

# EXPLORING HUMANISTIC MANAGEMENT PHILOSOPHY IN GOVERNANCE: A CASE STUDY OF PORT SHEPSTONE MINIBUS TAXI INDUSTRY IN KWAZULU-NATAL

By

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#### **DECLARATION**

I, the undersigned, Kudakwashe Zvitambo, student number 21451610, hereby declare that this dissertation entitled:

## EXPLORING HUMANISTIC MANAGEMENT PHILOSOPHY IN GOVERNANCE: A CASE OF PORT SHEPSTONE MINIBUS TAXI INDUSTRY IN KWAZULU-NATAL

is my own work and that it has not been submitted in part or in full to any other degree or any other institution for other purpose. Subsequently, other sources are acknowledged giving explicit references.

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#### **ABSTRACT**

This study explored humanistic management philosophy in governance with specific reference to Port Shepstone minibus taxi industry, KwaZulu-Natal. The study arose from a concern that there is no governance model which addresses the challenges of small businesses. Informal businesses like minibus taxi industry are facing a phletora of challenges, namely fatal accidents, corruption and fraud, disregard of stakeholders, taxi wars, poor service delivery and failure by the government to formalise the sector. The study discusses humanistic management philosophy in governance using Ubuntu theory as the theoretical framework.

The researcher adopted the mixed method methodology which is embedded in the post-positivist research paradigm. The post-positivist research paradigm explains the way things are and views objectivity as an ideal that can never be achieved, however research should be conducted with greater awareness of subjectivity. By combining qualitative and quantitative methodologies (Triangulation mixed method approach), it assisted the study to strike a balance and avoid being subjective on issues of humanistic management leadership, humanistic management strategy, humanistic management culture and humanistic management ethics. The research methods used in this study include questionnaires, interviews and observations. The findings from qualitative and quantitative data were integrated to come up with a generalisation.

The findings of the study showed that there are limitations in the implementation of humanistic management philosophy for minibus taxi industry governance. Although the minibus taxi leaders were aware of their humanistic management leadership role and responsibilities, they were not applying them. The Minibus taxi industry leadership were applying non humanistic management leadership styles. Moreover, humanistic management strategy formulation, implementation and evaluation were not being done. Humanistic management ethics were found to be a challenge within the minibus taxi industry when governing their businesses. The study revealed that the minibus taxi industry was adopting a different culture from their community which affected their humanistic management culture and the reputation of the

minibus taxi industry governance. This was not inline with the Ubuntu principles practised by the society in which the minibus taxi industry operated.

Possible areas for future research were highlighted and recommendations were made, for example the researcher recommends minibus taxi operators should be educated on humanistic management philosophy in governance which makes their businesses legitimate in society's view. Minibus taxi operators should be encouraged to use stakeholder approach in the humanistic management strategy formulation, implementation and evaluation. Support and monitoring systems should be in place for proper implementation of code of conducts. Whistleblowers should be protected by the taxi associations and the police force. A humanistic management culture should be developed and implemented with the incorporation of community inputs. The taxi association should develop and enforce a human resource policy to safeguard the interests of the minibus taxi industry employees. The study identified a possible alternative model for the implementation of humanistic management philosophy in governance. The model can be applied to all informal and formal sectors.

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#### **DEDICATION**

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#### CHAPTER ONE

#### INTRODUCTION

#### 1.1 Background of the study

Developed countries, such as the United States, Japan, and a number of countries in Europe, have well managed and governed taxi industries when compared to developing countries such as South Africa (Booysen, Andersen & Zeeman, 2014). The taxi industries in these countries incorporate humanistic factors such as safety of passengers, sustainability of the taxi business, good management practices and internal control systems which includes the use of technology in the governing of the industry (Booysen *et al* 2014). However, governance failures such as poor business ethics, disregard of social responsibility, principles, unfair business practices, huge executive remuneration, profiteering, price and tender collusions and so on are being reported daily globally (von Kimakowitz, Pirson, Dierksmeier, Spitzeck & Amann, 2010; Wojcik, 2012). Governance failures, as literature reveals, in the corporate world have necessitated the researcher to explore issues in the taxi industry of South Africa from a humanistic perspective.

#### 1.1.1 Governance

Academic literature indicates that good governance improves the performance, profitability and sustainability of the business no matter whether it is a company, state owned or individual business (Kamal, 2010; Adams, 2012; Mukuwa, 2012; Pirson & Turnbull, 2012; Alsubaje, 2012; United Nations Economic Commission for Africa, 2013). This implies that the tax industry must practice good governance in order to provide good services to the society and make profit for the operators (Nkambule & Govender, 2014). Many researchers (Cadbury, 1992; Hart, 1995; Liew, 2008; West, 2010; Rensbury & Beer, 2011) agree with King III (2009) that governance relates to the way businesses are directed and controlled. The Taxi industry requires a business model to guide operators so that they can take decisions. Ponde (2011) and Fernando (2011) described the limitations of the Agency theory, Stakeholder theory and Stewardship theory. The Agency theory focuses on the

principal and agency (taxi drivers and operators) (Ponde, 2011). However, the agency theory has a particular limitation when the role of the agent and principal becomes difficult to distinguish; the theory fails to apply (Fernando, 2011). Wojcik (2011) explains that the stakeholder theory and steward theory describe the "why" of governance but failed to answer the "what" of governance. South Africa developed a governance framework which was intended to apply to all entities of business (King III Report, 2009). King III Report (2009) was based on leadership, sustainability, ethics and internal control systems as its core principles. The King III report (2009) was based on comply or explain basis. However, many researchers criticised its applicability to other entities which are not companies (comments by stakeholders on King III report, 2009). Jordan (2012) asserts that Cadbury's (1992) views no longer reflect the current trend in governance. This assertion affects the King III report (2009) which was crafted based on Cadbury's views and advice. Jordan (2012)'s views are supported by South Africa's governance failures. Anti-completive collusion of big construction companies (Prinsloo, 2014), unending strikes of poor mine workers whilst executive directors earn millions, poor society in a pool of rich companies, environmental degradation (West, 2010; Gstraunthaler, 2010), collapse of the African bank (Peacock, 2014) are snapshots of South Africa's governance failures. This affects the applicability of King III (2009) and King IV (2016) code to the taxi industry. Therefore, the researcher proposes to fill this gap by developing a business governance model applicable to taxi industry operating in an African environment. The study based literature reviews on Humanistic Management Philosophy.

#### 1.1.2 Humanistic Management Philosophy

The humanistic management philosophy, if applied to business, can improve performance, sustainability and profitability of a business (Aktouf & Holford, 2012; Mele, 2003; 2009; 2011; 2012; 2013). Zhai and Qi (2014) argue that the Humanistic management philosophy is important in today's business governance. Governance refers to how decisions are made and implemented for the benefit of stakeholders (McGregor, 2000 & Fernando, 2011:45). The decisions made by the taxi operators

affect the business and society (Vilakazi & Govender, 2014). The Humanistic management philosophy can be described as a system which emphasises human development and equal treatment of individuals within society (von Kimakowitz et al., 2010; Spitzeck, 2011; Acevedo, 2012; Mele, 2013). This definition, if applied to the taxi industry, refers to the respect of customers, drivers and other stakeholders to gain legitimate recognition for the industry (Nkambule & Govender, 2014). This can be done through the appropriate application of key business principles of sustainability, good leadership, applying internal control systems and respect for business ethics. In her research, Mele (2013) outlines Humanistic management developments which lead to the success of a business. Mere (2013) itemised them as person-organisation fit, peoples' involvement in organisation, business as a human community, decision-making, stakeholder management, Values-based and Business ethics, personal competencies and positive organisational scholarship. Pirson and Lawrence (2010) agree with Mele (2013) that the Humanistic Management Philosophy if applied to the governance of business (for example the taxi industry) may eradicate sustainability challenges being faced by the business. Spitzeck et al (2010) found out that applying the humanistic management philosophy causes positive spill-over effects which benefit both the business and society. However, the studies on the Humanistic Management Philosophy done by these scholars (McGregor 2000; Largacha et al., 2010; Pirson & Lawrence, 2010; Spitzeck et al., 2010; Aktouf & Holdfold, 2012; Mele, 2013; Arnand & Wasieleski, 2013) were based on companies. There seems to be little literature on the Humanistic Management Philosophy, Ubuntu Theory and governance of taxi industry. Therefore, the study explores the Humanistic management philosophy in governance using the minibus-taxi industry as a case study. This will contribute to the development for a model on humanistic management philosophy, Ubuntu Theory and governance of taxi industry. The researcher intends to use the Ubuntu Theory as a theoretical framework; hence the Ubuntu Theory is reviewed.

#### 1.1.3 Minibus Taxi Industry

The mini-bus taxi industry began in the early 1970s in South Africa (Nkambule &

Govender, 2014). The South African government at that time did not approve (Vilakazi & Govender, 2014). The transport industry was a protected business sector. The mushrooming of the illegal minibus-taxis was necessitated by the need for cheap and accessible means of transport by the poor blacks and the revolt by the blacks who continued to strike against the system of transport (Nkambule & Govender, 2014). The government deregulated the taxi industry around 1980 but offered little or no support to this industry in terms of physical infrastructure, training and mentorship (Vilakazi & Govender, 2014). The government is now facing resistance from the taxi operators when it tries to transform the industry (Nkambule & Govender, 2014). Taxi commuters face inadequate service, poorly arranged schedules, lack of facilities, poor customer care, and infrequency of services, particularly at off-peak times, thus the convenience of these services is severely compromised (Denge, 2010; Nkambule & Govender, 2014). However, the industry is estimated to be contributing over R30 billion to the country's Gross Domestic Product although this figure is not being included in the calculation of the Gross Domestic Product of South Africa (Vilakazi & Govender, 2014; Nkambule & Govender, 2014). The taxi industry caters for 65% of the public transport commuters in South Africa (Denge, 2010).

The taxi industry is facing management and governing challenges due to lack of a Business Governance Model in the industry (Vilakazi & Govender, 2014). The King III report (2009) and King IV draft report (2016) mainly address governance issues in the corporate sector which is a formalised industry. Poor management, poor business ethics; inadequate asset maintenance, unsafe vehicles, economical unsustainable, labour issues, unskilled taxi-operators, poor customer care, poor services, instability in the industry, unregulated industry, resistance to transformation, security threats, no public participation and other issues are affecting the taxi industry (Govender & Allopi, 2006; Rietjens, Makoriwa & De Boer, 2006; Denge, 2010; Vilakazi & Govender, 2014; Nkambule & Govender, 2014). Governance theories and other related theories like the Agency theory, Shareholder (owner) theory, Steward theory, Stakeholder theory and Universal theory fail to explain the causes of this state of affairs in the taxi industry because their principles

are based on economicistic philosophy (Pirson & Lawrence, 2010; Shama, 2014). Hence the researcher proposes to explore humanistic management philosophy in the taxi industry governance in KwaZulu-Natal.

The researcher intends to use the Ubuntu Theory (Mbigi, 1995) to explain how humanistic management philosophy can be incorporated into governance to improve the taxi industry in KwaZulu-Natal. Ubuntu is an African philosophy (Gaie & Metz, 2010; Ncube, 2010; Bertsch, 2012) which advocates the respect of humans by humans (Vermaak & Khomba, 2012; Khomba *et al.*, 2013). Mugumbate and Nyanguru (2013) agree with Mucina (2013) that the Ubuntu Theory shapes how individuals behaves in a society and guides them to gain legitimate recognition. Since the taxi industry operates in society, the Ubuntu Theory can help to develop a Business Governance Model for the Taxi Industry.

#### 1.2 Research Problem

The taxi industry in KwaZulu-Natal lacks Business Governance Model which threatens its sustainability as a business sector (Govender & Allopi, 2006; Rietjens *at el.*, 2006; Denge, 2010; Vilakazi & Govender, 2014; Nkambule & Govender, 2014). Governance theories and other related theories like the Agency theory, Shareholder (owner) theory, Steward theory, Stakeholder theory and Universal theory fail to explain the causes of this situation in the taxi industry because their principles are based on economistic philosophy (Pirson & Lawrence, 2010; Shama, 2014). Therefore the research problem is as follows:

Mbigi's (1997) work on Ubuntu Theory (Collective Five Finger Theory) identifies five cardinal principles, namely, Survival, Compassion, Solidarity, Dignity and Respect as developmental principles to governance models. This study explores humanistic management philosophy in Governance taking Minibus Taxi industry as a case study. Prior studies do not offer specific directions for humanistic management philosophy in overnance in respect of small and medium businesses like Minibus Taxi industry; hence this study intends to fill that gap.

#### 1.3 Purpose of the study

#### 1.3.1 Aim of the Study

The primary objective or aim of the study is to explore humanistic management philosophy in governance in KwaZulu-Natal using the Port Shepstone minibus taxi industry as a case study.

#### 1.3.2 Study Objectives

The secondary objectives of study are as follows: Firstly, it seeks to establish the extent to which humanistic management strategy affects the governance of the taxi industry. Secondly, it seeks to establish the extent to which humanistic management leadership impacts on governance in the taxi industry. Thirdly, it seeks to establish how humanistic management ethics affects governance in the taxi industry. Lastly, it seeks to establish how the humanistic management culture affects governance in the taxi industry. These objectives will help the researcher to develop Humanistic Management Philosophy in Governance model based on the Taxi Industry. It adds to the debate on humanistic management philosophy in governance.

#### 1.4 Research Questions

#### 1.4.1 Critical Question

How does humanistic management philosophy impacts on the minibus taxi industry governance in KwaZulu-Natal?

#### 1.4.2 Research sub-Questions

In order to achieve the above stated objectives the researcher intends to collect data to answer the following questions:

- How the humanistic management strategy affects governance in the Taxi industry?
- How the humanistic management leadership impacts on governance in the Taxi industry?
- How humanistic management ethics affects governance in the Taxi industry?
- How the humanistic management culture impacts on governance in

#### the Taxi industry?

#### 1.5 Significance of the study

The findings of this study might help all minibus taxi industry stakeholders to be aware of their roles and responsibilities in the governance of the industry. The study might also assist the minibus taxi operators and taxi associations to understand and appreciate the importance of humanistic management philosophy in the governance of minibus taxi business. This may improves how taxi operators respect and regard the dignity of the commuters; hence the communities might legitimise the taxi business. If the minibus taxi operators understand humanistic management philosophy in governance, it might increase their business sustainability and competitive advantage.

The study might enlighten the commuters and the community on their rights and what is expected of them when using minibus taxis. The findings of the study might also help the government to understand the operations of the minibus taxi industry, allowing constructive engagement with the taxi operators and offer necessary help and advice.

#### 1.6 Rationale of the study

The major drive behind this study is the taxi wars (which claims innocent souls), taxi industry failures, the community concerns on poor services and the prevailing road accidents involving minibus taxis. The failures by the government to come up with possible solutions to the challenges affecting the minibus taxi industry also arouse interests to engage in this study. Observations and discussions taking place in the minibus taxis and taxi ranks prompted this study concerning the governance of the taxi industry and its disregard of people dignity and respect. People in the community are sharing the challenges they are facing with minibus taxi industry. Both commuters and non-commuters share the same story of how the challenges in the minibus taxi industry are affecting the society.

Academic research has been done in the minibus taxi services provision but not focusing specifically on the impact of humanistic management philosophy in minibus taxi industry governance. The humanistic management philosophy is a way of life which respects and regards the dignity of people. Business should be legitimised by the society for it to sustainable survives in the competitive business world. This study enlightens the taxi operators on the significance of incorporating humanistic management philosophy when governing their taxi businesses.

A number of concerns were raised by minibus industry stakeholders on how the minibus taxis are governed. Therefore, there was a need for this study to explore how humanistic management leadership, humanistic management strategy, humanistic management ethics and humanistic management culture impacts on the minibus taxi industry governance.

The study contributes theoretically to the humanistic management philosophy in governance model, applicable particularly to the taxi industry and other businesses. The study highlights principles of humanistic management Philosophy which influence taxi industry governance in KwaZulu-Natal. The findings advance the principles of humanistic management philosophy in governance using Ubuntu Theory (African humanism principles) perspective as a basis for the formulation of the humanistic management philosophy as a Governance Model. The study addresses the gap in literature with regards to humanistic management philosophy in governance in the business environment using the lens of Ubuntu Theory.

Apart from the theoretical contribution, the study contributes to the practical applications. The findings of the study provide a basis on which Taxi Industry governance research in developing countries can be based. The results of the study provide Taxi Industry stakeholders (particularly in developing world) with a set of variables that can be manipulated to promote humanistic management philosophy in the Governance. The taxi operators might adopt the humanistic management philosophy in the governance of their businesses which might increase their sustainability and reputation in society.

This research was also inspired by the need to find out the perspectives of taxi operators on the application of African humanisstic philosophy (Ubuntuism) in the governance of their businesses. Hence the need to come up with an alternative model based on a humanistic management philosophy in governance influenced by Mbigi's (1997) Collective Five Finger Theory of Ubuntu.

#### 1.7 Assumptions of the study

The assumptions of the study are:

- 1.7.1 Minibus Taxi industry is governed as a profit making business.
- 1.7.2 There is no applicable governance model to help the minibus taxi operators to govern their businesses.
- 1.7.3 Most minibus operators come from the community they are servicing.
- 1.7.4 Humanistic management leadership, humanistic management strategy, humanistic management ethics and humanistic management culture influence humanistic management philosophy in governance.
- 1.7.5 The participants honestly responded to the questions

#### 1.8 Definition of terms

#### 1.8.1 Governance

Cadbury (1992), King III Report (2009) and King IV draft Report (2016) define governance as the way organisations are controlled and directed. This study adopts this definition that governance is the way business organisations are directed and controlled. The adopted definition takes the stakeholder approach to the controlling and directing of business.

#### 1.8.2 Humanistic management philosophy

Humanistic management philosophy, according to Acevedo (2012) and Mele (2013:52) can be defined as a governance philosophy that emphasises the human condition and is oriented to the development of human virtue, in all its forms, to its fullest extent. Khan and Amann (2013) defined humanistic management philosophy

as a governance philosophy that respects and regards the dignity of human beings when making controlling and directing decisions in an organisation.

This study defines humanistic management philosophy as a governance philosophy which puts the welfare of the stakeholders first when making governance decisions.

#### **1.8.3** Ubuntu

Khomba and Vermaak (2012:3511) and Schoeman (2012:19) define Ubuntu as an inclusive philosophy which respects and regards the dignity of all human beings. This study adopted this definition.

#### 1.8.4 Taxi

The word taxi in this study refers to minibus taxi. Therefore, taxi industry refers to minibus taxi industry; taxi operators mean minibus taxi operators; taxi drivers are minibus taxi drivers and taxi association means minibus taxi association.

#### 1.8.5 Humanistic management leadership

Humanistic management leadership refers to the leadership which respect the welfare and dignity of human beings when making governance decisions. This is a type of leadership based on stakeholders approach.

#### 1.8.6 Humanistic management strategy

Humanistic management strategy refers to the game plans which consider human beings when formulated, implemented and evaluated. These are strategies based on the humanistic management philosophy.

#### 1.8.7 Humanistic management ethics

Humanistic management ethics refers to what is right or wrong from the philosophical perspective of the society. What is right or wrong is defined by the society in which the business operates. Humanistic management ethics is a philosophy influenced by humanism. Therefore, in this study, humanistic management ethics refers to what is right or wrong when governing business as defined by the community in which the business operates.

#### 1.8.8 Humanistic management culture

Humanistic management culture refers to the norms, value and beliefs of the organisation as it directs and controls its business. According to this study, humanistic management culture means the culture influenced by humanistic management philosophy in which the organisation's norms, values and beliefs are derived from the norms, values and beliefs of the community in which the business operates.

#### 1.9 Chapter Outline of the Dissertation

Perry (1998) recommends a 7-chapter approach as a standard for PhD and doctoral theses in the management. Consistent with this view, the literature review for the study comprises two separate but interrelated chapters. Chapter 2 explores developments in taxi industry in relation to humanistic management philosophy and taxi governance, while Chapter 3 focuses on Conceptual framework, ubuntu philosophy as it relate to humanistic management philosophy and taxi governance. The chapters are structured as follows:

Chapter One: Introduction – introduces, provides the scope of and background to the research. The context of the research study covers governance, humanistic management philosophy and minibus taxi industry. Chapter one includes the purpose of the study (aim and study objectives), research problem, research questions, significance of the study, rationale of the study, assumptions of the study, and definition of key terms. The summary epitomises key points of the chapter.

