions exercised by organs of state; to provide for certain aspects of the administration and enforcement of other environmental management laws; and to provide for matters connected therewith.

- Companies Act (no. 61 of 1973): Amendments to this act promulgated as a result of King 1 permitted companies to obtain liability insurance cover indemnifying their

directors and officers, compelling disclosure of the identity of beneficial owners of shares held by nominees, and making the appointment of a company secretary mandatory for public companies with share capital.

- Insider Trading Act (No. 135 of 1998) To prohibit individuals who have inside information relating to securities or financial instruments from dealing in such securities or financial instruments; to provide for criminal and civil law penalties for such dealing; to empower the Financial Services Board to investigate matters relating to such dealing, to institute proceedings in relation thereto and to administer the proof of claims and distribution of payments received as a result of any such proceedings; to establish the Directorate as a committee of the Financial Services Board for exercising the power to institute proceedings; to repeal a section of the Companies Act, 1973; and to provide for matters connected therewith.

- Public Finance Management Act (No. 1 of 1999) to regulate financial management in the national government and provincial governments; to ensure that all revenue, expenditure, assets and liabilities of those governments are managed efficiently and effectively; to provide for the responsibilities of persons entrusted with financial management in those governments; and to provide for matters connected therewith.

- Banks Act (no. 94 of 1990) regulating the governance of banks in South Africa.

2. The King Report on Corporate Governance

Corporate governance in South Africa was institutionalised by the first King Report on Governance published in November 1994. Unlike its counterparts in other countries, the King Report went beyond the financial and regulatory aspects of corporate governance in advocating an integrated approach to good governance in the interest of a wide range of stakeholders, including financial, social, ethical and environmental aspects. The King 1 report successfully formalised the need for companies to recognise that they no longer act independently from societies and the environment in which they operate.

For the purposes of this course, we will not delve deep into the details of the King Report, but rather focus on the seven characteristics of good corporate governance which summarises the intention and spirit of the reports well:

a) **Discipline**: Corporate discipline is the commitment by a company's senior managements to adhere to behaviour that is universally recognised and accepted to be correct and proper. This encompasses the company's awareness of, and commitment to the underlying principles of good governance, particularly at senior management level.

b) **Transparency** is the ease with which an outsider is able to make meaningful analysis of the company's actions, its economic fundamentals and the non-financial aspects pertinent to that business. This is a measure of how good management is at making necessary information available in a candid, accurate and timely manner – not only the audit data, but also general reports and press releases. It reflects whether or not investors obtain a true picture of what is happening inside the company.

c) **Independence** is the extent to which mechanisms have been put in place to minimise or avoid potential conflicts of interest that may exist, such as dominance by a strong chief executive officer or large stakeholder. These mechanisms range from the composition of the board, to appointments to committees of the board, and external parties such as the auditors. The decisions made, and the internal processes established, should be objective and not allow for undue influences.

d) **Accountability**: Individuals or groups in a company, who make decisions and take actions on specific issues, need to be accountable for their decisions and actions. Mechanisms must exist and be effective to allow for accountability. These provide investors with the means to query and assess the actions of the board and its committees.

e) **Responsibility**: With regard to management, responsibility pertains to behaviour that allows for corrective action and for penalising mismanagement. Responsible management would, when necessary, put in place what it would take to set the company on the right path. While the board is accountable to the company, it must act responsively to and with responsibility towards all stakeholders of the company.

f) **Fairness**: The system that exists within the company must be balanced in taking into account all those that have an interest in the company and its future. The rights of various groups have to be acknowledged and respected. For example, minority shareholder interests must receive equal consideration to those of the dominant shareowner(s).

g) **Social responsibility**: A well-managed company will be aware of, and respond to , social issues, placing a high priority on ethical standards. A good corporate citizen is increasingly seen as one that is non-discriminatory, non-exploitive, and responsible with regard to environmental and human rights issues. A good company is likely to experience indirect economic benefits such as improved productivity and corporate reputation by taking those factors into consideration.

The King report has a section on the commitment required from companies to their codes of ethics by:

a) Creating systems and procedures to introduce, monitor and enforce its ethical code

b) Assigning high level individuals to oversee compliance to the ethical code

c) Assessing the integrity of new appointees in the selection and promotion procedures

d) Exercising due care in delegating discretionary authority

e) Communicating with and training all regarding enterprise values, standards and compliance procedures

f) Providing, monitoring and auditing safe systems for reporting of unethical or risky behaviour

g) Enforcing appropriate discipline with consistency

h) Responding to offences and preventing re-occurrence

i) Disclosure should be made as to what extend the company directors belief in ethical criteria as well as how the standards will be met

j) Companies should further strongly reconsider dealings with entities not demonstrating sound commitment to integrity and ethics.

The King 3 report, which will become applicable to companies in 2010, after the promulgation of the new Companies act, has added the concept of 'Business Rescue', i.e. that companies should follow a proper (ethical) plan in place if economic circumstances threaten their existence.

Further to the guiding principles and ethical requirements, the King report also recognises that the governance of corporations can never be seen in isolation of the value system of the society in which it operates. King has therefore summarised the African context of corporate governance as follows:

a) Spiritual collectiveness is prized over individualism. This determines the communal nature of life where households live as an interdependent neighbourhood.

b) An inclination towards consensus rather than dissension helps to explain the loyalty of Africans to their leadership.

c) Humility and helpfulness to others is more important than criticism of them.

d) In the main, African culture is non-discriminatory and does not promote prejudice. This explains the readiness with which African embrace the reconciliation at political and business levels.

e) Co-existence with other people is highly valued. The essence of ubuntu (humanity) that cuts across Africa is based on the premise that you can be respected only because of your cordial co-existence with others.

f) There is also an inherent trust and belief in fairness of all human beings. This manifests itself in the predisposition towards universal brotherhood, even shared by African-Americans.

g) High standards of morality are based on historical precedent. These are bolstered by the close kinship observed through totem or clan names and the extended family system.

h) A hierarchical political ideology is based on an inclusive system of consultation at various levels. The tradition of consultation as practiced by the chiefs since time immemorial should form the basis of modern labour relations and people management practices.

i) Perpetual optimism is due to strong belief in the existence of omniscient, omnipotent and omnipresent superior being in the form of the creator of mankind.

Corporate governance is essentially about leadership:

a) Leadership for efficiency in order for companies to compete effectively in the global economy and thereby create jobs.

b) Leadership for probity because investors require confidence and assurance that the management of a company will behave honestly and with integrity in regard to their shareholders and others.

c) Leadership with responsibility as companies are increasingly called upon to address legitimate social concerns relating to their activities.

d) Leadership that is both transparent and accountable because otherwise business leaders cannot be trusted and this will lead to the decline of companies and the ultimate demise of a country's economy.

In summary, the King report describes successful corporate governance in the world of the 21st century as an inclusive rather than an exclusive approach. Companies must be open to institutional activism and greater emphasis should be placed on sustainable or non-financial aspects its performance. Boards must apply the test of fairness, accountability, responsibility and transparency to all acts or omissions and be accountable to the company but also responsive and responsible towards the company's identified stakeholders. The correct balance between the conformance with governance principles and performance in an entrepreneurial market economy must be found, but this will be specific to each company.

3. The Principles of Bathopele

Eight Bathopele (people first) principles were developed to serve as acceptable policy and legislative framework regarding service delivery in the public sector. These principles are just as relevant to any private corporation wishing to fulfil its constitutional duty. The principles are aligned with the following Constitutional ideas:

- · Promoting and maintaining high standards of professional ethics;
- · Providing service impartially, fairly, equitably and without bias;
- · Utilising resources efficiently and effectively;
- · Responding to people's needs – citizens are encouraged to participate in policy-making
- · Rendering an accountable, transparent and development-orientated administration

The Bathopele principles are:

a) Consultation: Use consultation in its various forms and combinations when policies and procedures are compiled.

b) Setting service standards: This includes benchmarking, customer satisfaction surveys and delivery improvement plans. Clear standards should enable customers to measure the service.

c) Increasing access: Initiatives to make service delivery broader and more inclusive to all citizens should be promoted.

d) Ensuring courtesy: Those delivering the service should treat citizens with respect and consideration. Continuous, honest and transparent communication should be conducted, including reasons for non-delivery of services.

e) Providing information: Management should regularly make available information, including service delivery information to staff.

f) Openness and transparency: The public should be informed how corporations operate, how well they utilise their resources and when and how they change. Suggestions from the public as a result of this openness and transparency should by incorporate in the corporation's change management efforts.

g) Redress: This principle emphasises a need to identify quickly and accurately when services are falling below the promised standard and to have remedial procedures in place. Employees are encouraged to welcome complaints as an opportunity to improve service.

h) Value for money: Corporations should ensure that processes relating to service delivery are effective and efficient to prevent unproductive use of resources, including money.

Individual Formative Exercise 2A: Acts, Regulations and Codes

Time Frame: 30 min

Module 3

Guidelines for an Ethics Management Program

Unit Standard	
252042	Apply the principles of ethics to improve organisational culture

Specific Outcomes

SO 3: Analyse a unit in relation to the principles of corporate ethics.

- An instrument is selected for analysing individual and organisational conduct in respect of organisational values, codes of conduct and corporate ethics.

- The instrument is applied to gather and record information within a unit in respect of organisational values, codes of conduct and corporate ethics.

- The instrument is applied to evaluate the current state in a unit against the desired state in respect of organisational values, codes of conduct and corporate ethics.

SO 4: Formulate recommendations for strengthening shared organisational values, the code of conduct and ethical practices.

- An implementation plan is prepared that described the strengthening of the entity's values, code of conduct and ethical practices in the unit.

- The role and responsibilities of the manager are described in terms of decision making to strengthen the values, code of conduct and ethical practices in a unit and the entity.

- The communication activities for promoting the entity's values, code of conduct and ethical practices are outlined in the plan, with role allocation and time frames.

- The process for monitoring and evaluating improvements in relation to the entity's

organisational values, code of conduct and ethical practices in a unit is described with role allocation and time frames.

Learning Outcomes

· Understand what an Ethics Management Program is, and the benefits thereof

· Understand the guidelines for an Ethics Management Program

· Understand the key roles and responsibilities with regards to an ethics management program

· Understand and be able to apply Ethics Management tools:

▪ Risk assessments

▪ Code of Ethics

▪ Code of Conduct

▪ Policies and Procedures impacting on Ethics Management

· Understand how to institutionalise an ethics management program

· Understand the principles to measure the performance of an Ethics Management Program

· Understand ethics management as part of the 'Bigger picture'

Critical Cross-field Outcomes

Identify	Communicating
Working	Demonstrating
Organising	Contributing
Collecting	

1. Ethics Management Programs: An Overview

Typically, ethics programs convey corporate values, often using codes and policies to guide decisions and behaviour and can include extensive training and evaluating, depending on the organization. They provide guidance in ethical dilemmas. Balancing competing values and reconciling them is a basic purpose of an ethics management program.

2. Benefits of Managing Ethics as a Program

There are numerous benefits in formally managing ethics as a program, rather than as a one-shot effort when it appears to be needed. Ethics programs:

· Establish organizational *roles* to manage ethics

· Schedule ongoing *assessment* of ethics requirements

· Establish required *operating values and behaviours*

· *Align* organizational behaviours with operating values

· Develop *awareness and sensitivity* to ethical issues

· *Integrate* ethical guidelines to *decision making*

· Structure mechanisms to *resolving* ethical dilemmas

· Facilitate ongoing *evaluation and updates* to the program

· Help convince employees that attention to ethics is not just a knee-jerk reaction done to

get out of trouble or improve public image

3. Guidelines for Managing Ethics in the Workplace

The following guidelines will ensure the ethics management program is operated in a meaningful fashion in a company:

a. Although the deliverables of an ethics management program (eg. codes, policies and procedures, budget items, meeting minutes, authorization forms, newsletters, etc) are important, the emphasis should be on the sound and acceptable process followed to achieve these deliverables.

b. An ethics management program is meaningless unless the lists of ethical values or codes of ethics also generate policies, procedures and training that translate those values to appropriate behaviours.

c. The development of ethical codes should aim to sensitize employees to ethical considerations and minimize the chances of unethical behaviour occurring in the first place.

d. Make ethics decisions in groups considering diversity, and make decisions public, as appropriate.

e. Integrate ethics management with other management practices such as strategy, personnel policies etc.

f. Use cross-functional teams when developing and implementing the ethics management program to enhance a sense of participation and ownership.

g. Creating a corrective rather than a punitive culture, help employees to recognise and correct ethical mistakes. There is however a limit to how much can be tolerated.

4. Key Roles and Responsibilities in Ethics Management

Depending on the size of the organization, certain roles may prove useful in managing ethics in the workplace. These can be full-time roles or part-time functions assumed by someone already in the organization. Small organizations may opt to combine these roles into one or add onto existing employee's portfolios. However, the following functions points out responsibilities that should be included somewhere in the organization:

a. The organization's chief executive must fully support the program by announcing, championing and role modelling the ethics program.

b. Consider establishing an ethics committee at board level tasked to oversee development and operation of the ethics management program.

c. Consider establishing an ethics management committee tasked with implementing and administrating an ethics management program, including administrating and training about policies and procedures, and resolving ethical dilemmas. The committee should be comprised of senior officers.

d. Consider assigning/developing an ethics officer whose role is usually to be the expert on matters of ethics in the workplace, particularly about resolving ethical dilemmas.

e. Consider establishing an ombudsperson responsible to help coordinate development of the policies and procedures to institutionalize moral values in the workplace. This position usually is directly responsible for resolving ethical dilemmas by interpreting policies and procedures. Note that one person must ultimately be responsible for managing the ethics management program.

5. Ethics Tools

The diagram below shows the continuous cycle of managing an ethics program in your organisation. Initially this cycle will be used to develop an ethics management program in your organisation. After full implementation, these steps need to be repeated at least annually to review your current process and make the necessary adjustments and corrections to your program. This continuous management of your ethics program will prevent it from becoming a file in the cabinet as opposed to a working document which should be entrenched in the organisation's being.

Figure 2: The Ethics Management Cycle

Ethics Risk Assessment

Before developing a Code of Ethics for your business, it is important to first identify what the specific risks for your business/organisation are, and what can be done to minimise these risks. This risk assessment will guide you to identify what should be focussed on when developing your codes.

An ethics risk assessment will identify the threats of unethical behaviour and the opportunities for ethical behaviour and ethical performance.

King 2 states that the Board is responsible to conduct a proper risk assessment of the following:

- Physical and operational risks

- Human resources risk

- Technological risks

- Business continuity and disaster recovery

- Credit and market risks

- Compliance risks

Further to conduct risk assessments King 2 also requires from the board to have a risk management process in place, which includes risk reporting.

When doing a risk assessment, the following steps can be used as guideline:

- State/identify the risk. Risks could be identified in the following areas: new technology, implementation issues, timing, research and development, impact on suppliers or customers, competition, labour issues, knowledge and skills, quality requirements, sales and throughput, strategic fit, policies/procedures/processes, impact on the environment (social/physical)

- Plan protection: This can include avoiding actions or contingent actions.

- Evaluate possible protection plans in terms of practicality, cost effectiveness, stakeholder buy-in. Agree on possible scoring plan to later evaluate the implementation.

- Finalise plan: Test plan by asking if the steps will address potential problems.

Apart from the more strategic risk assessment above, companies could also find a Value Survey amongst employees useful to find out what the strengths and weaknesses are in this regard. A value survey could cover fields like employee beliefs, communication, leadership, equity, organisational awareness, knowledge and view of rules and regulations in the company.

Codes of Ethics

A credo or Value Statement generally describes the highest values to which the company aspires to operate. It contains the `thousand's. A code of ethics specifies the ethical rules of operation. It's the `thou shalt not's.

Those opposed to ethical codes says that too often much focus is put on the codes themselves, and that codes themselves are not influential in managing ethics in the workplace. They argue that it's the developing and continuing dialogue around the code's values that is most important.

Employees could also react to codes with suspicion, believing the values and codes are for window dressing. But, when managing a complex issue, especially in a crisis, having a code is critical. More important, it's having developed a code.

In the mid-70s, Johnson and Johnson updated their credo in a series of challenge meetings. Bob Kniffin, Vice President of External Affairs, explains, "We pored over each phrase and word. We asked ourselves, `Do we still believe this?' Our meetings resulted in some fine tuning, but basically we didn't change the values. The meetings infused the values in the minds of all of our managers." Many believe this process guided them in their well-known decision to pull Tylenol bottles off the shelves and repackage them at a $100 million expense. Kniffin offers some sound, practical advice. "In a crisis, there's no time for moral conclusions. Get those done beforehand. But also realize there's no substitute for sound crisis management. For example, have a list of people with fundamental knowledge, such as who transports your products where and when."

Developing Codes of Ethics

Note that if your organization is quite large, e.g., includes several large programs or departments, you may want to develop an overall corporate code of ethics and then a separate code to guide each of your programs or departments.

Also note that codes should not be developed from the Human Resource or Legal departments alone, as is too often done. Codes are insufficient if intended only to ensure that policies are legal. All staff must see the ethics program being driven by top management.

Note that codes of ethics and codes of conduct may be the same in some organizations, depending on the organization's culture and operations and on the ultimate level of specificity in the code(s).

Consider the following guidelines when developing codes of ethics:

a) All values need to adhere to relevant laws and regulations. If you realise that you are breaking laws whilst developing your code, report them and rectify immediately.

b) Identify which values produce the top three or four traits of a highly ethical and successful product or service in your area, e.g., for accountants: objectivity, confidentiality, accuracy, etc. Identify which values produce behaviours that exhibit these traits.

c) Identify values needed to address current issues in your workplace.
Appoint one or two key people to interview key staff to collect descriptions of major issues in the workplace. Collect descriptions of behaviours that produce the issues. Consider which of these issues are ethical in nature, e.g. issues with regard to respect, fairness and honesty. Identify the behaviours needed to resolve these issues. Identify which values would generate those preferred behaviours. There may be values included here that some people would not deem as moral or ethical values, e.g., team-building and promptness, but for managers, these practical values may add more relevance and utility to a code of ethics.

d) Identify any values needed based on findings during strategic planning.
Review information from your SWOT analysis (identifying the organization's strengths, weaknesses, opportunities and threats). What behaviours are needed to build on strengths, shore up weaknesses, take advantage of opportunities and guard against threats?

e) Consider any top ethical values that might be prized by stakeholders.
For example, consider expectations of employees, clients/customers, suppliers, funders, members of the local community, etc.

f) Collect from the above steps, the top five to ten ethical values which are high priorities in your organization.
Examples of ethical values might include

- Trustworthiness: honesty, integrity, promise-keeping, loyalty

- Respect: autonomy, privacy, dignity, courtesy, tolerance, acceptance

- Responsibility: accountability, pursuit of excellence

- Caring: compassion, consideration, giving, sharing, kindness, loving

- Justice and fairness: procedural fairness, impartiality, consistency, equity, equality, due process

- Civic virtue and citizenship: law abiding, community service, protection of environment

g) When composing your code of ethics ensure that values are explained by associating examples of behaviour.

h) Include wording that indicates all employees are expected to conform to the values stated in the code of ethics. Also indicate where employees can go if they have any questions.

i) Get input from as many members of the organisation as possible, including representatives from all stakeholder groups.

j) Announce and distribute the new code of ethics along with any new codes of conduct and associated policies and procedures. Ensure each employee has a copy and post codes throughout the facility.

k) Update the code at least once a year.
Remember! The most important aspect of codes is developing them, not the code itself. Continued dialogue and reflection around ethical values produces ethical sensitivity and consensus. Therefore, revisit your codes at least once a year.

l) Note that you cannot include values and preferred behaviours for every possible ethical dilemma that might arise. Your goal is to focus on the top ethical values needed in your organization and to avoid potential ethical dilemmas that seem mostly likely to occur.

Codes of Conduct

Codes of conduct generally specify actions (behaviours) in the workplace. Codes of ethics on the other side are general guides to decisions about those actions. Codes of conduct are also focussed on smaller entities within the organisation, for example departments, whereas codes of ethics are developed for the organisation as a whole.

If your organization is quite large, including several large programs or departments, you may want to develop an overall corporate code of conduct, and then a separate code to guide each of your programs or departments. Consider the following guidelines when developing codes of conduct:

a) Identify key behaviours needed to adhere to the ethical values proclaimed in your code of ethics, including ethical values derived from review of key laws and regulations, ethical behaviours needed in your product or service area, behaviours to address current issues in your workplace, and behaviours needed to reach strategic goals.

b) Include wording that indicates all employees are expected to conform to the behaviours specified in the code of conduct. Indicate where employees can go if they have any questions.

c) Obtain review from key members of the organization. Be sure your legal department reviews the drafted code of conduct.

d) Announce and distribute the new code of conduct with associated policies and procedures. Ensure each employee has a copy and put copies on all notice boards.

e) Note that you cannot include preferred behaviours for every possible ethical dilemma that might arise.

f) Examples of topics typically addressed by codes of conduct include:
   maintaining confidentiality, not accepting personal gifts from stakeholders as a result of company role, avoiding racial or sexual discrimination, avoiding conflict of interest, complying with laws and regulations, not using organization's property for personal use, not discriminating against race or age or sexual orientation, and reporting illegal or questionable activity, being reliable and prompt,

g) Note that, as with codes of ethics, you may be better off to generate your own code of conduct from scratch rather than reviewing examples from other organizations.

Ethics Tools: Policies and Procedures

a) Update policies and procedures to produce behaviours preferred from the code of conduct, including personnel, job descriptions, performance appraisal forms, standard forms, checklists, budget report formats, and other relevant control instruments. In doing so, avoid creating ethical dilemmas such as conflicts-of-interest or infringing on employee's individual rights.

b) There are numerous examples of how organizations manage values through use of policies and procedures.

- To produce behaviour aligned with the value of social responsibility, organizations often institute policies such as recycling waste, donating to local charities, or paying employees to participate in community events.

- A high value on responsiveness to customers might be implemented by instituting policies to return phone calls or to repair defective equipment within a certain period of time.

- Consider the role of job descriptions and performance appraisals. For example, an advanced technology business will highly value technical knowledge, creativity and systems thinking. They use job descriptions and performance appraisals to encourage behaviours aligned with these values, such as rewarding advanced degrees, patents, and analysis and design skills.

c) Include policies and procedures to address ethical dilemmas. (see section on "Ethical Dilemmas")

d) Include policies and procedures to ensure training of employees about the ethics management program.

e) Include policies and procedures to reward ethical behaviour and impose consequences for unethical behaviour.

f) Include a grievance policy for employees to use to resolve disagreements with supervisors and staff.

g) Consider establishing an ethics "hotline." This function could be provided by an outside consultant or an anonymous "tip" box in which personnel can report suspected unethical activities.

h) Once a year, review all personnel policies and procedures. Consider including representatives of as many stakeholders as possible in this review.

6. Institutionalization

Merely implementing an Ethics Management Program is not enough. An Ethics Management Program should be embedded into the being of a company. Therefore, when implementing the program, it should not only be communicated to employees as one will communicate a simple work procedure, it needs to touch each and every employees head, heart and hands:

- Heads: Employees must be able to understand the Ethics management program, in other words it must be communicated well to them. Questions to be answered to employees should be 'What is happening?' and 'Why is it happening?'

- Hearts: The ethics management program must acknowledge your motivation and emotions. The best way to achieve this is to get all stakeholders involved in the process from the start. Let employees elect their stakeholders who will also act as communication agents through the process.

- Hands: Last but not least, the ethics management program must change behaviour by inspiring ethical conduct. Ensure that everybody in the organisation understand their roles and responsibilities and have the resources to act upon them.

An ethics committee could play a vital role in this process. They should establish and maintain the necessary ethics policies and strategies, ethics training initiatives and ethics communication strategies. The ethics office should also identify ethics advocates or champions at all levels within the organisation that can stimulate and sustain dialogue to ensure that ethics is effectively built into the structure and the culture of the organisation.

7. Ethics Performance Measurement

A vital phase of institutionalisation process is to regularly monitor and assess the effectiveness of the ethics management framework of the organisation. Ethics performance indicators can be used to measure effectiveness and monitor the organisation's improvement or decline in ethical health over a period of time.

 The success of an Ethics Management Program lies in the intangible field of an ethical business climate and culture. It is more difficult to measure climate and culture, than to measure financial success of an organisation. It could however be achieved by measuring the successful implementation of Ethics processes first and thereafter the impact it had on the organisational value system.

- Codes, policy and procedure implementation review
- Process implementation review (e.g. Hotline, ethical dilemma management etc)
- Value survey – compare results from year to year to view improvements

It is very important to build all the information gained from this evaluation to the Risk Assessment of the next phase, which will assist the organisation to continually improve their Ethics Management Process.

8. The Ethics Program as Part of the Bigger Picture

An ethics management program is always part of a bigger picture on an organisation. To go back to basics: Why would an organisation need an Ethics management program? The whole drive towards ethics management was born to fight corruption in businesses. The Enron saga was the main trigger behind the ethics movement.

Enron began in 1985 selling natural gas to gas companies and businesses. In 1996, energy markets were changed so that the price of energy could now be decided by competition among energy companies instead of being fixed by government regulations. With this change, Enron began to function more as a middleman than a traditional energy supplier, trading in energy contracts instead of buying and selling natural gas. Enron's rapid growth created excitement among investors and drove the stock price up. As Enron grew, it expanded into other industries such as Internet services, and its financial contracts became more complicated.

In order to keep growing at this rate, Enron began to borrow money to invest in new projects. However, because this debt would make their earnings look less impressive, Enron began to create partnerships that would allow it to keep debt off of its books. One partnership created by Enron, Chewco Investments (named after the Star Wars character Chewbacca) allowed Enron to keep $600 million in debt off of the books it showed to the government and to people who own Enron stock. When this debt did not show up in Enron's reports, it made Enron seem much more successful than it actually was. In December 2000, Enron claimed to have tripled its profits in two years.

In August 2001, Enron vice president Sherron Watkins sent an anonymous letter to the CEO of Enron, Kenneth Lay, describing accounting methods that she felt could lead Enron to "implode in a wave of accounting scandals." Also in August, CEO Kenneth Lay sent e-mails to his employees saying that he expected Enron stock prices to go up. Meanwhile, he sold off his own stock in Enron.

On October 22nd, the Securities and Exchange Commission (SEC) announced that Enron was under investigation. On November 8th, Enron said that it has overstated earnings for the past four years by $586 million and that it owed over $6 billion in debt by next year.

With these announcements, Enron's stock price took a dive. This drop triggered certain agreements with investors that made it necessary for Enron to repay their money immediately. When Enron could not come up with the cash to repay its creditors, it declared for Chapter 11 bankruptcy.

Therefore an Ethics management program will always be part of the bigger anti-corruption strategy in a company. The South African public service has developed an Integrated Anti-corruption strategy, which illustrates the inter-connectedness of the systems within a company well:

Figure 3: The anti-corruption framework

Ethical Culture	Training & Awareness	Policies & Procedures	Physical & Info security	Employee Vetting	Risk management

Disciplinary Action

Improved Controls

Civil recovery

Criminal Prosecution

Referring to other agencies

Resolution

Anti-Corruption Strategy

Prevention

Detection

Investigation

Corruption Database

Internal Audit

Management Action

Whistle Blowing and Reporting Mechanism

Internal Capacity

Co-operation with other agencies

Report consisting of: Disciplinary action. Risk management, Corruption data base information

Group Formative Exercise 3A: Ethics Management Program

Time Frame: 90 min

ANNEXURE 1: Use for Part 2 Group Formative exercise 1 B page 47 in PoE Workbook

Resolving Ethical Dilemmas

Definition of an Ethical Dilemma

Perhaps too often, business ethics is portrayed as a matter of resolving conflicts in which one option appears to be the clear choice. For example, case studies are often presented in which an employee is faced with whether or not to lie, steal, cheat, abuse another, break terms of a contract, etc. However, ethical dilemmas faced by managers are often more real-to-life and highly complex with no clear guidelines, whether in law or often in religion.

Doug Wallace, Twin Cities-based consultant, explains that one knows when they have a significant ethical conflict when there is presence of a) significant value conflicts among differing interests, b) real alternatives that are equality justifiable, and c) significant consequences on "stakeholders" in the situation.

An ethical dilemma exists when one is faced with having to make a choice among these alternatives.