Chapter Two: Literature Review (Humanistic management philosophy and governance) – the existing body of literature is analysed as it relates in theory and practice of taxi industry. While the discussions revolve around the international and South African perspectives, particular emphasis is placed on humanistic management philosophy and governance. The study highlights the knowledge gap that exists at the intersection of Humanistic Management philosophy and Governance.

Chapter Three: Literature Review (Theoretical Framework) – literature on

Ubuntu Theory as it relates to humanistic management philosophy and governance will be analysed. The theory is related to the taxi industry. The main focus will be on Ubuntu Theory (Mbigi 1997-Collective Five Finger Theory) as it relates to Humanistic management Philosophy and Taxi Industry's governance. Chapter three provides the justification for using Ubuntu theory as a theoretical framework.

Chapter Four: Methodology –This chapter contains a description of the suitable research methodology to address objectives. Justification of such is proffered by evaluating alternative research methodology philosophies, research designs, research instruments, data collection and data analysis thus pronouncing the selected methodology as being most appropriate to answer the research questions and problem. Chapter four outlines delimitation and limitation of the study. Ethical issues, reliability and validity are discussed in this chapter. The chapter ends with a summary of key points

Chapter Five: Data Presentation and Analysis – Data from interviews, questionnaire and observations is presented and analysed as they relate to the literature, conceptual framework and practical implications. The chapter starts by analysing qualitative data followed by quantitative data and, then integration of both qualitative and quantitative results (Triangulation mixed method approach). Qualitative data was analysed using coding systems, whilst quantitative data was analysed using SPSS version 20.

**Chapter Six: Discussion**- The researcher integrates the qualitative and quantitative data. The data is related to the literature and theoretical framework. The results of the study are compared to the findings of other scholars emphasising the similarities and differences.

Chapter Seven: Summary, Conclusions and Recommendations – the research concludes with a detailed discussion of the implications of the findings in the preceding chapter. The summary of the main findings were presented. Conclusions are presented within academic and practical contexts. The study provides recommendations which lead to a generalisation, hence an alternative humanistic

management philosophy in governance model was proposed.

#### 1.10 Summary of the Chapter

The chapter presents the context of the research study. The purpose of the study (research aim and research objectives), research questions, significance of the study, rationale of the study, assumptions of the study and definition of key terms were presented.

The next chapter two reviews literature on humanistic management philosophy in governance.

#### **CHAPTER TWO**

### HUMANISTIC MANAGEMNENT PHILOSOPHY IN GOVERNANCE

#### 2.0. Introduction

This chapter reviews other studies in relation to the concept of humanistic management philosophy in governance. A literature review refers to the process of discussing and analysing theoretical perspectives and research findings done by other authors on related problems (Leedy & Ormrod, 2010). This help to have a deeper understand of the problem at hand and learn from others how to tackle problems methodologically with regard to gathering of data and interpretation of findings.

A humanistic management philosophy was presented as an alternative to economistic philosophy. Many researchers indicate that governance theories based on the economic paradigm have faced many challenges (Pirson & Lawrence, 2010; Pirson & Dierksmeir, 2014). The global financial crises experienced from 2008 to 2009 showed the weaknesses of current governance theories (Mele, 2009; 2011; 2013; Pirson & Turnbull, 2011; Spitzeck, 2011). These scholars posit that governance theories based on economism need change. Most of the studies conducted were based on companies and their findings not applicable to small businesses like the taxi industry (Pirson, von Kimatowitz, Dierksmeier & Spitzeck, 2010; Pirson & Dierksmeier, 2014). Other studies explained their findings using western theories, for example Racelis (2014) used Aristotle's theory, Dierksmeier (2010) referred to Kant's theory, Acevedo (2012) explained the personality theory using the lens of Jacques Maritan's theory as a conceptual framework, Aktouf and Holford (2012) were influenced by Marx's theory, Pirson and Lawrence (2010) used the Darwinian theory and the list goes on and on. This study used Ubuntu (African humanism theory) to explain the phenomenon.

The chapter answers research questions theoretically, basing its argument on other

studies done by scholars. The next section outlines concepts covered in this chapter.

The rest of this chapter is arranged as follows: Firstly, literature on governance is reviewed, followed by humanistic management philosophy. Special emphasises is given to the history and origins of humanistic management philosophy, definition, theories, justification and its application to governance. The literature on humanistic management philosophy in governance was analysed, emphasising humanistic management strategy, humanistic management leadership, humanistic management ethics and humanistic management culture. Lastly, the summary epitomises the many key points of the chapter. Figure 1 gives a synopsis of chapter two.

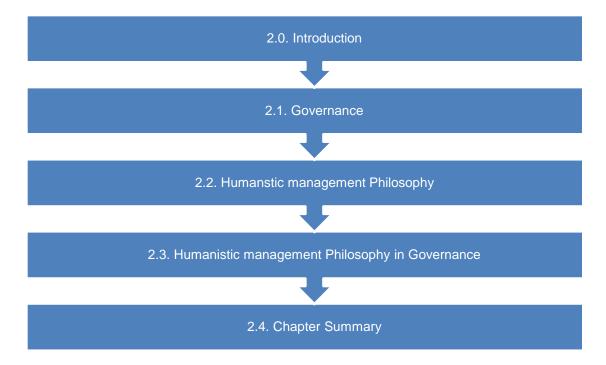


Figure 1: Summary of concepts to be covered

#### 2.1 Governance

The financial crisis that began between 2007- 2008 (Wojcik, 2012:330), corporate scandals like Enron, Global Crossing, world Com and Satyam (Sharma 2014:349) and tender rigging of big construction companies in South Africa, show the failure of present governance models. This was epitomised by Pirson and Turnbull (2011:101) who said:

"We are experiencing a global epidemic of institutional failure that knows no

bounds. We must seriously question the concepts underlying the current governance theories and whether they are suitable to the management of accelerating societal and environmental problems- and, even beyond that, we must seriously consider whether they are the primary source of those problems."

In South Africa, the governance codes had been re-written many times (King I, 1994; King II, 2002; King III, 2009; King IV draft, 2016). However, governance problems still prevail (Grstraunthaler, 2010). Although South Africa's governance is regarded as the best in Africa (Grstratunthaler 2010:147), some scholars criticise its governance models for not being applicable to small businesses like the taxi industry (Mukusha, 2012:16). These models fail to address ethical dilemmas and humanistic issues. In the next section, the term Governance is defined.

#### 2.1.1. Governance Definition

Many scholars quote Cadbury's (1992) definition of governance which refers to how organisations are directed and controlled (Grstraunthaler, 2010:146; Mukusha, 2012:16; Adams, 2012:16; Sharma, 2014). This definition of governance in business is concerned with the governance of companies (corporate), leaving out other organisations. Cadbury's (1992) definition emphasises the role of organisational leadership and has an economistic view of governance. To Cadbury, governance fulfils the profit maximisation objective.

Further, Fernando (2011:45) explains governance as follows:

"It is as old as human civilisation. Simply stated, it means the process of decision-making and the process by which decisions are implemented (or not implemented). An analysis of governance focuses on the formal and informal players involved in decision-making and implementing the decision made."

Cadbury's (1992) and Fernado's (2011) definitions complement each other. These definitions support governance of companies for the benefit of capital owners, disregarding the stakeholders.

Huy (2013) describes governance as the resolution of collective action problems

among various investors, as well as the reconciliation of conflicts of interests among various stakeholders. The definition includes stakeholders in governance issues.

On the other hand, in their study, Tukuta, Nkhosa and Rozaiwo (2012:06) refer to governance as a system which balances personal and community targets, economic and societal goals. This definition shows that governance involves all stakeholders. Organisational leaders' decisions take into consideration the human element. Ethics, society and individual cultures should be the corner stones of strategic planning and implementation.

Ngoepe and Ngulube (2013) define governance as the structures, processes, cultures and systems that stimulate the successful operations of organisations. The definition sums up all the major activities and issues which must be covered in the governance process.

Governance should take into consideration the needs of the society. Business operates in a society; therefore, it is part of the community and gets a legitimate right to function from the society (Mele, 2013). Hence the decisions made and implemented by the organisational leadership are expected to also benefit society.

#### 2.1.2 Governance Theories

The existing governance theories are not applicable to small firms. In the study done by Grstraunthaler (2010) he states that South African governance was historically shaped by the Anglo-Saxon decision-making models. This had led to westernised models which do not suit African humanism. The purpose of the study was to fill this gap. These governance theories are analysed in the next section.

King III (2009) recommended two governance theories, namely Enlightened Shareholder Model and Stakeholder Inclusive Approach. Grstraunthaler (2010) argues that the Enlightened Shareholder model advocates short-term objectives of profit maximisation and shareholder wealth. The Stakeholder Inclusive approach is explained as a model which considers the welfare of stakeholders if they are in line with the interests of the organisation, not the community. The Shareholder model advocates the use of people as a means to an end.

Scholars like Htay, Salman and Meera (2013:01) criticise current governance theories. They argue that current governance theories were formulated by people based on their reasoning and emotional analysis of governance challenges and issues of that time. They further add that current governance models only emphasise board leadership, structure, independent directors, and board meeting frequency and so on. The models have left out humanistic aspects of governance (Htay, Salman & Meera, 2013). Some of the governance theories are reviewed in the next section.

The Agency theory was introduced by Alchian and Demsetz (1972) and modified by Jensen and Meckling (Htay, Salman & Meera, 2013:03). Fernando's (2011) origin of the Agency theory differs from that of Htay, Salman and Meera (2013). He traces its roots from Adam Smith who mentioned an agency problem in the joint stock company. They both agree that agency relationship exists where the owners hire somebody to run their organisations. This creates agency costs to prevent the hired hand from feathering his interests. The Agency theory is based on the economic view.

Fernando (2011:47) criticised the agency theory's applicability in small firms where the owner runs the company. The theory advocates total management control which conflicts with shareholder interests. Studies indicate that incentivising the managers do not stop them from furthering their own interests. The Agency theory excludes society from the activities of the business. The theory was formulated by people who based their argument on their own reasoning and emotional thoughts (Htay, Salman & Meera, 2013). Culture, leadership, regulations, ethics and other stakeholders shape governance, not personal feelings.

The Steward Theory assumes that managers are honest stewards who save the interests of the company (Fernando, 2011). The Steward theory is based on psychological and sociological aspects (Htay, Salman & Meera, 2013:04). The leaders maximise organisational performance instead of their individual gain. Like the Agency theory, profit and wealth maximisation are the ultimate goals. It does not care about the problems of society. The leadership make use of people to achieve their objectives for the benefit of the firm. Therefore, this theory supports the

economistic view.

Scholars who studied the stakeholder theory view it from a humanistic perspective (Fernando, 2011:50; Tukuta, Nkhosa & Rozaiwo, 2012). The Stakeholder theory considers the needs of the community in which it operates. The business obtains operational legitimacy (Tukuta, Nkhosa & Rozaiwo, 2012:11). The stakeholder principles aim at providing goods and services to the community and achieving legitimate profit. Fernando (2012) states that it is grounded in many perspectives, like ethics, the social contract theory, property right theory, stakeholder investor theory, and so on, and this gives it an advantage over other theories.

Conversely, the stakeholder theory was criticised by many authors for failing to define stakeholders (Fernando, 2012:50). They argue that anything can be a stakeholder, ranging from all living things, including dogs, to non-living things like the environment. Other scholars posit that it relies on the leaders (managers) to decide who to consider as a stakeholder and also the application of social benefit. Studies indicate that humanistic aspects of the stakeholder theory in small businesses are lacking literature. Most of the research relates to companies.

#### 2.1.3 Governance Global trends

In the whole world, 90 countries have codes of governance (Haskovec, 2012). These codes of governance came into existence due to various investigations of scandals and governance failures in those countries (Haskovec, 2012; Yasseen & Singh, 2014). These governance codes were drafted with companies and government departments in mind. Their applicability to small and medium businesses like the taxi industry needs to be tested.

The United State of America was the first to establish the governance code through the Treadway commission of 1987 (Yasseen & Singh, 2014). This was followed by the United Kingdom which issued a governance code chaired by Sir Adrian Cadbury in 1992 (Haskovec, 2012). The Cadbury Report of 1992 influenced the development of governance codes in other countries like South Africa (Yasseen & Singh, 2014). This caused many countries to adopt governance codes based on the individualism

philosophy of United Kingdom. The United Kingdom issued subsequent governance codes like the Greenbury Report of 1995, the United Kingdom Corporate governance code and the Steward Code of 2010, but all these governance codes were based on economistic principles (Haskovec, 2012).

After the Cadbury report of 1992, governance spread all over the world (Huy, 2013). Internationally, countries like Netherlands, France, Germany, Canada, Australia, the United States of America, Japan, China, India, Russia, Kenya, Ghana, just to name a few, incorporated governance codes (Belikov, 2009; Haskovec, 2012; Larcker & Tanyan, 2010; 2011; 2014; Huy, 2013; Matisonn, 2015). These governance codes from various countries were based on maximising the shareholder returns. The governance emphasised the board of directors' leadership roles and responsibilities at the expense of other stakeholders (Debali, 2014). The humanistic management issues were not a priority.

#### 2.1.4 Governance in South Africa

South Africa attained its democracy in 1994. Its first governance code was drawn that same year and the code drew heaavily from the United Kingdom's Cadbury code (Habbard, 2010). The King I Report (1994) was a response to governance issues such as the collapse of Saambou, Fedsure, Fidentia and Regal Bank; just to mention a few (Ngoepe & Ngulube, 2013). Rampersad (2010:2270) commended the King I Report (1994) as the first governance code to include stakeholder interests beyond narrow shareholder demands. King I Report (1994) only applied to Johannesburg Stock Exchange listed companies, government departments, banks and insurance companies (Calkoen, 2013:304).

The King Report 1 of 1994 failed to address failure challenges in the organisations, and the changes in technology which necessitated the formulation of King II Report 0f 2002 (Ngoepe & Ngulube, 2013). The King II Report identified seven characteristics of good corporate governance, namely, discipline, transparency, independence, accountability, responsibility, fairness and social responsibility (Calkoen, 2013). It applied to the same organisations as those in the King I Report.

The introduction of the new Company Act (Act no 7 of 2008) caused the drawing of King III Report (Matisonn, 2015). The King III Report 0f 2009 focuses mainly on leadership, sustainability and corporate citizenship (Huy, 2013:22). Although its intention was to apply to all entities in South Africa, it was difficult to implement the King III Report in small and medium businesses (Calkoen, 2013). It incorporated the Ubuntu principles as its theoretical framework. The word "stakeholders" was defined to include society and communities among other traditional stakeholders. The King III Report was criticised for being biased towards information technology at the expense of humanistic management issues (Ngoepe & Ngulube, 2013). The governance reforms in South Africa failed to distribute corporate and financial power in the economy (Habbard, 2010). The majority of South Africans remained poor. Stakeholders such as workers and society were involved in governance on paper. The Broad Based Black Economic Empowerment Act 53 of 2003, which was supposed to complement the King Reports, managed to enrich the elite connected politicians at the expense of the majority (Esser & Dekker, 2008)

The King Report Committee had decided to draft the King IV Report (draft report produced 2016) to cater for humanistic issues, among other things (Matisonn, 2015). Ansie Ramalho, from the King IV Task team discussed the interdependent relationship between business and society which needed each other to be successful (Matisonn, 2015). This development may help to improve humanistic management philosophies among companies. But it remains to be seen if the small and upcoming businesses are to be catered for in King Report IV.

# 2.2. Humanistic management Philosophy

Ardalan (2010) explains humanistic management philosophy as a paradigm among the most important philosophy in governance. Other scholars (Spitzeck, Amann, Pirson, Khan & van Kimakowitz, 2010; Pirson and Turnbull, 2010; Pirson and Lawrence, 2010; Mele 2003; 2009; 2011; 2012; 2013) explained the evolution of humanistic management from different perspectives. For example, Mele's (2003; 2009; 2011; 2012; 2013) studies were influenced by Christian humanism, that is, Catholic teachings. Like Mele (2013), the Humanistic Network group (Spitzeck, Amann, Pirson, Khan and von Kimakowitz, 2010) tried to differentiate humanism

from economism, but their research covered other parts of the world except Africa. In Africa they only analysed one company in Egypt. Can Egypt represent the African philosophy (Ubuntu) of Southern Africa? This needs further investigation.

Most researchers (Spitzeck *et al.*, 2010; Spitzeck, 2011; Dierksmeier, 2012; Mele, 2013; Pirson & Dierksmeier 2014) agree that the concept of humanistic management philosophy originated from the humanism philosophy. Scholars do not indicate which type of humanism.

Humanism is an ethical and philosophical approach to human life, looking at human solutions to human issues through reasonable debate (Spitzeck *et al.*, 2010). Humanism is an alternative to economism (Mele, 2013:52). According to Pirson and Turnbull (2011:103) the humanistic paradigm views the person as zoon politico, a relational man/woman who materializes autonomy through individual values. Human beings, according to the humanistic view, are guided by collectively germane principles and endeavour at elongated term interaction (Pirson & Turnbull, 2011). Human beings are fundamentally stimulated to self-actualise and provide humanity through what they do.

Studies indicate that governance lacks a consistent approach to incorporate humanistic values into economic life (Spitzeck et al., 2010). Pirson and Lawrence (2010) posit that governance theories and practices are facing extraordinary challenges. However, Spitzeck's *et al* (2010) and Pirson and Lawrence's (2010) models are based on individualism principle of western culture.

Business activities affect human life in different ways and can either positively or negatively affect an individual's dignity and capacity for self-actualisation (Spitzeck et al., 2010). Prison and Lawrence (2010) argue that the lack of sustainability, the increasing dissimilarity, and the constant decline in communal trust masquerade as a menace to business as usual. Theories of firm and business strategies based on economistic assumptions are blamed by others for creating negative externalities (Pirson & von Kimakowitz, 2013). To understand humanistic management philosophy, humanism has to be defined and distinguished from economistic. Then, humanistic management philosophy evolution is traced and defined according to

various authors. The justification of the humanistic management philosophy and its application are dealt with in the next section.

### 2.2.1 Comparison of Humanism and Economism

For one to understand humanistic management philosophy, its root (humanism) has to be distinguished from economism. Authors, such as Aristotle, Marx, Fromm, Sartre, Freud and Evans-Pritchards, as cited by Aktouf and Holford (2012), argue that society should not suffers, whilst business accumulates a lot of wealth for the selected few (shareholders). Capitalism causes society's poverty and suffering. That is why communities end up demanding that business performs corporate social responsibilities (Aktouf & Holford, 2008; 2012). On the other hand, corporate social responsibility does not work. It fosters a dependency syndrome in the community. There is an African adage which says, "Do not give a man a fish, but teach him how to fish". Meaning that, business should have support structures to encourage the community to become self-reliant.

Aktouf and Holford (2008; 2012:17) cited Eric Fromm (1961:147) who defines humanism as follows:

"Humanism is a system centred on man, his integrity, his development, his dignity, his liberty. It is based on the principle that man is not a means to reach this or that end but that he is himself the bearer of his own end. It is not based on his capacity for individual action but also on his capacity for participation in history, and on the fact that each man bears within himself humanity as a whole."

This definition cited by Aktouf and Hlodford (2008; 2012) indicates that workers and society should be respected and should determine their own destiny.

Spitzeck *et al.* (2010) assert that people are the final determiners of value and morality. Spitzeck *et al.* (2010) define humanism as a philosophy, attitude or way of life centred on human interests or values. It's a philosophy that discards supernaturalism and emphasises an individual's decorum and worth through logical reasoning (Spitzeck *et al.*; 2010). The humanism theological perspective influences

the values of societies and individuals (Spitzeck *et al.*; 2010). According to Spitzeck *et al* (2010) humanism theological perspective allow for more humane business practices; however, a new breed of business ethics is indispensable, one that does not subordinate its principles to the constricted confusion of short-term profit maximization.

A study conducted by Pirson and Lawrence (2010) explains humanism in terms of Darwian's theory. They use the drives of Darwian theory, namely, the drive to acquire life-sustaining resources, the drive to defend against all life threatening entities, the drive to bond in long term mutually caring relationships with other human beings, to distinguish between the economistic view and the humanistic management view.

Other scholars look at the impact of humanism and economism on an organisation as a way of differentiating these philosophies (Pirson & Lawrence, 2010; Mele & Mammoser, 2011; Pirson & von Kimakowitz, 2013; Mele, 2013). At the system level, environmental degradation, over-use of resources and unsustainable business strategies are the results of the implementation of capitalism (Pirson & von Kimakowitz, 2013). The resultant effect of capitalism (economism) at the system level is increasing inequality which affects political and economic systems.

Economism also has effects at the organisational level. Pirson and von Kimakowitz (2013) found out that low reputation level and decrease stakeholder trust was the order of the day in firms applying the economism philosophy. Profit maximization goals are alleged as essentially opportunistic which makes it continually more complicated for the business community to restore confidence (Pirson & von Kimakowitz, 2013).

Economism perceives the human being as a fixed individual, encoded by a stable utility function. Pirson and von Kimakowitz (2013) posit that this economic man (homo oeconomicus) is selfish and only fascinated by maximising his instantaneous needs.

On the other hand, humanism views the human being as a zoon politico, a reasonable

woman/man, who materializes liberty in the course of value-based social relations (Pirson & von Kimakowitz, 2013). The humanism philosophy regards people as an end, not a means to an end. That means humanism encourages engagement, unlike economism. Humanism views human beings as accommodative when compared to economism which views human beings as self-serving and interested in using man to gain selfish means. Pirson and von Kimatowiz (2013) support that argument when they explain that human beings maximise utility, balance the welfare of themselves and people around themselves in harmony with the universal moral philosophy. The question that remains is which views (economism or humanism) apply to individuals who do business in Africa, and what benefits accrue to the business? What does the view on individuals contribute to the view of the firm?

Mere (2009:113) contributes to the argument that the economic paradigm views the human being as a homo oeconomicus (economic man model). Mele (2009) continues to highlight that this model gives to the individual an imaginary character describing him/her as sensible being, with self-interest in maximising his or her utilities. However, Mele (2009:114) disagrees with the economic theory and proposes the humanistic view based on Aristotle's views. Aristotle's theories can be applied to humanistic management philosophy (Mele, 2009). Aristotle's theory of Household management, Economics of virtue and Collaborative entrepreneurship model were suggested by Mele (2009) as more humanistic than the economistic theories

According to the economistic view, firms are not necessary, as the market would be sufficient to organize entities in the maximisation of permanent utility functions (Pirson & von Kimatowiz, 2013). In addition, they assert that utilitarianism fails to elucidate why and how collaboration is compulsory, as economic men with comparable predetermined utility functions only require synchronization.

Pirson and Turnbull (2011:2) support the argument of Pirson and Lawrence (2010) that the humanistic view of the organisation and the firm is that they are much more than a simple set of contracts or instrument for profits formation.

Pirson and von Kimatowiz (2013) are of the view that, based on transactional costs and bounded rationality, humans are considered to connect in teamwork solely when

the market provides sub-optimal proficient results. The organisation fits the maximisation ideology. The leadership of the firms focus on the shareholder interests. That means the leaders view humans as assets (human resources) used to maximise profits for the shareholders. The welfare of the workers is not regarded. Pirson and von Kimatowiz (2013) point out those economistic firms are informed by the Agency theory governance mechanism which advocates creating an atmosphere where opportunistic, convenient administrative agents are in check, not to jeopardise the implementation of whatever objective the owners propose to accomplish.

Leadership and culture influence one another. Pirson and von Kimatowiz (2013) are of the view that economistic firms support cultures and organisational identities that are oriented mainly in the direction of the personality. This can be regarded as true to American and European cultures which are based on individualism, whereas African culture is based on collectivism. The effects and implementation of the economistic view on single owner African businesses, especially taxis, needs further investigation. Pirson and von Kimatowiz (2013) further describe the economistic view on culture as transactional in nature. They point out that economistic firms follow linear, mechanistic and closed-loop idea and interface processes. Mechanistic organisations try to change the environment moderately rather than seek to answer to it (Pirson & Kimatowiz, 2013).

Pirson and von Kimatowiz (2013) outline the weakness of economism in regard to uncontrolled change because economists believe that it interferes with the most efficient execution of the maximisation paradigm. According to economistic view, there is need to monitor whether the external stakeholders do not interfere with the market forces (Pirson & von Kimatowiz, 2013). This view means they have no regard for external stakeholders.

On the other hand, humanism views the firm differently. Pirson and von Kimatowiz (2013), in their research, found out that firms exist not only for organization but for scholarship and personality construction purposes. They further explain that humanism views firms as a collective phenomenon fundamental to the relational personality of people. People should have sociable and accommodating associations.

Humanistic firms guarantee equilibrium of qualitatively advantageous outcomes (Pirson & von Kimatowiz, 2013). Most research on this aspect was done in America, Europe and the Asian countries. This may differ from businesses in Africa, being run by Africans due to environmental, cultural, beliefs and other differences, hence, further research need to be done. The only African company which was included in the study was from Egypt but beliefs in that country do not represent beliefs of Africa and South Africa in particular.

Humanistic firms endeavour to maintain the individual drives for acquisition, bonding, comprehending and defending at the same time. Pirson and von Kimatowiz (2013) posit that the humanistic view does not imagine established utility functions, as in economism, but eternally varying adaptive processes. They argue that discourse based community processes are essential to the perception of organising and opinionating the construction of reciprocated targets. The humanism philosophy aims to achieve a balance and, therefore, any imperative for maximisation of one single objective is rejected, for example, shareholder value (Pirson & von Kimatowiz, 2013).

The other difference between humanism and economism is on the structure of the firm. Humanism fosters individual growth and reduces authority levels in the organisation, which allows the workforce to benefit from high levels of accountability (Pirson & von Kimatowiz, 2013). Decision-making and decision implementation are spread throughout the entire firm in a way that utilizes the expertise of all workers. Hence, the organisation gets maximum benefit. Pirson and von Kimatowiz (2013) found out that humanistic firms utilize integrative mechanisms that cut transversely the vertical lines of control, that is, product or project managers, task force, matrix elements and innovative information management systems.

As indicated earlier, economism leadership is based on transactional leadership; in contrast a humanism leader is a transformational leader. Pirson and von Kimatowiz (2013) describe transformational leader as vigorously evaluating their personal four drives and also connecting with their followers to do so. They further argue that

based on moral values, transformational leaders motivate followers, arouse them rationally and engage them psychologically with the firm tasks. The transformational leaders base their power of influence on argument rather than hierarchy and demonstrate care for the individual followers including their personal development (Pirson & von Kimatowiz, 2013). Pirson and Kimatowiz (2013) called them humanistic or four-drive leaders in place of transformational leaders. These leaders create a climate in which people clearly understand cognitively and embrace emotionally the purpose of the firm (drive to comprehend), are able to maintain very positive long-term relationship with each other (drive to bond), create financial value (drive to acquire) and can count on their collective strength to weather the storms of competition (drive to defend) (Pirson & von Kimatowiz, 2013). The humanistic leaders act as responsible stewards of the economy and society at large and are able and compelled by their active four drives to contribute to a society that balances the four drives as well.

Pirson and von Kimatowiz (2013) found out that humanistic firms maintain cultures that are more transformational in character and construct organisational identities based on inter-human associations, all-encompassing of a generously proportioned group (communal). These findings were obtained using companies outside Africa and therefore, the culture of upcoming businesses like the taxi industry, especially those operating in the African environment and owned by Africans needs to be explored. Culture differs from place to place; for example, European and American culture is based on individualism whilst African culture is based on collectivism. Hence a humanistic view based on the culture of African businesses owned by African people needs to be explored. Pirson and von Kimatowiz (2013) support the idea that firms balance the four drives of interior stakeholder groups, but also endeavour at causative action to sustain a stability of the four drives for external stakeholders.

Economism views the function of the firm as being to accumulate wealth, whilst the state provides safety (Pirson & von Kimatowiz, 2013). The government creates regulations to harmonize organisations and firm leadership conforms to rules whilst maximising profits. Pirson and von Kimatowiz (2013) argue that economism rules

are based on the lenient hypothesis that persons and businesses can pursue their personal purpose.

On the other hand, the humanistic view of the societal system is different. Pirson and von Kimatowiz (2013) found out that there is no separation of work in terms of gratifying the four drives. They further argue that collaboration exists to ensure checks and balances and facilitate most advantageous stability of the four drives on levels. The connection of individuality and integrity with obligations for the methodical consequences adds to the cohesion between firm and society (Pirson & von Kimatowiz, 2013). Business leaders acknowledge and take accountability for consequences of their behaviour on the systematic level, the organisational level and the individual level. Pirson and von Kimatowiz (2013) are of the opinion that independence is conditional of ethics and that individual and organisational autonomy materializes through care and apprehension for the other. Sustainability and commercial duty are authorized parameters in the humanistic view of business, and endeavours to improve social challenges through business are essential (Pirson & von Kimatowiz, 2013).

### 2.2.2. Evolution of Humanistic Management Philosophy

Edwards (1989) explained philosophical humanism as any outlook or way of life centred on human needs and interests. It can be divided into two totally different philosophies, namely, Christian humanism and Modern humanism. Scholars like Mele (2003, 2009, 2011, 2012, 2013 & 2014) are influenced by Christian humanism in their research on humanistic management. Another part of modern humanism, Religious humanism emerged out of Ethical Culture, Unitarianism, and Universalism. Dong (2005) supported Edward's (1989) principles of modern humanism and outlined his own ten points of humanism.

McNamara (2013) traces the history of humanistic management philosophy from Frederick Taylor's (1890 – 1940) Scientific Management Theory, Max Weber's (1930 – 1950) Bureaucratic Management Theory to Human Relations Movement (1930 – today). McNamara (2013) credited Peter Drucker as the father of modern management theory which developed into a humanistic management philosophy.

Pirson and Lawrence (2010) trace humanism from the Elton Mayo and Hawthorne experiment. According to them the Hawthorne experiment unveiled the significance of psychological effects and the drive to bond for human efficiency. As a result humanistic management philosophy, which emphasises the significance of human needs and motivations for organisational achievement was developed (Prison & Lawrence, 2010). Other scholars, like Argyris (1957), McGregor (1960) and Herzberg (1976) as cited by Pirson and Lawrence (2010) and Mele (2013) pointed out the importance of motivational factors external of the financial realm. However, Mele (2009) questioned whether this earliest brand of humanism in business was not a covered form of economism. Citing examples where psychological methods were used only to amplify output, Mele (2009) argues that these facts were only the expansion of an economistic two-drive paradigm. According to Mele (2009), humanism was developed by Aristotle.

Pirson and Lawrence (2010) define humanistic views in organisations as a community phenomenon fundamental for the relational personality of human beings. Pirson and Lawrence (2010) view the humanistic organisation as that which accommodates equilibrium of qualitatively advantageous goals. According to them, discourse-based collective processes are essential to the gesture of organising and opinionating the establishment of shared goals. The endeavour of these processes is to accomplish equilibrium and therefore any goal for maximization of one single intention is redundant. Therefore, the greatest humanistic organisation endorses a gratifying or holistic optimizing approach.

On the other hand, Mele (2013) has her own count of the evolution of humanistic management philosophy. Humanism in 20<sup>th</sup> century was similar to job enrichment (Mele, 2013). To justify this argument Mele (2013) cited work done by Herzberg (1968). According to Herzberg (1968), as quoted by Mele (2013), humanistic management involved motivating workers by offering them responsibilities and variety in their jobs. Mele (2013) also cited many scholars whose work could be considered as humanistic management. Maritain (1996), as cited by Mele (2013), suggested that the participation of a human being in all that is nature, makes him (her) develop in totality. This idea indicates that Maritain was encouraging business

and management to practise humanism.

Mele (2013) cited Follet whom she considered a prophet of modern management. Follet had no interest in the energy used by employees to avoid fatigue but was interested in how to make workers co-operate (Mele, 2013). Another early developer of humanistic management according to Mele (2013) was Barnard. Like Follet, Barnard was interested in cooperation of employees (Mele 2013). Barnard focused on the development of man's (woman's) faculties, affairs and well-being. Mele (2013) also discussed Elton Mayo (1933; 1946) as being among the early proponents of humanistic management philosophy. Mayo emphasises the importance of workers' behaviour in the business. Another scholar according to Mele (2013) whose studies can be classified under humanistic management philosophy was Maslow (1954). Mele (2013) points out that Maslow was interested at human needs and motivations in behaviour.

The other scholar Mele (2013) described as championing humanistic management philosophy was Peter Drucker. The humanistic management philosophy of Drucker was based on communication vision. Drcker (1973), as cited by Mele (2013), regarded the business as a human community and a social organisation, a mircosociety with the larger community, in addition to being an economic entity. Mele (2013) views Drucker as the father of modern management who united profit-making and the social contribution of business and awarded the individual a remarkable importance within a firm. Drucker posited that the business organisation was the means through which a human being, as a person and as a member of the society, discovers both contribution and achievements (Mele, 2013). These studies may be viewed as a masked form of economicism because their main objectives were to improve production and increase profit. The evolution of humanistic management philosophy as Mele (2013) views it, originates from the Western countries. Literature on the history of humanistic management philosophy and its application in Africa, let alone South Africa, are none existent.

Arnaud and Wasieleski (2013:08) assert that humanistic management philosophy originated from the Bible. Humanistic thinking developed with Petrarque, Erasmus,

Rabelais, Picde la Mirandile and others, during the renaissance. These authors, according to Arnaud and Wasieleski (2013), had the view that education makes us human. That means, humanistic management principles can be learnt. They relate humanistic management philosophy to the Bible and argue that the creation of oneself by oneself is central in the humanistic conception of human beings. In other words, humanistic management philosophy was also related to the development of personality theories (Arnaud & Wasieleski, 2013). To drive their point home, Arnaud and Wasieleski (2013) quoted Mounier (1949) and Leroux (1999) who maintain that the personalism philosophy led to humanism development during the twentieth century. This view is different from the opinion of other authors like Pirson and Lawrence (2010), Spitzeck (2010), Mele (2013). These other authors view the evolution of humanism from a work perspective.

Cline (2014) argues that the origin of humanism can be traced to the Italian Renaissance. Cline (2014) outlines that early humanism philosophers, like Epicurus, Desiderous Erasmus, Baruch Spinoza, David Hume, Jeremy Bentham, John Staurt Mill, Thomas Paine, Paul Kuartz and Keith Parsons, created philosophical groups based upon their Greek and ancient Roman manuscripts. He also highlighted that humanism ideology can be found in ancient China, India and other cultures. The views of Cline (2014) make one perceive the evolution of humanistic management from different angles. However, he never mentioned Africa in his research. That means the understanding of humanism, according to him, was limited to Western culture.

Different views of authors on the origin of humanism and what it means indicate that they do not agree on the issue. For example, Arnaud and Wasieleski (2013) derive their views from Kant's ethical philosophy. Arnaud and Wasieleski (2013) used the theory of self-determination which maybe likened to the African philosophy of Ubuntu. However, this differs on principles and cultural views. The self-determination principle posits that each human being should have a large sphere of autonomy to use his liberty, encounter stimulating challenges to develop his talents and potentials, and surround himself with other people he can trust, in order to have feelings of recognition and acceptance. This allows for one to have a feeling of being

considered as an end and not as a means (similar to Lawrence Darwian theory).

# 2.2.3. Definition of humanistic management philosophy

The evolution of humanistic management philosophy helps the author to define the phenomenon. Although it may differ in the way different scholars define humanistic management philosophy. Its objective remains the same. Firms must treat humans with dignity and respect. In South Africa the King III Report (2009) and King IV Report draft (2016) integrated the humanistic management philosophy approach into their principles. However, it is not applicable to small businesses, like the taxi industry. The humanistic management philosophy can be defined from different perspective, as shown in Table 1.

Mele (2013:52) described humanistic management philosophy as a behaviouristic principle which focuses primarily on human motivation. It is a management philosophy that emphasises the human condition and is oriented to the development of human virtue, in all its forms, to its fullest extent. Mele (2013) quotes the words of Maritain (1996:153) to reinforce the point:

"Humanism tends essentially to render man more truly human and to manifest his original greatness by having him participate in all that can enrich him in nature and history. It at once demands that man develops the virtuosities contained within him, his creative forces and his life of reason, and work to make the forces of the physical world instruments of his freedom."

These words describe the idea that makes us consider how humanism can be applied in business to develop humanistic management. Mele (2013) provides a definition which indicates that humanistic management philosophy balances making profit and human values. She argues that business should respect the humanity of people, treating them always as an end and never as a mere means. People should participate in business in a way appropriate to each situation, seeking to avoid others feel themselves to be simple receptors of orders. Organisations should favour human potential in aspects such as creativity, rationality and character and foster the growth

of individuals as human beings (Mele, 2013).

**Table 1:** Definitions of Humanistic management philosophy

Definition	Source	Description
A	Mele, D. (2013:52)	A management philosophy that emphasises
	Acevedo, A (2012)	the human condition and is oriented to the
		development of human virtue, in all its forms,
		to its fullest extent.
В	Spitzeck, H.	A management concept that upholds the
	(2011:51)	unconditional human dignity of every woman and man within an economic context
С	Von Kimakowitz, E,	Describe it as unconditional respect for the
	et al (2010)	dignity of every person. Ethical reflection
	Khan, S. & Amann,	must form an integrated part of all business
	W. (2013)	decisions. It seeks normative legitimacy for
		corporate activities to assume corporate
		responsibilities.
D	Pirson, M. & von	A management philosophy that takes human
	Kimakowitz,1 E.	individual as its starting point and emphasises
	(2013)	the human capacity of reasoning.
Е	V1 C	A
E	Khan, S. & Amann,	A management philosophy that goes a step
	W. (2013)	further than mere cultivation of sensitivity
		towards indigenous particularities in the
		business transactions.

Von Kimakowitz, Pirson, Dierksmeier, Spitzeck and Amann (2010) define humanistic management philosophy in terms of three interrelated dimensions. They point out that respect for the dignity of people is the underpinning of interpersonal communication, including connections taking place from an organisational perspective. Ethical consideration must shape an integrated part of all business decisions, and looking for normative legitimacy for business performance is fundamental for presumptuous corporate errands. These are the cornerstones of

humanistic management philosophy. According to von Kimakowitz *et al.* (2010) the last dimension, which is to be understood as the dialogical annexe of ethical indication of business conduct, permits for the aligning of good intentions with deeds that have the prospective to generate good results. Unlike Mele (2013), von Kimakowitz *et al.* (2010) relied on Kant (1785) to define the humanistic management philosophy. According to Kant (1785) as quoted by von Kimakowitz *et al.* (2010), human dignity does not have a price therefore irreplaceable. Von Kimakowitz *et al.* (2010) view humanistic management philosophy in terms of the roles of the manager. They argue that traditionally, managing is perceived as the task of attaining predetermined goals effectively and efficiently.

Arnaud and Wasieleski (2013) define humanistic management philosophy as the philosophy that regards people in the highest esteem and it can be learn through interaction with the environment. They add that humanist principles are autonomy, liberty, dignity, equality between human beings and the right to develop our human talents. This definition highlights that humanism depends on the human will, therefore, can be applied in business to enhance legitimacy.

Arnaud and Wasieleski (2013:10) indicate the four factors which qualify an organisation to be classified as following a humanistic management philosophy. Firstly, it must be supportive of the person's liberty and the development of his moral autonomy. Secondly, it must facilitate the development of one's talents and potential, with stimulating challenges. Thirdly, it must make social relations based on trust, mutual respect and mutual recognition and encounters with trustworthy people possible and easy. Lastly, it must consider each person as an end and not just a means.

Like Mele, Spitzeck (2011:51) defines humanistic management philosophy as essentially a perception of management that upholds the absolute human dignity of every person within the business context. To illustrate the definition, Spitzeck (2011) gave examples of businesses in Brazil that were practising humanistic management philosophy. However, Spitzeck's (2011) definition mostly looked at the ethical part of humanistic management philosophy. Spitzeck (2011) suggests that humanistic

management philosophy, if practised by businesses, serves the community and enhances the citizens' quality of life. This is a different view from other authors like von Kimakowitz (2010) and Mele (2013).