Real-to-Life Examples of Complex Ethical Dilemmas

- "A customer (or client) asked for a product (or service) from us today. After telling him our price, he said he couldn't afford it. I know he could get it cheaper from a competitor. Should I tell him about the competitor, or let him go without getting what he needs? What should I do?"

- "Our company prides itself on its merit-based pay system. One of my employees has done a tremendous job all year, so he deserves strong recognition. However, he's already paid at the top of the salary range for his job grade and our company has too many people in the grade above him, so we can't promote him. What should I do?"

- "Our company prides itself on it affirmative action measures. One African candidate fully fits the job requirements for our open position. However, we're concerned that our

customers won't understand his limited command of the English language. What should I do?"

- "My top software designer suddenly refused to use our e-mail system. He explained to me that, as a Christian, he could not use a product built by a company that provided benefits to the partners of homosexual employees. He'd basically cut himself off from our team, creating a major obstacle to our product development. What should I do?"

- "My boss told me that one of my employees is among several others to be laid off soon, and that I'm not to tell my employee yet or he might tell the whole organization which would soon be in an uproar. Meanwhile, I heard from my employee that he plans to buy braces for his daughter and a new carpet for his house. What should I do?"

- "My computer operator told me he'd noticed several personal letters printed from a computer that I was responsible to manage. While we had no specific policies then against personal use of company facilities, I was concerned. I approached the letter writer to discuss the situation. She told me she'd written the letters on her own time to practice using our word processor. What should I do?"

- "A fellow employee told me that he plans to quit the company in two months and start a new job which has been guaranteed to him. Meanwhile, my boss told me that he wasn't going to give me a new opportunity in our company because he was going to give it to my fellow employee now. What should I do?"

Methods to Resolve Ethical Dilemmas

Organizations should develop and document a procedure for dealing with ethical dilemmas as they arise. Ideally, ethical dilemmas should be resolved by a group within the organization, e.g., an ethics committee comprised of top leaders/managers and/or members of the board. Consider having staff members on the committee, as well. The following three methods can be used to address ethical dilemmas. Methods include an ethical checklist, a ten-step method and a list of key questions. (Note that The Golden Rule is probably the most common method to resolve ethical dilemmas. The rule exists in various forms in many of the world religions.)

Method One - Ethical Checklist

Twin Cities-based consultants, Doug Wallace and Jon Pekel, suggest the following ethical checklist to address ethical dilemmas. If necessary, revise your decision and action plan based on results of this test.

Ethical Checklist	Circle the appropriate answer on the scale; "1" = not at all; "5" = totally yes					
1.	**Relevant Information Test.** Have I/we obtained as much information as possible to make an informed decision and action plan for this situation?	1	2	3	4	5
2.	**Involvement Test.** Have I/we involved all who have a right to have input and/or to be involved in making this decision and action plan?	1	2	3	4	5
3.	**Consequential Test.** Have I/we anticipated and attempted to accommodate for the consequences of this decision and action plan on any who are significantly affected by it?	1	2	3	4	5
4.	**Fairness Test.** If I/we were assigned to take the place of any one of the stakeholders in this situation, would I/we perceive this decision and action plan to be essentially fair, given all of the circumstances?	1	2	3	4	5
5.	**Enduring Values Test.** Does this decision and action plan uphold my/our priority enduring values that are relevant to this situation?	1	2	3	4	5
6.	**Universality Test.** Would I/we want this decision and action plan to become a universal law applicable to all similar situation, even to myself/ourselves?	1	2	3	4	5
7.	**Light-of-Day Test.** How would I/we feel and be regarded by others (working associates, family, etc.) if the details of this decision and action plan were disclosed for all to know?	1	2	3	4	5
8.	**Total Ethical Analysis Confidence Score.** Place the total of all circled numbers here.					

How confident can you be that you have done a good job of ethical analysis?	
7-14	Not very confident
15-21	Somewhat confident
22-28	Quite confident
29-35	Very confident

Method Two - Ten-Step Method of Decision Making

Wallace and Pekel also provide the following ten-step method.

STEPS	NOTES		
1. What are the known FACTS in the situation?			
2. Who are the key STAKEHOLDERS, what do they value and what are their desired outcomes?			
3. What are the UNDERLYING DRIVERS causing the situation?			
4. In priority order what ethical principles or operating values do you think should be upheld in this situation?			
5. Who should have input to, or be involved in, making this decision?			
6. List any alternative and action plans that would: a) prevent or minimize harm to stakeholders b) uphold the priority values for this situation c) be a good solution to the situation	Alternative 1	Alternative 2	Alternative 3
7. Build a WORSE-CASE SCENARIO for your preferred alternative to see how it affects the stakeholders. Rethink and revise your preferred alternative if necessary.			
8. Add a PREVENTATIVE ETHICS component to your action			

plan that deals with the underlying drivers causing the situation listed in Step 3.	
9. Evaluate your chosen decision and action plan against the checklist on the reverse side.	
10. Decide and build an action plan, and implement and monitor it.	

Method Three - Twelve Questions to Address Ethical Dilemmas

Laura L. Nash poses 12 questions to help managers address ethical dilemmas.

1. Have you defined the problem accurately?

2. How would you define the problem if you stood on the other side of the fence?

3. How did this situation occur in the first place?

4. To whom and to what do you give your loyalty as a person and as a member of the

5. What is your intention in making this decision?

6. How does this intention compare with the probable results?

7. Whom could your decision or action injure?

8. Can you discuss the problem with the affected parties before you make your decision?

9. Are you confident that your position will be as valid over a long period of time as it seem now?

10. Could you disclose without qualm your decision or action to your boss, your CEO, the board of directors, your family, society as a whole?

11. What is the symbolic potential of your action if understood? Misunderstood?

12. Under what conditions would you allow exceptions to your stand?

(Adapted from: Nash, L. (1981). Ethics without the Sermon. Harvard Business Review, (59))

PART 3

Module 1:
Introduction to Change Management

Unit Standard	
252021	Formulate recommendations for a change process

Specific Outcomes
SO1: Demonstrate knowledge of and insight into the need for change within the context of environment change.
1.1. The nature of change and its impact on organisational sustainability are explained with reference to internal and external environmental change affecting a specific unit.
1.2. The need for change is motivated by identifying the benefits of change for a unit.

Learning Outcomes
At the end of this unit you will be able to demonstrate an understanding of: • Explain what is meant by change; • Distinguish between the external and internal causes of change and • Describe the various types of change

Critical Cross-field Outcomes	
· Identify & solve problems	· Collect, organise and critically evaluate
· Work as member of a team	· Communicate effectively
· Organise and manage	· Understand the world as integrated set

INTRODUCTION

Change is an integral part of our society. For business organisations, change often comes so rapidly that they scarcely adjusted, before even more change takes place. The challenge for management is to recognise when change is necessary and even more important, the ability to make changes when it is necessary to do so. This implies that change is not only something that an organisation should react to, but that organisations could and should anticipate when change is essential, and then implement pro-active or planned changes. Balogun & Hailey [1:3] argue that organisational change has three components:

• The change context, which refers to the why of change;
• The change content, referring to the what of change; and
• The change process that refers to the how of change.

In this learning unit we will explore the context and meaning of change in organisations.

THE MEANING OF CHANGE

"God, grant me the serenity to accept the thing I cannot change, the courage to change the things I can and the wisdom to know the difference."

-The serenity prayer, Reinhold Niebuhr

Many a thesaurus provides the following synonyms for change in its noun format: "alteration, difference, metamorphosis, modification, mutation, permutation, revolution, transformation, transition, transmutation, conversion, substitution, exchange."

Change means making things different [7:629]. Smit & Cronje [9:260] define organisational change as a process in which any organisation takes on new ideas to become different.

The reality is that organisations undertake change in response to changes in the environment. These changes can involve minor alterations or routine changes which do not affect the organisation as a whole, often referred to as reactive change or change involving the entire organisation or a major part of it, where organisations anticipate future events, called planned change. Regardless of the scope and magnitude of change, most organisations experience change in a negative way, as Firth {2: xiv] humorously illustrates with the following remarks:

Change is a big thing for organisations because:

- "They'll" resist it;

- Major disruption is going to happen, which will cost us a lot of money;

- Change is complex in large organisations and just thinking about it will take up lots of our already over-stretched time. Not thinking about it enough will cost us even more;

- We're not very good at it, on a personal or group level;

- It's not clear whether the unknown future might turn out worse than the present known;

- We're just not sure;

- Even if we do ok with this change, we just know there'll be another one coming soon;

- Change initiatives in organisations like ours have produced job losses, anger, resentment, higher stress, loss of trust, confusion and have brought out some of the darker sides of people's nature – deceit, guilt, envy, hatred. Why on earth would we bother to do it again? And biggest thing of all,

- We'd much prefer if it weren't happening.

In the next paragraphs we will explore those things that cause organisations to change, whether in reaction to or in anticipation of, as well as the nature and types of change.

FORCES OF CHANGE

"We live in an age of discontinuity"

- Steven Robbins

There are numerous causes or forces of change. We can distinguish between external forces (originating outside the organisation) and internal forces (originating inside the organisation):

External forces:

Every organisation operates within an external environment that includes the immediate market environment as well as the so-called macro-environment [9:262]. The four key external forces for change are:

• **Technological advancements**: We live in age referred to as the "knowledge-age" and since World War 2; every organisation is influenced by new technology. Companies are increasingly using new technology to improve levels of productivity and market competitiveness. Examples include automation, high-speed computers and advanced telecommunications such as the use of the Internet and e-mail. The introduction of advanced technology brings about change in the way organisations are structured and staffed, respond to market conditions and operate in general.

• **Economic forces**: The prevailing economic conditions in a country and the rest of the world can have a direct or indirect impact on an organisation. Changes in the interest rate can have far-reaching implications on the buying behaviour of consumers and concurrently the sales volumes of organisations. Similarly an increase in oil prices will impact on market prices and the demand for certain consumables. Fluctuations in foreign exchange rates and rising inflation are other examples of changing economic conditions that may necessitate organisations to introduce more or less drastic changes.

• **Market conditions**: Heightened competition forces organisations to continuously observe and respond to competitor actions. Competitors typically introduce new and improved versions of products and services, new approaches in doing business, innovative marketing campaigns and creative cost-cutting measures. To remain competitive, we need to anticipate and respond to all these events. Customers also change. Attitudes and opinions, tastes and preferences, as well as income are all customer characteristics that can change drastically, forcing an organisation to change in order to remain successful.

• **Socio-political trends**: Demographic changes in both the market and workplace necessitate managers to adapt. Social trends such as more single parent households, a higher divorce rate, more young people delaying marriage and more people retiring at an earlier age, result in new markets opening up requiring different marketing approaches and innovative products and services. Cultural diversity is another issue that needs to be managed effectively. Political events also create pressure

to change. Examples of political pressure include new legislation, growing free trade amongst nations, unionism and others. In recent years, South African companies had to adapt to new labour legislation, such as the Skills Development Act, the Employment Equity Act and others.

Internal forces:

Internal forces for change come from inside the organisation. Internal forces arise from the challenge of creating an organisational structure capable of facilitating the attainment of organisational goals [9:262]. A change in the goals or objectives will result in organisational change.

Kreitner et al [6:587] note that internal forces for change come from human resource problems or prospects as well as managerial behaviour/decisions. Human resource problems/prospects such as unmet needs, job dissatisfaction, absenteeism and turnover, productivity and participation/suggestions suggest that changes are necessary.

Managerial behaviour or decisions can also result in the need for change. Examples include conflict between managers and subordinates, inappropriate leadership, inequitable reward systems and structural reorganisation. Gibson et al [3:460] add process problems such as breakdowns in communication and decision-making as other internal forces for change. Balogun & Hailey [1:3] refer to culture and politics in an organisation that can also require or influence change.

TYPES OF CHANGE

Areas of Change

Smit & Cronje [9:263-264] identified four major areas where organisations may undertake change:

1. **Change in strategy**: When the strategic direction of the organisation is changed in response to any of the forces mentioned earlier, a change in the organisational structure is often inevitable. Strategies change in response to changing markets, new technology and so on. An example is South African Breweries that purchased breweries overseas to become internationally competitive.

2. **Change in structure**: This involves change in the basic components of the organisation, decentralisation, increasing authority and span of control. The amalgamation of four financial institutions into one, the ABSA group, required the implementation of a major restructuring process.

3. **Change in technology**: Technological changes may involve the introduction of improved production processes and equipment, new engineering processes, state-of-the-art management information processes and automation. Many companies in South Africa are turning to on-line Internet buying, with a resultant change in organisational structures.

4. **Change in people**: This change involves changes in the performance, attitudes, perceptions, behaviours and expectations of people. Skills development and empowerment of historically disadvantaged individuals are issues receiving a lot of attention in the South African business world today.

A Generic Typology of Change

Kreitner et al [6:588] provide a different picture of the types of change by focusing on a three-way typology of organisational change. It is a generic typology in that it relates to all sorts of change:

Adaptive Change	Innovative Change	Innovative / Radical Change
Re-introducing a familiar practice	Introducing a practice new to the organization	Introducing a practice new to the industry

Low _____ _____High

- Degree of complexity, cost and uncertainty
- Potential for resistance to change
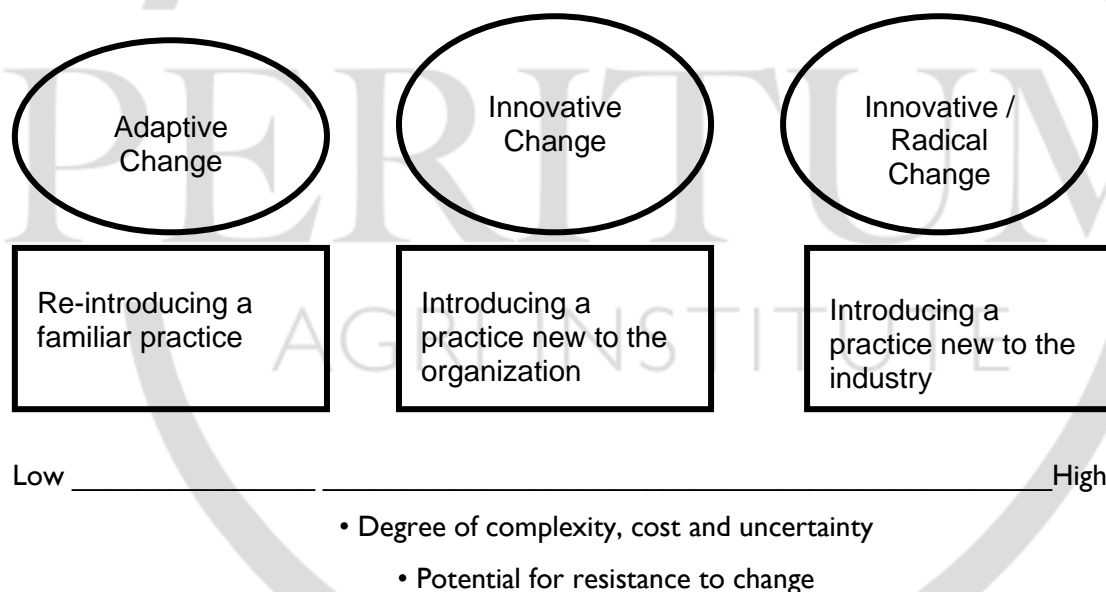
Adaptive change is lowest in complexity, cost and uncertainty. A department store could for example rely on a 12-hour day during monthly stock takes and the accounting department may imitate this during tax preparation time. This change in normal working hours will not be particularly threatening to employees because it is familiar.

Innovative changes fall midway on the continuum of complexity, cost and uncertainty. Unfamiliarity and greater uncertainty make fear of change a reality when an organisation starts experimenting with flexible working hours for example.

Radically innovative changes are the most difficult to implement, because of the high complexity, cost and uncertainty. These changes tend to be the most threatening to managerial confidence and employee job security. The merging of two companies is an example of a radically innovative change.

It is important to note that resistance to change tends to increase as changes move from adaptive to innovative to radically innovative.

Closed, Contained and Open-Ended Change

Senior [8:29] proposes three different kinds of change situations, namely closed, contained and open-ended change:

• **Closed change**: Sequences of past events and actions that can clearly be recounted by members of the organisation. Everybody is able to say what happened, why it happened and what the consequences are. Everybody is also able to agree how such a sequence of events and actions will continue to affect the course of the business. This is called a closed change situation that normally applies to the continuing operation of the business in predictable circumstances.

• **Contained change**: Other sequences of events and actions from the past that is less clear-cut. Members of the organisation can only say what probably happened, why it probably happened and what its probable consequences were. The impact of such a sequence of events on the future course of the business needs to be qualified by probability statements. This situation is characteristic of organisations operating in a partially predictable environment.

• **Open-ended change**: Other sequences of events and actions arising from the past that continue to impact on the future, but which cannot readily be explained by the members of the organisation. This situation is characteristic of organisations operating in an unpredictable environment.

Situations may be close or far from certainty and have significant implications for the actions of managers as they attempt to choose appropriate strategies to deal with them.

Grundy's Varieties of Change

Senior [8:30-31] also describes three varieties of change as proposed by Grundy.
According to Grundy, organisations can experience:

- Smooth incremental change which is change that evolves slowly in a systematic and predictable way.

- Bumpy incremental change, which is characterised by periods of relative tranquillity punctuated by acceleration in the pace of change. Periodic readjustments are made in response to external and internal forces.

- Discontinuous change, which is change characterised by rapid shifts in strategy, structure or culture or in all three.

Many other models exist to explain the types and nature of change experienced by organisations. A "scale of change" by Dunphy & Stace is quoted by Senior [8:35] as comprising of four scale types:

Type 1: Fine tuning, which refers to ongoing incremental changes to ensure a match between the organisation's strategies, structure, people and processes;

Type 2: An incremental adjustment, which involves distinct modifications (not radical change) to corporate business strategies, structures and management processes;

 Type 3: Modular transformation, which is characterised by major realignment of one or more departments or divisions; and

Type 4: Corporate transformation, which is change across the organisation characterised by radical shifts in business strategy, and revolutionary changes throughout the whole organisation.

Balogun & Hailey [1:20] distinguish between four main types of change defined in terms of two dimensions – the end result of change and the nature of change. The end result of change can either be transformation or realignment. Transformation refers to change that is a fundamental shift from existing paradigms and "ways of doing things around here", and realignment refers to a change in the way of doing things that does not involve a fundamental reappraisal of the central assumptions and beliefs within the organisation. The nature of change refers to the way change is implemented, either in an all-at-once, big bang fashion, or in a more step-by-step, stage-by-stage incremental fashion.

These dimensions and the resultant types of change can be depicted as follows:

Balogun and Haley Dimensions of Change

End Result

	Transformation	Realignment
Incremental	**Evolution**	**Adaptation**
Big Bang	**Revolution**	**Reconstruction**

Nature

In conclusion it can be said that change varies from small incremental adjustments occurring on a regular basis, to radical or drastic interventions that occur on an infrequent basis.

Individual Formative Exercise 1A: Change Effort

Time Frame: 30 min

Module 2:

The Human Response to Change

Unit Standard	
252021	Formulate recommendations for a change process

Specific Outcomes
SO 4: Formulate recommendations on implementing the change process. 4.2. The actions proposed for managing the anticipated human responses to the change process are appropriate to the findings of the SWOT analysis.

Learning Outcomes
At the end of this unit you will be able to demonstrate an understanding of: • Understand the basic psychological needs of humans • Understand how change impacts on these needs. • Deal with employees in different phases of the change process

Critical Cross-field Outcomes	
· Identify & solve problems	· Collect, organise and critically evaluate
· Work as member of a team	· Communicate effectively
· Organise and manage	· Understand the world as integrated set

INTRODUCTION

The world as we know it is in transition. Customers and clients require more value and world-wide competition is fierce. As a result, organizations are forced to merge, right size, restructure and relocate, which results in transfers and cutbacks of personnel. The news is filled with stories of hundreds of thousands of people losing their jobs. In fact, it is estimated that in the past six years, some one million workers have been laid off in the SA. No industry or sector seems to be immune, whether it is profit-making, NGO's or governmental. A recent survey indicates that 90% of large organizations have significantly changed their personnel in the last few years. Within this environment many employees and managers wonder "Who's next? Is <u>my</u> job secure?"

Of course, change has always been a part of economic cycles. During recessions, workers are relieved and when the economy picks up, they get their jobs back. But the effects of change that fill today's news are likely to be with us for some time to come. These relocations, transfers or reductions in staff, are often unrelated to recession and many positions are permanently eliminated.

Many organizations are relocating people or cutting staff, even though the economy may be in great shape! Today's transformations, unlike those of past years, tend to be fuelled by automation, international competition, increasingly demanding customers and changes in governmental regulations. These developments generate mergers, acquisitions, new processes and the search for new ways to provide goods and services faster, cheaper, at higher quality and with less red tape for consumers. The organizations that fail to keep up simply will not survive. We are truly entering a whole new era in the workplace!

These events can be a source of great excitement and opportunity. But, change can also contribute to a tremendous sense of insecurity on the part of employees. This, in turn, increases the challenge to all leaders in obtaining commitment, motivation and high performance from workers. This course is one way of providing you with the tools to do that.

INIVIDUAL'S PSHYCOHOLOGICAL NEEDS DURING CHANGE

For years, managers have learned how to motivate employees by using Abraham Maslow's model of motivation. This same model can help us understand why employee morale may be severely damaged during transition. With this understanding, we are better equipped to facilitate their healing – as well as our own.

In Maslow's ranking of needs, each person starts at the bottom of the pyramid and is motivated to fill physiological needs for food, water, air, etc. when this class of needs is adequately met, the next higher need, security, becomes the primary motivation. This need is fulfilled by locks on the door, banks to keep our money safe, police and fire departments, national defence, etc. After that comes the social need for family, friends, community and so on. We are not only satisfied with belonging and being accepted by other, but we also need to feel good about ourselves and our role in society. This will satisfy our esteem needs. The ultimate need is for self-actualization. This is the optimal realization of your talents, competences and potential.
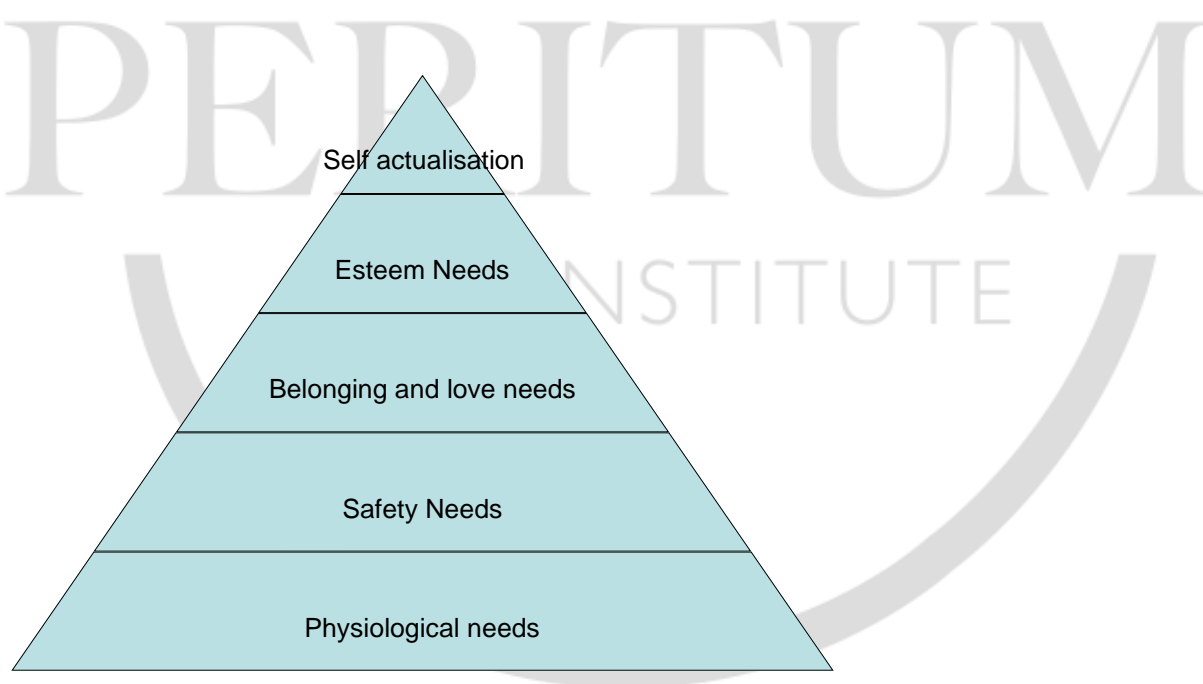
Let's see how, for example in a layoff situation, a surviving employee might feel that each of these needs is threatened.

Physiological and Safety Needs. Fear of job loss, generates fear of losing the income needed to provide basic needs. Some workers may worry that they will lose their company housing or that they will not be able to pay their bonds.

Belonging and Love Needs. The workplace is the main source of social interaction and friendship for many employees. Familiar ties and emotional support are lost when friends and co-workers are transferred or laid off. Severe family distress often occurs for workers and this can be an additional concern for them. Family celebrations, vacations and other plans may be postponed or altered due to financial uncertainty.

Esteem Needs The esteem need is filled both by recognition and appreciation from others, as well as from a sense of one's own value. Layoffs may initially lead employees to feel that they are devalued by the organization and to fear the future. This can be especially severe for those whose sense of self-worth is closely tied to their current job status, as it is for most of us. Additionally, a sense of having no control over an uncertain future and doubts about one's capacity to adjust to new conditions may engender a sense of incompetence, obsolescence and plummeting self-esteem. The role in the family is also affected, as the sole provider may feel that he/she let the family down.

Self-Actualisation Need. Self-actualization occurs when a person is able to do fulfilling, meaningful and creative work that utilizes one's best talents, in whatever field of endeavour he or she may pursue. If an employee is feeling some combination of the reactions outlined above, such as guilt, anger, passivity, etc, little sense of self-actualization is likely until they are addressed.

In summary, employees who are involved in significant change may feel threatened. As we have already established that this feeling of fear accumulates in all the levels of Maslow's hierarchy of needs, it is little wonder that they can sometimes appear to be in a state of shock. They feel that their world has been turned upside down!

THE ENDING, THE NEUTRAL ZONE AND THE BEGINNING

For humans, change resembles the end of something familiar and the beginning of something new. The change period can therefore be divided into three stages:

> **The Ending**

> **The Neutral Zone (Transition)**

> **The Beginning**

These stages are illustrated in the diagram below.
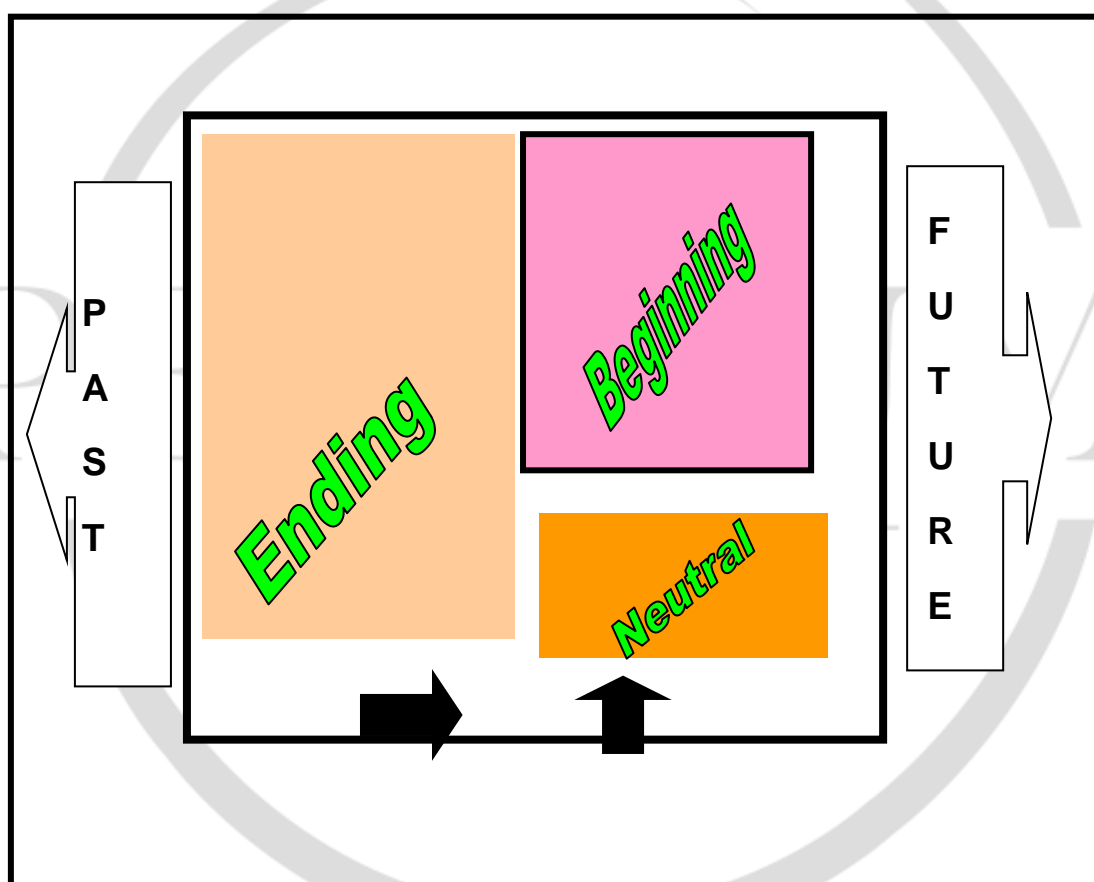
Endings

Emotions are at their highest level when a significant change is first implemented in an organization. And high levels of emotion can devastate the organization's productivity.