#### 2.2.4 Theories of Humanistic management philosophy

Many scholars developed business models based on humanistic management philosophy but the application of these models in the African context, especially South Africa, remains to be investigated. Most models were based on companies basing the argument on employees versus management. Spitzeck (2011) developed a model called an Integrative model of Humanistic management. The model was presented in a 4 x 4 matrix table. In this model, Spitzeck (2011) explains the four quadrants. This gives insight into the position of companies which apply humanistic management and those which do not. Spitzeck (2011) outlined that the model can be used at a firm level, distinguishing between a firm as a whole, as well as on a level that deals with issues.

Conversely, Mele (2013) criticised the idea saying that profit motive distorts the idea of humanistic management philosophy in a firm. Mele (2013) describe it as masked economism philosophy. But Spitzeck (2011) defends the idea, calling it social entrepreneurship. He described social entrepreneurship as a combination of economic benefits of entrepreneurship with the offering of social and environmental goals. Spitzeck (2011) adds that social entrepreneurs serve as a template for humanistic management. But is this true for Africa and South Africa in particular?

The weakness of Spitzeck's (2011) argument is that he views humanistic management decisions as profitable decisions. Although he goes on to say that honest humanistic firms are profit-satisfying instead of profit-maximizing, there is a thin line between these two concepts. Spitzeck (2011) defines profit as something that creates social impact with the goal of changing society for the better. This view can be put forward by capitalist who believe that profit leads to employment which also changes society. Spitzeck (2011), on the other hand, pointed out that profitability, though important for the survival of the firm, is not a prerequisite for humanistic management. He criticised studies which evaluate the correlation

between humanistic management and financial performance because that leads to the idea that responsible behaviour can be measured in financial terms.

Pirson and Turnbull (2011) wrote that the economic crisis experienced in UK and US between 2002 and 2009 was a result of economic governance failures. They proposed their own theory based on humanistic management philosophy and called it Network Governance. Network Governance is described as governance structures that intentionally include multiple stakeholders and distribute decision-making across several boards (Pirson & Turnbull, 2011). However, this type of governance may only apply where there is an Agency problem. Its application to single owner run business needs further investigation. According to Pirson and Turnbull (2011) governance failures were a result of the economistic philosophy which recorded structural board. They criticised this form of governance as not humanistic since it has the assumption that human beings are rational and do not have weakness. Pirson and Turnbull (2011) proposed humanistic management theories which incorporate various stakeholders in decision making. They proposed humanistic governance theories like Trusteeship and Steward theories.

Lawrence's (2010) Darwinian Theory was used by Pirson and Kimatowiz (2013) to explain scientific developments supporting the humanistic management philosophy. Darwinian Theory illustrates how the individual had developed mentality via normal assortment and through gender and collection assortment mechanisms towards constructing multi-faceted decisions regarding every aspects of existence (personal, communal and societal). Lawrence's (2010) Darwinian Theory proposes four drives, namely, the drive to acquire (dA), the drive to defend (dD), the drive to bond (dB) and the drive to comprehend (dC). The Darwinian Theory's application to the African environment needs to be tested.

Leadership is an important component of business, Pirson and Kimatowiz (2013) outlines a theory which explains causes of defect and bad leadership. Without proper leadership, business cannot survive. Pirson and Kimatowiz (2013) explain the theory of Psychopath. Lawrence argues that failure to develop an independent drive to bond leads to bad leadership (Pirson & Kimatowiz, 2013). Psychopaths can be defined as

communal predators that lure, influence and mercilessly plough their manner through existence, leaving large trace of wrecked hearts, devastated opportunity, and blank wallets. Absolutely deficient in ethics and in feelings for others, they egoistically acquire what they desire and execute as they gratify, violating collective norms and prospects, devoid of the least sagacity of responsibility or being apologetic

# 2.2.5 Justification of humanistic management philosophy

Current governance theories are largely informed by economics, they draw substantively from neoclassical theories of human beings and this has been responsible for the financial crises which the world is suffering from (Pirson & von Kimatowiz, 2013).

Von Kimakowitz *et al.* (2010) argue that humanistic management philosophy has liberating effect on the business applying it. That means the business feels ethically doing the right thing. For example, the taxi industry operates in the community; the industry should feel good when doing the correct thing appreciated by society. This view is supported by Aktouf and Holford (2012) who pointed out that governance that supports the well-being and development of people (humanism) justifies their existence. The humanistic management philosophy becomes a productivity and sustainability strategy rather a corporate social responsibility phenomenon. It replaces the old outdated scientific management theories (Aktouf and Holford 2012). These authors (Aktouf & Holford, 2012) further justify humanistic management philosophy:

"Humanism that we allude to involves a radical in-depth reintroduction of the source and root of things relating to historicism, diachronicism, the social and economic structures at stake and the sharing of power."

That shows humanistic management philosophy empowers the community and as a result regards the business as a member of society. Considering that the taxi industry operates in a society and interacts with the community every day, this provides them with a legitimate existence.

Stakeholders acquire power to harm the business if it is not in line with the norms and values of that society. The firm has to pay attention to the needs of the society to survive (von Kimakowitz *et al.*, 2010). It must invest in acquirement and maintaining an image of moral veracity. Von Kimakowitz *et al.* (2010) posit that while this view confirms that a negative image can cost a company dearly, its reasoning is flawed. In this view, ethical corporate conduct is an investment in reputational risk avoidance in order to steer clear of the costs that may result from a negative image; it is not motivated by normative, ethical evaluation or the outcome of the stakeholder dialogue; it is not rooted in wanting to do what is right. A humanistic management philosophy means getting the priorities right from the outset and emancipating the company, first, from the restraints of a one-dimensional goal set-profit maximisation, secondly, from the permanent apprehension of being exposed to the harsh public response that may follow losses of legitimacy.

Spitzeck *et al.* (2010) justify humanistic management philosophy in the sense that the constructive spill-over effects of humanism in business include a sounder rationalisation development, attracting talent, and a more unswerving, dependable and stimulated personnel.

The profit-maximizing objective function inevitably leads to situations in which asymmetric power relations between a company and its weaker stakeholders result in disrespect for weaker stakeholders' moral rights to have their human dignity protected.

A humanistic management philosophy acknowledges these shortcomings and enables managers to remove the blinkers that make their vision one-dimensional; it lets human rationality prevail over market rationality (Mele, 2013). Humanistic management enables managers to maintain personal integrity, employees are free from working in companies whose primary aims they do not share, and all stakeholders are liberated from corporate citizens that, ultimately, follow the logic of might is right (Mele, 2012)

Humanistic management substitutes maximized profits with legitimized profits. Moral or normative legitimacy thus becomes a precondition for profit-oriented goals. A company is liberty to share responsibility with its stakeholders, as the balancing of conflict is transferred from the (monological) executive decision to the (dialogical) moral site of stakeholder dialogue (Mele, 2012). Humanistic management frees the company from the constant pressure of losing legitimacy and the need to manage reputational risks, as it has made moral legitimacy the unconditional platform of the activities within the market environment. Humanistic management makes moral legitimacy the yardstick for measuring the right or wrong of its conduct.

According to Spitzeck (2011) the reasons for applying humanistic management philosophy are the business case for responsible management and the moral case for humanistic management. The business case for responsible management advocates decision-making based on the profitability outcome (Spitzeck, 2011). He further argues that right decisions pay off and wrong decisions are costly. That means companies have to adopt a humanistic management philosophy because it can lead to shareholder wealth creation.

Spitzeck's (2011) argument was criticised by Mele (2013) as economism masked in humanism. A question therefore can be asked is whether it means that the taxi industry will be convinced to pursue a humanistic management philosophy solely for making profit. It was also criticised because the egocentric quest of profit is contradictory to truly responsible performance as it binds the accountability course of demeanour to its profitability (von Kimakowitz et al., 2010). That means no empirical evidence that indicate positive correlation between responsible behaviour and profitability will overcome this moral myth. On the other hand, Spitzeck (2011) points to the moral case for humanistic management as another justification for adopting humanistic management philosophy in business decision-making. Spitzeck (2011) uses theories of Kant (1795) and Habermas (1984) to strengthen his argument. According to Spitzeck (2011) the reason for adopting humanistic management philosophy is based on the notion that the business should be legitimatised by the society in which it operates. This legitimasing process also ensures that the preferred path of behaviour improves the lives of all parties concerned. He further argues that overcoming this incapacity to react requires business to take any stakeholder's say into deliberation in order to achieve a

legitimate decision. Can this be achieved considering various stakeholder needs? Can the taxi industry serve a certain route because it serves the stakeholders' needs even if it is costly to do so? This needs further research to find out the possibility of such a situation. Spitzeck (2011) supports the argument by asserting that in Brazil studies shows that there are companies signifying that businesses do perform as moral role models, regardless of the financial costs of their decisions.

Christianity's views of humanism justify humanistic management philosophy as a brotherhood. Mele's studies were influenced by the Christianity philosophy (Catholic Social teachings) on humanism (Mele & Mammoser, 2011). In a case study conducted in two companies in the United States, Mele and Mammoser (2011) found out that the humanistic view incorporates four important components. Firstly, it recognises and respects human dignity. Secondly, it fosters integral human development. Thirdly, it acts virtuously, and lastly, organises social actions according to both the principle of solidarity and the principle of subsidiary. They explained these principles in relation to their importance to the business.

The principle of solidarity considers people's needs and interdependence. This leads to the contribution to the common good in accordance with the business' own capabilities. Mele and Mammoser (2011) called the philosophy, because of their Christianity view of humanism, brotherhood. Humanistic management highlights the intrinsic social nature of the human person. Further on, Mele and Mammoser (2011) posit that the principle of solidarity defends the freedom of individuals and can be applied to business and society. This principle defends and promotes the original expression of social life.

# 2.3 Humanistic Management Philosophy in Governance

A humanistic management philosophy incorporates four humanistic management factors, namely, humanistic management ethics, humanistic management leadership, humanistic management culture and humanistic management strategy. The next sections explain the factors in relation to humanistic management philosophy in governance.

# 2.3.1. Humanistic management ethics in Governance

The taxi industry provides services to the poor people in Africa (Govender, 2014). In South Africa, taxis are used by many people who do not have their own means of transport (the poor majority). Where services or goods are provided to the people, the issue of ethics crops up. Many studies point to the fact that the drivers of taxis lack moral principle. Scholars concentrate their studies on the services (Nkambule & Govender, 2014) and the employees of the taxi industry leaving out the operators and how they govern their businesses. These studies do not indicate the root cause of the taxi drivers' behaviour. They identify the symptoms.

Government and company had tried to address ethics dilemma through compliance, ethics committees, code of ethical conduct, value statements, social responsibility officers and training programs but all in vain (Lee, 2011). Therefore, upcoming businesses, like the taxi industry have few role models to emulate in terms of humanistic management ethics. Lee (2011) posits that the answer lies in developing a high level of trust among participants. Lee (2011) based hope on humanistic-based values derived from Christian humanism.

This section reviews studies conducted by other scholars on humanistic management ethics. The definition and role of humanistic management ethics theories in governance also makes the larger part of the argument. The discourse on the influence of humanistic management ethics in governance on organisations and society closes this section.

#### 2.3.1.1 Definition of humanistic management Ethics

The discourse on Ethics began many years ago. The principles of ethics were rooted in philosophy. Kant was one of the philosophers who were credited with developing humanistic management ethics (ACCA, 2012; Dierksmeier, 2013). Other scholars like Aristotle viewed ethics as the study of human behaviour (Galbraith, 2010:40). Kant explained it as the ability to distinguish right from wrong (Dierksmeier, 2013).

Khomba, Bakuwa and Ulaya (2013), Woermann (2013) and Joachim and Joseph (2015) concur that ethics refers to the group of moral principles which direct

behaviour. This description shows that ethics principles are designed by a group of people in a society in order to guide them on how to relate to one another. The definition does not clearly articulate whether the ethics principles of the business may differ from the societal ethics or are the same. Business, for example, the taxi industry, exists in a society. Hence, the relationship of humanistic management ethics to community ethics needs further investigation since community ethics maybe affected by society's culture or vice-versa.

Humanistic management ethics refers to the principles which guide the business to respect human dignity when governing (Galbraith & Webb, 2010:40; Fatoki & Chiliya, 2012:14). Hofielen, von Kimakowitz and Pirson (2010:04) summarised the philosophy of humanistic management ethics by saying:

"Earning at least a sufficient income to be a self sustaining organisation but without succumbing to the profit maximisation as a normative criterion. Liberty to opt out of the application of market rationality where this would conflict with the social benefits the organisation seeks to create."

Literature on these principles in the taxi industry was non-existent. Without these principles which are peculiar to a specific type of business, like the taxi industry, one cannot guarantee the respect of human dignity as a universal code of behaviour. Understanding of humanistic management ethics needs an explanation of the theories underlining this concept.

#### 2.3.1.2 Humanistic management ethics theories

Other studies indicate that humanistic management ethics can be taught (Galbraith & Webb, 2010). To justify their argument, Galbraith and Webb (2010) posit that humanistic management ethics is a pragmatic subject that is exemplified in the course of good behaviour from practices that have been learned through frequent performance and corrections. However, the researcher failed to find empirical evidence from other studies to support Galbraith and Webb's (2010) claim.

Many ethical theories had been put forward by scholars since the time of Plato, Kant and Aristotle up to the present (Dierksmeier, 2013). But before engaging in the

discourse on theories, the researcher demystifies ethical myths. The table 2 helps to analyse the debate on humanistic management ethics and its significance in business. Galbraith and Webb (2010) outlined the following ethical myths as indicated in Table 2.

Firstly, ethical relativism refers to the opinion that ethics depends on the location, circumstances and situations (Galbraith & Webb, 2010:47). Ethical relativism allows for the fact that principles of ethics vary between ages and different communities (ACCA, 2012). For example, principles of ethics applicable in the taxi industry may vary from those in manufacturing industry. Therefore, it suggests that the taxi industry should have its own principles which guide its governance. The proponents of ethical relativism illustrate that moral issues arise from culture, beliefs and emotions of the society (ACCA, 2012; Khomba & Vermaak, 2012). Right and wrong are culturally determined. Galberth and Webb (2010) are of the opinion that the taxi industry in Europe, for example, has different ethical principles from that in South Africa because they have a different cultural background. Therefore, using this reasoning, ethical principles from a Western culture do not apply in African businesses.

**Table 2: Business Ethical Myths** 

**Myth 1:** Business ethics is more a matter of religion than management.

**Truth:** Managing values and conflict among employees is the goal of business ethics.

Myth 2: Our employees are ethical so we do not need attention to business ethics.

**Truth:** Although most individuals know the Golden rule, when faced with complex challenges, they may uncover the gray areas.

Myth 3: Business ethics is a discipline best led by philosophers, academics and theologians.

**Truth:** Beyond the philosophy, business ethics is a management discipline with practical application.

Myth 4: Business ethics is superfluous; it only asserts the obvious, "do good".

**Truth:** The value of a code of ethics is specific to that organisation and its employees

Myth 5: Ethics cannot be managed. Ethics are always managed, albeit indirectly at times.

**Truth:** Strategic priorities such as profit maximisation, cost containment, etc can influence morality.

Source: Galbraith and Webb (2010:41).

Ethical rules depend on various periods within the same society and differ among societies (Khomba & Vermaak, 2012). That means ethical principles in a country may differ depending on the societal beliefs. For example, the ethical principles in KwaZulu Natal province (predominately Zulus) may differ from those in Limpopo (predominately Vendas). Therefore, each taxi rank may have its own ethical principles which govern the taxi operators. According to Joachim and Joseph (2015) accepting ethical relativism means society should not strictly impose moral essential, since it accepts that diverse ethical and beliefs systems can be tolerable.

On the other hand, some scholars criticise ethical Relativism. Subjectivism of the principles of ethical relativism renders it inapplicable (ACCA, 2012). For example, in a multi-cultural set-up like urban area, it is difficult to apply ethical principles based on cultural beliefs. It leads to a philosophy of everything goes, denying the reality of morality and permitting deeds that are detrimental to others (Konyana, 2013). Some scholars have advocated the existence of universal laws (Fulbright, 2014). That means all operators, no matter their location, should apply the same ethical principles. This does not affect those coming from other cultures. Pacquing (2013) states that if everything is right, then everything is wrong. That means what is wrong in a certain culture maybe right in another culture and the other way round. For example, different religious beliefs have different views on what is right and wrong. Therefore, it is difficult for taxi operators transporting people from varying religious beliefs to apply ethical relativism.

Ethical absolutism is the second theory of humanistic management ethics. It belief in the universal application of same principles of ethics everywhere and in any situation (ACCA, 2012). For example, humanistic management ethical principles for the taxi industry governance in western countries can be applied in African countries. Western ethics does not take cognisance of varying cultures and societies. What is wrong or right apply to every society (Khomba & Vermaak, 2012). That means all societies have one view of what is wrong or right. An absolutist approach to ethics is built on the principle that objective, universally applicable moral truth exists and should be known (Woermann, 2013). For example, the views of taxi operators on humanistic management philosophy should be the same regardless of location, age,

cultural or religious beliefs. Therefore, their governance should be based on the same principles of respecting human beings.

The absolutists base their argument on various opinions (Joachim & Joseph, 2015). Religions are based on the concept of universally applicable principles. Law is universally applicable. Natural laws are based on ethical absolutism (ACCA, 2012). In business ethics, the natural law approach deals with right and duties. Where there is a right, there is also a duty to respect that right (Fatoki & Chiliya, 2012).

Thirdly, deontological ethics as a humanistic management ethics theory is based on the application of absolute, universal ethical principles in order to arrive at rules of conduct (Galbraith & Webb, 2010:43). Joachim and Joseph (2015) study states that the deontological theory put in place principles from which future behaviours can be judged but the outcomes of the actions are not relevant. According to ACCA (2012) Kant's ethical theory was based on this idea. Kant argued that facts do not predict the future but society's actions do. He further added that society should behave in a certain way because it is right to do so. Kant proposed a categorical imperative to guide and explain the behaviour of human beings. Kant's theory borrows heavily from the golden rule found in many religious teachings like Christianity.

However, other researchers criticised Kant's theory because his views were contradictory. For example, he viewed humans as part of nature but on the other hand, he argued that people are capable of self-determination. Other scholars argued that, you cannot consider behaviour in a vacuum without consideration of its consequences (Khomba *et al.*, 2013). In other words, the behaviour of the taxi operators in governance should relate to their actions. Kierkegaard criticised Kant's theory arguing that people cannot do to themselves what they do to others (ACCA, 2012). The taxi operators do not travel with taxis so they cannot experience what the commuters go through because of their ethical decision-making.

But Dierksmeier (2013) argues that those who criticise Kant fail to understand his theories. He further points out that Kant's ethics theory is broader than being labelled a deontological theory. Dierksmeier (2013) added that Kant's ethics theory includes the virtue theory and wrote at length to support Kant's views.

Lastly, the teleological or consequentiality ethics theory also explains the behaviour of human beings. This theory has two contradicting views points, namely, the utilitarianism and egoism. Joachim and Joseph (2015) explain utilitarianism as a view based on the majority's needs. The best decisions are those which appeal to the majority of people (Galbraith & Webb, 2010). Therefore, the ethical decisions taken by the taxi operators should satisfy the majority of the commuters. However, the theory may create problems for the minority. It may cause other people to suffer. It may be difficult to define what is good for society. Different cultures may have different views on ethical behaviour.

On the other hand, egoism explains what is good for an individual (Fulbright, 2014). The economism principles justify this theory through the short-term objective of maximising profit. The taxi operators should make ethical decisions which promote profit maximisation. Commuters benefit through services offered to them. However, this may affect the welfare of the commuters. The next section looks at influences of humanistic ethics as its review agenda.

#### 2.3.1.3. Influences on humanistic management ethics in governance

Many scholars have researched ethics as a factor which can stands on it's on. However, Konyana (2013) highlights that ethics can be affected by other factors like culture, leadership, gender, location and so forth. ACCA (2012) divided cultural factors into individual influences and situational influences.