Ending signify the loss of something. Even when the change is positive it is not uncommon for employees to experience a sense of loss.

When a major shift/ restructuring or change occurs in an organization, employees tend to experience several types of losses:

`

Security	Feeling that you do not know for certain what will happen with you/ your position, etc. Feel insecure and uncertain as to what the future holds.
Competence	With a new job/ structure/ processes etc you may feel unsure as to how to complete the tasks. It is hard not to know how to do something, especially if you are in a senior position.
Relationships	The familiar contact with people like old customers, co-workers or managers may be disrupted. People often lose their sense of belonging to a particular team, group or section.
Sense of direction	Employees lose their understanding of where they are going and why they are going there. The vision of where they are going as well as the objectives they have to meet in order to get there becomes vague and uncertain.
Territory	Employees often experience feelings of uncertainty about the work environment that used to belong to them. Territory includes psychological space as well as physical space.

Most employees react to endings with DENIAL and RESISTANCE. They experience different emotions, including:

DENIAL	"This can't be happening!" "This is just a routine layoff. After the recession, everything will be back to normal". "We don't have any problems with morale here" "Business is business. After the initial shock, we adjusted very quickly."
GRIEF/LOSS	"I wish we could just go back to how it used to be around here." "Those people who were laid off were my good friends. I really miss them."
ANGER	"Those rotten $@%&*X!! How could they do that, after all those people have given to this organisation?!"
GUILT	"Why did I get to keep my job when so many fine, deserving people lost theirs?"
FEAR	"I wonder if I will be next." "I'd better not make any waves or any risky decisions. Best to play it safe."
PASSIVITY	"Why make any extra efforts if I might be on the way out too?"
ANXIETY	"I'm not sure I really have what it takes to adjust to the new way of doing things."
CONFUSION	"I'm no longer sure how I fit in, what's going on around here, or what I'm supposed to do.
DISTRUST	"I thought as long as the organisation was doing OK and you were doing a good job, you had a job as long as you wanted. Just goes to show you can't believe anything management tells you."
BURNOUT	"I put in unbelievably long days, six or seven days a week, can't sleep, don't have time for exercise, family or anything else, have trouble concentrating, feel overwhelmed – but hey, I'm lucky. I still have a job and I intend to do what it takes to hang onto it".
DEPRESSION	"I have no say over what happens to me. I am completely at the mercy of this organisation and events beyond my control."

Not everyone will experience all of these reactions. Some people, for example, may be quite relieved to see the organisation take steps to be more effective. Nonetheless, most people will experience some combination of many of them, with differing degrees of severity and they may be expressed in many different ways. Altogether, they add up to lowered morale.

Neutral Stage

During this stage energy is generated as employees focus their attention on the future and the external environment. This is also a chaotic phase as people are trying to figure out what the change entail, what their new responsibilities are and how to relate to one-another.

People start to explore the future. Ask many questions. People that require lots of structure and certainty find this to be a very difficult time.

New Beginnings

After searching, testing, experimenting and exploring a new phase beginnings to emerge. When this happens, the individual or group is ready for commitment. During this stage employees starts to focus on priorities. They create a new mission and develop action plans. Teams are formed and new norms and values are established. This phase will continue until a new cycle of transformation begins with another major change.

THE CHANGE CURVE

Employees move through four phases during change. Every person will change at his/her own pace. Some will move quicker and others will struggle through some of the phases. Effective leadership will guide people to move through these different phases.

Changes in the organization will cause people in your team to go through the focus phases indicated above. Think of this process of going down into the valley and then climbing back to the top of the mountain again. People will move from the old to the new through this process.
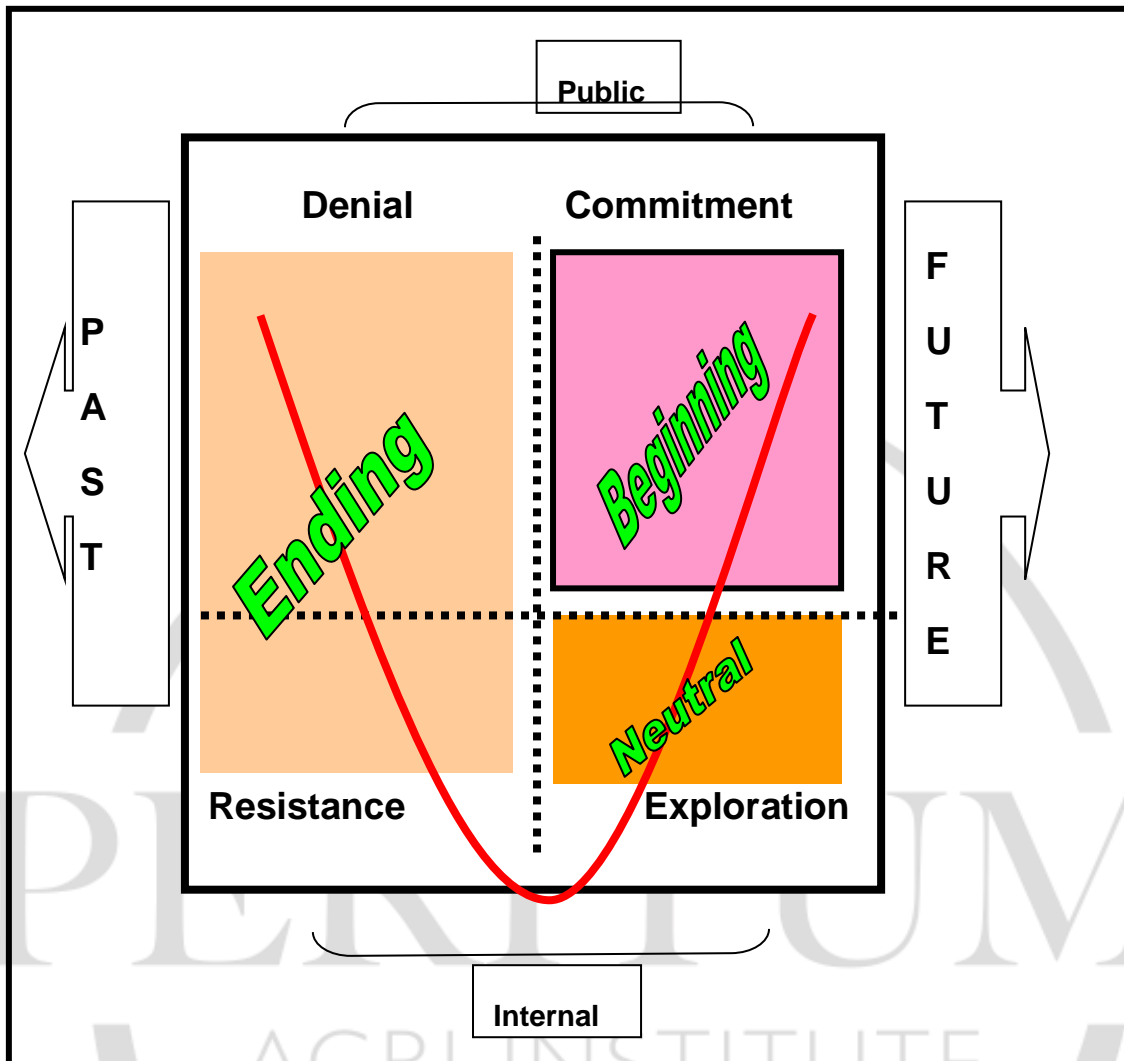
Denial

The initial reaction to change is always one of denial or shock. This mostly leads to numbness … as if it requires time to sink in. Nothing much happens. Work tends to continue as usual. It appears as if productivity will remain the same. People hold onto the past as if no new future was announced. This is an open or public phase.

Resistance

During this phase people realize that the change will not go away and start to deal with it mentally and in actions. People might experience severe negative emotions. You will find people gossiping, discussing and grumbling in groups. People hang on to the past desperately. This is an intensely personal process that every individual has to cope with and work through on his own.

Exploration

During this phase people start exploring the future. They are very sceptical yet, but at least start asking questions and consider options. This is the turning point. You might find people swinging between exploring and resisting. This is also a individual/ personal process that each person has to deal with and work through.

Commitment

During this phase people are living in the future. They become publicly committed and focus and function again as a team.

WHAT TO EXPECT DURING THE CHANGE CURVE

You can be sure to expect the following behaviour during the different phases of the change curve.

Phase1: Denial	**Phase 4: Commitment**
• It will be over real soon • Withdrawal • Business as usual • Focus on the past • Not much gets done	• Teamwork • Satisfaction • Clear focus • Planning • Co-operation • High spirit
Phase 2: Resistance	**Phase 3: Exploration**
• Anger • Withdrawal from the team	• Frustration • Too many new ideas

• Blame • Depression • This company doesn't care • I've given my best years and this is what I get.	• Confusion • Chaos • Lots of energy • Lack of focus

Understanding what the impact of change is on staff prepares you as a leader to acquire the skills in dealing with it.

PREPARE YOURSELF FOR THE CHANGE

➢ **Take Care of Yourself First.** Among employees, leaders often undergo the most stress in the wake of a major change. Many aspects of the change may be personally upsetting to you, and you will likely have to face numerous questions from your employees. Not being prepared only ads to your own anxiety. You need to find clarification on all the issues that your group will want you to clarify for them. If your manager does not offer this, ask for it. Manage your stress with adequate diet, rest and exercise. Your employees will look to you as the model for coping skills. It is also good to involve your family as a support system instead of viewing them as the same category as your employees. A strong support system will charge your batteries to face the new challenges of each day.

➢ **Acknowledge Your Own Feelings.** One of the biggest traps for leaders and managers at all levels who have gone through major change is to deny their natural emotional reactions. While they have a responsibility to model effective leadership in a time of stress, this does not mean acting "above it all". In fact, modelling emotional honesty as a means to healing can be one of their greatest contributions to other employees. Consider seeking support from human resources or other professional colleagues outside the organisation.

DEALING EFFECTIVELY WITH EMPLOYEES DURING <u>THE ENDING</u>

➢ **Inform your Employees About What Happened and Why.** Employees can accept that which they seem to have been necessary for organisational survival, especially if it can be shown that management did all it could to avoid the negative consequences of change.

But don't forget **the human touch**. As one observer noted, you will often be presiding at something more appropriately viewed as a funeral than a business school class.

➢ **Explain to them what the Organisation is doing to Help Those Effected by Change.** Do not count on the rumour mill to provide an accurate account! Knowing how those effected by change are being assisted will not only help employees with feelings of guilt for having survived a **disaster**, but also ease such worries as, **How will they treat me?**

➢ **Tell Key Contributors That They Are Important.** Your "stars" need to be told that they are seen as such before them panic and run to the competition. Additionally, everyone needs to hear why they are essential to the reorganized operation and that you will be counting on them.

➢ **Refrain from unfavourable Comments about Employees Who Were Transferred, Demoted or Who Have Left. "**Bad-mouth" these employees and you risk losing respect and trust. Explain the criteria in general, using such terms as longevity, function, contribution, etc., but make it clear that none of those leaving would have had to leave were it not necessary to reorganize or cut back on staffing levels.

➢ **Refrain from promises that there will Be No More Changes.** If the future is uncertain, it is better to be "up-front" and say so, while explaining what steps the organization is taking to avoid additional upheavals. If you give assurances that prove to be false in the near future, the resulting breakdown in trust will take years to recover from. Rather encourage employees to assist in a strategy to cope with changes constructively on all levels, so that future changes might have less negative impact on their well-being.

➢ **Allow for Venting of Natural, though Negative Feelings.** View this as a natural part of the grieving and healing process. As a leader or manager, be prepared for personal, verbal attacks. It may be a good idea to have an outside consultant or an expert from human resources meet with your group to facilitate the venting. Some experts recommend encouraging spontaneously created rituals among employees to symbolize the passing away of the old way of doing things.

➢ **Outline the New Vision for the Organization and for your Unit.** Make it clear where the organization is headed now, in terms of mission and goals and how your unit fits into that overall picture. Introduce values, formerly held or newly adopted and what the organization aspires to represent? Clarify for top management's vision for the future.

- ➢ **Explain What Actions Are Planned to make the Organization and your Unit a Success.** Employees need assurance that the organisation itself will survive and upheavals tend to raise doubts that this is the first step toward closing the doors. Explain what other strategies and plans the organization can follow to fulfil its mission and to achieve future profitability, competitiveness and growth. Also ask for their inputs, but only if you plan to really use it.

- ➢ **Over communicate!** For employees in the endings stage of transition, assume that much of what you communicate to reassure and reorient them will be lost due to feelings of upset or downright scepticism. Repetition is the key! Deliver the message in person, write memos, e-mail, post announcements, etc. One company also distributed video-tapes. Another sent letters to employees' homes after a downsizing to ensure the message got through accurately to anxious family members. Consistency of message, together with continuous updates can be very reassuring to employees that the ship is not rudderless and that someone is at the wheel.

- ➢ **Speak to the Group and Meet One-on-One.** This goes hand-in-glove with the previous suggestion. Everyone needs to hear the same message as a team; followed by an individual message in which you affirm that person's value and hear his or her concerns and feelings.

Successfully helping employees cope with significant change, as you can tell by now, can be an immense challenge! You will need to draw upon all your leadership experience and skills, knowledge, gut feelings, stamina and common sense, not to mention the necessity of continually learning as you go along!

DEALING EFFECTIVELY WITH EMPLOYEES IN <u>THE NEUTRAL ZONE</u>

After the organizational change has taken place and the dust has settled, there is still a serious adjustment problem for the employees. Organisations can quickly implement change. Employees usually adjust more slowly to the change. During the Neutral Zone the employees are gradually adjusting to the organisation's change and it is critical that leaders take specific action to assist the employees in moving toward acceptance.

- ➢ **Involve Employees in Planning Implementation.** Staffs are often expected to do more with less. Front-line employees can often figure out better than anyone else how to reduce inefficiencies, errors, waste, roadblocks and unnecessary red tape, while increasing

quality and client or customer satisfaction. Try to use their creativity and insights, both to achieve management goals and to help employees feel needed!

- ➢ **Clarify New Roles, Responsibilities and Performance Expectations.** Don't underestimate the sense of upheaval and confusion employees may experience when many of the old ways of functioning, which provided their sense of organizational identity, are suddenly "reinvented". If their new roles are yet to be worked out, say so and tell them how and when this will be done. The unknown is one of the greatest sources of fear.

- ➢ **When Possible, Look for Rules, Policies, Procedures, Reports and Approvals Which Can Be Eliminated.** This is really a part of organizational renewal or transformation. Think about this from the customer's or client's point of view. What could be done to make things go faster, smoother and more hassle free for those people the organization exists to serve? What temporary policies and procedures might be appropriate **until the dust settles**? Get all your staff involved in generating the answers!

- ➢ **Provide Training and Support for the Changes to Succeed.** Another tremendous source of fear is doubt about whether one can succeed in the new roles and responsibilities.
  - o Line up the necessary training
  - o Provide ongoing, personalized coaching
  - o Specify what results you expect
  - o Show patience with the **learning curve**
  - o Follow-up frequently in a non-threatening manner
  - o Encourage feedback from employees on how the changes are working
  - o Be prepared to make needed adjustments.

- ➢ **Keep Employees engaged – Show That They Are Needed.** In most organizations this will be no problem. But in the middle of a change, if certain procedures, products or services are being discontinued, some employees may experience a temporarily lightened workload. Far from being a welcome relief, this can be excruciating to employees who are already insecure about their jobs. Plan projects and provide training, but keep them productive!

To help employees move through the stages of Transition to Beginnings and beyond, we need to appeal to the rational, practical part of their minds which can plan, solve problems, see opportunities, etc. But strong emotions form a kind of **wall** surrounding the rational part of a person and **getting through** often requires that we facilitate their **letting go** of these emotions.

Instead of imagining a brick or stone wall, think of a huge, circular, inflatable wall, too high to see over and too slippery to climb. The **air** which inflates it, is, of course, emotion. To get over this wall, the air needs to be let out carefully. If it builds up with no release of pressure, there is the risk of an explosion. On the other hand, if you **dig in** too impatiently you may pop it like a balloon! In either case, there may be a harmful, emotional outburst. You cannot, for example, just demand that employees be open with you or else!

This is why it is a good idea, especially in the weeks just following a major change, to start every meeting, group or individual, by inquiring how people feel, thereby allowing for a gradual decrease of pressure. In some cases, a skilled facilitator is recommended.

Getting employees to share their feelings is, however, another matter.   Many of the feelings connected with grieving such as depression and anger, are often taken as a sign of **poor morale** or **bad attitude**. Employees may feel displaying or discussing them will open them up to punishment of some kind or even put them on the next layoff list! The key is to be an empathetic, understanding listener whom employees feel they can trust with their feelings. Remember:

"People don't care what you believe until they believe that you care!"

"Many a man would rather you hear his story, than grant his request."

EFFECTIVE DEALING WITH EMPLOYEES DURING <u>THE NEW BEGINNING</u>

As employees reach the final stages of beginnings, active acceptance of the changes replaces passive resignation. In this stage, employees need to become committed to the organisation's vision of the future, take an active role in shaping it's future, adopt new values and attitudes and see the past problems as opportunities to become even more effective and productive.

➤ **Encourage a Pro-Active Stance that Seeks Opportunities.** Once employees have a realistic picture of where the organisation is going, you can help them move into Beginnings by asking them what <u>they</u> want to get from the new situation. Their initial answer may be vague or concrete and it may have to do with new skills, responsibilities or development. But this starts them thinking in terms of opportunities, which change always brings. The fact is, once they get through a gut wrenching experience of change, many employees report increased job satisfaction due to greater autonomy and a more interesting job!

➤ **Advocate Problem-Solving, not grumbling.** While grumbling and venting often go together, it is essential to distinguish them:

- o Venting involves expressing feelings such as, "I'm really angry," or "This whole thing leaves me totally confused." Venting can help employees deal with change. Venting requires the expression of understanding and acceptance.

- o Grumbling involves complaining or criticizing, while taking no responsibility for solutions. Example: "This is the stupidest idea I ever heard of." Or, "This will never work". The appropriate response to grumbling is to get the employee, or group, to express what the problem is and to partner with them in taking ownership for finding creative ways to achieve goals with limited resources.

➢ **Plan for Easy "Wins" to Build Confidence.** The stage of Beginnings is often reached in very small steps. Perhaps, it is just having an employee go to lunch to meet someone from another department he or she will be working with on a newly formed task force. Don't expect your employees to become empowered, risk-taking, entrepreneurial, high-involvement team players overnight.

➢ **Provide Prompt, Honest, Helpful Feedback.** This is good advice for leaders whose employees are learning a new task or function. It is especially important in helping employees overcome uncertainty about their ability to cope, adjust and continue to contribute to the organisation.

➢ **Recognize and Praise Progress.** Again, fairly standard advice, but infrequently followed! Who feels that they get enough affirmation, praise and appreciation from their bosses? When employees are suffering from doubts about competence and self-worth, every step of progress merits a minor celebration. It will also be a boost for <u>you</u> to see them soak it up!

➢ **Encourage teamwork within Your Unit and Among Other Units.** High-performance teams are increasingly the key to organisational success in today's highly competitive economy. Teamwork means more than traditional "cooperativeness" and "lending a hand." It involves breaking out of a narrow, assembly-line view of one's job and overcoming interdepartmental rivalries through cross-functional, interdisciplinary and multi-level teams. It also includes much greater exercise of a host of interpersonal communication skills than in the past, on everyone's part. Here you must truly lead by example!

➢ **Consider Rewards for Cost Savings.** Profit-sharing or gain-sharing may be outside your authority to implement, but many organisations are finding such approaches powerful motivators. If not available for you, consider suggesting them to your boss. Consider

bonuses also. Special dinners or lunches to honour achievements, theatre tickets, dinner for two, a day off, casual dress days, etc, can temporarily increase morale. But, they may be less meaningful than in the past. After a significant change, employees may become more "bottom-line" oriented. They want to profit significantly from their contributions.

➢ **Explain the "New Employee Contract".** We are referring here to an informal "contract" or understanding. Formerly, the assumption was that if an employee is doing a good job and the organisation is doing well, that person can count on long-term if not lifetime job security, along with regular raises and promotions. This assumption no longer holds true.

The so-called "new contract" is something like the following: *"The employee is responsible for continually finding new ways to contribute to the organisation. The employer, in turn, is responsible for providing interesting and meaningful work and the opportunity for growth and development, so that, over time, the employee becomes more marketable, either within or outside the organisation. Pay will be equitable and competitive based upon the value added. Whatever job security there may be depends upon the success of the organisation and the employee's ability to contribute in the future, not upon past contributions.*

The extent to which this applies in your organisation must be clarified to employees.

➢ **Encourage Employees to Take Increased Responsibility for Managing Their Own Careers**

This suggestion flows naturally from the preceding one. Employees can no longer expect the organization to plan for their futures in a paternalistic way.

o They must keep abreast of organisation and industry needs
o Become perpetual learners
o Develop flexibility
o Lear multiple skills
o Acquire a capacity to interact with all areas at all levels
o Create a network of contacts inside and outside of the organization
o Employees need to think of their jobs as project-oriented.

When the current project is complete, their "contract" with the organization may be renewed or it may not be.

Module 3:

The Change Agent

Unit Standard	
252021	Formulate recommendations for a change process

Specific Outcomes
SO 4: Formulate recommendations on implementing the change process.
The role and competencies of the change leader responsible for facilitating the dynamics of the change process are motivated in relation to the proposed change process.

Learning Outcomes
At the end of this unit you will be able to demonstrate an understanding of:

- describe a change agent;

- distinguish between the different types of change agents;

- discuss the roles and responsibilities of the various change players; and

  explain the managerial and personal skills required by a change agent

Critical Cross-field Outcomes	
· Identify & solve problems	· Collect, organise and critically evaluate
· Work as member of a team	· Communicate effectively
· Organise and manage	· Understand the world as integrated set

INTRODUCTION

In the first learning unit, we have considered the meaning and the context of the change. At this stage, you should be conversant with the causes or forces of change as well as the different types of change and change situations organisations may experience and implement. In this learning unit the focus falls on the change agent or the facilitator of change in an organisation.

WHAT IS A CHANGE AGENT?

Robbins [7:629] defines a change agent as a person who acts as catalyst and assumes the responsibility for managing change activities. Gibson et al [3:457} see a change agent as a person or group who enters an ongoing organisation or part of the organisation for the purpose of facilitating the process of change. Ivancevich et al [5:484] describe a change agent as an individual or team of people whose main responsibility is to initiate, suggest and even force change efforts within an organisation.

Are you a change agent?

TYPES OF CHANGE AGENTS

Change agents can be managers or non-managers, employees of the organisation or outside consultants. Gibson et al [3:457] distinguish between the following types of change agents:

• **External change agents**:   External change agents can be considered as temporary employees of the organisation because they are only engaged for the duration of the change process. External change agents can come from universities, consulting firms and training agencies. Many large organisations also have specialists at central offices that take temporary assignments at line units to assist in planning and implementing a change process. Once the assignment is concluded, they return to head office.

• **Internal change agents**:   The internal change agent is an individual working for the organisation who knows something about its problems. Internal change agents include newly appointed managers ("the new broom"), who expects that change is required to turn around performance. New managers are often appointed with the expectation that they will be able to change things for the better. Senior executives are also often looked at as change agents. It is important to note however that ordinary employees can also take up the role of internal change agents.

• **External-internal change agents**: A combined team of internal and external agents can be used to intervene and develop change programs. This approach attempts to use the resources and knowledge base of both internal and external change agents. A designated individual or small group within the organisation serves with the external change agent to spearhead the change effort.

Each type has certain advantages and disadvantages. The external change agent is often regarded as an outsider with little or no knowledge of the real problems experienced within. The external change agent may also have opposing views to those of the decision/policy makers on the problems faced by the organisation, leading to mistrust.

External change agents are also disadvantaged in that they have an inadequate understanding of the organisation's history, culture, operating procedures and personnel [7:630]. However, external change agents may have specialised knowledge in change management, and can offer a more objective perspective by refocusing the organisation's relationship with the changing environmental demands. Internal change agents, especially those who have been with the organisation for many years, are often more cautious because they fear offending long-term friends and associates. As a result, their change efforts are often not focused or effective.

Internal change agents are also often viewed as being more closely associated with one unit or group of individuals than with any other. This perceived favouritism leads to resistance to change by those who are not included in the internal agent's circle of close friends [3:458]. The intimate knowledge of the history, culture, operating procedures and personnel, however, puts the internal change agent in a strong position to initiate change.

The combined external-internal change team seems to have an excellent chance for success, due to the outsider's objectivity and specialised knowledge coupled with the insider's knowledge of the organisation and its human resources. This blending of knowledge often results in increased trust and confidence among the parties involved.

ROLES AND RESPONSIBILITIES OF CHANGE PLAYERS

"Courage is the power to let go of the familiar."

- Mary Bryant

According to Firth [2:159], people may be required to play different roles during a change effort. He identifies three main dimensions of "influence" as well as distinct roles in driving organisational change:

Leadership

Employee   Change team
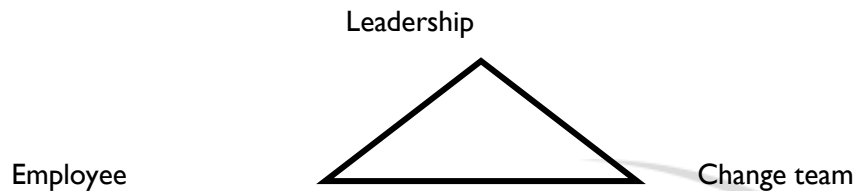
In terms of the leadership dimension, the change agent need to translate opportunities or threats arising in the external environment into a business case for change and the work of the leader is to: [2:163]

- Own and maintain the vision
- Take ownership of the change benefits and ultimate responsibility for achieving them
- Influence the organisation as a whole to become aligned with the vision
- Keep his/her pulse on the vitality of the change project and give whatever treatment is necessary
- Communicate information verbally and electronically
- Communicate meaning in his/her actions
- Nurture relationships
- Resolve conflict where it is damaging
- Create conflict where there is complacency
- Sell ownership and accountability
- Promote self-responsibility
- Agree a project scope, objectives and success criteria with the change team
- Free up funding, resources and staff
- Review and approve progress and any deviations from the plan.

The change team should ideally be a group of people who share enough political power to make things happen and enough credibility in the organisation to gain acceptance and approval for the change. The change team should support the change leadership and its work is to: [2:165]

- Make sure it has the right amount and mix of members
- Learn how to be a team (what is its purpose and objectives/how will it behave)

- Understand the need for change, as passed on from the leadership
- Help share the vision and adapt its messages so that it can be communicated to all audiences in the company and using a variety of channels
- Shake up the status quo
- Identify exactly what the change is, who it targets and how it can be leveraged
- Design the new work processes and culture
- Align strategic and operational concerns
- Derive specific goals from the vision and oversee their achievement
- Lead or champion change leadership courses
- Organise change communication
- Diagnose and solve problems and inhibitors to change as they arise
- Maintain relentless momentum, learning and freshness
- Encourage all managers or team leaders to propagate these objectives and behaviours
- Be a source of mentorship and coaching.

The employee dimension in driving organisational change refers to those individuals who cannot be described as either a leader or a change team member, but who will still be responsible to make the change effort work. Employees need to own three main objectives with regard to change: [2:169]

- To develop their individual capacity for change – the intellectual strength, emotional openness and attitudinal resilience to accept what is happening

- To be involved in the change program – to listen, to attend, to be open

- To participate – to offer information and ideas, to join together with others to solve problems as they arise, to challenge the status quo, to offer feedback on how the change is working at all levels of the organisation, in other words – to own the change.

Refer to Annexure E for a Change Agent Evaluation Template. (Page 206)

Module 4:

Resistance to Change

Unit Standard	
252021	Formulate recommendations for a change process

Specific Outcomes
SO 4: Formulate recommendations on implementing the change process. 4.1. The change management plan presented describes the changes to be implemented in relation to the needs identified in the SWOT analysis. (Range: The change management plan includes the phases of the plan, the actions, the persons responsible for the actions, the time frames, communication with stakeholders, desired outcomes, anticipated obstacles, expected positive and negative responses to the change, as well as plans to overcome the obstacles and negative responses.) 4.2. The actions proposed for managing the anticipated human responses to the change process are appropriate to the findings of the SWOT analysis.

Learning Outcomes
At the end of this unit you will be able to demonstrate an understanding of: • explain the individual and organisational sources of resistance to change;

• describe the approaches to overcome resistance to change; and	
• assess the readiness of organisations to change	

Critical Cross-field Outcomes	
· Identify & solve problems	· Collect, organise and critically evaluate
· Work as member of a team	· Communicate effectively
· Organise and manage	· Understand the world as integrated set

INTRODUCTION

"People don't change their behaviour unless it makes a difference for them to do so."

- Fran Tarkenton

In the previous learning unit we have considered the role of the change agent and the skills and abilities needed to be an effective facilitator of change. In this learning unit, we will consider why organisations and its members resist change and how it can be overcome. Firth [2:110] is of the opinion that resistance is a good thing, because it's a sure sign that the change has begun - what we have tried is not working perfectly yet; that it is a programmed, healthy response when continuity and evolution depends on it and that it is nothing else than loyalty in action. When change is suggested, we can expect resistance whether we like it or not. The challenge is to understand why people and organisations resist change and this knowledge can enable us to identify ways and means to manage it.

When people show resistance, they typically say some of the following things [2:111]:

• It's just another management fad.

• We've never done it like that.

• It can't be done like that.

• The customers won't like it.

• The technology can't do that.

• It would take too long.

• We don't have enough resources to do it.

• It won't work, you know.

• If you listen, I'll tell you how it could be done, but I know you won't listen so I won't

   bother.

SOURCES OF RESISTANCE TO CHANGE

No matter how technically or administratively perfect a proposed change may seem, people will make it or break it. Individual and group behaviour following an organisational change can take many forms [6:595], as outlined on the continuum below:

Acceptance	Enthusiastic
	Cooperation
	Cooperation under pressure from management
Indifference	Passive resignation
	Indifference
	Apathy; loss of interest in job
Passive Resistance	Doing only what is ordered
	Regressive behaviour
	No learning
Active Resistance	Protests
	Working to rule
	Doing as little as possible
	Slowing down
	Personal withdrawal (increase time off job and away From work)
	Committing "errors"
	Spoilage
	Deliberate sabotage

Resistance to change can be regarded as an emotional/behavioural response to real or imagined threats to an established work routine [6:594]. Sources of resistance can be categorised by individual and organisational resistance; however, these sources often overlap in change situations.

Individual Resistance:

Individual sources of resistance to change reside in basic human characteristics such as perceptions, personalities and needs [7:633]. Let us consider a number of reasons why individuals may resist change:

- Habit: Humans are creatures of habit. Individuals develop certain habits over time in order to make their lives and environment as convenient and orderly as possible. Change will force people to drop certain habits and this may seem threatening to them.

- Security: People often resist change, because they have a perception that they will lose something of value to them; their sense of safety and security is threatened. A drop in salary as a result of the introduction of a new performance management scheme can be a major concern for some people.

- Fear: Change introduces uncertainty and a degree of fear. People fear failure if a change may require them to acquire new skills; move to a different department; getting accustomed to a new leader, system, process and so on. The ambiguity and uncertainty of certain change situations result in resistance.

- Misunderstanding or a lack of trust: People resist change when they do not understand its implications, which may occur because of misunderstanding or a lack of trust [4:763]. Individuals are also sometimes guilty of selective information processing [7:634], meaning that their own perceptions lead to a lack of trust in any change proposed by management.

- Low tolerance: Some people have a low tolerance for any change and may resist a change even when they think it is a good one. A person may resist the opportunity to be transferred to a better paying position in another city, simply because they believe the risk is too high. The risk in this case is the possibility that he will not be able to make new friends; get along with new colleagues; or fit in with his new environment.

- Peer pressure: Peers often apply pressure to resist change. Although a person may not directly be affected by a change, it may still be resisted to protect the interests of friends and co-workers.

- Personality conflicts: Personality clashes between an individual and change agents can breed resistance. It can sometimes be regarded as pure stubbornness or spitefulness.

- Non-reinforcing reward systems: If an individual can't foresee any positive rewards for changing, resistance sometimes comes natural. An employee is unlikely to support a change effort that is perceived as requiring longer hours with more pressure without additional reward.

- Surprises: People do not react favourably to surprises. If the change is sudden, unexpected or extreme, resistance may almost be a reflex reaction [9:266].

Organisational Resistance

In general, most organisations are very conservative in nature and are designed to restrict innovation. Organisations are designed and structured in such a way as to ensure stability and consistency, and as a result, some built-in defences against change are characteristic. Major sources of organisational resistance as identified by Robbins [7:634-636] include:

- Structural inertia: Organisations are structured to ensure stability and various rules, regulations, policies and procedures exist to create a strategic fit. Selection processes conform to the organisational fit. Newly recruited employees are then shaped and directed to act and behave in a certain way.
training and other socialisation techniques reinforce specific role requirements and skills. When the organisation is confronted with change, this structural inertia acts as a counterbalance to sustain stability.

- Limited focus of change: Organisations consist of various sub-systems. When a change occurs in one, it will affect the others. A change in technological processes, without a modification to the organisational structure to match, may result in the technology not being accepted. Limited changes in sub-systems tend to get nullified by the larger system.

- Group inertia: Group norms typically dictate individual behaviours and actions. Should management suggest certain changes in the job of an individual, he/she may be willing to accept these changes, but if union norms dictate resisting any unilateral decisions by management, he/she is likely to resist.

- Threat to expertise: The expertise of specialised groups in an organisation may be threatened by changes in organisational patterns. Salespeople may feel threatened should management decide to invest heavily in Internet advertising and shopping facilities, and strongly resist such a decision.

- Threat to established power relationships: Any redistribution of decision-making authority can threaten long-established power relationships within the organisation. The introduction of participative decision-making or self-managed work teams is the kind of change that is often seen as threatening by supervisors and middle managers.

- Threat to established resource allocation: Groups in an organisation controlling sizable resources often see change as a threat. A change may mean a reduction in their budgets or a cut in their staff size. In other words, those that most benefit from the current allocation of resources often feel threatened by changes that may affect future allocations.

- Inter-organisational agreements: Inter-organisational agreements can create obligations that limit future options. Labour contracts are good examples. Other contracts and agreements can also create obligations for management. Change agents may find their plans delayed due to arrangements with competitors, commitments to suppliers and promises to contractors. Breaching these contracts and agreements may have serious financial implications.

OVERCOMING RESISTANCE TO CHANGE

"Every person who wants to advance must be willing to cut off all sources of retreat."   *- Napoleon Hill*

In order to make change a reality, it is important for the change agent to choose a method/approach to overcome real resistance to change. Unless the nature of the resistance is clearly identified and remedies to overcome it has been selected and implemented, the change effort is unlikely to be successful and can cause a lot of anger, confusion, resentment and distrust. The fibre of any organisation is its people, and a change ill-implemented without due consideration to its impact on the morale of the employees, is a recipe for disaster. In reducing resistance to change, most change authors suggest the use of one or more of the options developed in 1979 by John P. Kotter and Leonard A. Schlesinger. We will consider these options by focusing on a description of each approach, the situations where each is commonly used, as well as the advantages and disadvantages of each the approach.

• **Education and communication**:

This approach involves explaining the need for and logic to individuals, groups and even entire organisations. It is commonly used where there is a lack of information or inaccurate information and analysis.

Advantages: Once persuaded, people will often help implement the change.
Disadvantages: Can be very time-consuming if many people are involved.

• **Participation and involvement:**

This approach involves asking the members of the organisation to help design the change. It is commonly used when the change initiators do not have all the information they need to design the change, and others have considerable power to resist.

Advantages: People who participate will be committed to implementing the change, and any relevant information they have will be integrated into the change plan.
 Disadvantages: Can be very time-consuming if participants design an inappropriate change.

• **Facilitation and support:**

This approach involves offering retraining programmes, time off, emotional support and understanding to people affected by the change. It is commonly used when people are resisting the change because of adjustment problems.

Advantages: No other approach works as well with adjustment problems.
Disadvantages: Can be time-consuming and expensive, and may still fail.

• **Negotiation and agreement:**

This approach involves negotiating with potential resistors; even soliciting written letters of understanding. It is commonly used when some person or group with considerable power to resist will clearly lose out in a change.

Advantages: Sometimes it is a relatively easy way to avoid major resistance.
Disadvantages: Can be too expensive if it alerts others to negotiate for compliance.

• **Manipulation and co-optation:**

This approach involves giving key persons a desirable role in designing or implementing a change process. It is commonly used when other tactics will not work or are too expensive.

Advantages: It can be a relatively quick and inexpensive solution to resistance problems.
Disadvantages: Can lead to future problems if people feel manipulated.

• **Explicit and implicit coercion:**

This approach involves threatening job loss or transfer, lack of promotion, loss of privileges and so on. It is commonly used when speed is essential and the change initiators possess considerable power.

Advantages: It is speedy and can overcome any kind of resistance.
Disadvantages: Can be risky if it leaves people angry with the initiators.

Selecting an appropriate method to overcome resistance to change depends on four interrelated situational factors [4:770]:

Amount and kind of resistance anticipated

The greater the anticipated resistance, the more difficult it will be to simply overcome it. The education-communication and participation-involvement approaches may prove to be most appropriate for combating strong resistance.

Power of potential or active resistors

The greater the power of resistors in relation to others in the organisation, the more the change agent must involve the resistor. Conversely, the stronger the change agent's position, the greater is the opportunity to use negotiation or manipulation.

Location of needed information and commitment

The more that the change agent need the information and commitment from others to help design and implement the change, the more appropriate it is to use the education and participation approaches.

Stakes involved

The greater the short-term risk to the organisation's performance and survival if the situation is not changed, the greater the likelihood that managers should negotiate and/or use manipulation to overcome resistance.

Although a change initiator may accurately assess these four factors, the long- and short-term effects of the selected approach still need to be considered. Forcing change on people can have many negative effects, both in the short and the long term.

The use of the education-communication, facilitation-support and negotiation-agreement approaches can overcome initial resistance and lead to long-term benefits. The participation-involvement approach can minimize both short- and long term resistance.

The manipulation-co-optation and explicit-implicit coercion approaches may be expedient in the short run, but can lead to long-term resistance.

ASSESSING AN ORGANISATION'S READINESS FOR CHANGE

Kreitner et al [6:596-597] warn that before any approach is selected to overcome resistance to change, three key conclusions should be kept in mind. First, the organisation must be ready for change. Second, organisational change is less successful when top management fails to keep employees informed about the process of change. Third, employees' perceptions or interpretations of a change significantly affect resistance. Employees are less likely to resist when they perceive that the benefits of a change are greater than the personal costs. Managers are advised to at least: 1) provide as much information as possible to employees about the change; 2) inform employees about the reasons/rationale for the change; 3) conduct meetings to address employees' questions and concerns regarding the change, and 4) provide employees with the opportunity to discuss how the proposed change might affect them.

Module 5:

Change Management Models

Unit Standard	
252021	Formulate recommendations for a change process

Specific Outcomes
SO3: Select a model for implementing a change management process.
3.1. The characteristics of two change models are described with reference to their appropriateness for different change processes.
3.2. The reasons for selecting the model are described with reference to the findings of the analysis

Learning Outcomes
At the end of this unit you will be able to demonstrate an understanding of: o Describe the steps included in most change management models;   o Explain Lewin's change model ;   o Describe the systems approach to change;   o Discuss Kotter's eight steps for leading change; and   o Explain organisation development as a change intervention approach.

Critical Cross-field Outcomes	
· Identify & solve problems	· Collect, organise and critically evaluate

· Work as member of a team	· Communicate effectively
· Organise and manage	· Understand the world as integrated set

INTRODUCTION

Many managers adopt short-term, quick fix solutions to organisational problems. Due to a lack of strategic planning, management often spend a lot of time "fighting fire with fire". Quick fix solutions do not solve underlying problems and have very little staying power. Change is doomed from the start when this approach is adopted. Managers and researchers alike have tried to identify effective ways to manage the change process. In this learning unit, we will consider some of the models developed by them.

PROCESS OF PLANNED ORGANISATIONAL CHANGE

Many researchers advocate the use of a planned change program, comprising of a series of sequential steps. Although there is a lot of value in using the planned change approach, we should be careful not to overlook the context within which change is about to take place. In the first learning unit, mention has been made of Balogun & Hailey's [1:3] argument that organisational change has three components:

• The change context, which refers to the why of change;
• The change content, referring to the what of change; and
• The change process that refers to the how of change.

Their argument is that one cannot apply a formulaic approach to change, because a variety of organisational features need to be analysed in order to understand the context within which the change process should be designed and implemented.

They mention features such as the scope of change required, the time frame, the power of the change agent to effect change, the diversity within the workforce and the capability for change within the organisation. It is beneficial, however, to consider the traditional approaches to planned change.

Most recommended planned change processes include the following sequential steps or variations thereof:

• Assess changes in the environment

- Determine the performance gap (gap between current state and desired future state)
- Diagnose organisational problems
- Identify sources of resistance to change (See Module 3)
- Set objectives for the change effort
- Search for change strategies/ consider alternative change interventions
- Implement the change
- Follow up the change.

ALL THIS SHOULD BE WRAPPED INTO A COMPREHENSIVE, WELL FORMULATED COMMUNICATION PLAN TO ALL STAKEHOLDERS TO THE CHANGE PROCESS (See Module 6)

LEWIN'S CHANGE MODEL

Kurt Lewin developed a three-stage model of planned change explaining how to initiate, manage and stabilize the change process. The three stages are:

Unfreezing

This stage deals with motivating employees to replace their old behaviours and attitudes with those desired by management. The process starts with management disconfirming the usefulness or appropriateness of employees' present behaviours or attitudes. The aim is to prepare employees to change, by getting them to become dissatisfied with the old way of doing things.

Changing

This stage involves learning – providing employees with new information, new behavioural models, or new ways of looking at things. The purpose is to help employees learn new concepts or points of view. Role models, mentors, experts, benchmarking results and training are useful mechanisms to facilitate change.

Refreezing

Change is stabilised by helping employees integrate the changed behaviour or attitude into their normal way of doing things. Employees are first given the change to exhibit the new behaviours or attitudes, and thereafter positive reinforcement is used to reinforce the desired change.

A SYSTEMS MODEL TO CHANGE

A systems approach to change entails looking at the organisation as a system and taking a "big picture" perspective of organisational change. Kreitner et al [6:590-591] explain this model as comprising of the following:

Inputs

Organisational change should be consistent with the organisation's mission, vision and resulting strategic plan. The strategic plan, based on an analysis of the organisation's strengths, weaknesses, opportunities and threats, will form the basis for any changes initiated by management.

Target elements of change

The target elements represent the components of the organisation that may be changed. A change effort can be directed at the following target elements: 1) realigning organising arrangements such as policies, procedures, roles, the structure, rewards or the physical setting; 2) social factors such as the organisation culture, group processes, interpersonal interactions, communication and leadership; 3) methods such as processes, work flow, job design or technology; 4) goals such as desired end results, priorities, standards, resources and linkages through-out the organisation; and 5) people for example knowledge, ability, attitudes, competence, motivation and behaviour.

Outputs

Outputs represent the desired end results of a change. These end results should be consistent with the organisation's strategic plan. The change may be directed at the organisational level, department/group level, or individual level. It is important to note that change efforts are more complicated and difficult to manage when they are targeted at the organisational level, because it is more likely to affect multiple target elements of change.

KOTTER'S EIGHT STEPS FOR LEADING CHANGE MODEL

John Kotter, an expert in leadership and change management, believes that organisational change typically fails because senior management commits one or more of the following errors [6:592]:

➢ Failure to establish a sense of urgency about the need for change.

- ➢ Failure to create a powerful enough guiding coalition that is responsible for leading and managing the change process.
- ➢ Failure to establish a vision that guides the change process.
- ➢ Failure to effectively communicate the new vision.
- ➢ Failure to remove obstacles that impede the accomplishment of the new vision.
- ➢ Failure to systematically plan for and create short-term wins. Short-term wins represent the achievement of important results or goals.
- ➢ Declaration of victory too soon. This derails the long-term changes in infrastructure that are frequently needed to achieve a vision.
- ➢ Failure to anchor the changes in the organisation's culture. It takes years for long-term changes to be embedded within an organisation's culture.

Kotter recommends the following eight sequential steps to overcome these problems:

Step	Description
Establish a sense of urgency	Unfreeze the organisation be creating a compelling reason for why change is needed
Create the guiding coalition	Create a cross-functional, cross-level group of people with enough power to lead the change
Develop a vision and strategy	Create a vision and strategic plan to guide the change process
Communicate the change vision	Create and implement a communication strategy that consistently communicates the new vision and strategic plan
Empower broad-based action	Eliminate barriers to change and use target elements of change to transform the organisation. Encourage risk taking and creative problem solving.
Generate short-term wins	Plan for and create short-term wins or improvements. Recognise and reward people who contribute to the wins
Consolidate gains and produce more change	The guiding coalition uses credibility from short-term wins to create more change. Additional people are brought into the change process as change cascades throughout the organisation. Attempts are made to reinvigorate the change process
Anchor new	

approaches in the culture	Reinforce the changes by highlighting connections between new behaviours and processes and organizational success. Develop methods to ensure leadership development and succession.

ORGANISATION DEVELOPMENT MODEL

"Organisation development (OD) is concerned with helping managers plan change in organising and managing people that will develop requisite commitment, coordination, and competence. Its purpose is to enhance both the effectiveness of organisations and the well-being of their members through planned interventions in the organisation's human processes, structures, and systems, using knowledge of behavioural science and its intervention methods" [6:592].

Organisation development constitutes a set of techniques and interventions when applying various change models, including the ones discussed earlier. OD is used during Lewin's "changing" stage for example. It is also used to identify and implement targeted elements of change within the systems model of change. Organisation development has four identifying characteristics: [6:593]:

➢ **OD involves profound change**: change agents using OD generally desire deep and long-lasting improvement.

➢ **OD is value loaded**: Owing to the fact that OD is rooted partially in humanistic psychology, many OD consultants carry certain values or biases into the client organisation. They prefer cooperation to conflict, self-control over institutional control, and democratic and participative management over autocratic management.

➢ **OD is a diagnosis / prescription cycle**: OD theorists and practitioners have long adhered to a medical model of organisation. Like medical doctors, internal and external OD consultants approach the "sick" organisation, "diagnose" its ills, "prescribe" and implement an intervention, and "monitor" progress.

➢ **OD is process-orientated**: Ideally, OD consultants focus on the form and not the content of behavioural and administrative dealings.

The change agent needs to facilitate the entire process. An OD change process comprises of the following stages:

Stage 1: Analyse the present and the future

- Diagnose the current situation: analyse the external environment, temporal and internal environment, levels of motivation, recruitment processes, leadership styles, training and development, inter-group relationships, organisational structure and culture.

- Develop a vision for change: this is a creative phase that must drive the business forward, inspire and yield sustainable advantage.

Stage 2: Gain commitment to the vision and the need for change

In order for the change process to be implemented effectively, it is necessary for employees to understand the strategic direction and vision of the organisation. It is essential to communicate the vision at every opportunity and create a sense of discomfort within employees about the status quo.

Stage 3: Develop an action plan

Consider the scope of change activities: whether people's behaviours need to change; whether the organisational structure and systems need to change; or whether the context or setting needs to change. An effective action plan should be relevant, specific, integrated, chronological and adaptable.

Stage 4: Implement the change

The implementation of the change effort should specifically focus on changes in behaviour, team building, and consultation with affected parties, life and career planning, and so on.

Stage 5: Assess and reinforce change

The result of the change effort can be assessed through a survey or cultural audit, interviews with individuals or focus groups, an examination of staff turnover and absenteeism rates, close observation or a survey of group performance in terms of task achievement. The desired results should then be reinforced by concomitant changes in personnel policies, appraisal, career development and reward systems. Staff training and development should be aligned with the new vision and the implemented changes.

CONCLUSION

Change in organisations has become a necessity in the modern business world.

Organisations should continuously adapt to changing circumstances to remain competitive and to ensure its continued existence. The way in which change is introduced in an organisation can be regarded as a success indicator. Organisations that seem to effortlessly retain that competitive edge are usually the ones that learnt how to adapt to change in the most effective way.

The various models and approaches of change can perhaps be summarised as to contain the following steps:

1. Analyse the organisation and its need for change
2. Create a shared vision and common direction
3. Separate from the past
4. Create a sense of urgency
5. Support a strong leader role for key players
6. Line up political sponsorship
7. Craft an implementation plan
8. Develop enabling structures
9. Communicate, involve people and be honest.
10. Reinforce and institutionalise change
11. Foster a culture to promote free flow of information across levels and units and creative action.

Individual Formative Exercise 2A

Time Frame: 60 min

Module 6:

The Change Management Process in Practice

Unit Standard	
252021	Formulate recommendations for a change process

Specific Outcomes

SO2: Analyse an area requiring the implementation of a change process.

2.1. The need for change in a unit of an entity is identified in terms of a desired state compared with the current state.

2.2. The results of a SWOT or other suitable analysis are presented to substantiate the argument in favour of a change process. (Range: The SWOT analysis should include the benefits of implementing change, the main risks and obstacles, the positive forces to be harnessed and the change resilience in the unit.)

Formulate recommendations on implementing the change process.

4.1. The change management plan presented describes the changes to be implemented in relation to the needs identified in the SWOT analysis. (Range: The change management plan includes the phases of the plan, the actions, the persons responsible for the actions, the time frames, communication with stakeholders, desired outcomes, anticipated obstacles, expected positive and negative responses to the change, as well as plans to overcome the obstacles and negative responses.)

Learning Outcomes

At the end of this unit you will be able to demonstrate an understanding of:

- Components of change
- How businesses are affected by change
- Change Project phases
- Steps in the change management process

Critical Cross-field Outcomes

· Identify & solve problems	· Collect, organise and critically evaluate
· Work as member of a team	· Communicate effectively
· Organise and manage	· Understand the world as integrated set

Introduction

This module summarizes the previous modules to equip you with some practical diagrams, models and templates to assist when compiling your change management plan.

Aspects involved in the Change Management Process

All businesses consist of a nucleus that is made up of people, processes, systems, structure and culture, which is driven by strategy and in turn macro environment factors. A change in any of these elements requires change management.
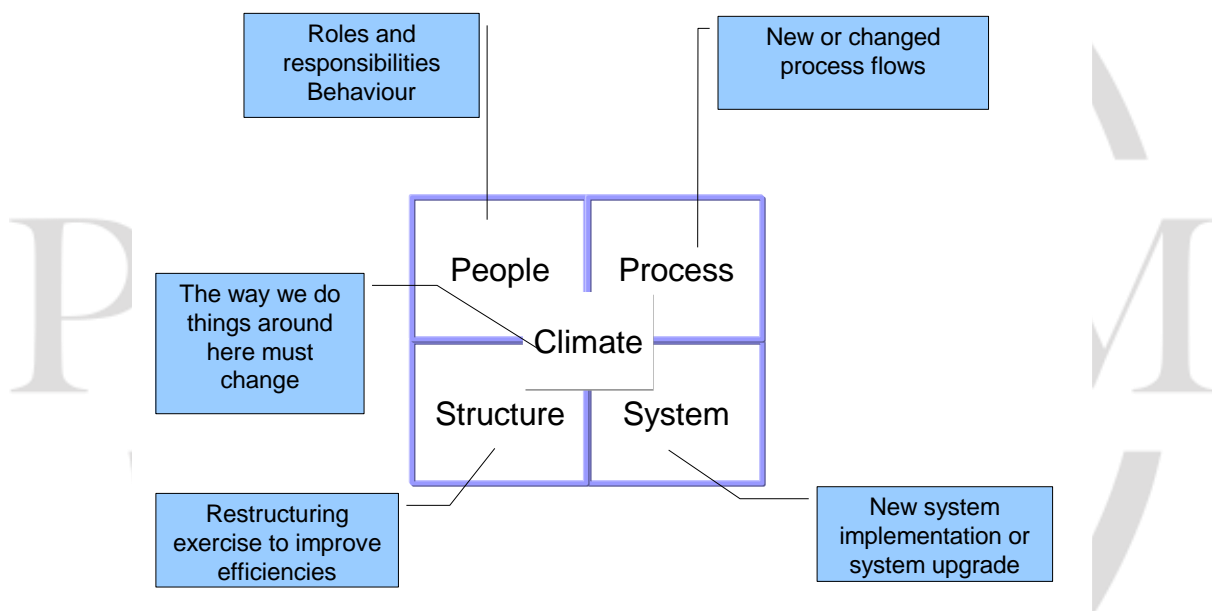
Change management is a process that details actions required to plan, design and implement all changes in an integrated and unified manner.

Businesses and change

Change affects the business in a very different manner than it affects people. In module 2 we studied the human side of change management. Below you can compare the differences in the effect change has on businesses and people. Managing both the business and the people side is critical to the success of the change initiative.

New business

New processes

Business

New structures

New roles

New policies and procedures

New objectives

New strategies

New technologies

What's in it for me?

Why do we need to change?

How will it affect my job?

People

Will I need new skills?

How should I behave?

Why now?

How will I adapt?

How will I learn these new skills?

Will I have new objectives?

The next diagram shows that when a business decides to change, sticking with old methods will result in disaster. The new way needs new methods which will have new results.

Old way	**New way**	**New way**
⇩	⇩	⇩
Old methods	**Old methods**	**New methods**
⇩	⇩	⇩
Old results	**Worse results**	**New results**
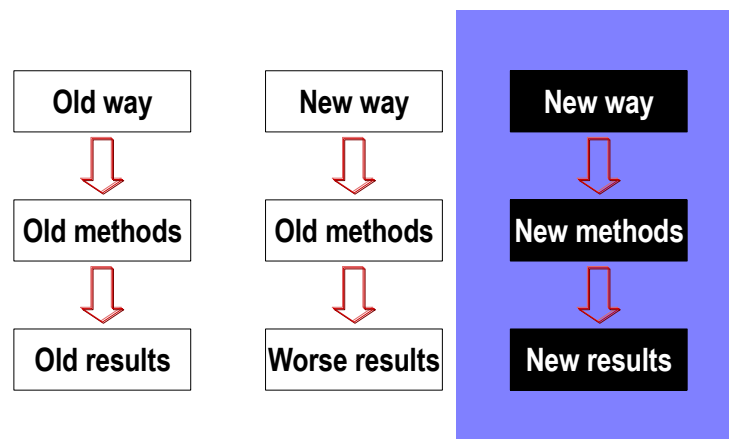
Project phases

The key components of stakeholder management, communication, training, and transition all run parallel to these three phases. The scope and execution of each component differs as the phase of the project changes.