Individual influences look at issues of age and gender, national and cultural beliefs, education and employment, psychological factors, locus control, personal integrity, moral imagination, among others. Pacquing (2013) argues that empirical evidence shows that men and women react to humanistic management ethical dilemmas differently. But the studies do not clearly show whether men or women can be regarded as more ethical. Also empirical evidence does not point to the fact that age is a determinate of ethical behaviour. More research needs to be done to find out whether humanistic management ethics on the taxi industry governance is affected by age and gender of the taxi operators.

According to ACCA (2012) national and cultural beliefs affects business ethics. To

support the argument, ACCA (2012) outlined the differences put forward by Hofestede. Hofestede argued that the degree to which culture emphasises liberty given to an individual as opposed to community objectives affects business ethics. He further added that the degree to which society perceives power dynamics also contributes. For example, does society respect those who are poor or those who are rich? How does society perceive inequality?

Education and employment become another influence (ACCA, 2012). However, empirical evidence does not show that those educated and with professional experience make more ethical decisions. A survey completed by Alsop of 50 college students using the Model of the Study of Values shows that economic values scored highest and moral (religious values) values scored lowest (Galbraith & Webb, 2010:43). That means those educated may not consider ethics in decision-making.

Psychological factors evaluate the way people decide on what is morally right or wrong (Fatoki & Chiliya, 2012). However, discussion on this issue has been centred on moral development and locus control rather than its impact on decision-making. More research needs to be done to find out how psychological factors affect humanistic management in governing in the taxi industry.

Locus control as another ethics factor influence the way people believe in themselves (Joachim & Joseph, 2015). Those who believe in themselves take control of their destiny. Those who do not take control of their destiny look to others. This means that taxi operators who have external locus control may implement humanistic management ethics which respect human beings. However, studies do not show the practicality of this in reality. The locus control goes hand in glove with personal integrity.

Personal integrity is defined as sticking to moral principles (Khomba, *et al.*, 2013). The principles of this factor are very important. For example, making decision on whether to whistle blow another colleague in spite of pressure from the Taxi Association not to do so. Evidence of personal integrity is shockingly limited because it is not included in ethical decision models.

According to Joachim and Joseph (2015), moral imagination refers to the individual's level of moral consciousness and knowledge of their actions. This refers to the ability to have fore-sight of the results of moral behaviour and craft solutions beforehand. Again, empirical evidence supporting moral imagination is lacking. This leads to viewing the situational influences.

The situational influences refer to the opinion that human beings can make ethical decisions depending on different circumstances (Fulbright, 2014). These situations can be issue-related factors and context-related factors.

Issue-related factors are the factors which relate to the nature of the problem and how society perceives it (Konyana, 2013). The issue-related factors are moral intensity and moral framing. Thomas Jones came up with 6 criteria that decision-makers can use for moral intensity (ACCA, 2012). Firstly, he proposed the magnitude of consequences referring to the harm or benefit which would result. For example, if the taxi operator refused to service a certain route, what maybe the result. Secondly, Thomas Jones proposed the social consequences which relate to the general consensus of the challenge. Thirdly, probability of effect, being the chances of the harm or benefit occurring. Fourthly, temporal immediacy which refers to the rate at which the consequences are likely to happen. Fifthly, proximity which means the empathy the decision-makers feel for those affected by the decision. Lastly, concentration of effect which refers to the number and how severely the people will suffer.

Scholars are of the opinion that moral intensity may be imperative but needs to be viewed in the organisational context. Woermann (2013) views moral framing as how principles are viewed in a set-up. It further argues that language plays a pivotal role in moral framing. The words used in an organisation trigger moral thinking. For example, the language used by taxi operators; does it trigger ethical behaviour? Studies indicate that decision-makers are reluctant to use moral framing as it may cause problems. However, whether moral framing can be appropriate for humanistic management ethics in governance in the taxi industry needs further investigation.

Context related factors relate to the potential and burden put on workers in a firm.

ACCA (2012) highlighted the issues of motivation, authority and bureaucracy at work. These issues encroach into the ethics decision-making. The way the taxi operators handle these issues may determine the degree of ethical tolerance.

#### 2.3.1.4 Approaches to Humanistic Management Ethics in Governance

Joachim and Joseph (2015) suggest two approaches to managing humanistic management ethics, namely compliance-based approach and Integrity-based programme. Compliance-based approached refers to adhering to the rule and regulations. The organisation takes legal precautions like compliance procedures, audits, whistle blowing opportunities and disciplinary procedures when faced with unethical behaviour (Fulbright, 2014). Although in South Africa governance codes (King 1 Report, 1994; King II Report, 2002; King III Report, 2009 & King IV Draft Report, 2016) had been developed to govern unethical behaviour, issues of unethical behaviour continue to haunt business organisations. On the other hand, these King codes are expensive to implement for small businesses like the taxi industry. The compliance-based approach was also criticised as a tool for senior managers to cover-up their underhand dealings. Naidoo, Perumal and Moodley (2009) point out that simple compliance with the law is not the panacea for ethical behaviour. Therefore, an approach which considers small entities and the culture set-up of the taxi industry needs to be designed.

The integrity-based programme combines an apprehension for the law with importance on managerial tasks for ethical behaviour (Joachim & Joseph, 2015). Joachim and Joseph (2015) further state that it defines an organisation's guiding principles, objectives and model of contemplation and demeanour. However, studies show that the integrity-based programmes lack practical application to support their arguments. Further research needs to be carried out to investigate how it can enhance humanistic management ethics for governance in the taxi industry.

Hofielen, von Kimakowitz and Pirson (2010:06) suggest how a leader can integrate humanistic management ethical concerns into decision-making. Decisions that impact others must be examined in terms of their consequences for all those affected. Economic rationality becomes unable to protect human dignity whenever it leaves no

room for the balancing of interests of stakeholders based on the quality of the arguments articulated. When factual power overrides argument power, as any paradigm that proclaims the maximization of particular interests demands, those interests that cannot enforce their consideration are excluded and suppressed.

As a way forward, Hofielen, von Kimakowitz and Pirson (2010:10) have noted that the humanistic management ethics approach asserts that human beings balance their interests and those of the people around them in accordance with general moral principle of justice, equal rights and care. They further argue that the authentic needs of people are the focal point of business activities. In addition to material necessities they also include social, psychological and spiritual well-being.

Lee (2011) put forward three scenarios for the way forward, namely, the pessimistic view, the improvement view and born-again view. According to Lee (2011), the pessimistic view believes that unethical business practices will continue as long as business follows the profit-maximisation motive. This will be pushed by competition in the market and pressure from the shareholders requiring more returns. The improvement view can change business ethics depending on the types of leadership. If the tone of the leaders shifts towards business ethical behaviour then ethics will prevail. The last one is based on Christian humanism. Lee suggests that if people turn to God then they will get answers.

Ethics also affect leadership practices and styles (ACCA, 2012). Although humanistic management leadership was analysed separately, its relation to humanistic management ethics need to be emphasises. Most scholars who researched humanistic management leadership separated it from humanistic management ethics and humanistic management culture. However, these factors are entwined. Osei (2015) in his quantitative research of 136 corporate supervisors of the financial sector in USA concluded that ethical leadership enhances firm performance and success. Humanistic leaders create vision and protect the ethos of the firm. They create unity and are agents of change in business ethics.

#### 2.3.1.5 Humanistic management ethics in taxi industry governance

A study on humanistic management ethics has concentrated on big companies and

literature is scarce on humanistic management ethics of small businesses like the taxi industry (Fatoki & Chiliya, 2012). In South Africa, the ethical codes (King I, II, & III) were targeted at big companies. The studies which were completed for the taxi industry concentrated on service provision (Govender, 2014).

Fulbright's (2014) findings indicate that companies appreciate a code of ethics but lack the management of those codes. This was supported by the quantitative research done by Konyana (2013) on small businesses which indicates that small businesses understand the importance of business ethics but fail to implement them. If the business fails to enforce ethics then implementing humanistic management ethics can be a challenge.

The study undertaken by Komba *et al.*, (2013) indicate that most businesses are found wanting in terms of implementing humanistic management ethics. Their strategies are based on profit maximisation objectives to increase shareholders' returns at the expense of the society. Concurring with Komba *et al.*, (2013), Woermann (2013) argues that South Africans are experiencing violence, poverty and unemployment while the businesses are enjoying high profits.

A synopsis of studies done on the South African taxi industry reveals that most of them concentrated on the service delivery. Ahmed (2010) investigated the transformation of the taxi industry. Although Ahmed's (2010) findings have implications on the welfare of society, they do not provide a humanistic management ethics in governance model. Fobosi (2013) researched the significance of the minibus taxi industry to the poor and again does not provide a clear model of governance. Governder (2014a; 2014b) concentrated on the service delivery and interviewed the commuters to gather data. This provided taxi industry service recommendations which had humanistic management ethics implications but failed to provide a governance model (curing the symptoms instead of the disease). The other scholars like Walkers (2014), Bickford (2014) and Gibbs (2014), just to name a few, followed the same pattern in their studies. Therefore, this study provides a humanistic management governance model applicable to small businesses like the taxi industry.

### 2.3.2 Humanistic Management Leadership in governance

The concept of leadership has been researched in many areas but the concept of humanistic management leadership still needs further research (Myeni, 2010; Martin, 2013). A simple Google search reveals many articles and books on leadership. However, very few studies are on humanistic management leadership in small and black owned businesses like the taxi industry. The aim of this section is to review literature on humanistic management leadership in governance. The section starts by defining humanistic management leadership and then further analyses various humanistic management leadership theories as they relate to governance.

# 2.3.2.1 Humanistic management leadership Definition

The history of the term leader can be traced back to the millennia beginning with the ancient Egyptian rulers, Greek heroes and the Biblical patriarchs (Martin, 2013). However, the study of leadership originated 200 years ago (Martin 2013). The scholars highlighted in Table 3 illustrate that they do not agree on the definitions of humanistic management leadership.

Table 3: Definitions of humanistic management leadership

Author	Definition of Humanistic management Leadership
X 11 2010	
Yukl, 2010	The process of influencing others to understand and agree about what needs to
	be done and how to do it, thus facilitating individual and collective efforts
	accomplish shared objectives.
Bolman & Deal,	A subtle process of mutual influence, fusing thought, feeling and action.
2010	
Martin, 2013:06	A process whereby an individual influences a group of people to achieve a
&	common goal which benefit society
Eustace 2013	
Akindele &	The process of social influence in which one person can enlist the aid and
Afolabi 2013:34	support of others in the accomplishment of a common task for the community.

# 2.3.2.2. Humanistic management leadership theories.

Many researchers have discussed a number of leadership theories, namely, the trait theory, behavioural theory, situational theory, power-influence theory, transformational theory, leader-member exchange theory, servant leadership theory, to name but a few (Lunenburg, 2010; Schermerhorn, Hunt & Osborn, 2011, Yukl, 2010; 2013; Pirson & von Kimakowitz, 2014; Osei, 2015). Other scholars like Martin (2013), Yikl (2010, 2013) and Eustace (2013) grouped these leadership theories into two groups, namely, transactional leadership theories and transformational leadership theories, whilst others like Pirson and von Kimakowitz (2014) concentrated on leadership theories which relate to the economistic view and humanistic view. Scholars who discussed leadership theories in governance relate it to companies where a manager is viewed as a leader and employee as followers (Eustace 2013). Humanistic leadership theories are lacking in literature.

Trait theorists argue that leaders are born possessing innate leadership qualities inherited from their families (Yukl, 2010). Traits under this approach, such as ferociousness, ability to inspire others, high astuteness, physical vivacity and endurance, bravery, integrity, and dependability were distinguished as identifiable attributes of successful leaders (Martin, 2013). The theory, therefore, supports the view that followers cannot become leaders; hence, it poses serious problems in the succession plans of business.

The theory has proven to be limited and misguided due to the lack of understanding at how the environment and situational circumstances impact leaders and followers (Yukl, 2010:07). The trait theory fails to accord humanity its dignity by segregating people based on family lineage. If a person is not born from a family of managers then he or she cannot be a manager. The theorists have failed to establish a correlation between leaders' traits and characteristics, and followers' motivation (Martin, 2013).

The research conducted at Ohio State University, the University of Michigan and research by Blake and Monton influenced leadership theories based on behavioural approach (Eustace, 2013). Ohio State University Leadership model provided two

categories in which leadership behaviour resided (Myeni, 2010). The University of Michigan Leadership model was concerned with leadership styles. It produced two leadership styles, namely job-centred and employee-centred leadership styles. Blake and Monton's leadership grid, developed in 1964, provided a grid indicating leadership styles. However, all models were based on studying leadership behaviour.

The autocratic management approach advocates that managers make decisions without consulting the followers. It neglects the needs of the employees. The manager sets expectations based on punishment and reward (Martin, 2013). This approach can be viewed as anti-humanistic. It regards workers as slaves of the leader who do not have rights and privileges (Martin, 2013). The theory prohibits innovation and de-motivates staff, resulting in high staff-turnover. Yukl (2010) points out that the theory can be implemented in firms with inexperienced staff and those who need to be motivated by punishment and rewards. The theory functions well in a tightly structured company. The opposite of it is the democratic approach.

The democratic approach or participatory approach allows for a more combined environment in which decisions are imitative of the accord of a generously proportioned group (Martin 2013). The democratic approach principles relate heavily to humanistic management philosophy where the views of stakeholders are taken into account during decision-making. The manager consults his/her employees on various issues which affect the workers. This approach promotes engagement and business expansion, and a succession plan. On the other hand, scholars caution the application of this approach in firms with an inexperienced workforce or in circumstances where time is a limiting factor.

The laissez-faire or hands off approach was described by Yukl (2010) as a submissive and unconcerned system that handover leadership responsibilities to subordinates. Empirical evidence shows that the approach is highly ineffective and unproductive in achieving the intended results. The approach can be useful in situation where creativity and self-motivation are encouraged (Martin, 2013). It requires workers that are highly qualified and experienced in their professions. Although, this approach allows the people to do as they wish, no studies link it to

humanistic management philosophy.

The situational or contingency approach looks at how leaders cognitively or rationally evaluate the progression of situations, examine the main variable, and others' behaviours throughout the period of transformation (Yukl, 2010). The theory stipulates that the situation determines decision-making. The theory gives leaders leeway to adapt to different environments. The leader can cope with various demands and situations posed by followers, peers, superiors and other stakeholders (Martin, 2013). The leader relies on problem-solving in finding solutions to challenges. The theory is mainly concerned with how a person arrives at a decision instead of considering the traits or behaviour of an individual. The theory proposes that different situations require different types of leadership (Yukl, 2010). It has the advantage of incorporating a more inclusive and diverse leadership style (Martin, 2013). However, studies do not show the application of this theory in a business set up. A manager cannot be changed now and again to suit certain situations.

Many scholars explain the Leader-Member Exchange theory as a theory which describes the behaviour of managers towards employees (Lunenburg, 2010; Shweta & Srirang, 2013; Yukl, 2013; Keskes, 2014; Osei, 2015). Its principles are based on the independent relationship between leader and individual follower rather than the group of followers (Osei, 2015). Scholars argue that it breeds favouritism, where a certain group of followers become darlings of the leader. On the other hand, Schermerhorn, Hunt and Osborn (2011) state that the mode through which leaders and their subordinates relate with each other has momentous bearings on company performance. The theory compromises the productivity of the firm, basing it on the feelings of both leader and follower. The theory divides followers into two groups, namely the In-group and the Out-group (Osei, 2015).

Schermerhorn, Hunt and Osborn (2011) suggest that to improve the leadership relationship with subordinates, the leader must meet each individual employee separately and improve relations. The studies do not show the role of Leader-Member Exchange theory in humanistic management philosophy in governance. Hence, further investigation is required to determine the link of this theory to

humanistic management philosophy in governance.

Literature reveals that the Servant-Leadership theory was introduced by Robert K. Greenleaf in 1970, in his three foundation essays, namely, the servant of a leader, the institution as a servant and trustees as servants (Akindele & Afolabi, 2013:36; Osei, 2015). Servant-Leadership can be described as a normal situation of a human being looking to provide and to serve first (Osei, 2015).

Research could not classify the servant leadership theory (Lunenburg, 2010; Yukl, 2010, 2013; Grooves & LaRocca, 2011; Keskes, 2014). Although the principles of the servant-leadership theory relate to those of humanistic management philosophy in governance. Osei (2015) outlines the servant leadership theory principles as follows: 1. leader as a role model, 2. serves the community, 3. respect of human dignity, and 4. mentor and coaches followers to become future leaders. Akindele and Afolabi (2013) support the idea by quoting the famous saying by Kant that considering humans as an end, not as a means is the basis of humanism. Servant-leaders advocate moral development and encourage their followers to emulate them. Scholars like Akindele and Afolabi (2013) state that the servant-leadership determines the progress of any individual effort.

Research indicates that the neo-charismatic approach to leadership mainly focuses on appealing to followers, achieving high dedication levels of followers and focuses less on theory complexity (Eustace, 2013). Scholars like Myeni (2010) noted that charismatic leadership and transformational leadership theories are products of this approach. However, there is no empirical evidence which links these theories to humanistic management philosophy in governance.

Most of the studies reviewed indicate that all theories can be grouped into two segments, namely, Transactional Leadership theory and Transformational Leadership Theory (Grooves & LaRocca, 2011; Du, Swaen, Lindgreen & Sen, 2013; Keskes, 2014; Pirson & von Kimakowitz, 2014; Osei, 2015). The majority of Leadership theories discussed above belong to the Transactional Leadership Theory (Myeni, 2010; Eustace, 2013). According to the Transactional Leadership theory, as described by Eustace (2013), the leader decides for the followers and sets goals to be

accomplished. The leader uses the stick and carrot approach, where rewards and punishment are implemented (Martin, 2013). Humanists describe this theory as following the economic paradigm. Pirson and von Kimakowitz (2014) explain the role of a transactional leader as negotiating, clarifying targets and presenting goals to followers. Employees are considered as a means to an end and called human resources. The leader is mainly concerned with efficiency and maximising profit (Pirson & von Kimakowitz, 2014). The transactional leadership theory is total opposite of the transformational leadership theory.

On the other hand, the transformational leadership theory considers employees as ends in themselves. Studies show that the transformational leadership theory takes the humanistic view (Martins, 2013; Eustace, 2013; Pirson & von Kimakowitz, 2014). Transformational leadership can be described as a development by which leaders and followers elevate one another to advanced levels of integrity and inspiration (Martin, 2013). Transformational leaders as described by Pirson and Kimakowitz (2014) using Lawrence's (2010) Darwian Theory, apply the four drives to the benefit of workers. That makes them humanistic leaders. Humanistic leaders do not only perform and influence inside their individual firm but they operate as stewards of the market and humanity at large (Pirson & von Kimakowitz, 2014). The link between the transformational leadership theory and humanistic management philosophy in governance in the taxi industry has not yet been established.

Martin (2013) explains the concept of the African leadership approach in the area of educational leadership at institutions of higher learning. His study focused on African-American leadership which has different aspects from African leadership from the perspective of African culture and ethics. Eustace (2013) describes African leadership as based on involvement, obligation and religious influence, and states that it requires lucidity, responsibility and authenticity. The roles of the leaders are to reveal individual dedication to the principles and objectives reputed in the company and to have the capability to generate a persuasive vision, while attaining the passion and personal dedication of the society (Eustace, 2013).

Eustace (2013) based the African Leadership theory on the Ubuntu theory of Mbigi

(2004). She argues that the main distinctive features and principles of the African leadership theory are as follows: 1. Respect for dignity of others, 2. Group solidarity, 3. Team work, 4. Service to others, 5. Interdependence and connectedness and, 6. Persuasion, as advocated by humanists.

### 2.3.2.3. Humanistic leadership qualities and responsibilities in governance

Although the qualities and responsibilities of a humanistic leader can be related to theories of humanistic management leadership, their separate mentioning enforce their significance in organisational governance.

The King III Report (2009) highlighted the qualities and responsibilities of organisational leadership. These responsibilities in the King III Report (2009) relate mostly to the board of directors of the corporate. Research conducted by Afolabi and Akindele (2013) recommended leadership responsibilities which relate to leadership styles. Jensen and Granger (2012), in their study, find out that leaders fail to institute their responsibilities. Most of the studies conducted do not highlight the humanistic management leadership qualities and responsibilities in small organisations, let alone in the taxi industry.