Pre-implementation	**Implementation**	**Post implementation**
Why do we need change?	What is our change strategy?	Ensure using the change levers effectively
What is the present state like?	How do we best operationalise these changes?	Ensure that every stakeholder is aligned to the change
What will the future state be like?	How do we best use our change levers?	Ensure that all involved:
What is going to change?	How do we position change as a challenge?	• understand the purpose of change
What is not going to change?	How do we minimise impact of losses experienced by those impacted by the change?	• have a picture of desired outcomes
Where are we most vulnerable in making this change work?		• play a part in planning and implementing the change
What will be the key success factors in the future state?		• acquire new behaviours

Steps in the Change Management Process

Step1. Build a sound business case

Before we begin our analysis we need to detail the future state. It is critical to understand *where we are* versus *where we want to be* i.e. the current state and the future state

Current state
Security
Routine
Peace with
environment

Transition state

Low stability
High emotional state
High, often undirected energy
Control is a major issue

Future state
Security re-established
New routine accepted
Comfort with
new environment
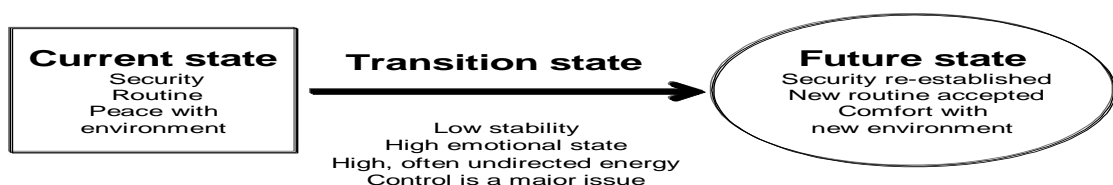
Understand the people, process, system dependencies and change impact of each state

Step 2 Determine the scale and scope of change

Once you have detailed the states you need to understand the scale of change.

a. Change impact assessment

Ask the following questions in the categories as indicated below when doing the Change Impact Assessment:

People:

Which People in the organisation is affected by the change?

What impact does the change have on the roles of people in the organisation?

What new/different skills will people need to handle the change?

Structure:

Will the change have an impact on the structure of the business?

If yes, describe the department/s on which it will impact.

Describe the details of the change in structure.

Process:

What business processes will be influenced by the change?

Are there any policies, procedures or other documentation which needs to be developed / changed due to the change – identify and list them?

Do you need to revise any strategic goals, departmental objectives or key result areas as part of the change effort?

Systems:

Identify the systems linked to the change effort and determine which changes need to be made to systems/technology.

Logistics:

Identify if any logistical changes needs to be made due to the change effort, e.g. Office space, personnel, equipment etc.

b. Change readiness assessment

A change readiness assessment answers the question: Where are we today? The assessment looks at past practices and the current situation. There is a short questionnaire that can help you begin that assessment. Ask a cross-section of people in the business to complete it to get a broader opinion than your own - other departments and levels within the organization will give you a more complete view of where things stand. In your Summative Assessment you will be given the opportunity to do a change readiness assessment. *Annexure D provides you with a template for a change readiness assessment.*

Step 3: Stakeholder Management

Stakeholders are defined at various levels and include all individuals and groups who are impacted by and have a vested interest in the initiative.

Why do we use stakeholder management?

1. You can use the opinions of the most powerful stakeholders to shape your projects at an early stage. Not only does this make it more likely that they will support you, their input can also improve the quality of your project

2. Gaining support from powerful stakeholders can help you to win more resources - this makes it more likely that your projects will be successful

3. By communicating with stakeholders early and frequently, you can ensure that they fully understand what you are doing and understand the benefits of your project - this means they can support you actively when necessary

4. You can anticipate what people's reaction to your project may be, and build into your plan the actions that will win people's support.

The steps of stakeholder analysis are explained below:

a. <u>Identifying your stakeholders:</u>

The first step in your stakeholder analysis is to brainstorm who your stakeholders are. As part of this, think of all the people who are affected by your work, who have influence or power over it, or have an interest in its successful or unsuccessful conclusion. Stakeholders could include: managers,

co-workers, work team, customers and prospective customers, shareholders, suppliers, alliance partners, analysts, government, trade unions, press, interest groups, public, community etc, etc, etc.

Remember that although stakeholders may be both business and people, ultimately you must communicate with people. Make sure that you identify the correct individual stakeholders within the business.

b. Group your stakeholders:

Place your individual stakeholders into their natural groupings i.e. leadership team, project team

c. Analyse stakeholders

Map out your stakeholders using the support/degree of influence grid shown in figure 1, and classify them by their support for and interest in your work.
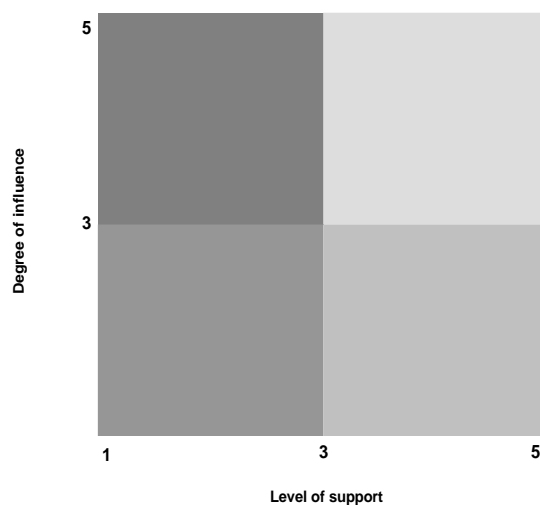
Someone's position on the grid shows you the actions you have to take with them:

- High influence, support people: these are the people you must fully engage and use as champions for your initiative.

- High influence, less support people: put enough work in with these people to build support for the change

- Low influence, support people: keep these people adequately informed, and talk to them to ensure that no major issues are arising. These people can often be very helpful with the detail of your project.

- Low influence, less support people: monitor these people as they may spread negativity or doubt around your initiative.

The key to effective stakeholder management is to understand and adequately address your stake holder's needs. This will ensure buy-in and co-operations from all groups of stakeholders.

Key questions that can help you understand your stakeholders are:

➢ What financial or emotional interest do they have in the outcome of your work? Is it positive or negative?

➢ What motivates those most of all?

➢ What information do they want from you?

➢ How do they want to receive information from you? What is the best way of communicating your message to them?

➢ What is their current opinion of your work? Is it based on good information?

➢ Who influences their opinions generally, and who influences their opinion of you? Do some of these influencers therefore become important stakeholders in their own right?

➢ If they are not likely to be positive, what will win them around to support your project?

➢ If you don't think you will be able to win them around, how will you manage their opposition?

➢ Who else might be influenced by their opinions? Do these people become stakeholders in their own right?

A very good way of answering these questions is to talk to your stakeholders directly - people are often quite open about their views, and asking people's opinions is often the first step in building a successful relationship with them.

You can summarize the understanding you have gained on the stakeholder map, so that you can easily see which stakeholders are expected to be blockers or critics, and which stakeholders are

likely to be advocates and supporters or your project. A good way of doing this is by colour coding: showing advocates and supporters in green, blockers and critics in red, and others who are neutral in orange. *Annexure A provides you with a Stakeholder communication template.*

Step 4: Communication

Communication can make or break your change effort. The guidelines below will assist you to ensure efficient communication:

Why would you develop a communication strategy?

A communication strategy is developed to:

> ➤ Raise awareness and understanding of the project throughout its development, in particular, how you intend to manage and communicate the key messages and content of the project to identified stakeholders and the target audiences;

> ➤ Provide the project sponsor, steering committee and senior management with a documented framework detailing which communication mechanisms/tools would be most appropriate for the identified stakeholders and target audiences;

> ➤ Ensure the communication of issues, implementation of issues and project updates to key stakeholders;

> ➤ Provide a mechanism for seeking and acting on feedback to encourage the involvement of, and assist in 'selling' the project to, the key stakeholders; and

> ➤ Identify the actions required for implementation of the strategy and associated costs.

Guiding principles

In order to minimise speculation, uncertainty and rumours, project communication must be:

- Shared with the business as and when the project team is able
- Conducted in an open honest manner
- Timely, accurate, proactive, consistent and meaningful
- Focus on the facts
- As interactive (2-way) as possible
- The message must be balanced (good and bad).
- Multiple messages need to be given preference over complex messages
- Communication protocols (scripts and guidelines) must be developed for difficult change management issues in order to ensure a consistent and accurate message in these instances.

Objectives of communication

- ➢ Keep it simple so that everyone involved knows the aim, and their role.

- ➢ Promote a clear, shared understanding of the change process

- ➢ Gain commitment to the change process

- ➢ Minimise misunderstanding and misinformation

- ➢ Counteract unnecessary anxiety

- ➢ Reconfirm and entrench the purpose and reason for embarking on the project

- ➢ Create awareness and share understanding of the project vision, progress and impact

- ➢ Create awareness of the benefits of a successful implementation on the business

- ➢ Facilitate the change management process – i.e. begin the change in mindset

- ➢ Ensure that employees understand their role in turning the vision into reality

- ➢ Obtain business-wide participation and enrolment in the transformation process

Communication mediums

Verbal	Electronic	Written
- Presentations/briefing sessions	• Personal email to identified stakeholders	- Mail outs of important documentation
- Networking facilitation	• Possible list server	- Advertising
- Employees meetings	• Internet/intranet including:	- Pamphlets and brochures
- Seminars/workshops	o Online forums	- Information in operation newsletters etc
- Stakeholder consultation	o Fact sheets	
- Events	o Newsletter	
- Launches	o Web sharing of ongoing project planning by	

- Social gatherings - Visitation programs	internal and external stakeholder • Fax stream etc	

Consultation

The purpose of consultation with interested and affected parties within the change context, is to ensure buy-in and commitment to the project. Appropriate time and effort should be spent to consult with stakeholders. A well thought through communication plan should be implemented to ensure proper consultation. Below is a diagram to assist in the development of a good consultation plan:

```
┌────────────────────────────┐        ┌────────────────────────────┐
│ Assess change impact        │        │ Present first proposal to   │
│ against:                    │        │ the business                │
│ Structure                   │  ┄┄┄┄> │  Request counter proposals  │
│ Processes                   │        │ Discuss and agree window    │
│ People                      │        │ period                      │
│ Systems                     │        │                             │
└────────────┬───────────────┘        └────────────┬───────────────┘
             │                                      │
             ▼                                      ▼
┌────────────────────────────┐        ┌────────────────────────────┐
│ Determine:                  │        │ Consider each counter       │
│ Target population           │        │ proposal                    │
│ Impact on roles             │        │ Written feedback to be      │
│ Impact on skills            │        │ issued to each party        │
│ Impact on numbers           │        │ stating reasons for use or  │
│                             │        │ non use                     │
└────────────┬───────────────┘        └────────────┬───────────────┘
             │                                      │
             ▼                                      ▼
┌────────────────────────────┐        ┌────────────────────────────┐
│ Capture all people related  │        │ Present final state to      │
│ data:                       │        │ business                    │
│ Performance ratings         │        │ Detail the action plan      │
│ Potential ratings           │        │ Include dates and role and  │
│ Time in role                │        │ responsibilities            │
│ Service                     │        │                             │
└────────────┬───────────────┘        └────────────┬───────────────┘
             │                                      │
             ▼                                      ▼
┌────────────────────────────┐        ┌────────────────────────────┐
│                             │        │ Communicate each step       │
│                             │        │ directed towards achieving  │
│ Explore all IR scenarios    │ ┄┄┄┄┄  │ the final state             │
│                             │        │ Reinforce "new" behaviour   │
│                             │        │ to anchor the change        │
└────────────────────────────┘        └────────────────────────────┘
```

Step 5: Transition/Contingency management *(Risk assessment)*

This involves planning the shift from the current state to the future state and the impact on people, processes and systems. In short when do you stop old practices and begin with new?

- In between period, old habits no longer have a place and new ones have not yet been assimilated
- Transition towards new habits triggers 2 independent processes – Endings and Beginnings (module 2)
- Detail the migration of people, processes and systems
- Ensure contingency plans are in place

In planning for the transition a critical component is building contingency plans. *A template is provided in Annexure B of this Learner Guide.*

Step 6: Training

In order to ensure that planned changes affecting business processes are successful, a Training Plan should be developed. This plan should identify:

- Which groups or individuals require training;
- What are the training requirements;
- How, where and when it will be delivered; and
- Who will deliver the training?

See template for the training plan in Annexure C

Objectives of training

- Ensure understanding of the new process and supporting system
- Ensure that people in new and changed roles have the competency to successfully execute transactions
- Ensure a smooth transition from the "old" system to the new system
- Ensure learners understand that the system/process change is not complicated.
- To eradicate any negative impact on productivity through the implementation of a new system/process
- Training must meet the desired needs and must be sustainable

Guiding principles

- Training will be required in all areas that are changed or new due to the system implementation
- Training will be role based
- All training developed will be so based on an identified super user

> Training needs will be identified during the implementation phase of the project.

Critical success factors

> Design the training program to provide learners with the specific knowledge and skills necessary to effectively perform their work
> The training material designed must be sustainable into the future
> Support for users must be detailed for the intensive care period

Step 7: Keep track of time

It is important in any change initiative to map out the timelines for the stakeholders. In order to do this you need to generate a change map that highlights key milestones against each supporting process of change management.

This picture is helpful in preparing people for change i.e. the future state and more importantly managing expectations.

An example of a change map is detailed below:

Example of a change map
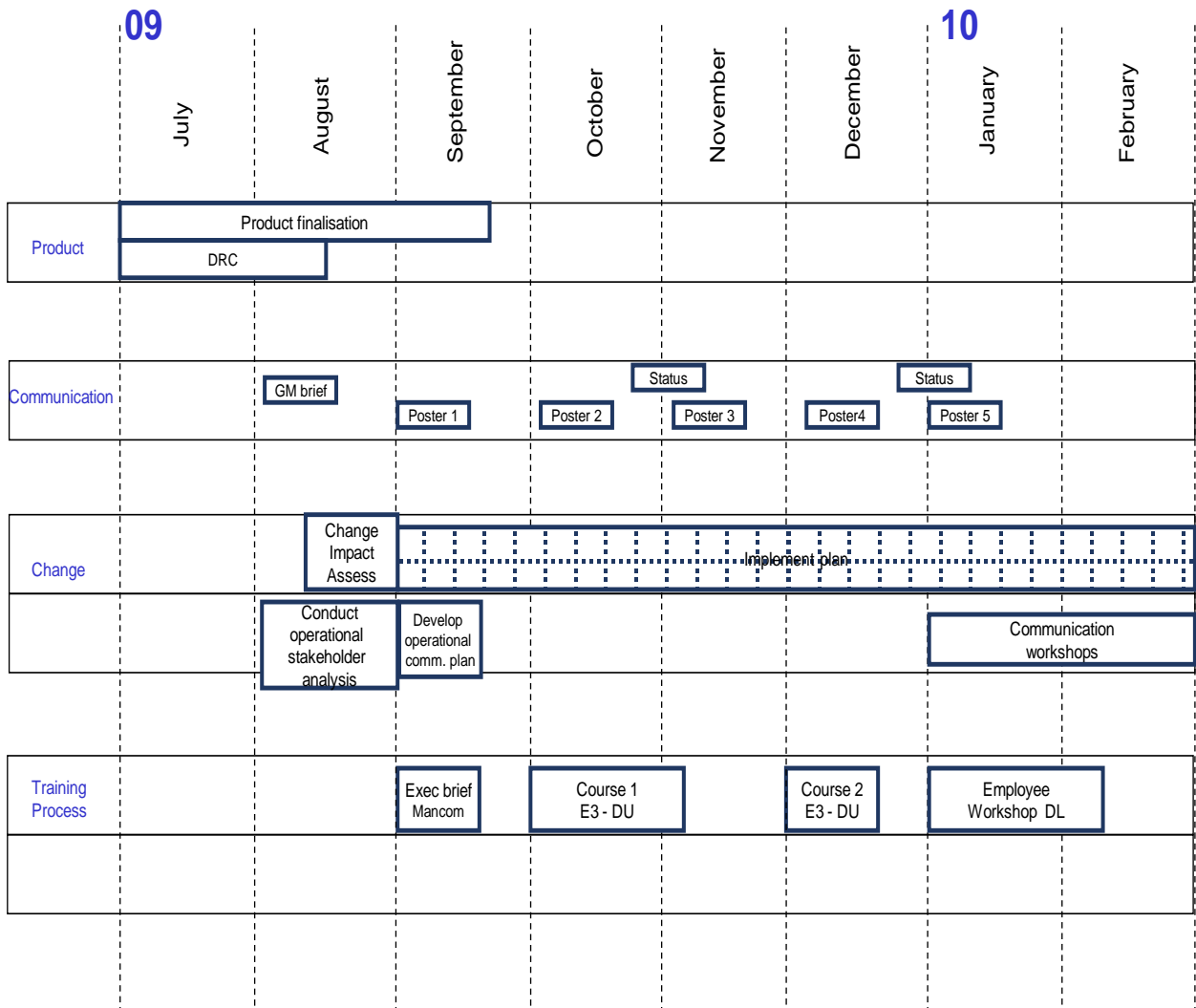
Step 8: Anchoring Changes

The anchoring phase of the project is the most critical because at this point the change either becomes sustainable or the business resorts to the "old" way of doing things.

- Reinforce changes to sustain momentum

- Create and sustain momentum through visible improvements and rewards

- Translate improved performance to operational benefits

- Communicate project success

- Update Key Performance Areas

- Post implementation interview

- Workshop operational learning points to create a continuous improvement cycle.

Group Formative Exercise 3A: Case Study

Time Frame: 90 min

Summative Exercise S3

Time Frame: 58 hours

Annexure A

EXAMPLE: STAKEHOLDER COMMUNICATION PLAN

Title	Objective	Audience	Date	Responsibility	Status
GM brief	State the business case for change.				
	High level timeline				
	Contact details of operational change agents				
Newsletter	Introduce project				
	Operational sponsor role and contact details				
	Project contact details				
	High level timeline				
Employee/union workshop	Re-iterate business case				
	Detail proposed changes				
	Gauge expectations, frustrations, concerns				
Feedback/action plan from workshop	Discuss action plan				
	Agree roles and responsibilities				
Line impact workshop	Set business case				
	Detail proposed changes				
	Gauge expectations, frustrations, concerns				
Feedback/action plan from workshop	Discuss action plan				
	Agree roles and responsibilities				
Roles and responsibilities workshop	Discuss the new way of work				

	Discuss and agree new roles and responsibilities				

Payroll changes	Detail changes to employees				
	"How does it affect me?"				

Annexure B

	Issue	Risk	Rate Risk	Contingency	Date	Responsibility	Status
People							
Structure							
Process							
System							

CIN: 11200   Version: 001   Date: 2020/10/26

Annexure C

Template: Training Plan

Name	Role	Training Required	Date	Venue	Time

Annexure D

Activity: Assessing an organisation's readiness for change

Complete the following exercise to assess a company that you worked for or are familiar with that undertook a change effort:

Instructions:

Enter the number that best represents your opinions about the company being evaluated in the space provided after each question.

3 = Yes   2 = Somewhat   1 = No

_____ 1. Is a senior-level executive sponsoring the change effort, e.g. CEO?

_____ 2. Are all levels of management committed to the change?

_____ 3. Does the organisational culture encourage risk-taking?

_____ 4. Does the organisational culture encourage and reward continuous improvement?

_____ 5. Has senior management clearly articulated the need for change?

_____ 6. Has senior management presented a clear vision of a positive future?

_____ 7. Does the organisation use specific measures to assess business performance?

_____ 8. Does the change effort support other major activities going on in the organisation?

_____ 9. Has the organisation benchmarked itself against world-class companies?

_____ 10. Do all employees understand customers' needs?

_____ 11. Does the organisation reward individuals and/or teams for being innovative and for looking for root causes of organisational problems?

_____ 12. Is the organisation flexible and cooperative?

_____ 13. Does management effectively communicate with all levels of the organisation?

_____ 14. Has the organisation successfully implemented other change programmes?

_____ 15. Do employees take personal responsibility for their behaviour?

_____ 16. Does the organisation make decisions quickly?

Total score: _____

Arbitrary norms:

40 – 48 = High readiness for change

 24 – 39 = Moderate readiness for change

16 – 23 = Low readiness for change

Source: Kreitner et al (1999:597

Annexure E

<u>Change Agent Evaluation</u>

Tick next to the statement that applies to the roles the change agent should play in this particular change process

A change agent

- ➢ Advocates change; speaks up against the status quo
- ➢ Is highly future-oriented, always see the future as different from the past
- ➢ Likes to take new paths to reach unchartered territory
- ➢ Is passionately convinced about what he or she does
- ➢ Looks at change as an opportunity
- ➢ Is part of a very influential minority
- ➢ Does not get discouraged easily
- ➢ Has a broad perspective, makes lots of connections
- ➢ Listens very well; is listened to
- ➢ Has the courage to guess and to trust his or her intuition
- ➢ Has influence beyond his or her place in the organisation; is not limited by
- ➢ Position
- ➢ Has little respect for status in its own right.

Source: Firth [2:167].

ANNEXURE F: SWOT Analysis Template

State what you are assessing here _____

criteria examples	**strengths**	**weaknesses**	**criteria examples**
Advantages of proposition?			Disadvantages of proposition?
Capabilities?			Gaps in capabilities?
Competitive advantages?			Lack of competitive strength?
USP's (unique selling points)?			Reputation, presence and reach?
Resources, Assets, People?			Financials?
Experience, knowledge, data?			Own known vulnerabilities?
Financial reserves, likely returns?			Timescales, deadlines and pressures?
Marketing - reach, distribution, awareness?			Cashflow, start-up cash-drain?
Innovative aspects?			Continuity, supply chain robustness?

criteria examples	**opportunities**	**threats**	**criteria examples**
Market developments?			Political effects?
Competitors' vulnerabilities?			Legislative effects?
Industry or lifestyle trends?			Environmental effects?
Technology development and innovation?			IT developments?
Global influences?			Competitor intentions - various?
New markets, vertical, horizontal?			Market demand?
Niche target markets?			New technologies, services, ideas?
Geographical, export, import?			Vital contracts and partners?
New USP's?			Sustaining internal capabilities?
			Obstacles faced?

PART 4

<div style="border: 2px solid black; background-color: #e0e0e0; text-align: center; padding: 40px;">

Module 1:

The Problem-Solving Process

</div>

Unit Standard	
252026	**Apply the systems approach to decision making**

Specific Outcomes
SO1: Apply critical and analytical skills to analyse an issue or problem
SO2: Engage with stakeholders in analysing the issue/problem and developing

Learning Outcomes
• Assumptions to Problem Solving
• Approaches to Problem Solving
• Definitions of Problem Solving
• Problem Solving model
• Problem Solving as a participative process

Critical Cross-field Outcomes	
• Identifying	• Communicating
• Working	• Science
• Organising	• Demonstrating
• Collecting	• Contributing

Introduction

When we are faced with a problem we think about it for a few minutes, weigh up the facts and then make a decision. This is indeed what people do a thousand times every day. The speed with which we make decisions can give the impression that problem solving is an event, when it is in fact a process.

Most problems are relatively simple and unimportant.

A key step emphasised in this course is **writing out the problem**! It is amazing what a simple thing like writing down information can do to increase your success with problem solving. You do not always have a clipboard in your hand. But whenever you have a problem, begin by taking a minute to make the problem "visible" in writing.

Visibility does several things:

- If a problem solving process is taking place only in your mind, no one can help you! Others are kept from pointing out oversights, errors or faulty assumptions.
- If you do not make your thinking visible, you do not have a reliable way to review how you attempted to solve a problem – and therefore to learn from your mistakes.
- Writing down the problem will help you see the whole problem rather than just some parts and pieces of it.
- Part of your job as a leader is to help your people develop. You may be an outstanding problem solver. But if you cannot make what you think visible, how can you teach?
- In a team meeting, visibility will help keep your group on track and focused on the problem at hand.

Assumptions of Problem Solving

What are the seven assumptions to problem solving?

	Assumption
1.	Problems are part of life: mastering the process does not mean that problems no longer occur in an individual's life.
2.	Problem solving is not always a linear process bound by western culture.
3.	Problems often have more than one solution.
4.	Self-determination is a key to client satisfaction and problem resolution.
5.	Problem solving is learnt.
6.	Empowering people to solve present and future problems leads to both immediate and long-term benefits.
7.	The problem solving process may be interrupted or incomplete, personal and environmental factors, as well as changing life circumstances may prevent movement through the process.

Approaches to Problem Solving

Individuals and organisations deal with problems in different ways. Let's describe what is believed to be the five most prevalent approaches to problem solving.

Reactive	This approach has frequently achieved an acceptable degree of success and do not want the status quo disturbed. They cling to the old way and are suspicious of change in both social and technical systems, no matter how great the apparent need.
Inactive	Acting in this approach problems are dealt with by attempting to ignore them. These organisations achieve a limited degree of success.

Proactive	These people try to predict the problems they will have to face and to prepare solutions in advance. They do this to get a jump on both the problem and their competition.
Interactive	This approach sees problems as an avenue to both organisational and individual development and therefore treats them as an opportunity. Rather than attempting to predict future problems and preparing for their arrival, such organisations solve current problems in a way that avoids future ones.
Hyperactive	These people do best in crises situations. Rather than ignoring or regulating problems they are good at creating them.

The systems approach to problem solving

To fully understand the systems approach, it is best to contrast it against the analytical approach, which could be seen as opposites. The analytical approach separates and dissects each individual part of a problem; whereas the systems approach looks at the interrelatedness of the parts, ie how they interact with each other.

The benefits of using the systems approach in problem solving are:

- It helps to see the bigger picture with complex problems
- Recurring problems are linked, not isolated
- Problems that influence the external environment are looked at holistically
- Problems which do not have obvious solutions are regarded more holistically

Littlejohn, 1999 developed the following diagram explaining the systems approach:

Environment		Environment		Environment

```
  ┌─────────┐         ┌──────────────────┐        ┌─────────┐
  │  Input  │   ──▶   │     PROCESS      │  ──▶   │ Output  │
  │"Problem"│         │"Applying the tools"│      │"Solution"│
  └─────────┘         └──────────────────┘        └─────────┘
       ▲                                                │
       │          Feedback   "Evaluation"               │
       └────────────────────────────────────────────────┘
```

Environment		Environment		Environment
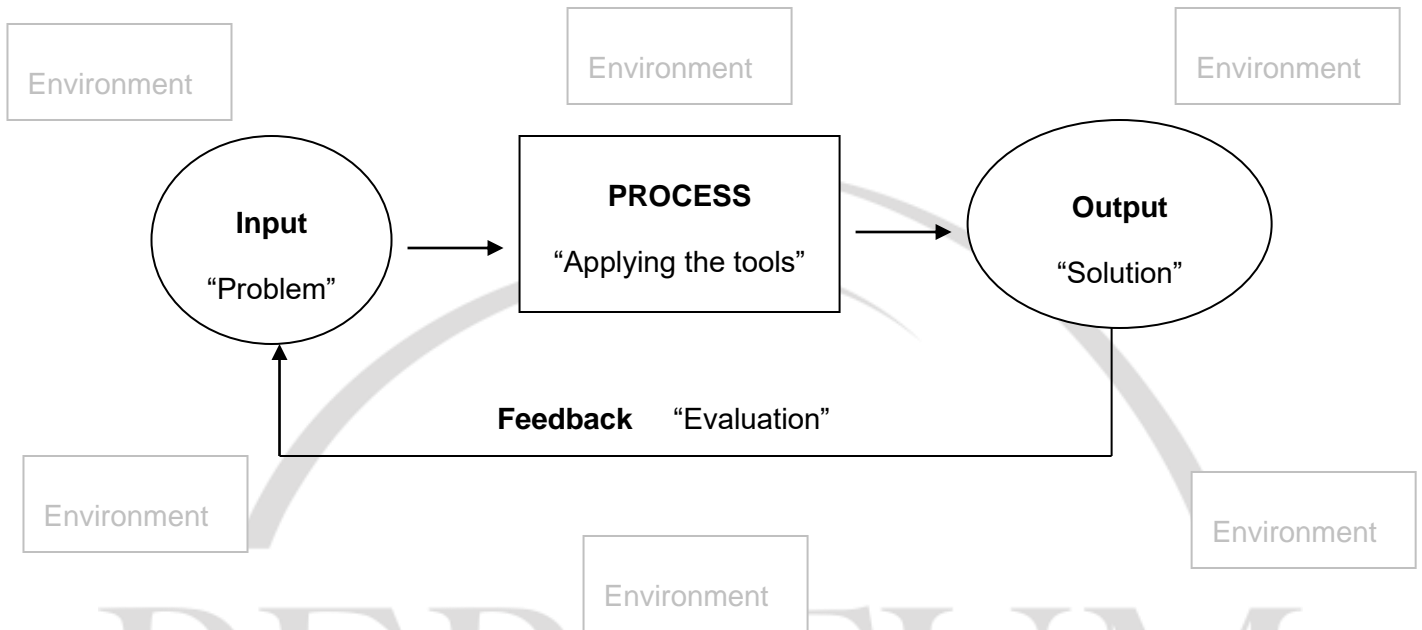
Definitions of Problem Solving

That problem solving is a process.