# 2.3.2.4. Humanistic management leadership in Taxi industry governance

Literature on humanistic management leadership is scarce (Abelson, 2010; Mmadi, 2012; Gibbs, 2014). Internationally, a few pieces of literature exist on the concept of humanistic management leadership in the taxi industry. Baker (2009) pointed out that the UK and European countries concentrate on service delivery not on the leadership in the taxi industry. Regionally, the studies concentrated on challenges and formalisation of the Taxi industry (Aworemi & IIori, 2008; Mudzengerere & Madiro, 2013; Mbara, Dumba & Mukwashi, 2014).

In South Africa, many studies were done on the Mini-bus Taxi Industry but the concept of humanistic management leadership was not addressed. Gibbs (2014) indicates that in the taxi industry leadership is based on masculinity and violence. Ncama, Mchunu, Naidoo, Majeke, Pillay, Myeza and Ndebele (2013) researched the effects of HIV in the taxi industry but did not mention the role and responsibilities of leaders in fighting the disease which may have been humanistic management

leadership. Abelson (2010) researched taxi industry governance, but, failed to mention the issue of leadership. Mashiri and Chakwizira (2010) also carried out a study on the taxi industry governance but failed to address the issue of taxi leadership. The other researchers who conducted research on the taxi industry but failed to say how humanistic management leadership contributes to the governance of the industry were Mmadi (2012), Von Der Heyden and Esson (2012), and Maharajh and Ndabeni (2013), just to name a few. Govender (2003, 2014a & 2014b) conducted many studies on the Minibus Taxi industry, but, her studies concentrate on service delivery. Therefore, a gap exists in humanistic management leadership in governance of the taxi industry.

# 2.3.3 Humanistic Management Culture in Governance

Scholars have discussed the issue of culture in different areas (Memon, 2015). The early culture theorists like John S. Mill (Systems of Logic) and Karl Marx (A contribution to the critique of Political Economy) relate culture to economics (Pyrkosz, 2014). Although, scholars try to discuss culture as a stand alone concept, many end up relating it to leadership, ethics and business strategy in their explanation. On the other hand, very few studies link business culture to humanistic management.

### 2.3.3.1 Definition of humanistic management culture

Different researchers have tried to define humanistic management culture from different perspectives (Memon, 2015). However, the definition of humanistic management culture is still problematic regardless of various studies on the concept (Spencer-Oatey, 2012). A few definitions of humanistic management culture put forward by different scholars are analysed.

Spencer-Oatey (2012:3) wrote many definitions of culture. However, all definitions emphasises that culture relates to shared beliefs, norms and values in a group, organisation or society. He further posits that culture manifests itself in recognizable artefacts, morals and fundamental primary assumptions.

The humanists like Mohamed (2011) defined culture in terms of its relation to the

wellbeing of humans. Instead of defining culture, Mohamed (2011) provides the definition of organisational culture. Organisational culture or humanistic management Culture refers to paradigms of collective essential assumptions that may be learned by stakeholders in solving challenges of external adjustment and internalised assimilation (Mohamed, 2011:02). The importance of society's influence and integration with communal beliefs, norms and values are highlighted in this definition. That means that humanistic management culture can be influenced by society. What is not clear is whether the leader can influence that culture or vice versa. Research conducted by Cameron and Quinn (2011) indicate that humanistic management culture and humanistic management leadership are inseparable. They further argue that many leadership approaches reveal the presence of symbols and languages, the routine and dealings, and the success stories that make an organisation outstanding.

Another definition from Memon (2015) explains that humanistic management culture refers to a process of formation improvement situated within a perspective of unambiguous circumstances. He emphasises the work environment culture. Although the fact remains that the work environment can be determined by the manager. Empirical evidence does not show a humanistic management philosophy in governance as a result of organisational culture. Memon (2015) makes use of Schein's three levels of culture to explain the concept.

Table 2.4 indicates the level of human involvement in different facets of culture. It is, therefore, undisputable that leadership plays an essential role in both societal culture and organisational culture. For example, in their study, Sinha & Arora (2012) found that leadership plays a fundamental role in organisational culture and success. Further explanation of organisational culture and its relation to other factors of humanistic management need further elaboration.

# 2.3.3.2. Humanistic management culture in Organisational governance

The development of organisational culture, as elaborated by Memon (2015:19), emanates from socialisation and a sense of belonging between group and members. He further argues that the process of socialisation creates new ideas, knowledge and

concepts. This fact highlights that the leaders become facilitators in the development and culture discourse (Sinha & Arora, 2012). Culture is composed of ethics, values and norms (Edeh, 2015). When a leader formulates business strategy he/she needs to take culture into consideration. Memon (2015) illustrates using Table 4.

Table 4: Schein's (1984) 3 levels of Culture

Artefacts and Creations      Technology     Art     Visible and audible     Behaviour patterns	Visible but often decipherable
Values  Testable in the physical environment Testable only by social consensus	Greater level of awareness
<ul> <li>Basic Assumptions</li> <li>Relationship to the environment</li> <li>Nature of reality, time and space</li> <li>Nature of human nature</li> <li>Nature of human activity</li> <li>Nature of human relationship</li> </ul>	Taken for granted invisible preconscious

Adapted from Memon (2015:18)

Therefore, culture ties these humanistic management factors together (Mohamed, 2011). Since culture plays an essential role in determining the organisational climate and provides organisational identity and direction, it becomes the agenda of research in management and economics (Pyrkosz, 2009). The economic view of culture has attracted criticism from humanists who have a different view of culture (Spencer-Oatey, 2012; Edeh, 2015).

Studies on humanistic management culture are very few. Scholars like Edeh (2015) relate to African culture as the most humanistic culture in business. However, no empirical evidence supports Edeh's (2015) views. In addition, African culture is related to humanism. However, Edeh (2015) argues that western culture based on

individualistic and profit-maximisation motives influences the once good African culture. The literature on the characteristic and principles of humanistic management culture was reveiwed.

Google scholar and other search engines reveal many books, articles and journals on characteristics and principles of culture, but very few on humanistic management culture. Cameron and Quinn (2011) state that humanistic management culture can be learnt. Further, they highlight that culture is dynamic. Although culture gives a sense of belonging to workers (Memon, 2015), there is no evidence which links culture to humanistic management philosophy in governance. The only available literature on culture is heavily biased towards western research (Mohamed, 2011). Therefore, further studies are required to explore culture as one of the contributing factors to humanistic management philosophy in governance.

Mohamed (2011) describes organisational culture characteristics as made up of learned behaviours. He further adds that learning culture becomes a continuous process. The members of the cultural group share the same values, norms and beliefs through interaction.

Spencer-Oatey (2012:16), instead of explaining the characteristic of organisational culture, outlined the misconceptions people have about culture. She analysed many articles and books on culture. Therefore, her views help to understand the principle of culture through what other scholars think. Spencer-Oatey (2016) outlines misconceptions as follows: Culture is- 1. Homogenous, 2. A thing, 3. Uniformly distributed among members, 4. An individual possesses a single culture, and 5. Custom. This shows that scholars do not agree on the characteristic of culture.

The other studies indicate that language and symbols influence culture (Cameron & Quinn, 2011). Hence, can one conclude that humanistic management culture in governance in South Africa can be influenced by Nguni culture since they make up the largest percentage of the South African population? An investigation conducted by Fatoki and Chindoga (2011) reveal that culture affects entrepreneurship in South Africa and the involvement of young woman in business. But the findings do not show the link between culture and humanistic management philosophy in

governance in South African businesses. Other scholars, like Edeh (2015), who explain African Culture (Ubuntu), do not explore African humanistic management culture in governance of businesses run by Africans.

### 2.3.3.3. Humanistic management culture in Taxi industry governance

Culture has played a significant role in the taxi industry (Govender, 2014a, 2014b). The taxi industry arose as a resistance to the colonial system of transport which did not cater for the poor in South Africa (Fobosi, 2013). Hence, the continued violence in the taxi industry.

Studies on the humanistic management culture in the taxi industry are scarce. However, inference can be made from the studies undertaken by scholars on service delivery. Fobosi (2013) highlighted that the taxi industry in South Africa is hundred percent owned by black people, therefore, Ubuntu culture (African humanism) is expected to be used in the governance of the business. Denge (2010) echoed the same sentiments, stating that African culture is the backbone of Taxi industry governance.

Conversely, the study conducted by Nkambule and Govender (2014) revealed that the taxi industry was governed in a mafia style and creates a dangerous environment for society. The culture of violence and disregard for society's needs is reported in Gule's (2009) research. Studies looking at humanistic management culture as a matrix of other factors are lacking in South Africa.

#### 2.3.4 Humanistic Management Strategy in Governance

Many scholars have conducted research on the strategy concept, like George Steiner, Henry Mintzberg, Kenneth Andrews, Michael Porter, Benjamin Tregoes, John Zimmerman, Michael Rohet and Treacy Wiersena, just to mention a few who made an impact (Nickols, 2012). However, they could not agree on the definition of strategy. These scholars agreed that the strategy concept was adopted from the military.

The word strategy comes from the Greek word "Strategia", meaning generalship (Acquaah, 2015). Therefore, humanistic management strategy refers to the leader's

plan to execute a task, incorporating stakeholders. Nickols (2012) states that Steiner (1979) refers to strategy as a means to an end. He further cites Mintzberg (1994) who defines it as a means of moving from one point to another. On the other hand, Andrews (1980) discusses corporate strategy and Porter (1986; 1996) developed the Five-Force Model, theory of Competitive Advantage (Nickols, 2012). This shows how the concept of strategy has a number of perspectives. Humanistic management strategy is viewed as a recent development in the humanistic management philosophy in governance concept discourse.

Since strategy has no subsistence separately from the ends wanted, humans become the vehicle to the end (Acquaah, 2015). That means the formulation and implementation of humanistic management strategy makes use of human beings. The early studies on business strategy in governance emphasised the profit-maximisation objectives, where people were used as a means to an end, economistic view (Pirson & Lawrence, 2010). Adding to this discussion, Sanchez (2014) established the vision, mission and objectives which indicated that it was a humanistic management strategy. He explains humanistic management strategy as a plan which considers the needs of stakeholders in its formulation, implementation and evaluation. Pirson and Lawrence (2010) argue that a firm formulating, implementing and evaluating humanistic management strategy incorporates the human aspects in their vision, mission and objectives.

Conversely, scholars like Whittington (2000) explain strategy in terms of perspectives. He introduces four perspectives namely, the classical perspective, the evolutionary perspective, the processional perspective and the systematic perspectives. He continues by arguing that strategy views depend on the interests of the leader (manager). This idea resonates well with the Agency theory where the shareholders try to control the managers to prevent them from furthering their own interests. Although, Pirson and Lawrence (2010) do not agree with the idea. They emphasise that the economic view of strategy is short-term in nature. The main aim being to exploit humankind, to maximise shareholder returns. Studies do not show evidence of humanistic management strategy in governance of small African run businesses, like the taxi industry. Most studies look at humanistic management

strategies in governance in family owned and big companies, for example, the study conducted by Acquaah (2015).



Source: Serfontein (2010:94)

Figure 2: Leadership, Culture, Ethics and Strategy relations.

Regardless of controls and regulations, ethics remains a dilemma. Unethical practice hurt humankind. Leaders of firms with a culture of unethical practice perpetuate the problem. Leadership styles being applied do not consider the effects of their decisions on human beings. Culture plays an important role in ethics, leadership style and humanistic management strategy formulation, implementation and evaluation. The relationship between these factors is emphasised by Serfontein (2010:94) in a diagrammatic form in Figure 2.

However, little empirical studies exist on the application of humanistic management ethics, humanistic management leadership, humanistic management culture and humanistic management strategy in small firms. Most of the studies are from western countries with different ideologies from African ones.

### 2.3.4.1 Humanistic management strategy in the Taxi industry governance

International studies conducted in developed continents like Europe indicates that the taxi industry formulates implements and evaluates strategies like any other businesses (Baker, 2009& Abelson, 2010). However, international studies do not reveal the humanistic nature of the strategies formulated and implemented by the taxi industry.

In developing countries, the taxi industry is not formalised and their business strategies are not clear (Aworemi & IIori, 2008; Mbara *et al.*, 2014). In South Africa, studies indicate that taxi owners resort to violence as a strategy (Ncama, 2013; Mmadi, 2012; Govender, 2014). Studies on the humanistic management strategy in the taxi industry governance are scarce.

# 2.4 Summary of the Chapter

Studies based on humanism highlight the origin of humanistic management philosophy. Many scholars support the humanistic management philosophy in governance, but many studies are based on companies. A humanistic management philosophy legitimises the existence of firms in the environment they operate in. It advocates co-existence and interdependence between society and businesses.

The opposite side of the humanistic view (economistic view) has been explained and the different views pertaining to it have been discussed. Although economism is criticised by many authors, literature indicates that many companies practise it because of shareholder power. The leaders have to maximise shareholder's (investor's) returns so that they continue providing capital. On the other hand, scholars argue that human beings, if not treated with dignity, can harm the business.

This led to an analysis of humanistic management factors in governance. The factors, namely, humanistic management ethics, humanistic management leadership, humanistic management culture and humanistic management strategy, are intertwined. Separating them in the analysis of governance has blinded made many scholars to the holistic view of humanistic management philosophy in governance of a business. The studies reviewed indicate that these factors are fundamental in

directing and controlling an organisation.

Literature indicates that humanistic management philosophy in governance in the taxi industry needs further research. The taxi industry in South Africa is dominated by former disadvantaged blacks which makes it ideal for black empowerment. Hence, the application of a humanistic management philosophy in governance in the Taxi industry makes the industry legitimised by society. The studies reviewed failed to indicate the application of a humanistic management philosophy in the governance of small firms, like taxi industry. Hence the purpose of this study is to fill this gap.

#### **CHAPTER THREE**

### UBUNTU THEORETICAL FRAMEWORK

#### 3.0. Introduction

The previous chapter reviewed literature on humanistic management philosophy in governance. Factors of humanistic management as applied in governance were explained.

This chapter explains the use of Ubuntu as the theoretical framework for humanistic management in governance, as applied to the mini-bus taxi industry in KwaZulu-Natal. It begins with an introduction and is followed by an analysis of the Ubuntu theory in relation to the Ubuntu definition. Historical perspectives of Ubuntu and Ubuntu theory principles are then discussed. The general relationship between the theory and humanistic management philosophy in governance is then provided. The study outlines the justification of the use of the Ubuntu theory, its limitations and application to humanistic management philosophy in governance.

Many studies had been conducted on Ubuntu in the various disciplines, like Education, Information Technology, Health Sciences, Political Sciences, Philosophy, Philosophy of Education, Anthropology, Sociology, Criminology, Public Administration, Law and Commercial Studies. Scholars like Schoeman (2012), Martin (2013), Shrivastava, Selvarajah, Meyer and Dorasamy (2014), have used Ubuntu as a theoretical framework for their studies in management. The study use Ubuntu as a theoretical framework.

Martin (2013) indicates that the principles of Ubuntu had been taught in Africa since the first homo-sapiens. Ubuntu originated from the Bantu speaking people of Southern Africa. However, according to Sigger, Polak and Pennink (2010), the first scholars to be credited with relating the Ubuntu theory to management practices are Khoza (1994) and Mbigi (1997; 2000). Western scholars are using western cultures and philosophies to explain African governance philosophy. This is anomalous since it ignores the African code of governance operating in an African environment. For example, the King I Report (1994), King II Report (2002) and King III Report (2009)

philosophies were developed based on the influence of a western scholar's views (Cadbury, 1992) on governance regardless of the code of governance operating in an African environment. Although ideas from western countries are welcome, the major influence should be from an African philosophy.

### 3.1. Ubuntu Theory

Many scholars view Ubuntu philosophy as a way of life (Komba & Vermaak, 2012; Schoeman, 2012; Shrivastava *et al.*, 2014). Martin (2013) records that it is a world view anchored in African culture and ethical values. Other scholars called it African humanistic philosophy based on collectivism. Ubuntu accommodates other world views like Christianity, Islam, just to mention a few. Biblically, Ubuntu is related to the golden rule of do unto others as you want them to do unto you and love your neighbour as yourself.

Engelbrecht and Kasiram (2012:445) assert that for a researcher to understand ubuntu, community must be defined because ubuntu relates to it. They further described community in three ways. Firstly, it is a geographical location or area. Secondly, it is an opinionated creature. Then lastly, it is a place of interest. They further add that a community may be perceived to also comprise precise social processes that have diverse associations that range in connotation and consequence. It is of paramount importance to understand that ubuntu exists in a community, not in a vacuum.

#### 3.1.1. Definition of Ubuntu Theory

Khomba and Vermaak (2012:3511) describe ubuntu as an inclusive philosophy which respect the dignity of all human beings. The definition is provided in the context of business ethics and governance. Therefore, the authors advocate application of Ubuntu philosophy in creating legitimate business operations based on respect for society in which it operates.

In research conducted on traditional leadership and culture in Ixopo (KwaZulu-Natal) in South Africa, Schoeman (2012:19) has this to say about the Ubuntu theory:

"... the African ethic and humanistic philosophy of ubuntu encompasses issues of human dignity and respect within the understanding that an individual's humanity is interconnected with the dignity and humanity of others. The concept Ubuntu is present in most African cultures and represents an ontological awareness of what it means to be African".

This definition highlights key components of dignity and respect for one another in society. This supports the argument by Mele (2013) that business operates in a society; therefore it must respect the community for society to legitimise its operations. Schoeman (2012) and Atiti (2013) describe the ubuntu philosophy as a theory based on humanness, concern, compassion for the requirements of others, admiration, understanding and equality. It perceives these concepts as reciprocal relationships that exist among human beings. Schoeman (2012) added that ubuntu goes beyond the personal world view to recognise the existence of the ancestors in providing guidance to the society and adds that the fundamental individual potential is of benefit to the community as a whole.

Martin (2013) explains ubuntu as a cultural philosophy based on the oneness of human beings. Although Martin (2013) agrees with other scholars on the principles of Ubuntu, he argues that it emphasises community justice and treating people equally. Hence, relating these thoughts to business may, mean equal treatment of stakeholders. Similarly, Shrivastava *et al.* (2014) argues that leaders using Ubuntu maintain equality among community members.

Scholars like Mucina (2011) emphasise the ethical side of the ubuntu theory. He describes Ubuntu as a theoretical and principled organism of contemplation from which definitions of humanness, oneness and divergent collective political beliefs occur. This definition emphasises the tolerance in the ubuntu philosophy.

The Ubuntu philosophy can be explained as a perception that brings to the forefront metaphors of supportiveness, collaboration and team spirit (Sigger *et al.*, 2010). It is further described as the foundation of social agreement that stems from, but transcends, the constricted restrictions of the nuclear relations in business collaboration.

In their research of the application of ubuntu in mental illnesses in society, Engelbrecht and Kasiram (2012:444) contribute to the discourse of ubuntu by describing it as an ancient African philosophy, based on the principal values of extreme humanness, compassion, contrition, respect, empathy and combine values, sustaining contented and qualitative individual community. This definition indicates that the ubuntu philosophy originated many years ago. Furthermore, these scholars argue that Ubuntu is not only an African philosophy but a universal one. Sulamoyo (2010:41) describes Ubuntu as a thought system based on African humanistic philosophy which defines life through others.

However, modern people are viewed as denying the philosophy. Engelbrecht and Kasiram (2012) highlighted some of the challenges in society which prohibit people from practising Ubuntu. Poverty, unemployment, HIV/AIDS and western influences were some but a few cited as prohibiting factors. This was a great departure from other scholars who view Ubuntu as applicable in times of problems, that is when, the spirit of solidarity and survival are imperative.

# 3.1.2. Historical Perspectives of Ubuntu Theory

**Table 5: Derivatives of ubuntu in Bantu Languages** 

Ubuntu derivative	Bantu language
Abantu	Uganda
Botho or Moth o	Sesotho
Bumhu	Xistonga
Numunhu or Unhu	Shangaan & Shona
Ubuntu; Umntu or Umuntu	isiZulu & isiXhosa
Umunhu	isiNguni, Chichewa, Chinyanja & Chibemba (Malawi, Zambia, Mozambique, Zimbabwe)
Utu	Swahili (Tanzania, Kenya & Uganda)
Vhuntu or Muntu	Tshivenda

Source: Khomba & Kangaude-Ulaya (2013:674)

Many studies relate Ubuntu theory to the Bantu people (Sigger, 2010; Muccina,

2011; Komba & Vermaak, 2012; Schoeman, 2012; Martin, 2013). However, as mentioned earlier, Khoza (1994) and Mbigi (1997; 2000) were credited by Sigger et al. (2010) for being the first scholars to relate the theory to management.

On the other hand, Martin (2013) in his study wrote that Ubuntu principles and teachings have operated since the existence first African but it was not documented. It was used for disputes and conflict resolution.

All these scholars agree that Ubuntu is derived from the Nguni language (isiZulu, Xhosa, Swati/Swasi and Ndebele). Further they posit that it exists in other languages in African countries like Zimbabwe, Malawi, and Botswana, just to mention a few (Schoeman, 2012:20). Schoeman (2012:20) asserts that Ubuntu is an African culture and represents an ontological awareness of what it means to be African. The word Ubuntu in South Africa means, "Umnuntu Ngumuntu Ngabantu" (Komba &Vermaak, 2012:3511). That means a person is a person because of other people. The African languages from which the values of Ubuntu derive can be tabulated. Table 5 shows the derivatives of ubuntu in Bantu Languages.

Table 6: Positive attributes and meanings of the African Ubuntu philosophy.

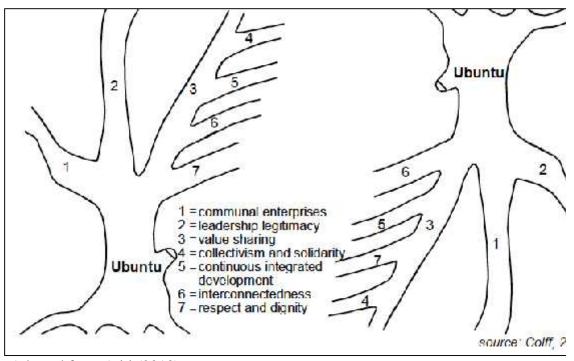
Ubuntu attribute	Ubuntu meaning
U- Universal	Global, international brotherhood
B- Behaviour	Human (humane), Caring, sharing, respect, compassion (love, appreciation)
U- United	Solidarity, community, bond, family
N-Negotiation	Consensus, democracy
T- Tolerance	Patience, diplomacy
U-Understanding	Empathy (forgiveness, kindness)

Adapted from Khomba & Kangaude-Ulaya (2013:676)

Describing the origins of Ubuntu, Khomba and Vermaak (2012) write that Africans are collective beings that are in invariable empathy with one another, where a person is regarded as individual person only in the course of his/her association with other

human beings. They further added that Africa possesses distinctive socio-cultural settings, which contain an unswerving contact on people-centred systems encircling leadership, worker wellbeing, extended family systems, compassionate, involvement and governance. Khomba and Kangaud-Ulaya (2013) tabulate the positive attributes of Ubuntu on Table 6. These authors' descriptions of Ubuntu among the Africans show that it existed since time immemorial.

### **3.1.3. Principles of Ubuntu Theory**



Adapted from Atiti (2013)

Figure 3: African Tree Concept

Research on ubuntu theory's proposed principles is based on Mbigi and Maree (1995) and Mbigi's (1997) Collective Five Finger Theory (Sigger *et al.*, 2010; Mashele, 2012). Core principles in the Collective Five Finger Theory are survival, compassion, solidarity, dignity and respect (Sigger *et al.*, 2010). A person who possesses virtues of Ubuntu can be described as a kind and generous, living in harmony, friendly, modest, helpful, humble and happy (Broodryk, 2006:04). According to Mbigi (1997), these principles are derived from the values of Ubuntu which are respect, dignity, collective sharing, obedience, humility, solidarity, caring,

hospitality, compassion, interdependence, survival and communalism (Mashele, 2012).

Colff (2003) describes Ubuntu theory using the analogy of a tree (Atiti, 2013) as illustrated on Figure 3. Ubuntu can be regarded as the trunk of a tree with the principles being branches. Alternatively, Ubuntu can be the trunk and the principles being the important roots. This shows how important Ubuntu is in a community. A tree cannot survive without the trunk, branches or roots. Therefore, the community cannot survive without Ubuntu as a guiding framework for human living and survival.

#### **Table 7: Ubuntu Life coping guidelines**

- 1. My neighbour and I have the same origins, same life-experience and a common destiny.
- 2. We are the obverse and reverse sides of one entity.
- 3. We are unchanging equals.
- 4. We are mutually fulfilling complements.
- 5. My neighbour's sorrow is my sorrow.
- 6. My neighbour's joy is my joy.
- 7. He and i are mutually fulfilled when we stand by each other in moments of need.
- 8. His survival is a precondition of my survival.
- 9. No community has any right to prescribe destiny for other communities and never prescribe destiny for any person.
- 10. My neighbour is myself in a different guise.
- 11. Equals do not oppress each other.
- 12. To be inhumane is to be like an animal.
- 13. All that one lives for is to be the best that one can be.
- 14. Wealth must be shared and your neighbour's poverty is your poverty.
- 15. One's father and mother's laws are one's laws, my relatives' and societies' law is my law.
- 16. Knowledge is the challenge of being human so as to discover the promise of being human.

Source: Broodryk (2006:05)

A Study by Broodryk (2006) establishes the basic guidelines of applying the ubuntu theory. His views are that ubuntu values need a framework in which they can be applied. The guidelines are based on some of Mbigi's ubuntu values. They view African philosophy in terms of the community and personal views. The guidelines are tabulated in table 7.

These guidelines were applied by Mbigi in management theory when he developed the Collective five finger theory. Analyses of the values in the Collective Finger Theory are presented.

### 3.1.3.1. Collective Five Finger Theory

Mbigi (1997) developed the Collective Five Finger Theory based on the Ubuntu theory of African humanism. According to Sigger et al. (2010:04) and Mashele (2012:28), the theory was derived from the philosophy that, "a thumb, although strong cannot kill aphids on its own. It requires the help of other fingers". That means development of the individual and society requires collective co-operation among all people in all spheres. Individualism destroys the fabric of the community togetherness. Atiti (2013) asserts that fingers must be seen as persons who interrelate in a cooperative way in order to accomplish a definite purpose. Mbigi and Maree (1995) posit that the hand is a metaphorical symbol of ubuntu and every finger on that hand represents the five values of ubuntu (Mashele, 2012:28; Atiti, 2013). Atiti (2013) describes Mbigi as the founder of African management philosophy. The discourse on the five values becomes the focus of the next sections. The values are survival, compassion, solidarity, dignity and respect, as referred to earlier. Mashele (2012) further adds that in order for a society to develop and uphold a collective culture such as ubuntu, it introduces systems that support the functioning of the associations.

# **3.1.3.2.** Survival

Scholars such as Sigger *et al.* (2010) and Mashele (2012) who analysed Mbigi and Maree's works argue that African people still exist, which is a sign of survival. They defined survival as sustained existence particularly in a complicated state of affairs. That means that ways and means of overcoming problems are developed and

successfully implemented. In support of the above view, Engelbrecht and Kasiram (2012) refer to survival as the capability of individuals to endure in the countenance of complexity and destitution, not through independence, but through brotherhood or sisterhood love and care. In African culture, elderly people are regarded as the ones who have accumulated knowledge and wisdom. As their responsibility, elders pass on knowledge to the next generation. However, the knowledge has never been documented and hence becomes one of the challenges of African education and learning, to those who do not understand the African philosophy of education.

This system of passing knowledge preserves the tradition and cultural beliefs of the African people to ensure survival (Mashele, 2012). In African society children belongs to the community, therefore, elders pass on wisdom to all regardless of relationship. In a community that lives according to Ubuntu principles, society members build up a collective determination to stay alive through individual dependability, answerability, sacrifice, anguish and the courage of conviction (Englebrecht & Kasiram, 2012). That shows reliance on each other, caring and brotherly love. Individuals combine their belongings and strength to create communities. In African society, a person cannot die of starvation when others have food.

Brubaker (2013) posits that survival is essential to Ubuntu and presupposes the involvement of possessions based on reciprocal apprehension for continuation of a society. Brubaker (2013) argues that in a business context, Ubuntu principles can be articulated through bounteousness and an understanding of the requirements and welfare of others in the establishment.

Literature indicates that cultural differences are set aside to achieve survival (Sigger et al. 2010). Survival is also seen in the extended family which leads to the perception of co-existence (togetherness). Sigger et al. (2010) argue that through co-existence human beings rely on each other for survival. Africans show sense of togetherness during funerals. People pay their respect and condolences to the bereaved family regardless of whether there is close kinship or not. That creates a spirit of oneness. Sigger et al. (2010) suggest that there is a close correlation between

survival and a spirit of solidarity. The next section review literature on the spirit of solidarity.

#### 3.1.3.3. Spirit of Solidarity

Literatures from different scholars show that a spirit of solidarity refers to executing complicated responsibilities cooperatively (Sigger *et al.*, 2010; Mucina, 2011; Mashele, 2012:31; Engelbrecht & Kasiram, 2012; Martin, 2013:13; Shrivastava *et al.*, 2014). A spirit of solidarity signifies togetherness and collectively works towards achieving intended common targets. Mashele (2012) argues that the spirit of solidarity exhibits collaboration and competitiveness by permitting persons to contribute their labour for entire neighbourhood.

When a community works in spirit of solidarity, it evokes the spirit of trust, cooperation, collaboration and combined responsibility, and the minds of the individual members are encouraged to generate solutions (Engelbrecht & Kasiram, 2012:445). Further, they indicate that when the personhood of the African neighbourhood member is ingrained in the individuality of society, a human being can be distinct through activities in society in which he/she exist. A combined effort in problem-solving eradicates blaming one another in the event of failure. Mashele (2010) highlights that joint problem solving requires putting minds together and communication at all levels. This creates bonds on interpersonal, biological or non-biological levels (Engelbrecht & Kasiram, 2012).

In their study, Sigger *et al.* (2010) articulate that societal needs supersede individual interests. That means the whole being is greater than sum of its parts. They further point out that a spirit of solidarity can be cultivated through collective singing, storytelling, traditional dancing, community living, work efforts, celebrations, rituals and family life. This view is supported by Engelbrecht and Kasiram (2012). Happiness and harmony shows solidarity. Solidarity augments consistency among community members (Sigger *et al.*, 2010). It improves the spirit of belonging and feeling of togetherness in the society. Therefore, in Ubuntu the spirit of solidarity and collectivism underscore the interdependency of the whole. It instils the spirit of reciprocating behaviour. Martin (2013) refers to it as the principle of "an Injury to

one is an injury to all".

Brubaker (2013) in his qualitative study in Rwanda describes solidarity as valuing collectivism according to a community-based understanding. He explains Ubuntu as more than mere interdependence but as an identity of the self-defined in finding the other in the society. In a governance and management context in particular, this means that the firm is viewed as a body that exists to benefits the society, as well as the larger communities of which it is a part.

#### **3.1.3.4.** Compassion

Mashele (2012:30) states that what makes people truly human is the capability to sensitively relate to one another, regardless of blood relationship. He further posits that compassion is when these emotions are accompanied by a strong aspiration to eradicate the distress of the individual. Sigger *et al.* (2010) supports Mashele's view of compassion. They describe compassion as the value that demonstrates the eminence of being perceptive of the other's struggle and the need to assist those people. African people understand that through giving and sharing, they will also receive. Compassion can be compared to brotherly or sisterly love. It can be equated to the Biblical golden rule which is "love thy neighbour".

Ubuntu values incorporate deep caring and understanding of one other. Researchers like Sigger *et al.* (2010) describe it as friendship during hard times. It embraces harmonious thinking, talking and behaviour. African philosophy believes that a problem debated is a problem half solved. They cultivate an atmosphere of openness to one another. Sigger *et al* (2010) point out that African democracy means sitting under a tree deliberate on issues until reaching a consensus. Therefore, Ubuntu encourages a spirit of listening and empathising with others.

By contrast, western culture encourages individualism. Sigger *et al.* (2010) sum up the African value of compassion by saying it has a collective consequence in management because the dialogue is emphasised. In this technique the thoughts among members are of superior significance as opposed to the precision of language. Mashele (2012) points out that being compassionate allows individuals to judge with

their hearts, and in a business, it results in workers being appreciative of one another and functioning towards a universal goal.

Compassion is also described by Brubaker (2013) as involving understanding others' dilemmas and seeking to help on account of the deep conviction of the interconnectedness of the people. People express generosity out of concern and willingness to sacrifice their own self-interest to help others. In a business context, this value may express itself by the leader's physical presence and willingness to suffer with business members during hardship and sorrow.

In contributing to the debate on compassion, Engelbrecht and Kasiram (2012:445) add that compassion can be portrayed as the talent of African individuals to reach out in companionship to others, practising humanism in tantalizing and clever approaches. They further refers to this spirit when recounting how persons, living collectively, may observe each other's lives, and how compassion permits individual to be stimulated by another's chronicle of pain and survival. Through the approach of compassionate listening and involvement in each other's existence, admiration is built and the humanness and significance of the personality is legitimised in the community. Therefore, the acquaintance and concerned network can then also be radiated wider to broaden philanthropic care and cooperative appreciation and dependability.

Many researchers combined dignity and respect as single entity. The researcher also adopts the same approach in the next section.

### 3.1.3.5. Dignity and Respect

Literature indicates that dignity and respect are most significant values of Ubuntu (Komba & Vermaak, 2012; Schoeman, 2012; Mashele, 2012; Martin, 2013; Shrivastava *et al.*, 2014). Sigger *et al.* (2010) describe respect as objectives, unprejudiced contemplation and consideration for privileges, principles, beliefs and norms of individuals. Therefore, dignity can be explained in terms of respect. Engelbrecht and Kasiram (2012:446) argue that although human beings struggle daily with living problems, a need prevails to be respected as human beings. Sigger *et al.* (2010:15) observes that dignity can be defined as the situation or degree of

being commendable of respect. As Africans grow up, they learn respect for the elderly and other people from their society and through this approach gain dignity.

Respect and dignity within Ubuntu is explained as valuing the worth of others and showing deference to others' potential to make a contribution (Brubaker, 2013). In African cultures, human dignity and respect originate from the individual's connectedness to others. Connectedness is essentially related to morality and rationality. In a business context, this value may manifest itself in management's commitment to developing workers, respect for age and experience, and a general helpfulness towards others.

Other scholars like Mashele (2012) assert that African culture uses the proverb "charity begins at home". Therefore, dignity is all about self-respect. An individual should learn to respect himself before respecting others. This means that through self-respect, one acquires knowledge of respect and hence gains dignity. Mashele (2012:31) combined the definition of self-respect and dignity. Self-respect or dignity refers to the ability of a person to adore him to a point where he shows respect for himself and others. The values of respect and dignity are linked and lead to trust. The next section looks at the application and outcomes of practising ubuntu values.

### 3.1.3.6. Application and Outcomes of Ubuntu Values

In his study Broodryk, (2006:05) summarises the application and outcomes of practising ubuntu values. These values, their applications and outcomes are presented in a tabular form. The table 8 shows how each ubuntu application result in a given outcome. It also shows the benefits and advantages of applying the principles of Ubuntu within a society.

# 3.2. The link between Ubuntu Theory and Governance

This section seeks to establish the link between Ubuntu Theory and the concept of governance. The researcher analyses the governance theories to establish their link with the Ubuntu theory.

Scholars analyse the Ubuntu theory as a philosophy applicable in Africa for Africans.

**Table 8: Application and Outcome of Ubuntu values** 

Application	Outcomes	
Facilitating togetherness	Improved teamwork, family atmosphere, moral support	
Implementing brotherhood or sisterhood	Experienced unity, simunye(we are one), solidarity, commitment	
Support equality	Practised non-discrimination, acceptance by all	
Endorsing sharing	Created different responsibility, happiness and sorrow participation	
Showing sympathy	Applied listening, problem analysis, consolation	
Practising empathy	Established open-mindedness, understanding	
Honouring compassion	Valued peace, cohesion, warmth	
Showing respect	Structured order, discipline, dignity	
Allowing tolerance	Self-controlled calmness, coolness, forgiveness	
Saluting humanness	Lived softness, bliss-ness, helpfulness	
Propagating harmony	Resulted steadiness, non-chaos, clarity of vision	
Redistributing wealth and Knowledge	Obtaining sustainability, cooperation, capacity, empowerment	
Applying obedience	Justified relationship connection, custom, values, norms	
Living happiness	Enjoyed spontaneity, long life, friendliness	
Loving wisdom	Executed resolution, decision, evaluation, happiness	

Source: Broodryk (2006:27)

But a closer look at governance principles (King III Report, 2009) shows that these values of Ubuntu theory relate to governance. Ferando's (2011:45) definition of governance (process of making decisions and implementing them) shows that governance can be related to Ubuntu theory. The Ubuntu theory can be explained as a world view which governs behaviour in certain circumstances. Individuals make

decision being guided by the societal norms and values. These decisions, when unanimously accepted by society become community values.

Many studies show that the Ubuntu philosophy influence governance. For example, in South Africa King III Report (2009) based its principles on the Ubuntu philosophy. In their research Khomba and Kangaude-Ulaya (2013:681) mention that the original principles of governance are in keeping with the ubuntu philosophy by regrading all members of the establishment as a component of the community. In addition, they point out that this unswerving attachment to and with society brings about superior solidarity, love, caring and sharing within an organisation.

In his study, Gstraunthaler (2010) analyses King III report and how they apply ubuntu principles. He describes governance as a philosophy and set of systems, and laws written and which are obligatory by law and professional bodies. Although the description differs in application and explanation to the principles of King III report, it shows how society gets involved in the governance process of firms. He further explains that political and societal ideological interests influence the formulation of these governance principles. The involvement of society shows linking of ubuntu principles to governance. The King III report rejected the shareholder theory and recommended stakeholder inclusive theory. That means applying the collective five finger theory of Mbigi (1997).

Analysing some of the aims of the King III report shows its relation to the Ubuntu philosophy. However, other scholars refute that as "lipstick" ubuntu principles. The fact that it was influence by Cadbury (1992) shows it western ideologies. Among its objectives, King III report encourages the organisations to report their impact on community and highlight future remedies for identified negative impacts. This can be viewed as a principle of togetherness and solidarity.

Khomba and Kangaude-Ulaya (2013) showed the link between governance and the ubuntu philosophy. They argue that governance theories based on the western philosophy of individualism breeds corruption and encourage short-term objectives. Governance can be explained in terms of behaviour since directing and controlling

relate to human behaviour.

To illustrate the link between Ubuntu philosophy and governance Komba and Kangaude-Ulaya (2013) tabulated the attributes and meanings of the African Ubuntu philosophy. Table 8 show the relationship between governance and Ubuntu principles. The universality of the attributes of Ubuntu also relate to the universal application of governance theories. Since the Ubuntu philosophy emphasises brotherhood or sisterhood, this can refer to the international or universal imperative of governance principles. Governance principles borrow ubuntu values of respect and compassion. A company needs to have a spirit of solidarity and bond in order to achieve its intended objectives. The African leadership philosophy can be described as leading by consensus and diplomacy. Many scholars refer to these principles when they highlight leadership theories like transformational and servant leaderships. The issue of understanding in governance theories is of paramount importance, and the Ubuntu philosophy advocates that. Table 9 shows the Ubuntu principles in comparison with governance principles. These principles show a link.

Table 9: Link between Ubuntu values and Governance principles

<b>Ubuntu Principles</b>	<b>Governance Principles</b>	
Respect	Integrity	
Dignity	Accountability	
Collective sharing	Honesty	
Obedience	Trustworthiness	
Humility	Transparency	
Solidarity	Openness	
Hospitality		
Compassion		
Interdependence		
Survival		
Communalism		

Source: (Mashele, 2012:28; Tukuta, Nkhosa & Rozariwo, 2012)

Other scholars (Caka & Alakavuklar, 2011; Burns & Stohr, 2011; Bodlica &

Spraggon, 2011; Wassink & Nijkamp, 2011; Sicoli, 2013; Zeitoun, Osterloh & Frey, 2014; Larcher & Tayan, 2014) describe governance in a way which can be linked to Ubuntu principles, although their studies were done in different western countries. Cakar and Alakavuklar (2011) and Zeitoun, Zosterloh and Frey (2014) refer to governance as a survival tool involving the community and the firm. The principle of survival is the pillar of ubuntu theory. When the firm involves the community it becomes collective.