It is an orderly way of thinking and planning (systematically and logically).

It proceeds through stages or steps.

Is problem solving a process? Let's take a look at what different authors have to say about problem solving:

Author	Steps / Stages
Austin, Kopp and Smith	Clarify the problem and obtain information.
	Set goals.
	Generate alternatives.
	Plan and organise for action.
	Evaluate progress.
	Follow up on action.
Eriksson	Identify the problem.
	Set goals.
	Establish priorities.
	Gather data.
	Assess alternatives.
	Develop a program.
	Evaluate.
King	Identify need.
	Plan the project.
	Collect facts.
	Analyse data.
	Develop alternatives.
	Present recommendations.

Proposed Problem Solving Model

For the purpose of this course, we propose the following problem-solving model:

Assess the problem

Identify solutions

Plan and implement solutions

Evaluate the result

Step 1: Assessment	Step 3: Plan and Implementation Solution
Become aware of the problem	Plan for implantation
Gather information about the problem	Identify potential barriers
Identify the real problem / root cause	Identify potential consequences
Formulate the problem and alternative statements	Implement solution
Look for the obvious	Monitor to determine effectiveness and what should be changed or corrected
Step 2: Find Solutions	**Step 4: Evaluate Outcome**
Identify alternative solutions	Has the problem been solved?
Gather information about solutions	Has the goal been reached?
Choose the most effective solution	You learn from experience – both from mistakes and successes

Problem assessment is the most critical step in effective problem solving. In the following two learning units we will have an in-depth look at problem assessment.

Participative problem solving

In order to ensure buy-in from all stakeholders, participation from step one is essential. The participative approach will give you more pro's than cons.

- In most cases the employee at ground level has a better understanding of day to day issues in the workplace than the manager. In many cases managers have overlooked a minor detail in the problem solving process which had major ramifications.

- Synergy refers to the phenomenon that a group will always come up with a better answer that the individual.

- The buy in and co-operation from the group is much better if they have been involved from the start.

- The group ensures that the problem are viewed from different perspectives, value systems and ideologies.

Steps in participative problem solving and decision making

The crux of the problem solving process, is to involve all stakeholders from the word go! It is however sometimes a 'which was first – the chicken or the egg?' matter. If you do not know what the problem is, you might not be able to identify stakeholders. If you do not identify stakeholders before identifying the problem, you might be working on the wrong problem! In deciding when to engage with stakeholders, the answer is always as soon as possible.

- Identify the problem

- Identify the stakeholders

- Explain the purpose and the process to be followed to the stakeholders

- Obtain participation in every step of the problem solving and decision making process

- Ensure that all stakeholder's ideas, values and perspectives are recognised and respected during the whole process

- Ensure that all stakeholders receive clear communication on the outcome and responsibilities

- Keep updating all stakeholders on progress with implementing solutions.

Module 2:

Define the problem

Unit Standard	
252026	Apply a systems approach to decision making

Specific Outcomes

SO1: Apply critical and analytical skills to analyse an issue or problem

- Critical and analytical skills are applied to analyse and define an issue/problem affecting the functioning of a unit.

- Critical and analytical skills are applied to determine factors impacting on the issue/problem and other areas in a unit and the entity affected by the issue/problem.

Learning Outcomes

- Demonstrate an understanding of Situational Analysis as tool to define a problem

  o Write down the problem

  o Separate the problem in its related parts

  o Distinguish between causes and results

  o Set priorities

  o Distinguish between problems, decisions, plans and new situations

Critical Cross-field Outcomes	
• Identifying	• Communicating
• Working	• Science
• Organising	• Demonstrating
• Collecting	• Contributing

Introduction

Accurate problem assessment is the most critical step in the effective problem solving process. During assessment a manager gathers all possible information about the problem to determine the real problem or root cause and formulate alternative problem statements. One of the most effective problem assessment techniques is called the "Situation Analysis".

Situation Analysis

Situation Analysis (SA) is a problem-solving tool that will help you break a large – even messy – situation down into manageable pieces. These pieces become the problems, decisions, plans and even new problem situations ("messes") to be analysed.
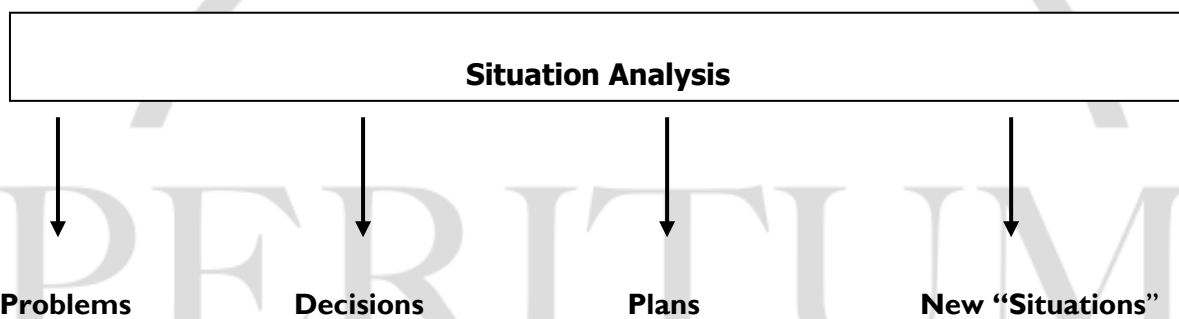
So when you have a problem that is big, complex, bulky and has lots of parts and pieces, it is probably the time for Situational Analysis. Issues such as high turnover, low morale, dirty facility or high cost are often called problems. Technically they are not problems at all, but statements about symptoms of problems. And for concerns like these, a good tool to reach for is Situation Analysis.

Let us take a messy situation and examine how Situation Analysis can be used to break it down.

"I just do not understand those leaders," thought Old Jake, a senior manager with ITA. "Back when I was a foreman, I mean foreperson; an employee took a lot of pride in the fact that he/she was a leader at the best organisation this side of the Mississippi. But now if morale were any worse, I would have to jack my people up with a hydraulic lift. They are grumbling and complaining worse than a bunch of workers who just got an across-the-board pay cut."

"Now, because I have been here longer than anyone else, the boss wants me to come up with some bright ideas to solve the morale problem. I do not even know where to start on this one. It is a real mess, because

so many things are causing the situation. Maybe it is because every time there is a dispute between a team leader and a worker, the team leaders get shot down by personnel."

"Of course, it could be that the team leaders just are not as tough as they used to be in my time. I mean, after all, we used to be called 'foreman'. We had respect! And it seems like the workers can sense when a foreman, I mean a 'team leader' is weak. And then they needle him/her constantly until something blows."

"The low morale might also be a result of some team leaders not being able to make that big transition from being a worker to being a leader. I have seen several like that. Tom is a good example; he is the most miserable human being I have ever seen. He loved doing what he was doing, and was good at it. Then he was promoted to leader, and now he cannot keep his hands off the equipment."

"Another problem is that there is so much pressure to get high production. A team leader who achieves high production gets a lot of recognition from everybody. But sometimes things happen outside a leader's control that hurts his/her production. Then we have got a morale problem."

"I do not know," thought Old Jake. "Maybe the problem of low morale is caused by the new 'work team' program. Delegating authority and responsibility to workers is fine – I am all for it. But it seems to me like the workers really were not ready for all that authority and responsibility. Now the team leaders are having fits trying to get their people to work together as a team, to take charge of their own goals and objectives, and at the same time keep up production. They are having meetings about having meetings! Why couldn't the organisation spend some of its money on giving the workers some training before dumping a new way of operating on them? It is crazy!"

"What a mess!" sighed Old Jake. "I am usually an optimistic kind of person. But things are not going well. Something needs to change."

Step 1 – Write the Problem down

The first step in using Situation Analysis is to make the problem statement visible. Write it down!

Low Team Leader Morale

Step 2 – Separate the Problem into its Related Parts

Separating the pieces of a problem allows you to focus your energy on those areas that mostly affect the initial problem – and at the same time let you see the problem as a whole. At this point, you do not have to analyse or conclude anything. Just jot down as many parts and pieces of the problem as you can think of. In the example, Old Jake would ask himself this question: "What are the things that make me think, 'we have got low team leader morale'?"

```
                        ┌─────────────────────┐
                        │ Workers are needling │
                        │ weak team members    │
                        └─────────────────────┘

┌──────────────────┐                              ┌──────────────────┐
│ Team leaders do  │                              │ Team leaders are │
│ not feel supported│          ╭──────────╮       │ grumbling and    │
│ by personnel     │          │ Low Team  │       │ complaining      │
└──────────────────┘          │           │       └──────────────────┘
                              │ Leader Morale│
┌──────────────────┐          ╰──────────╯       ┌──────────────────┐
│ Some leaders are │                              │ Difficulty in    │
│ miserable as team│                              │ implementing the │
│ leaders          │                              │ work team concept│
└──────────────────┘                              └──────────────────┘

                        ┌─────────────────────┐
                        │ No recognition       │
                        │ when uncontrollable  │
                        │ factors reduce       │
                        │ production           │
                        └─────────────────────┘
```
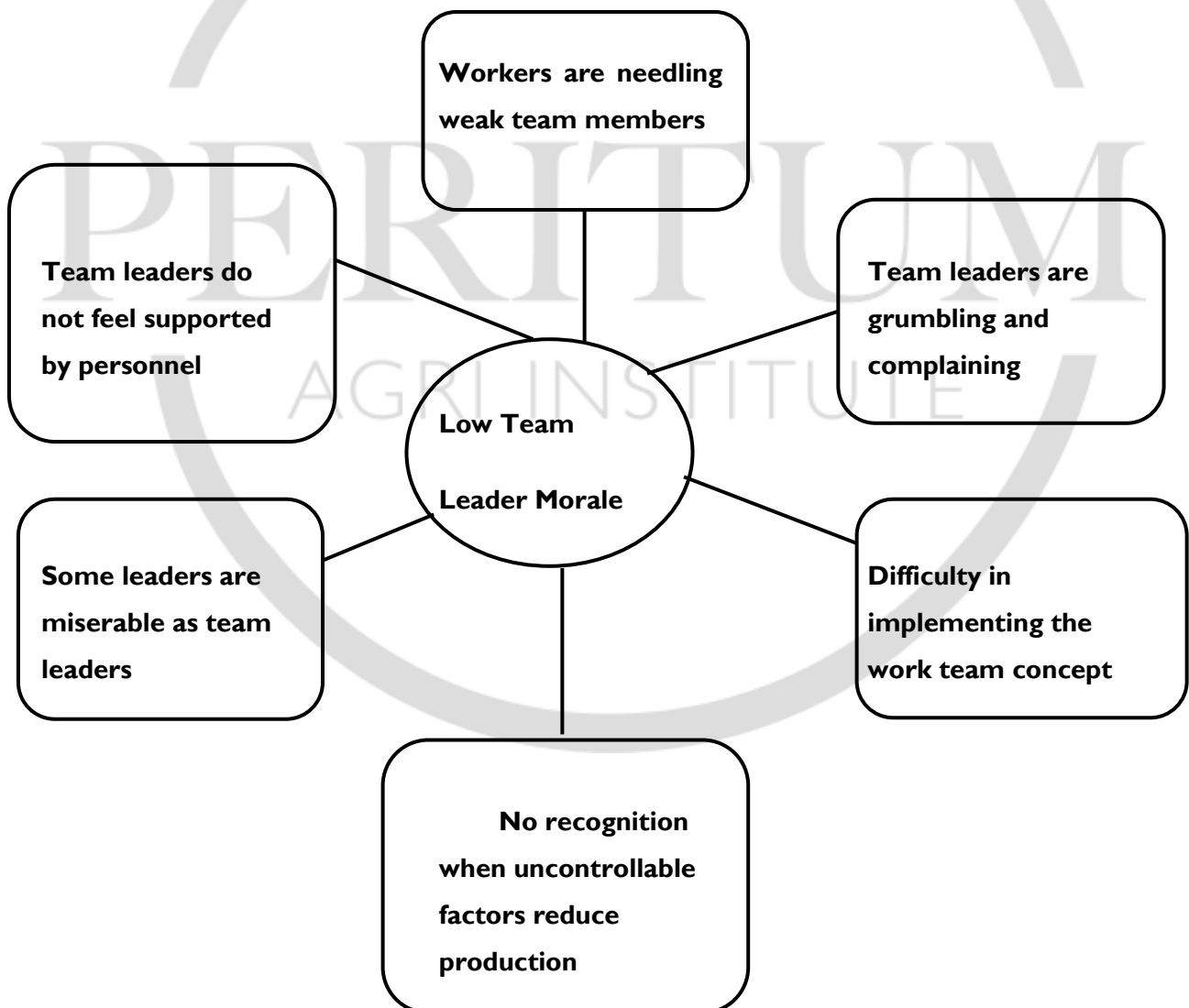
Step 3 – Determine which parts of the Problem are Probable Causes and which are Probable Results

In Step 3, decide which of the separate pieces are causes and which are results of causes. To fix a mess, you must attack the causes, not the results. When four people who work for you suddenly quit their jobs, you do have to replace the people. But you do not stop there! In order to fix the cause of the problem, you must find out why they quit. You have not solved the real problem just by replacing the employees. So when you analyse a messy situation, you need to determine the probable causes – and first take action on them, not on the results.

You can indicate a probable cause by drawing an arrow pointing towards the problem situation and a probable result with an arrow pointing away from the problem. Then cross out the "results" and focus your energies on the causes. Here is an example:

Workers are needling weak team members

Result

Team leaders do not feel supported by personnel

Team leaders are grumbling and complaining

Low Team Leader Morale

Some leaders are miserable as team leaders

Difficulty in implementing the work team concept
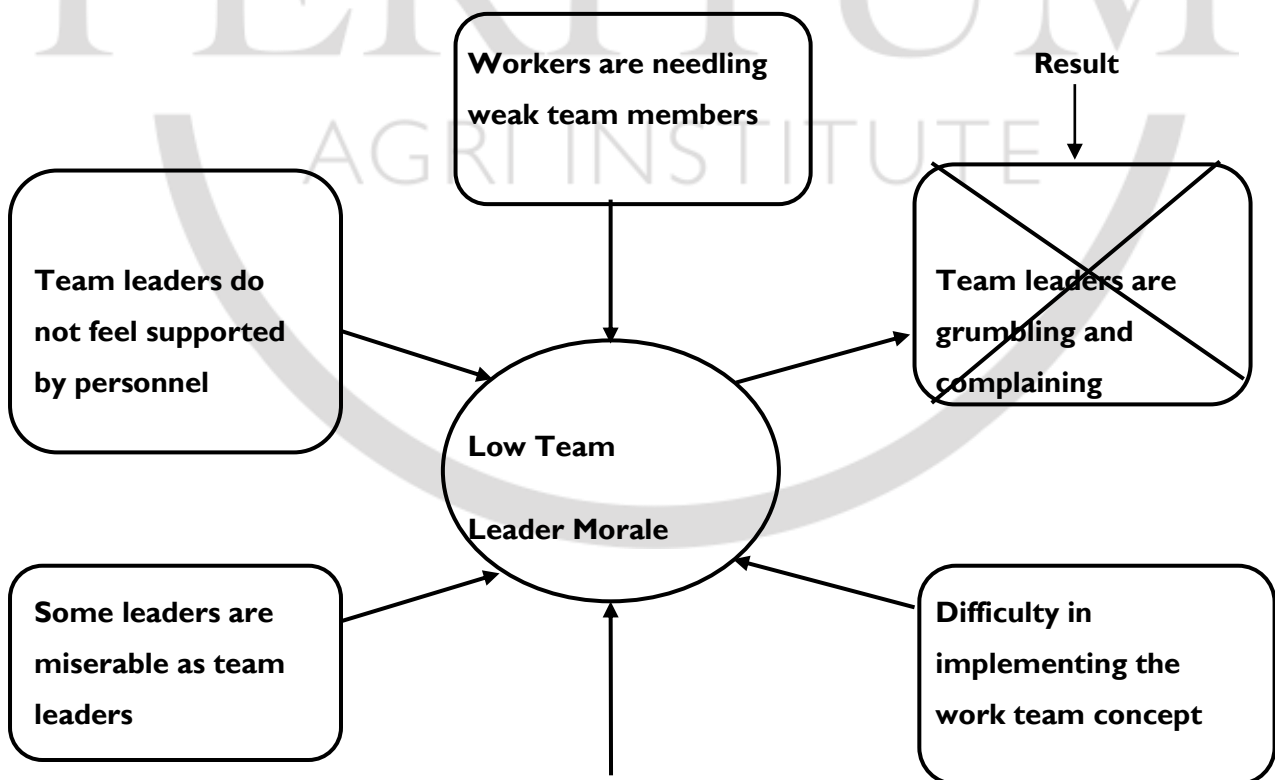
No recognition when
uncontrollable factors
reduce production

The team leader's grumbling and complaining is probably a result of low team leader morale and should be "axed" out. If a piece of the situation seems to be both a probable cause and a probable result, treat it as a probable cause.

Step 4 – Set Priorities

Many problems have a number of related causes, some major and some minor. To be effective, you need to devote your time to the major causes that can be changed. With today's tight schedules, you simply do not have time to do everything. Therefore, fix the things that matter most by making them visible components, determining causes and results – and then assigning priorities only to the causes.

A simple way to assign priorities is to use the categories of "Seriousness", "Urgency" and "Growth". Rate each suspected cause as having a high (H), medium (M) or low (L) degree of (1) seriousness (2) urgency and (3) growth.

Seriousness:

- How serious is this cause in relation to the other causes?
- How big is it?
- How bad is it?
- How frequently is it occurring?
- Money wise, how important is this part of the problem?

Urgency:

- Do I have to drop everything else and take care of this today?
- Can I do it just as well next week?
- Can this part of the problem wait until next month?

Growth:

- If I do not take care of this cause now, will it get worse?

- Will it soon spread out of control?
- Does it have a growing financial impact?

Old Jake finds that he can now analyse his problem fairly easily by using the "Seriousness/ Urgency/Growth" (S.U.G.) system to rate each cause. It seems to work best to rate the "Seriousness" of each cause first, then the "Urgency" and finally the rate of "Growth".

Here is what his chart looks like now.

Seriousness

Urgency

Growth

L M L

Workers are needling weak team members

Result

M L L

Team leaders do not feel supported by personnel

Team leaders are grumbling and complaining

Low Team Leader Morale

Some leaders are miserable as team leaders

Difficulty in implementing the work team concept

L M L

No recognition when uncontrollable factors reduce production

H M M
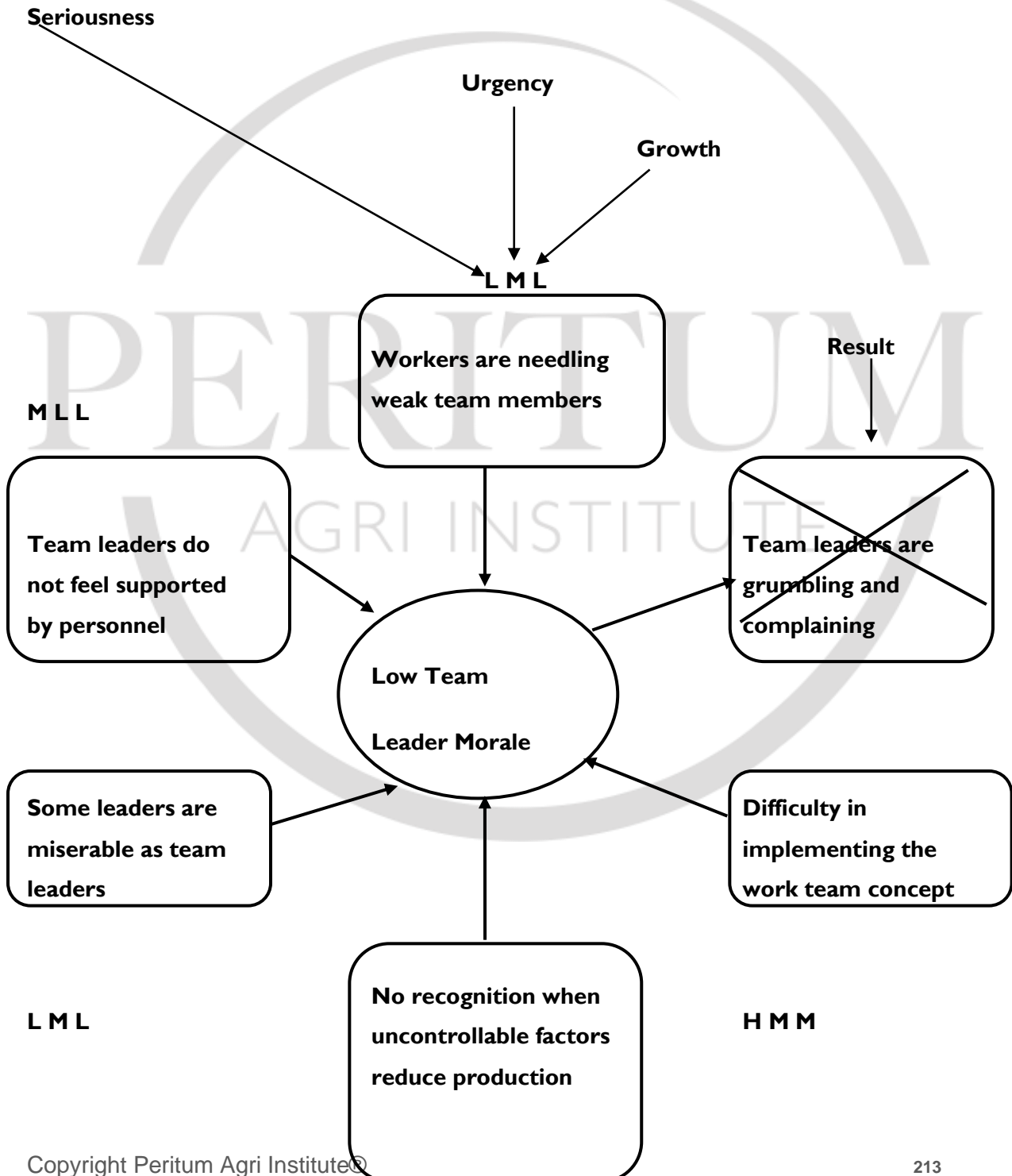
At this point, note that Old Jake rates two parts of his problem as "high" in seriousness: "No recognition when uncontrollable factors reduce production" and "Difficulty in implementing the work team concept". But his urgency rating for these two causes was not "high", but "low" and "medium", respectively. You may feel that if the seriousness of a problem is high, then the urgency must be high and thus the growth factor will also be high. But be careful not to allow a high seriousness rating influence your ratings of urgency and growth. In Old Jake's case, "Difficulty in implementing the work team concept" was serious to him. But he also felt that the urgency of this cause was only medium and that the growth factor was also only medium.

Likewise, even though he rated "No recognition when uncontrollable factors reduce production" as high in seriousness, he rated it low in urgency. Jake's management needs to do something about this part of the problem. But realistically, it is not something that must be handled today – or even this week. In fact, it might be better to give this cause some time and solid thought before talking to management about it. Jake wisely rated this piece of the problem as low in growth. Yes, the problem is bad. But no, the problem is not likely to get any worse. It is probably as bad as it is ever going to be right now. Therefore, it has low growth potential.

Step 5 – Decide which of the Problem Causes are Problems, Decision, Plans or New Situations to be analysed

The final step in Situation Analysis is to analyse each of the major causes of the problem situation as follows:

Problems to be diagnosed: For example, "Difficulty in implementing the work team concept" may be a problem to Old Jake because he does not really know what the cause is. He thinks it might be lack of worker training. But that is only an assumption at this point. He needs to discover why the teams are not working out. Only when he determines why this is occurring is he ready to take some kind of action to address the problem.

Decisions that must be made: Jake knows why there is no recognition when uncontrollable factors reduce production. And since he knows the cause of this situation, his next step is to make some decisions about fixing it.

Plans to be implemented: Jake also knows why some leaders are miserable as team leaders. He even knows what needs to be done about it. But he feels that determining how to do what needs to be done will require some planning.

New problem situations: that must be further broken down. For instance, team leaders are not feeling supported by the personnel department may be a new situation to be analysed, with its own set of causes and results.

L M L (decision)

M L L (new SA)

Result

Workers are needling weak team members

Team leaders do not feel supported by personnel

Low Team Leader Morale

Team leaders are grumbling and complaining

Some leaders are miserable as team leaders

Difficulty in implementing the work team concept

L M L

H M M

No recognition when uncontrollable factors reduce production

H L L
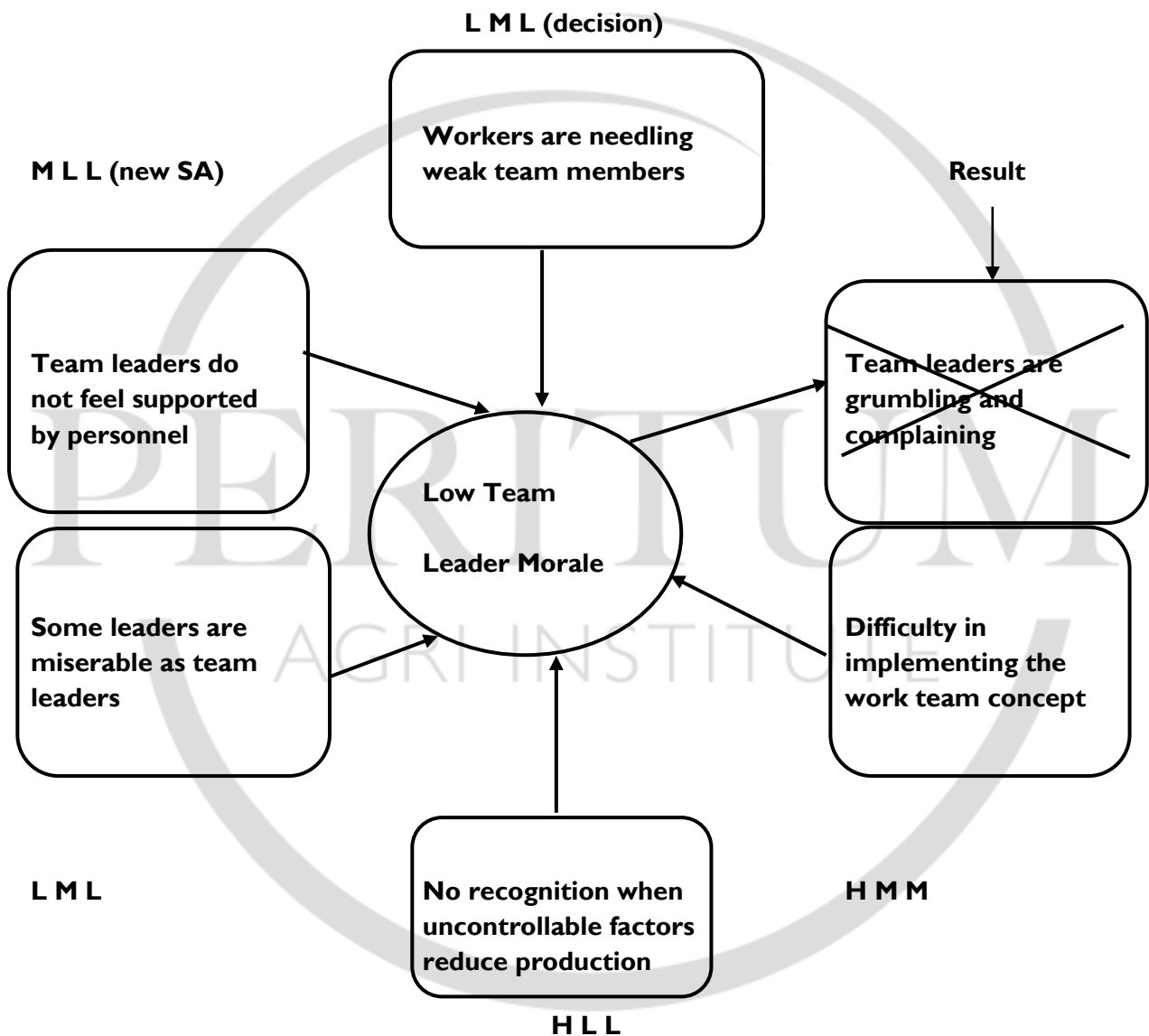
After you have analysed your problem using Situation Analysis, you are ready to devote your time to the high-priority causes. The SA tool will not hand you a predetermined solution to your problem. But it does help you with the key task of making the various parts of your problem visible, evaluating each part in a meaningful way and deciding where to focus your energy.

Each priority part of a Situation Analysis can be regarded as an opportunity – an opportunity to do something differently and better.

A Situation Analysis Work Sheet is provided for you to use to analyse your problem situations.

Situation Analysis Worksheet

Step	Action	
1.	Write down the problem.	
2.	Separate the problem into its related parts.	
3.	Determine which pieces are probable causes and which are results. Draw arrows into the centre for "cause", out for "results:	
4.	Assign S.U.G. priorities for each cause (H = High, M – Medium, L = Low)	
	Seriousness:	How bad? How big? How much money?
	Urgency:	Must it be taken care of today? Will next week be just as good?
	Growth:	Is the cause getting worse? Or is it already as bad as it is going to get?
5.	Label the major causes: "Problem", "Decision", "Plan" or "New Situation Analysis".	
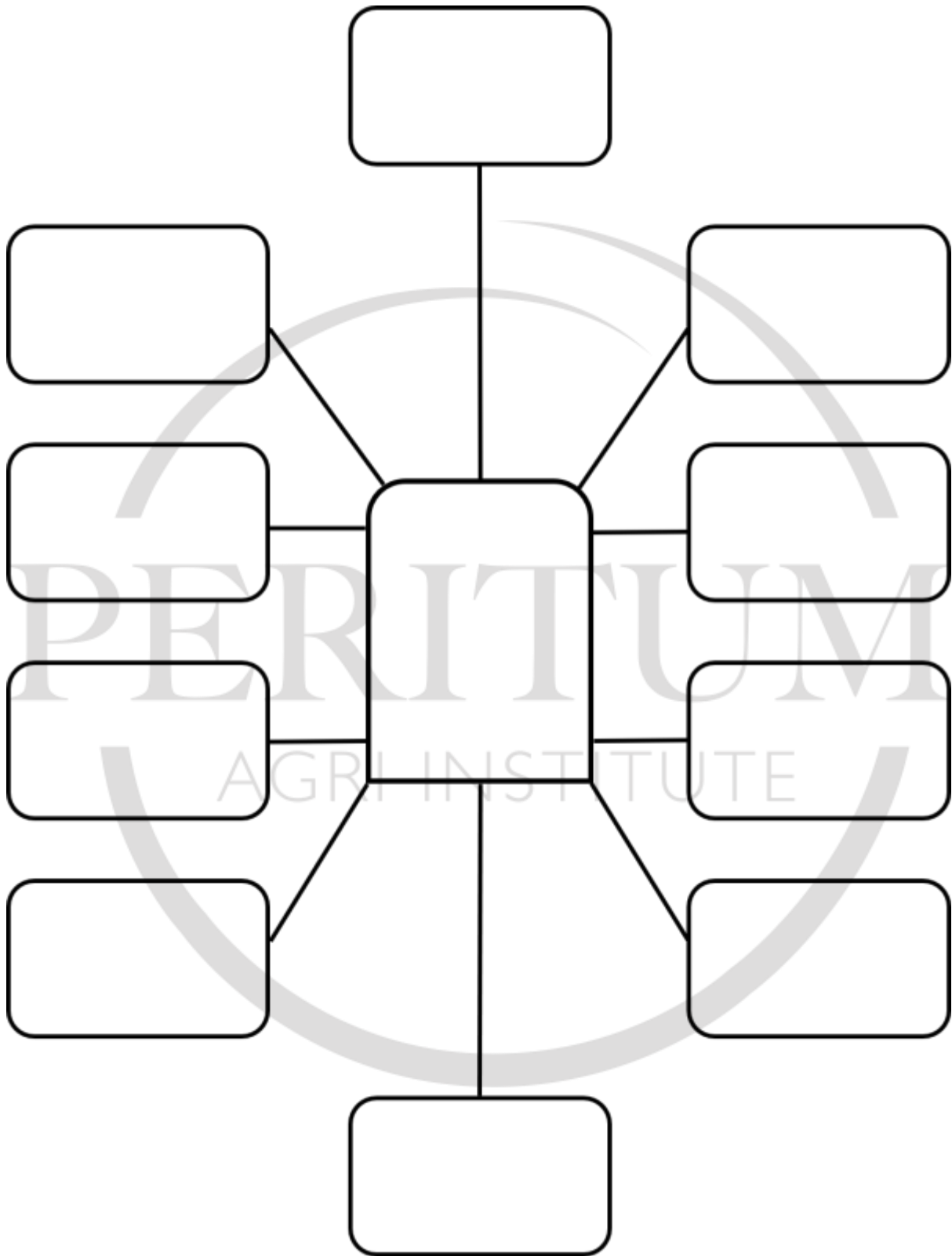
Module 3:

Diagnose Cause

Unit Standard	
252026	**Apply a systems approach to decision making**

Specific Outcomes

SO1: Apply critical and analytical skills to analyse an issue or problem

- Critical and analytical skills are applied to analyse and define an issue/problem affecting the functioning of a unit.

- Critical and analytical skills are applied to determine factors impacting on the issue/problem and other areas in a unit and the entity affected by the issue/problem.

Learning Outcomes

- Demonstrate an understanding to apply the seven steps method to diagnose the cause of a problem

Critical Cross-field Outcomes

• Identifying	• Communicating
• Working	• Science
• Organising	• Demonstrating
• Collecting	• Contributing

Introduction

When trying to remedy a problem, many people jump into action without thinking. They just cannot seem to help it: they want to be "doing" something – anything! In fact, taking action without thinking, no matter how unproductive, can become a way of life. Before, repeat, before you take action to solve a problem, look for causes. When you find the problem, fix the cause that is most clearly connected to the problem.

When you problem-solve, you are finding the cause of a problem: not analysing a situation, making a decision or implementing a plan.

You are problem-solving when:

- **You have a deviation from the standard.** Something should be happening, but it is not. It was supposed to happen, but it did not. It was not supposed to happen, but it did. All these are deviations from the standard.
- **You are uncertain about the cause of the problem.** If you already know the cause, then your next step is to make a decision by selecting the best way to fix the problem.
- **You are concerned about the problem.** If you see a deviation from the standard and you do not know for sure why it happened, but you are not really concerned about it, you have no problem.

Finding Causes for Problems

You can find the cause of a problem by following these seven steps:

Step 1: Develop a Specific Written Problem Statement

In writing out your problem statement, make it specific and in the negative. Write "poor morale in the data processing section" not just "poor morale". This not only helps pinpoint the problem, but also highlights what the real issue is.

Step 2: Ask "What, Where and When" the Problem is Occurring and "What, Where and When" the Problem is not Occurring

At times causes can be located more quickly if you clarify what is not the problem, as well as what is. The better you define the boundaries of a problem by specifying where the problem is not occurring, the easier it is to determine the most probable causes.

Also, in Step 2 ask: "What is the extent of the problem?" That is, how bad or serious is the problem? This information can keep you from developing a R500 solution to fix a R3.00 problem.

These "what, where, when and extent" questions help you locate and isolate the problem area and thus show you where to look for causes. An electronics technician calls it "troubleshooting"; a doctor calls it "diagnosing". You might say it is "working smarter, not harder".

For example, suppose you have a bad pain. Now what kinds of questions would your doctor ask before he/she says, "Take two aspirin and call me in the morning"? He or she might ask, "Where does it hurt? When does it bother you? When did you first notice it?" And "How much does it hurt?"

But good doctors do not stop there. They also ask questions about what the problem is not. For example, your doctor might ask, "Have you been experiencing pain anywhere else? Have you ever had this pain before?" and "When don't you notice the pain?"

From asking such questions, your doctor might discover that your problem is only in your right elbow and not any other part of your body. It hurts all day, not just at certain times of the day. The pain first started six weeks ago. And you did not have it before then, except when you were in high school.

Step 3: Closely Examine the Differences between Where and When the Problem is Occurring and Where and When it is not

If a problem exists in one area and not in another, the differences between the two areas can produce clues to help locate the cause. So you ask: "What particular differences exist between where the problem is occurring and where it is not occurring?" or "What is different about when the problem occurs and when it does not?"

In the example of the pain problem in Step 2 above, by specifying what, where, when and to what extent the problem is and is not occurring, the doctor is able to identify the particular differences. For example, your doctor might discover that you are right-handed and that you were a softball pitcher in high school. Then, by determining the peculiar differences between what, where and

when the problem is and is not, he/she is then able to look for changes in and around the differences.

Step 4: Look Carefully for Changes that have occurred in and Around the Environment of the Problem

Changes can cause problems. In fact, problems by definition are always caused by changes. Remember that problems where no change has occurred are not truly problems. They are decisions that must be made or plans that should be implemented. For example, guess what your doctor discovered you were doing with your child every night after supper for the past six weeks? Right! Your child joined the local little league baseball team and needed practice in catching.

Step 5: Develop "Probable Cause Statements" Concerning the Changes Discovered in Step 4 by Linking Each Change to the Problem

Every change will produce its own unique probable cause statement. In the example of elbow pain above, a probable cause statement could be:

"Pitching softball with my child each night after supper has resulted in tendonitis in my elbow."

Step 6: Test Each Probable Cause Statement Against all of the IS and IS NOT facts, in Order to Determine the Most Probable Cause

For example, your doctor might say:

"If it is tendonitis, would that account for the fact that the pain is in the right elbow and not the left?" YES

"Would it account for the fact that it hurts constantly, and not just certain times in the day?" YES

"That the pain first started six weeks ago and you never had it before except when you were a pitcher in high school?" YES

Since tendonitis checks out against the known set of facts, your doctor would then move to the next step – verifying that this really is the cause.

Step 7: Verify the Most Probable Cause to Make Sure it is the Real Cause

In this final step, your doctor can verify the cause of your pain by gently probing your elbow, or by taking X-rays.

Note that these seven steps of Problem-Solving are usually inexpensive. They involve only paper and pencil, mental analysis and sometimes phone calls to gather confirming information. Taking action to remedy the problem, of course, may involve financial commitment and many lost rands if you fail to follow the problem-solving process above.

Yet, many people start their problem-solving efforts by throwing money into an ill-conceived solution before thinking through the problem. They jump in with both feet to take action. Any action! They often end up spending much unnecessary time and money – and the problem still is not solved.

Diagnosing Cause Example

The following is an example of the seven-step process:

1. Problem Statement:				
2.	IS	IS NOT	3. Difference/ Distinctive features	4. Change
What?				
- Defect?				
- Object				
Where?				
When?				
Extent?				
5. Probable Causes:				
6. Test the Probable Causes Statements against the Initial Set of IS and IS NOT Facts.				

7.	**Verify the Most Probable Cause.**

Now let us illustrate the seven-step problem-solving technique with a real-life example:

The Case of the Rejected Promotion

Tom Swift, Director of Marketing, shook his head in amazement. Jean Williams, one of his best telephone salespersons, had just turned down a promotion to outside salesperson. Of course, it would have meant a move outside the close-knit telemarketing group, but the possibility of a substantial increase in salary would have been tempting. It would not have been so bad except that this was the second person, to turn down the position. Tom had asked Sue Atkinson first and after thinking it over, she said "no".

Tom has asked both of them why they turned down the promotion. Jean and Sue both had similar responses. Jean said that she was happy where she was and did not want the stress of taking on new responsibilities. "And besides," she said, "I really enjoy the relationships that I have established over the years with my customers." Sue similarly said that she enjoyed her work and the people she worked with and like Jean, said that she had made many friends with her customers and did not want to give them up.

A couple of years ago, Tom would have had to beat off outside sales applicants with a stick! Now, even though the opening had been posted for three weeks, not a single person had applied for it. Since there was a strong policy of promoting from within, it would be difficult to get approval to look outside the organisation for a salesperson. Other departments in the organisation had no problem finding applicants wishing promotions to other jobs.

"I do not know", thought Tom, "Maybe it's Betty." Betty had been Tom's outside sales manager for about three years, and had a reputation for being the toughest taskmaster in the organisation. Firm but fair was her motto. And was she firm! Betty set high goals and saw to it that her salespeople met them year after year. "Maybe that is the reason I cannot get anybody to take this job," Tom thought. "Betty is just too hard to work for. She is not like Bill, the old manager who retired. He was a great leader and his people really liked him."

"Of course," Tom reflected, "it might be the telemarketers are afraid to make sales calls in person. Making sales calls face-to-face is a whole lot different than talking on the telephone. In some ways it is actually

easier. You can see the customer's non-verbals and respond to them. As a result, our outside salespeople's call-to-sales-ratio is better than the telemarketers."

"But in other ways it is harder to make calls in person. I think the salesperson feels rejection more keenly in a face-to-face situation than on the phone. Since neither Jean nor Sue has ever done this, they may just be afraid to face rejection in person."

"Also, an outside salesperson usually works alone. The telemarketers do work alone on the phone, but they have lots of opportunities to talk with each other during the day."

"The other big difference between in-person and telemarketing sales is the amount of time required on the job," mused Tom. "Sure, the outside people make more sales and as a result make more money. But it is definitely not a nine-to-five job like telemarketing. They spend more evening and weekend time preparing for their calls. And they leave home earlier and usually get back later."

"But neither Jean nor Sue has a family, so the extra time should not be that much of a problem – considering how much better the money is. Besides, Sue said she would like to be considered for the telemarketing leader's job if it ever opens up and that is definitely not a nine-to-five job!"

"I just do not know what the problem is," thought Tom. "I do know that the telemarketers feel really good about working together. Ever since last year when we did those three team-building training workshops with the telemarketers as a pilot program, they have gotten along so much better. They are such good friends. And it is great to see the way they support each other."

Tom knew that his boss was going to ask him at the afternoon manager's meeting how he was doing filling the outside sales job. At this point, Tom did not know what to say. "I do not want to jump to conclusions or do anything until I really know what is causing this problem," Tom thought. "But I bet it is Betty. Maybe I should think about what I can do to help her become a more congenial supervisor to work for."

As we examine the above example, we can see many possible reasons why the two telemarketers turned down this promotional opportunity: A tough supervisor, more responsibility, working alone without a support group, extra time required in an outside sales job and fear of face-to-face rejection. As with most actual cases, there are a number of possible causes and each cause requires a different solution. If action is taken on the wrong cause, not only will the problem not be solved, but there is a chance of making the problem worse.

So, Tom's first job is to get paper and pencil and write out a problem statement. He writes:

Step 1: "Two telemarketers have turned down a promotion to outside salesperson."

Step 2: He lists what the problem is; followed by where, when and to what extent it is occurring, as follows:

2. The problem is:			
What: Telemarketers refusing promotion Promotion to outside salesperson			
Where: Telemarketing department			
When: Now			
Extent: Serious – two people rejected promotion No applicants			

After Tom has written down what the problem is and where, when and to what extent the problem IS occurring, he next describes the what, where, when and extent to which the problem IS NOT occurring.

2. The problem IS:	The problem IS NOT:		
What:			

Telemarketers refusing promotion Promotion to outside salesperson	Telemarketers job Promotion within telemarketing department		
Where: Telemarketing department	Other departments		
When: Now	Prior to two years ago		
Extent: Serious – two people rejected promotion No applicants	OK (the two telemarketers acceptance of a promotion) A number of applicants		

Step 3: Tom determines the difference between the situation in which the problem is occurring and where it does not exist. That is, what factors are connected with the problem situations that are not present where there is not this problem? Thus Tom notes the factors in the "Difference" column:

1. **"**Two telemarketers have turned down a promotion to outside salesperson."

2. **The problem IS:**	**The problem IS NOT:**	3. **Difference**	
What: Telemarketers refusing promotion	Telemarketers job Promotion within	Responsibility - hours Established customer	

Promotion to outside salesperson	telemarketing department	relationships Betty, the boss	
Where: Telemarketing department	Other departments	Team-building training	
When: Now	Prior to two years ago		
Extent: Serious – two people rejected promotion No applicants	OK (the two telemarketers acceptance of a promotion) A number of applicants		

Note that the "Difference" column may and often will, be left blank in some of the rows (the Extent rows in this example). Also note that in solving real problems, there may be many differences between what the problem is and what it is not. Only list those factors (differences) that have a direct bearing on the problem. For example, a key difference between the "telemarketers refusing promotions" and "telemarketers' (present) job" is that the promotion involves an increase in salary. But it does not make sense that someone would turn down a promotion to a new job because it pays more. Thus, even though "money" is a major difference between these two positions, it is not listed in the "Difference" column because it is not likely to be a cause of the telemarketers' refusing a promotion to outside sales.

In addition, note that the difference, "Betty, the boss," could have been written twice: once as shown adjacent to the set of "is" and "is not" facts, "Promotion to outside salesperson" and "Promotion within telemarketing department;" and once as the first set of "What" is and is not facts, "telemarketers refusing promotion" and "employees in other departments refusing promotions". Once you have "captured" a major difference on the grid, it is not necessary to rewrite it in other rows.

Step 4: Is to look carefully for changes that have taken place or would take place that might affect the thinking of the telemarketers concerning the promotion. So Tom wrote in the changes in column four.

1. "Two telemarketers have turned down a promotion to outside salesperson."

2. The problem IS:	The problem IS NOT:	3. Difference	4. Change
What: Telemarketers refusing promotion Promotion to outside salesperson	Telemarketers job Promotion within telemarketing department	Responsibility - hours Established customer relationships Betty, the boss	Greater responsibility Longer hours Loss of valued customers Tougher supervision
Where: Telemarketing department	Other departments	Team-building training	Closer relationships with peers
When: Now	Prior to two years ago		
Extent: Serious – two people rejected promotion No applicants	OK (the two telemarketers acceptance of a promotion) A number of applicants		

After Tom identifies situational differences and critical changes, he is now ready for Step 5: to create probable causes of the problem (called 'probable cause statements') related to each of the change factors. For example, in the illustration above, "longer hours", is one of the changes involved in the promotion. Thus Tom would write a probable cause statement that relates this new change factor to his initial problem statement, as follows:

Because a promotion to outside salesperson entails longer hours, two telemarketers turned down the promotion.

Note here that Tom cannot say with certainty at this point, "Eureka, I have found the cause!" What he has identified is a probable cause – not a verified one. In fact, Tom finally identified five probable causes of the problem (one statement for each of the changes). He then constructs a chart in which he:

1. Writes down each of the selected change factors;
2. Relates each change to the problem (rejected promotion) using a common sense link.

Thus he writes:

Step 5: Probable Cause Statements
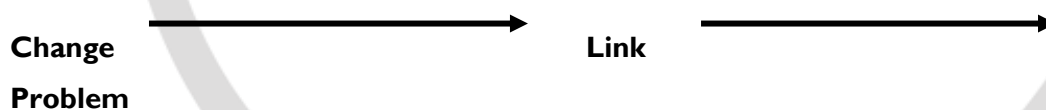
Change   **Link**

Problem

Longer hours	May require telemarketers to give up too much personal time, thus resulting in	Their rejection of the promotion
Greater responsibility	Could be a hassle, thus causing	Their rejection of the promotion
Loss of established customers	Might be too upsetting, leading to	Their rejection of the promotion
Tougher supervisor	Could be very difficult to work	Their rejection of the

	for, therefore causing	promotion
Closer relationships with peers	As a result of the team training program may be the reason for	Their rejection of the promotion

Step 6: Tom numbers his six pairs of "is/is not" facts concerning the what, where, when and extent of the problem and prepares to test his probable cause statements against these known sets of facts.

1. "Two telemarketers have turned down a promotion to outside salesperson."

2. The problem IS:	The problem IS NOT:	3. Difference	4. Change
What: Telemarketers refusing promotion Promotion to outside salesperson	Telemarketers job Promotion within telemarketing department	Responsibility - hours Established customer relationships Betty, the boss	Greater responsibility Longer hours Loss of valued customers Tougher supervision
Where: Telemarketing department	Other departments	Team-building training	Closer relationships with peers
When: Now	Prior to two years ago		

Extent:			
Serious – two people rejected promotion	OK (the two telemarketers acceptance of a promotion)		
No applicants	A number of applicants		

Then on the right-hand side of his Probable Cause Statements chart, he adds six narrow columns corresponding to the six sets of is/is not facts. This makes a grid on which he can test each probable cause against the known facts, by answering the question:

Does this probable cause statement account for the "is/is not" facts concerning the WHAT/WHERE/WHEN and EXTENT of the problem?

Step 5: Probable Cause Statements

Step 6: Test Cause Statements

Change   →   **Link**   →   **Problem**

Sets of Facts

No.'

			(1)	(2)	(3)	(4)	(5)	(6)
Longer hours	May require telemarketers to give up too much personal time, thus resulting in	Their rejection of the promotion	✓	A	A	**A**	✓	✓
Greater responsibility	Could be a hassle, thus causing	Their rejection of the promotion	✓	**A**	**A**	**A**	✓	✓
Loss of established customers	Might be too upsetting, leading to	Their rejection of the promotion	✓	✓	✓	**A**	✓	✓

Tougher supervisor	Could be very difficult to work for, therefore causing	Their rejection of the promotion	✓	✓	✓	**A**	✓	✓
Closer relationships with peers	As a result of the team training program may be the reason for	Their rejection of the promotion	✓	✓	✓	✓	✓	✓

Tom takes the first probable cause statement and asks, "If greater responsibility could be a hassle, thus causing their rejection of the promotion, does this explain why the telemarketers are refusing promotions ('is' fact) and there is no problem that is apparent with the telemarketers' job ('is not' fact)?" If Tom considers **only** this first set of facts, then his answer must be "yes". So he puts a "✓" mark in the first box under No. 1, as shown on the chart.

Using this same probable cause statement, Tom tests it against each of the other five sets of "is/is not" facts and records his answers in column No. 1 of the chart. Because this probable cause statement makes sense and therefore is answered "yes" in all six sets of facts, he records a "✓" in each of the boxes in column No. 1.

If a specific probable cause statement does not check out against a specific set of facts, he records an "**A**" – which stands for "assumption". In other words, he assumes that something else must account for that set of "is/is not" facts. For instance, the second probable cause statement (longer hours) does not check out with set of facts No. 2. For Sue had said she would like a promotion to head up the telemarketing group. In other words, it does not make sense that people are refusing promotion to outside salesperson and not a promotion within the telemarketing department because both would require working extra hours. Likewise, in set of facts No. 3, promotions would usually require longer hours throughout the organisation, not just in the telemarketing department. Nor does this probable cause check out with set of facts No. 4 – the problem is occurring now, but was not present prior to two years ago – because outside sales have always involved longer hours than telemarketing.

Tom checks out each probable cause against each set of "is/is not" facts, recording "✓'s" when the cause statement checks out and an "**A**" when it does not. (If you do not have enough information to know whether one of your statements accounts for a set of facts, use a "?" to indicate this.)

After Tom checked all of his cause statements against all six of his sets of "is/is not" facts, only one cause appeared to account for every set of facts concerning the problem: "Closer relationships with peers as a result of the team training programs".

Tom's last step No. 7 is verification of the most probable cause statement. Until he verifies that closer relationships resulting from the telemarketer's pilot team training is the key reason for their rejection of the promotion offer, he cannot say that "closer relationships" is **the** cause, only the most probable cause.

Tom's probable cause grid analysis has not yet eliminated any causes, but rather tells him which cause to try to verify first, that is, "Closer relationships due to team training". If he cannot verify this as being the cause of the problem, he will then attempt to verify the next most probable cause or causes; in this case, "Loss of established customers and "Tougher supervisor".

This problem solving approach is based on recognising that a problem situation involves effects, which, upon analysis, indicate a most probable cause. The effects point to a very particular kind of cause – one that would produce just the unique effects (problem) that have been observed.

As we have seen, the cause of any problem leaves a telltale imprint of clues (effects) that can be investigated along four lines. The first is **identify**. In the "Case of the Rejected Promotion", the problem's "identity" was the telemarketers' refusal of a promotion to an outside sales position. The second clue is **location**. The problem occurred in the telemarketing department and not in other departments. The third clue is **timing**. The problem occurring now was not present prior to two years ago. And the fourth line of investigation is the **extent** of the problem – its size and severity. In the case above, with two people rejecting promotion to outside sales and no other applicants for the job, the problem is serious and needs attention. But because this problem was carefully analysed, probable causes were identified for verification and any action will be directed to a verified cause.

One final point: Problems that fit the criteria of a real problem (deviation from the standard, unknown cause, you are concerned about it) do not stay problems for long. You will normally be motivated to find the cause and fix the problem. But, when you identify a list of existing problems, you will often find that your list includes a number of old problems. And these old problems frequently have known causes but have not been solved simply because you have not made decisions about them. These are not true "problems" at all. They are situations requiring decisions, not problem solving.

Group Formative Exercise 1A: Define, Analyse and Diagnose Cause

Time Frame: 180 min

Individual Formative Exercise 1B: Stakeholder Engagement

Time Frame: 30 min

Module 4:

Finding solutions

Unit Standard	
252026	Apply a systems approach to decision making

Specific Outcomes

SO3: Select feasible solutions through a systems approach.

- The inputs from stakeholders are analysed to identify feasible solutions to the issue/problem that would improve the functioning of the unit and the broader system within which it operates.

- The identified solutions are prioritised in terms of their potential outcomes on the various

processes/sections in the unit, the wider entity and external stakeholders.
• A solution(s) is selected that is most appropriate within a systems context taking into consideration interrelated issues that impact on the solution and areas that will be impacted upon by the implementation of the solution

Learning Outcomes

- Demonstrate an understanding of the following methods to finding solutions to a problem:

  - Trail-and-Error

  - Intuition

  - Creative Thinking

  - Mind Mapping

  - Visualisation

  - Brainstorming

  - Deductive and Inductive reasoning

Critical Cross-field Outcomes

• Identifying	• Communicating
• Working	• Science
• Organising	• Demonstrating
• Collecting	• Contributing

Introduction

Once a detailed assessment was done of the problem the manager should identify alternative solutions and plan the implementation thereof. Develop a clear plan of action. Beware of the barriers and consider consequences of the solutions. Different thinking strategies can be useful for identifying alternative solutions.

Trial-and-Error

Definition: In the trial-and-error approach to problem solving you try a number of solutions until you find one that works.

Where will you use this approach?

When would you use this approach?	When will you not use this approach?
Risk is small	Risk to great
Alternatives just randomly selected	Need systematic alternatives
Solution reasonably obvious	Solution complex
Consequences small	Consequences great

Intuition

Definition: Intuition can be described as a sixth sense, presentiment, hunch, instinct, insight or thinking that is instinctive, involuntary, spontaneous, unreflecting and untaught.

Where will you use this approach?

When would you use this approach?	When will you not use this approach?
Together with other strategies	Not on its own – critical thinking should be used to verify facts
Risk small	Risk great
Solution emotional	Solution rational

Creative Thinking

Definition: To be creative means to be imaginative, inspired, inventive, original, productive, stimulating and visionary. Creative thinking involves the generation of many new and novel ideas or perspectives. This includes associative and imaginative thinking. Associative thinking is the identification of commonalties and the relation between facts or ideas. It is the ability to establish new relationships and concepts and find new solutions to problems.

Imaginative thinking is the ability to visualise an image from reality, non-reality or the ideal.

Where will you use this approach?

When would you use this approach?	When will you not use this approach?
To inject some fun.	Straightforward solution.
Associations are needed.	
Solution needs to be innovative.	
Difficult problems.	

Techniques to Encourage Creativity

Use vertical and lateral thinking

Adopt a questioning approach

Realise that good ideas can come from anywhere

Focus on what is required the needs of the task, team and individual

Expert pressure and maintain momentum

Remove constraints and continue driving innovation

Ensure that innovations are realistic

Plan the implementation of new ideas

Factors Preventing Creativity

Failure to define the problem

Failure to understand the problem and find the solution

Subjective irrational analysis

Lack of sensitivity

Lack of focus and direction

Lack of innovation

A focus of peripheral issues rather than substance

Overconfidence

Being too risk averse

Mind Mapping

Definition: It is a technique for organising information and presenting it visually in the form of a "spider web". A mind map is drawn as follows:

Write the topic in the centre

Write keywords on the line

Use colour or symbols, signs, images or pictures.

Where will you use this approach?

When would you use this approach?	When will you not use this approach?
Generate new ideas	Simple problem (concept)
Promote memorisation through visual images	
Plan an assignment or project	
Make notes and summaries	
Difficult problem	
Multiple concepts on the same topic	

Visualisation

Definition: It is a powerful mental ability through which you can picture and imagine things in your mind.

Where will you use this approach?

When would you use this approach?	When will you not use this approach?
When you are relaxed	Problems that cannot really be visualised
When you can visualise a problem	
See with the mind's eye the perfect state	

Visualisation is a powerful skill for problem solving. The RADAR technique provides a step-by-step procedure for visualising:

R- **Relax** by closing your eyes and breathe deeply

A- Look at a **blank** screen

D- Now begin to **direct** the picture

A- You are **central** to the picture

R- **Reward** yourself

There is no model answer, as each individual will come up with something else. The reason for the activity is to demonstrate problem solving through visualisation.

After relaxing, what did they see on the blank screen?

Did you see yourself in the situation?

Did you stay calm and confident?

Did you start to direct the picture (situation)? What happened next?

Did you do what needed to be done?

Did you hear what you were saying?

Is everything revolving around you?

Did everything turn out just as you wanted?

Brainstorming

Definition: It is an effective creative skill that generates many ideas.

The procedure for brainstorming is as follows:

Think of as many ideas as you can in a short period of time

Say whatever comes into your head – even wild, seemingly impractical ideas

Do not stop to ask if it will work or how practical it is
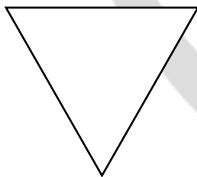
Write absolutely every idea down

Where will you use this approach?

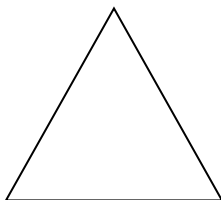| When would you use this approach?	When will you not use this approach?
When you need some ideas to solve a complex problem	Solution is obvious
A creative solution is needed	There is only one correct answer
High risks involved	
You need the buy-in from every-one	
More than one possibility	
Unusual problems	

Deductive Reasoning vs. Inductive Reasoning

Definition:

Deductive reasoning starts form a broad general premise and then narrows down to the specific facts (synthesis).

Inductive reasoning studies all the facts and moves from the specific to the general rule or formula (analysis).

Where will you use this approach?

When would you use the deductive approach?	When will you not use the inductive approach?
Focuses on problems with only one solution Example the calculation of dosages	Thinking branches out, expands and includes diverse ideas
	Different solutions are possible but no one solution is obvious
	Creative thinking is needed and moves outward from the problem

Creative, Rational and Critical Thinking

The table below indicates the difference between creative, rational and critical thinking.

Conceptual	Rational	Critical
Concepts are constructions of the mind used in theoretical statements to refer to the abstract or the concrete Concepts put things together in groups We link items, things, ideas or aspects that are similar	Means logical, realistic, reasonable, sensible and wise thinking It forms the basis of the scientific method of investigation You follow a plan of action, work through it systematically, evaluate the results and correct and adjust the plan	The nature is in essence that of evaluation It is reflective, no jumping to conclusions or hurried decisions Information to weigh up facts and evidence is important Issues are analysed to determine credibility It judges applicability, logic, usefulness, reliability and authenticity of facts or info

Module 5:

Plan and implement solutions

Unit Standard	
252026	Apply a systems approach to decision making

Specific Outcomes

SO3: Select feasible solutions through a systems approach.

- The inputs from stakeholders are analysed to identify feasible solutions to the issue/problem that would improve the functioning of the unit and the broader system within which it operates.

- The identified solutions are prioritised in terms of their potential outcomes on the various processes/sections in the unit, the wider entity and external stakeholders.

- A solution(s) is selected that is most appropriate within a systems context taking into consideration interrelated issues that impact on the solution and areas that will be impacted upon by the implementation of the solution

- Actions required to implement the decision in the unit are described with reference to activities, role players, resources and time lines.

• Change processes that are required to support the implementation of the decision are described with reference to their impact on the success of the implementation of the decision.
• The decision is communicated to relevant team members in the unit and other stakeholders who will be involved in its implementation in a user-friendly format.

Learning Outcomes

- Steps in planning and implementing the solution/s

- Formulate and communicate the solution

Critical Cross-field Outcomes

• Identifying	• Communicating
• Working	• Science
• Organising	• Demonstrating
• Collecting	• Contributing

Plan Implementation of Solutions

Potential Problem Avoidance planning is an eight-step process. After making a decision, about the solution we implement the decision by effective planning. Good planning is an eight-step process for avoiding potential problems. The eight steps are as follows:

1. Write a planning statement.

2. List the steps.

3. Identify critical steps with high potential risk.

4. List potential problems/obstacles.

5. Set priorities on potential problems/obstacles.

6. Analyze each major potential problem/obstacle.

7. Repeat steps 3 – 6 for other critical steps.

8. Insert major preventive and contingent actions back into original plan.

In this section we will review each of these steps of successful planning. We will present each step in detail and give examples. At the end of this section is a planning sheet you can use to implement your decisions.

Participative solution management

Again, essential for the effectiveness of the solution, is to approach it in a participative style from the word GO! The whole process of implementing a solution should be done with stakeholders. They should be part of each step as described in this module.

The template of the implementation plan as given to you at the end of the module should be used to draw up your implementation plan. The plan is then to be communicated to all stakeholders. If for

some reason some of the stakeholders have not attended the problem solving process meetings, make sure they attend this solution implementation meeting.

Obstacles to Prevent Potential Problems

In all human activity, planning is critical for several important reasons. Unfortunately, there are obstacles that make it difficult for us to do what we need to do.

We Make Decisions in the Present

Planning is for the future. We are normally more concerned about today's problems and decisions than tomorrow's plans. Yet, knowing where we are going helps us get there.

As Alice said to the Cheshire cat in Lewis Carroll's Through the Looking Glass:

"Tell me, please, which way it is I ought to go from here?"

"Where is it you want to go?" said the cat.

"I don't care much where," said Alice.

"Then it doesn't matter which way you go!" said the cat.

If we are like Alice and don't care what we do, then it really doesn't matter which way we go. But where we are going does matter to most of us and that is why we develop plans for the decisions we make.

We Tend to Overlook the Critical Consequences of Our Actions

We seem to have a tough time imagining that our decision, which of course is perfect, has any negative consequences at all. But implementing a decision creates change and most change produces problems. It really is not a question creates changes and most change produces problems. It really is not a question of "good" or "bad" decisions, it is that change in and of itself does create a high probability for future problems.

Future Consequences are Often Disagreeable or Unpalatable

These are people who constantly worry about future problems. They worry so much that they lose sight of happiness in the present. This message, however, is for those individuals who are much like me – perpetual optimists. There are few problems big enough for me to worry about if they are in the future. I can just put my head in the sand, bury my body behind my desk and let the problems take care of themselves. But I get in trouble when a problem doesn't go away. It gets bigger. And then it is often too late to do anything about it. Fortunately, I was taught this potential problem avoidance process a number of years ago and now I can deal with my future problems in the present and go back to living by day-to-day life with much less hassle.

As a Society, we are trained from Birth by the Theme: "The Power of Positive Thinking"

Some of us were told that if we think positive thoughts about our decision, then it must "manifest" (a great new-age word) itself exactly as we wanted it. Sorry folks, it just doesn't work that way in the real world that we live in. Implementing a plan for our decision is hard work; it doesn't just happen by positive thinking. Quite the contrary, it requires us to engage in some intrusting ways of looking at the possible negative results of our actions. But if we can see the consequences of our decisions in the present, there may be things we can do now to prevent the problems for occurring.

Future Consequences may not be Initially Visible

How true! The power of the process you are about to see will help you pull out potential problems that you may well have never seen – until it was too late.

Individually, we may Think, "Of Course I understand all the Possible Problems that may occur in implementing my Decision"

But time and time again, even though I knew without doubt that there were no potential problems with my decision, there were in fact many, very real problems. By talking with others, sharing the decision and resultant plan, I have discovered the power of feedback from others.

Now that we have looked at reasons for not planning, let's examine the process that will help us be more effective in avoiding potential problems.

Step 1: Write a Planning Statement

Now that we have made a decision, we are ready to write a planning statement in objective form. A planning statement is simply a description of exactly what we want to accomplish. Such a statement should have the following three characteristics:

Quantifiable

For example, the statement, "To have productive cross-functional team meetings" does not communicate enough information. What does the word "productive" mean? How will I know when my team members are "productive"? Since my planning statement doesn't give enough specific information about my goal, it will be hard to actually know when we are successful. To make the statement more quantifiable, I can specify behaviors or what the team members will do when they are productive. I could, for example, observe that:

They will use the problem-solving process that we were taught.

Team members will come to the meetings.

End Result

A planning statement that only identifies behaviors is still not an effective way of specifying our future direction. We can also include end results. For example I could expand my initial planning statement as follows:

The team will use written problem-solving processes in 4 of the next weekly meetings.

My team members will have a meeting absenteeism rate not more than 5%.

Completion Date

Finally, my planning statement should specify a date by which the plan will be accomplished. The planning statement would now look something like this:

Create a productive team by January the 5th by using problem solving process in 4 of the next 6 weekly meetings and reducing absenteeism to not more than 5%.

There is nothing remarkable about step 1. It's a regular goal or objective – a planning statement that includes measurability, an end result and a completion date.

Step 2: List the Steps

After you have written a planning statement, you can then develop the steps you will take to achieve them. As you identify the steps in your plan, establish completion dates for each step. But do not assign a final number to your steps at this point, as you may need to add additional steps later.

As an example, I know a person – let's call her Elizabeth – whose planning statement was to become a manager in her organization within four years. The initial step of her plan looked something like this:

1.	Write a Planning Statement:	"To become a manager in this organization within four years."	
2.	List of steps		Completion Dates
a.	Meet with my boss and discuss promotional goal.		Sept. 15
b.	Write 10 key development objectives on my present job.		Sept. 30
c.	Analyze my managerial skills; determine my strengths and areas of needed improvement.		Oct. 15
d.	Take a minimum of 2 management workshops each year.		Dec. 1
e.	Complete my B.S Degree at night school within 3 years. Sign up this semester.		Jan. 15
f.	Determine potential management opening that may occur during the 3rd and 4th years.		Mar. 1

This part of the planning process is simple. Most people can probably write a planning statement and then list the steps in their plan. In fact, this is where most individuals stop their planning process. But wisely, Elizabeth realized that she needed to also look carefully at the steps in her plan, noting anything that could cause difficulties – let's call them "critical steps."

Step 3: Identify Critical Steps with High Potential Risk

From past experience you sometimes know that a particular step means trouble! (Maybe you took that step before and it led to a disaster). If a step is completely new to you, look out. "Murphy's Law," what can go wrong will, may get you. Major steps, with lots of parts and pieces, are especially

vulnerable, particularly if you have no experience with the step. You have also probably noted that problems can result when people have to communicate over distances by phone, letter, fax or e-mail and also when there are a number of people involved. If a step means operating close to the limits of your space, time or money, you order a new item that's exactly 3 feet wide and your door is 3 feet 2 inches, you better get an ax! Or if someone tells you the items you ordered will be here Wednesday, and you have to have it Thursday, you might be wise to assume that it won't arrive until Friday. IF a step in your planning "will only costs "R 99.95," and you have exactly R100.00, then you know what's going to happen!

The key question to ask here is "When we perform this step in our plan, what could go wrong?"

All this potential problem analysis may sound negative. But the good news is that if you anticipate potential problems before you carry out your plan, you can often develop solutions that will greatly increase the chances that you will achieve your goal.

In the example of Elizabeth, she selected as a critical step in her plan, "Attend night classes and get the 24 credits I need to finish college." She viewed this step as a potential problem because it was new for her (she had never attended college at night). It was also a very important one. She had worked for a boss who had once said to her, "Your chances of being selected as a manager in this organization are a lot better if you have a college degree. In fact, your chances of making it without one are zero!"

2. List the Steps		
a.	Meet with my boss and discuss promotional goal.	
b.	Write 10 key development objectives on my present job.	
c.	Analyze my managerial skills; determine my strengths and areas of needed improvement.	
d.	Take a minimum of 2 management workshops each year.	
e.	Complete my B.S Degree at night school within 3 years. Sign up this semester	Critical Step
f.	Determine potential management opening that may occur during the 3rd and 4th years.	

Step 4: List Potential Problems

Having identified the steps that may cause problems (critical steps), select one and list the potential problems. In Elizabeth's case, she wrote down the following potential problems with her night classes' step:

3. Critical Step	e. Complete my B.Sc. Degree at night school within 3 years.
4. List Potential Problems	I'll get bored and stop attending. It takes longer than 3 years to obtain the 54 credits I need. Night school will be very hard on my family.

To obtain our list of potential problems, we simply ask others and ourselves "What could go wrong when I do this step?"

Step 5: Set Priorities on Potential Problems

The next step is to evaluate the probability and seriousness of each potential problem. That is, figure out what the probability is that the problem will occur and then how seriously it will affect the success of your plan if it does occur. To rate probability and seriousness; use "H" for high, "M" for medium, and "L" for low.

In our example, Elizabeth felt that there was only a small chance that she would get bored and drop out (probability of the event occurring = L), but if she did, it would seriously jeopardize her plan (seriousness = H). Her boss would see her as a failure in something he considered very important (earning a college degree). She also thought that there was only a low probability that it would take her longer than 3 years to obtain a degree. But, if this did happen she may still be eligible for promotion given evidence that she was almost through with her education. When she considered her family, however, it was clear that not only was there a high probability that night school would be very hard on her family, when it occurred; it would be very serious indeed.

Her analysis now looked like this:

4. List Potential Problems	5. Set Priorities on Potential Problems	
	Probability (P)	Seriousness (S)

a.	I'll get bored and stop attending	L	H
b.	It may take longer than two years to get my degree.	L	M
c.	Night school will be very hard on my family.	H	H

Step 6: Analyze Each Major Potential Problem

Next, you need to analyze your greatest potential problems by finding their likely causes and planning preventive and contingency actions. In solving problems, you act on causes. To prevent or prepare for potential problems, you look for likely causes. After you have identified the likely causes, ask "What can be done to reduce the probability that this event (or likely cause) will happen?" In other words, what preventative action can you include in your plans? You also must consider: "If the worst comes to pass and the problem does occur, what can I do now to reduce the seriousness of the consequences?" In other words, what contingency action can you include in your plans for the start?

For Elizabeth, the potential problem "Night school will be very hard on my family" had a high probability of happening and when it happens it will be high in seriousness. Thus she selected this problem for further analysis. She asked herself, her family and others whose opinions she respected: "Why would night school be so difficult for my family?"

In real life, she receives a long list of probable causes or reasons why night school might be difficult for her family. Those of you who have been through the night school experience know that there are a number of likely causes leading to family hardship. But in order to simplify our example, we have only listed three causes.

Here is an example of her analysis.

6. Analyze Each Major Potential Problem	"Night school will be very hard on my family"		
A			
Likely Causes			

3 nights per week away from family.			
Lack of study time.			
Family not aware of hardships.			

Now that we have identified the likely causes, the next step is to ask, "What can we do now to reduce the probability of the event (or likely cause) occurring?" In our example, Elizabeth found there were a number of things she could do. Again, there were many more preventive actions that Elizabeth discovered she could take, but these are a representative sample.

A	B		
Likely Causes	**Preventive Actions**		
3 nights per week away from family.	See if local TV has courses I can take at home.		
Lack of study time.	Buy course books now and start studying. Take courses that are easy for me.		
Family not aware of hardships.	Involve family in preplanning, have Bill talk to Joe who is also attending night school.		

The next step is for Elizabeth to say, "Ok, the worst comes to pass and the cause of the problem happens. What can I do now to reduce the seriousness of the event if in fact it happens?" She was able to create a number of contingency actions what could help lessen the impact of the likely causes if they did occur.

A	B	C	
Likely Causes	**Preventive Actions**	**Contingency Action**	
3 nights per week away from family.	See if local TV has courses I can take at home.	Enroll Bill (spouse) in one or more courses with me.	
Lack of study time.	Buy course books now and start studying. Take courses that are easy for me.	Get family to help me study.	
Family not aware of hardships.	Involve family in preplanning, have Bill talk to Joe who is also attending night school.	No action	

The last part of step 6 is to ask, "What's going to trigger each major contingency action?" Often, we are the person who observes the cause occurring and act as our own trigger. At other times someone or something else must trigger the contingency action. For example:

A	B	C	D
Likely Causes	**Preventive Actions**	**Contingency Action**	**Trigger**
3 nights per week away from family.	See if local TV has courses I can take at home.	Enroll Bill (spouse) in one or more courses with me.	Me (Elizabeth)
Lack of study time.	Buy course books now and start studying. Take courses that are easy for me.	Get family to help me study.	Spouse complains and says "You're never home!"
Family not aware of	Involve family in	No action	(If there is no trigger,

hardships.	preplanning, have Bill talk to Joe who is also attending night school.		there is no action).

Step 7: Repeat Steps 3 – 6 for Other Critical Steps

After analyzing the first critical step, you would then take each of the other critical steps and conduct the same analysis. That is, you would:

3.	Identify critical steps with highest potential risk.
4.	List any potential problems concerning each critical step.
5.	Evaluate each potential problem on its probability of happening and seriousness if it happens anyway.
6.	Analyze each major potential problem for likely causes, preventive actions, contingency actions and triggers.

Step 8: Insert Major Preventative and Contingent Actions Back in the Original Plan

The last important step in our planning process is to insert our major contingency and / or preventive actions back into our original plan. In our example, Elizabeth's plan will now look like this:

	Objectives	Completion Dates
a.	Have a family meeting and discuss plans.	Sept. 1
b.	Ask Bill to talk to Joe. Call Joe and ask him to talk to Bill.	Sept. 2
c.	Meet with my boss and discuss promotional goal.	Sept. 15
d.	Call local educational TV station and see if it has college courses I can take at home.	Sept. 20
e.	Meet with my college advisor and determine elective course that my spouse would enjoy taking.	Sept. 22

f.	Buy course books now and start studying.	Oct. 1
g.	Write 10 key development objectives on my present job.	Oct. 15
h.	Analyze my managerial skills; determine my strengths and areas of needed improvement.	Nov. 1

i.	Take a minimum of 2 management workshops each year.	Nov. 15
j.	Complete my B.S. Degree at night school within 3 years. Sign up this semester.	Jan. 15
k.	Determine potential management openings that may occur during the 3rd and 4th years.	Mar. 1

As you can see, by adding these new steps to her plan, she has greatly increased the probability that she will successfully reach her goal. Obviously, in her original plan, she also analyzed other critical steps and added additional steps to her plan that are not shown in our example. Note too that some of her completion dates have changed to include her new activities.

Many of us spend a great deal of time dealing with a variety of problems but do very little planning. We can become so busy running from crisis to crisis that we don't take the time to plan for success.

But, when you commit yourself to analyzing your decisions and then following a proven step-by-step planning process, you will find you are not sidetracked by problems. You will surely increase your level of achievement.

On the following pages is a worksheet that you may copy for your own use.

Potential Problem Avoidance Work Sheet	
Step 1	Write a Planning Statement
Step 2	List the steps
Step 3	Identify critical steps with highest potential risk.
Step 4	List potential problems. Ask: "What could go wrong."

Step 5	Set priorities on potential problems. Use "High, medium or low" to rate probability of event occurring and seriousness if it does.
Step 6	Analyze each major potential problem. Take each high priority problem (example: a fire) and write in likely cause (a match), preventive action (allow only nonflammable material in room), contingency action (if there is a fire anyway, we have a sprinkler system) and then assign a trigger for the contingency action (the sprinklers have lead alloy value that melts if a fire occurs).
Step 7	Repeat steps 3 – 6 for other critical steps.
Step 8	Insert major preventative and contingent action back into original plan.
Step 1	Write a Planning Statement. Make the statement quantifiable, end terms of the end result desired and include a completion date:

Step 2	List the steps	
	Steps of plan	Check critical steps
1.		
2.		
3.		
4.		
5.		
6.		
7.		

CIN: 11200   Version: 001   Date: 2020/10/26

8.		
9.		
10.		
11.		
12.		
13.		
14.		
15.		
16.		
17.		

Step 3	Identify critical steps with highest potential risk. Analyze the steps that have the highest risk of encountering problems. These are critical steps. Mark critical steps on the preceding page with an asterisk or check mark. Select one critical step and write it below. (The following analysis will be repeated later for the other critical steps).		
Step 4	List any potential problems. Ask the question, "What might go wrong with this step?" and list the potential problems below.	**Step 5**	Set priorities on potential problems. Use H = High, M = Medium, and L = Low to rate probability (P) and seriousness (S)
		Probability (P)	Seriousness (S)

Step 6	Analyze each major potential problem for likely causes, preventive actions, contingency actions, and triggers if needed.		
Likely causes	Preventive actions	Contingency actions	Triggers

Step 7	
	Repeat steps 3 – 6 for other critical steps using copies of this work sheet.
Step 8	Insert major preventative and contingent action back into original plan. Write a new plan that incorporates important preventive and contingency actions (from step 6 and 7 as new steps in your original list of steps). Write all steps in chronological order and number the steps. Finally, write a completion date for each step.

Step #	Step	Completion Date

Module 6:

Evaluate Outcome

Unit Standard	
252026	Apply systems approach to decision making
Specific Outcomes	

SO4: Formulate and communicate the decision.

- The decision on addressing the issue/problem is formulated with reference to the impact of the decision on the unit and the broader system within which it operates.

• Actions required to implement the decision in the unit are described with reference to activities, role players, resources and time lines.
• Change processes that are required to support the implementation of the decision are described with reference to their impact on the success of the implementation of the decision.
The decision is communicated to relevant team members in the unit and other stakeholders who will be involved in its implementation in a user-friendly format.

Learning Outcomes
• Demonstrate an understanding of the monitoring and evaluation process

Critical Cross-field Outcomes	
• Identifying	• Communicating
• Working	• Science
• Organising	• Demonstrating
• Collecting	• Contributing

Introduction

Evaluation is the last step in the problem solving process. Once implementation starts it is critical that the manager continuously evaluate the outcomes and if necessary adapt the plans to ensure effective implementation.

Maintenance and Evaluation

Once we have:

developed effective, relevant plans;

involved those people crucial to the success of the plan(s);

articulated appropriate, desirable goals;

established relevant evaluation processes;

focused on appropriate performance indicators;

covered a range of contingencies;

We will probably feel we have covered everything. Well almost, there are two important areas still to be considered – maintenance and evaluation.

Maintenance planning is often called follow-through. Developing a plan and implementing it can be a waste of time and resources if sufficient attention is not paid to keeping it in place. Regular monitoring, ongoing support, intermittent rewards and recognition are the important factors in keeping any newly implemented plan alive. Having these in place at the start give much greater certainty of having our plan carried through to completion.

The ramifications of new plans keep managers in work. Everything we do has consequences, some anticipated, others not. Staying alert to the formulation of new plans and new developments. Being prepared, anticipating results, picking up on unexpected outcomes and being on the spot and ready to move are all prerequisites for an ongoing process of development and growth towards the desired future state.

It is important to keep our networks alive and monitor what is going on around us. "Keeping your fingers on the pulse" is virtual to achieving success as a manager. This basically means that we should engage in low-level diagnosis constantly so that when a crisis arises we could respond quickly and effectively. When less urgent problems surface or new vistas open up, we will be in a position to deal with them or take advantage of them with a minimum of bother.

The following steps are helpful in the monitoring process:

Monitor implementation of the plan

Monitor the indicators of success:
a. Are you seeing what you would expect from the indicators?
b. Will the plan be done according to schedule?
c. If the plan is not being followed as expected, then consider: Was the plan realistic? Are there sufficient resources to accomplish the plan on schedule? Should more priority be placed on various aspects of the plan? Should the plan be changed?

Verify if the problem has been resolved or not

One of the best ways to verify if a problem has been solved or not is to resume normal operations in the organization. Still, you should consider:
a. What changes should be made to avoid this type of problem in the future? Consider changes to policies and procedures, training, etc.

b. Lastly, consider "What did you learn from this problem solving?" Consider new knowledge, understanding and/or skills.

c. Consider writing a brief memo that highlights the success of the problem solving effort, and what you learned as a result. Share it with your supervisor, peers and subordinates.

Group Formative Exercise 3A: Plan, implement and monitor solution/s

Time Frame: 90 min
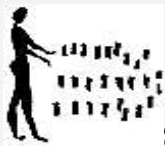
Summative Exercise S4

Time Frame: 36 hours

Bibliography / Reading List

References and Resources

Books

1. Collins, J. Good to Great.

2. Covey, Stephen. Seven Habits of Highly Effective People. 1989

3. Covey, Stephen. The 8th habit: From effectiveness to greatness. 2004

4. Hersey, P & Blanchard, K, H. Management of Organisational Behaviour. Engle Cliffs. NY. Prentice-Hall. 1996

5. McGregor, D. The Human side of Enterprise. 1960

6. King 2 Report on Corporate Governance, March 2002

7. 1. Balogun, J. & Hailey, V.H. 1999. Exploring strategic change. Harlow, England: Prentice Hall.
8.
9. 2. Firth, D. 1999. Smart things to know about change. Dover, N.H. : Capstone.
10.
11. 3. Gibson, J.L., Ivancevich, J.M. & Donnelly, J.H. 1997. Organisations : behavior, structure, processes. 9th ed. Chicago, Ill. : Irwin.
12.
13. 4. Hellriegel, D. & Slocum, J.W. 1986. Management. 4th ed. Reading, Mass. : Addison-Wesley.
14.
15. 5. Ivancevich, J.M., Lorenzi, P. & Skinner, S.J. 1997. Management: quality and competitiveness. 2nd ed. Chicago, Ill. : Irwin.
16.
17. 6. Kreitner, R., Kinicki, A. & Buelens, M. 1999. Organisational behaviour. London : McGraw-Hill.
18.
19. 7. Robbins, S.P. 1998. Organizational behavior: concepts, controversies, applications. 8th ed. Upper Saddle River, N.J. : Prentice-Hall.
20.
21. 8. Senior, B. 1997. Organisational change. Harlow, England : Prentice-Hall.
22.
23. 9. Smit, P.J. & Cronje, G.J. de J. 1997. Management principles : a contemporary edition for Africa. 2nd ed. Kenwyn : Juta.

24. Kepner, CH and Tregoe, BB. 1976. The rational manager: a systematic approach to problem solving and decision making

Internet Websites and Articles

Goleman, D. What makes a leader great. Harvard Business Review. 1998

1. Kotter, J.P. What leaders really do. Harvard Business Review. May-June 1990

2. Zaleznik, A.. Managers and leaders: Are they different?. Harvard Business Review. 1977

3. Barbuto, J.E; Cummins-Brown, L.L. Full Range Leadership. Publication by the University of Nebraska-Lincoln.

4. www.psychology.about.com: 8 Major Leadership Theories

5. www.changingminds.org: Leadership Theories

6. www.syncrude.com: Speaking notes for Eric P Newell, CEO of Syncrude Canada Ltd. June 2001

7. www.legacee.com: Effective Leadership vs Effective Management by Murray Johannsen

8. www.managementhelp.org

9. www.dpsa.gov.za/peritumagri/principles.asp

10. Van Rooyen, E.J. The Leadership and Ethics: Strengthening Human Resources and Organisational Capacity for Development. Journal for Public Administration, Vol 43 nr 3.1. October 2008

11. Rossouw, D. Aristotle in the modern corporation: From codes of ethics to ethical culture. www.up.ac.za/dspace/handle

12. Plant, K. Managing workplace ethics: How to improve your organisation's ethical health and achieve organisational integrity. Auditing SA, Summer 2008/9

13. Rossouw, D. The Philosophical premises of the second King Report on Corporate governance. Koers 70(4) 2005: 745-748.

14. Picket, M.C. Understanding Ethical Leadership. mpicket@nu.edu

15. South African Institute for Chartered Accountants (SAICA) Summary Report of King 3 Report on Corporate Governance.

16. Kotter, J.P. Harvard Business Review. March – April 1993: Leading Change, Why Transformation Efforts Fail.

17. Kotter, J.P. Harvard Business Review. May – June 1990: What Leaders Really Do.

18. www.utwente.nl

19. www.thinking.net

20. www.managementhelp.com

21. www.mindtools.com