In their study of Small and Medium Enterprises in Zimbabwe, Tukuta, Nkhosa and Rozariwo (2012) observed that governance can be applied at any firm regardless of size. Their explanation and description of governance showed that governance based on economic principles had failed. Their recommendations were on application of governance supported with Ubuntu values. This was supported by Sicoli (2013) in his study of governance in family business. Although Sicoli did his research outside Africa, the results point to the application of principles of the Ubuntu Theory.

Wassink and Nijkamp (2011) who did their study in Netherlands recommended dialogue concept. This concept is similar to the consensus advocated by Mbigi's (1997) collective five finger theory, where people have to sit under a tree and discuss issues until they agree. Other scholars who have added to the disco urse were Larcker and Tayan (2014). They developed a theory called Trust-Based Governance. This theory borrows all of its principles from Mbigi's Collective Five finger Theory (Ubuntu Theory). These studies refute the argument by other scholars that Ubuntu values are African based and not applicable internationally. Further link between governance and the Ubuntu theory can be obtained through analysing other governance theories.

#### 3.2.1. Agency Theory

Literature indicates that the governance concept is a result of agency problem (Fernando, 2012). The Agency theory was developed based on the agency problem. Pande (2011) argues that the Agency theory is based on an economistic view. Many scholars (Kamal, 2010; Pande, 2011; Htay, Salman & Meera, 2013; Larcker & Tayan, 2014) agree that the Agency theory has been overcome by events. Further,

they add that it causes governance failures the world over. Governance based on the Agency Theory emphasises individualism and short-term objectives of maximising shareholder wealth. Therefore, the theory cannot be related to the Ubuntu theory which is based on collectivism and emphasises long-term objectives of legitimate profit. Larcker and Tayan (2014) relate the Agency Theory to western culture which is opposite to African culture. It emphasises self-interests on the expense of the majority (community). What belongs to an individual does not belong to the society. That is the reason why shareholders (principals) do not trust the managers (agents). They believe that if managers are not incentivised or monitored, they further their own interests (Larcker & Tayan, 2014). However, the Agency theory helps one to understand the importance of governance theories based on solidarity, compassion, survival, respect and dignity (Ubuntu principles). It does this by illustrating the opposite of collectivism principles (Individualism and Economistic theories) and their failures. The picture of western governance theories based on individualism and economistic theories like the Agency theories, have failed. Therefore, the Agency theory can be viewed as a mirror which reflects failures of governance theories based on western short-term objectives of profit maximisation.

### 3.2.2. Stewardship Theory

Many scholars have different views on the stewardship theory. Some scholars (Pande, 2011; Htay, Salman & Meera, 2013; Hogg, 2013) regard the stewardship theory as an economistic view, where the managers maximise the profit of the firm. Another group of researchers (Pirson, von Kimatowitz, Dierksmeier & Spizeck, 2010; Fernando, 2011; Karns, 2011; Tan, 2014) view the model as having a humanistic element. According to later scholars, the stewardship theory proposes principles which promote the welfare of the society. The first view (stewardship theory with an economistic view) does not relate much to the Ubuntu theory. However, the later one (stewardship theory based on humanistic principles) has values which are common with ubuntu principles.

However, all scholars agree that the Stewardship principles deviate from the Agency theory principles in the sense that they emphasise trust among the stakeholders.

Ubuntu values also emphasise trust among individuals in a society. The Ubuntu Golden rule of "love thy neighbour", togetherness and caring are built on trust. The researcher explains the relationship of the stewardship model based on humanistic values to the ubuntu theory.

Karns (2011) in his study noted that the stewardship model charge the company with the responsibility of being a dependable steward causative to the welfare of stakeholders, community, performing with affirmative ethics and partnering with other community institutions for the universal purpose. He further states that with the stewardship model, profit can be viewed as an essential instrument, a critically imperative inside generated supply resource that provides for an organisation's systematic and increasing capability to provide for society. This presents a firm as one of the fingers according to Collective five finger theory, which helps and is helped by others in the community. This view was supported by Pirson *et al.* (2010) who posit that applying the stewardship model the firm meets the societal needs. The leadership serves both the firm and the stakeholders. The governance mechanisms focus on strategic support for business leadership. This promotes the solidarity and survival of both the organisation and the community.

Evidence from recent studies show that the stewardship theory to leadership promotes trust and commitment, mitigating all forms of risk when applied to natural environmental issues (Karns, 2011). Scholars agree that risk-taking and proceeds from a cavernous yearning to create life superior to others is a motivator for unethical business practices. Karns (2011) highlights the principles of stewardship model as integrity, respect and justice. These values are similar to those of ubuntu theory. The Stewardship theory assumes that human beings are able to behave ethically. It also respects other social institutions like family, which can be related to the ubuntu saying, "a person is a person because of other persons".

# 3.2.3. Stakeholder Theory

Many authors agree that the stakeholder theory can be linked to ubuntu principles. Stakeholders can be described as a group or individuals who affect or are affected by firm's pursuit of its objectives (King III, 2009; Spitzeck & Hansen, 2010; Pande,

2011; de Beer & Rensburg, 2011; Sanchez-Hernandez & Gallardo-Vazquez, 2013; Htay, Salman & Meera, 2013). The description shows the inter-dependence of the organisation and other elements of society. The Ubuntu theory emphasises that a person relies on others and vice versa. Other scholars (Meintjes &Globler, 2012; Morf, Flesher & Hayek, 2013) defined stakeholders as those groups that the organisation cannot exist without. The firm does not exist in a vacuum; it has to interact with the community. It requires compassion, solidarity and support from the society for it to survive.

In their analysis of the King III report, de Beer and Rensburg (2011) draw a link between the stakeholder theory and ubuntu theory. They assert that stakeholders have rights and interests central to the existence of the business. According to them, problems only occur when the stakeholder's rights are violated. This is supported by Mason and Summons (2014) in their study where they integrated stakeholders with corporate social responsibility. Their study indicates that an organisation can be described as a living organism which exists in a society and has to depend on other organisms. Mbigi (1997), in his collective-finger-theory, relates it to the interdependence of people.

King III Report (2009) used the Ubuntu theory to describe the Inclusive-stakeholder theory. The King III Report (2009) explains reputation as how well a firm performs compared with the justifiable welfare and opportunity of stakeholders. The interest or expectation of a stakeholder is regarded as legitimate if a sensible and knowledgeable outsider would ratify it as convincing and acceptable on a permissible, moral or ethical basis. King III Report (2009) further highlights that a stakeholder-inclusive governance approach recognises that a firm has various stakeholders that can influence the organisation in the accomplishment of its strategy and long-term objectives. Zeitoun, Osterloh and Frey (2014) add to the discourse by pointing out that the stakeholder approach provides a way of equally distributing the national cake among thousands of citizens. The Ubuntu theory explains the approach of consensus in decision making which is also a key in the stakeholder approach.

Other scholars like Spitzeck, Hansen and Grayson (2011) developed models (such as

the Joint Management-Stakeholder Committee) which can be related to the Ubuntu theory. Their study showed the impact of stakeholders in decision-making. They argue that stakeholder dialogue enhance the performance of the firm. Proponents of the Ubuntu theory highlighted that African culture encourages dialogue and involvement of all stakeholders in the decision making process.

Htay, Salman and Meera (2013) also developed their own model (Universal Governance theory) based on the stakeholder theory. The Universal Governance theory acknowledges the importance of engaging stakeholders in decision-making. It emphasises the morality aspects of business, allowing and legitimate profit for the business. Further, Htay *et al.* (2013) point out that the Stakeholder theory combines philosophical ideas from economics, ethics, law and organisational aspects. A close analysis of these theories shows that their ideas are borrowed or similar to the ubuntu principles.

Sanchez-Harnandez and Gallardo (2013) used the Stakeholder theory to explain their model of Governance Volunteering. The principles of the Stakeholder theory that they proposed are linked to the Ubuntu values. Hence, in the present study, the researcher can relate the Stakeholder Governance theory principles to that of Ubuntu theory.

The study undertaken by Meintjes and Glober (2012) also support the idea of the inclusive stakeholder. They even defined an organisation in terms of its relationship to stakeholders. This can be related to the principle, "I am because we are, and we are because I am". The organisation exists because of stakeholders and the stakeholders also depend on the organisation. Morf *et al.* (2013) found in their qualitative study, stakeholder power can influence firm performance. Spitzeck and Hansen (2010) in their comparative case study showed that stakeholder power can be critical for organisational survival. They indicated two perspective of the Stakeholder theory, namely, descriptive and normative views.

According to Spitzeck and Hansen (2010), the descriptive view does not take into consideration the legitimacy claims of stakeholders. However, the normative view grants stakeholders fundamental value due to the moral privileges of a personality

affected by the firm's behaviour. The firm needs to consider rights and duties of individuals concerned and how immediate equilibrium for different stakeholders can be achieved. They recommended dialogue and management of stakeholder power to gain societal legitimacy.

Literature indicates that governance theories evolve. Many scholars are of the view that governance should be based on respect, solidarity, compassion and truthfulness for it to gain legitimacy from the community. These principles can be explained in terms of the Ubuntu theory. Although, scholars viewed Ubuntu as an African philosophy, its link to governance theories makes it a global theory which originated from Africa. However, the link between the Ubuntu theory and the Humanistic management philosophy needs to be established.

#### 3.3. Ubuntu Theory and Humanistic Management Philosophy

Early studies on Ubuntu theory concentrated on distinguishing it from western humanism (for example, Khoza, 1994; Mbigi, 1997; Broody, 2005; Pieterson, 2005). However, these scholars accepted humanism aspects of the ubuntu philosophy. On other hand, they could not establish the origins of the Ubuntu humanism due to a lack of documented evidence as compared to the western humanism which is well documented. But most scholars agree that humanistic management philosophy originated from humanism without elaborating on the kind of humanism. This section explains the link between the Humanistic management philosophy and the Ubuntu philosophy. The researcher relates the ubuntu philosophy to the humanistic management factors, namely humanistic management leadership, humanistic management ethics, humanistic management culture and humanistic management strategy.

The early researchers established a link between the Ubuntu philosophy and humanism but tried to compare it to western humanism. Among other scholars Pietersen (2005) tabulated the comparisons as indicated in Table 10.

Although the Table 10 tries to outline the difference between western humanism and African humanism, the principles highlighted on African humanism (Ubuntu) link

more with humanistic management principles. This is supported by scholars like Mele (2003; 2011; 2012; 2013) who researched humanistic management in detail. Mele (2013) acknowledged other scholars like Mbigi and Maree on the influence for their work on humanistic management.

Table 10: Comparison of Western humanism and Ubuntu humanism

Western Approach	African Approach (Ubuntu)
(scholars like Argyris, Mcgregor, Maslow, Bennis, Handy, Blunt	(Scholars like Nzelibe, Mbigi, Teffo, Ghosh, Mangaliso, Wariboke, Agbakoba, Gykye)
On the individual	On the Individual
-self-actualising; independence-seeking; aspiring to be superior; self-controlled; self-directed; commitment to rewarding objectives; achievements; seeks responsibility; solving problems creatively; task-focus the achieving individual, individual ambition and distinction is important	-respectful, dignity, kindness and good character, generosity; hard work; endurance, discipline, honour, patience, open and available to others; affirming of others; does not feel threatened that others are able and good, loyalty, compassion;  Human focus - the serving individual; acceptance/support by the group and conformity to group values and norms is important.
On the collective	On the collective
-good teamwork; friendship; good group spirit; good belongingness and group love are valued -the young better adapted to change than elders and parents, create new customs, solutions (seek change) -elders not high valued as wise mentime as linear and valued commodity	-group solidarity, conformity, cooperation, living in harmony, recognising the humanity of others, community spiritedness, involving and giving, sympathy, care and sensitivity for the needs of others; conviviality, sociabilitypreserves stability and accepted social customs (do not seek change) -elders valued as wisdom leaders -time as cyclical, time as healer.

Source: Pietersen (2005:56).

Other researchers like Hauge-Helgestad (2011) from Denmark, and Bertsch (2012) from America add to the discourse highlighting the link of Ubuntu to humanistic management. Hauge-Helgestad interviewed Peter Christie, Lovemore Mbigi and Johan Broodryk and concluded that the Ubuntu philosophy contributes to humanistic

management philosophy (Hauge-Helgestad, 2011).

Bertsch (2011) mentions that, the Ubuntu philosophy can be applied to humanistic management leadership in America. This is a great departure from the previous scholars who viewed the Ubuntu theory as a worldview applicable only in Africa for the black Africans.

Sikwila (2014), in her qualitative research, concludes that Ubuntu can serve as a philosophy applicable in organisation to improve performance. She outlined its humanistic appeal as the contributing factor. Gade (2012) also points out that ubuntu principles were used in South Africa as a bridge between the former oppressors and the oppressed. This shows that humanistic element of tolerance and forgiveness, if applied in business can yield great benefits for the organisation. Therefore, the link between humanistic management philosophy and the Ubuntu philosophy cannot be disputed. However, literature does not indicate the origins of ubuntuism as a form of humanism, although other scholars have declared that it existed since the human existence. The other issue is that, western humanism has been categorised according to different philosophies. Studies indicate that a category (Christianity, traditional humanism etc) of humanism that the Ubuntu philosophy falls on has not been established yet.

Pietersen (2005), in his study outlined the humanistic values of western management in comparison to Ubuntu management in Table 3.7. The Ubuntu principles outlined correspond with the humanistic management values as described by current scholars like Mele (2013) and Pirson (2013). Although the difference can be noted in the western humanism and African humanism, current scholars criticised western humanism, arguing that it is based on capitalism and an economic view. The humanistic network group advocates humanistic management principles similar to the Ubuntu principles.

Therefore, the conclusion drawn is that early western researchers of the Ubuntu philosophy have failed to understand it, and hence regarded it as African humanism suitable for black Africans. There is overwhelming studies which shows that humanistic management philosophy has been greatly influenced by the Ubuntu

philosophy. However, the researcher needs to use the Ubuntu theory as put forward by Mbigi to explain humanistic management philosophy in governance since little literature exists in this area.

An analysis of Table 11 indicates that many scholars explain humanistic management philosophy in terms of ubuntu principles (African values). Therefore, the Ubuntu theory provides a platform to explore humanistic management philosophy in governance. Philosophically, it can be argued that ubuntu humanism existed and influenced humanistic management philosophy before many scholars explored its existence.

Table 11: Humanistic values in western and African Management (Ubuntu) thought

Western management values	African Management values (Ubuntu)
-full and free communication regardless of rank and power.  -reliance on consensus rather than on coercion to manage conflict.  -influence based on technical competence and knowledge rather than on the vagaries of personal whims or prerogatives of power.  -an atmosphere that permits and even encourages emotional expression as well as task oriented behaviour.  -a human bias, one that accepts the inevitability of conflict between the organisation and the individual but is willing to cope with and mediate this conflict on rational grounds.  -trust: a combination of competence, constancy, caring, fairness, candour and authenticity.  -the organisation as community (citizen contract).  -Freedom and the opportunity for self expression.  -teamwork, empowerment, performance management, rationality, delegation, listening and learning.  -refers visionary, dynamic leaders that provides direction and ensures performance.  -concern with achievement.	-treat others with dignity and respectnegotiate in good faith. Take time to listen with empathyprovide opportunities for self expression honouring achievements, self-fulfilmentunderstand the beliefs and practices of indigenous peoplehonour seniority especially in leadership choicespromote equity in the workplace (fairness)be flexible and accommodativeorganisation infused with humanness, a pervasive spirit of caring and commitment, harmony and hospitality, respect and responsivenessemphasis on social well being, rather than on technical rationalityequilibrium with other human beings and with the supernatural as guiding principlesprefer a leader who is kind, considerate and understandingconcern with security

Source: Pietersen (2005:57)

# 3.4. Humanistic Management factors and Ubuntu philosophy

Many scholars explain the humanistic management factors using the Ubuntu theory. However, they tend not to holistically evaluate these factors. The researcher describes the link between the factors in humanistic management strategy, humanistic management leadership, humanistic management ethics and humanistic management culture, and the factors in the Ubuntu theory.

# 3.4.1. Humanistic Management Strategy and Ubuntu

Literature linking humanistic management Strategy as a factor of the humanistic management philosophy and Ubuntu principles is scarce. However, studies indicate the business strategies applied by humanists. Pirson and von Kimakowitz (2014) wrote about business strategies from a humanistic view.

Scholars agree that humans have a need for friendly and co-operative relationships therefore; humanistic organisations embrace a balance of qualitatively desirable outcomes. This can be linked with what Mbigi (1997) describes as solidarity and togetherness according to the Ubuntu theory.

Pirson and von Kimakowitz (2014) describe a firm's aim as supporting the individual four drives (drives for acquisition, bonding, comprehending and defending). They further add that in the humanistic view, environments and way of doing business always change; therefore, adaptive processes need to be implemented as a strategy.

The discourse-based social processes can be adopted in organising and supporting the creation of mutual goals. The idea of achieving a balance and rejecting maximisation of one single goal becomes viable. The broad objectives of humanism require that many tasks are integrated and harmonized for the good of human beings.

The humanistic management strategy can be linked to Ubuntu where human beings are the centre of everything. Ubuntu principles advocate business strategies which benefits human kind rather than individuals. It emphasise that in designing strategies, leaders must be guided by culture and ethical behave. Treating these factors in isolation distorts the fabric of the togetherness of the society. Ubuntu proponents posit that business strategies are there for the survival of the individual and the society, not for the exploitation of the community. However, evidence from research do not exist which support this idea.

Table 12: Link betwe Assumptions	en Ubuntu and humanistic Ubuntu	management Strate Firm Development	egy Business Strategy	Ubuntu advantage	
Relationship with others	-the relationship are reciprocal vs instrumental; treat others as your relatives; individual predicted on belonging to collective "i belong therefore i am" Extended family is important	Group process	Developing products and market strategies	People are motivated more when the members. No and empathy advantages	
Language and Communication	-oral tradition; to name is to create; meaning of words strongly related to context; poetic expression and ability to play with words are signs of wisdom	Socio-technical focus on work team	Technology selection	Shared und deeper mear complex Ubuntu c means condithat is adapta	
Decision making	-decisions by consensus; dissenters compensated for; process is circular; polyocular vision; dispute resolution to restore harmony	Group decision making	Strategic planning	Ubuntu migl action, t commitment means mor effectiveness	
Time	-not finite commodity; it is healer; allow enough of it for important issues before arriving at a decision	Managing Business change	Identify new products for market opportunities	Punctuality i time's heali is a hidder advantage fo	
Productivity	-must be optimised. Solidarity. Social harmony are important; Rewards are shared, so is suffering	Designing jobs for individuals	Creating business designs appropriate to technology and market demands	Sustainable advantage strong loyal goals in Ubu	
Age and Leadership	rage is an ongoing process of maturing and acquiring wisdom. Older people are respected. Grey hair is a sign of wisdom	Team building socialisation	Analaysis of merger potential	Older wo experience, connections, networks	
Belief system	Belief in creator and existence of the mesocosmos.  Christianity is now prevalent	Help team cope with stress	Setting achievable goals	Spirituality 1 best qualitie Ubuntu has t	
Source: Sulamoyo (2010:48)					

The study done by Suamoyo (2010) establishes a link between business strategy and

the Ubuntu philosophy. His views are indicated by table 12.

Pirson and von Kimakowitz (2014) further mention that shared value creation, as a business strategy, is theoretically and practically important. A balance between multiple stakeholders and between short- and long-term interests is essential. At best, humanistic strategies endorse a satisfying or holistic optimising strategy around goals that benefit humanity at large.

In Ubuntu business strategy, wealth created benefits the individual and the society. The concept of "our wealth" applies. In the African community, nobody should aspire to be richer than the other since wealth is for the benefit of society, not an individual. According to Mbigi (1995) the inter-dependence of the people in a community makes it easier for the business to get legitimate profit. People do not view business as exploiting them but as providing services and goods they need.

## 3.4.2. Humanistic management leadership and Ubuntu

Many scholars (De Gruchy, 2011; Bertsch, 2012; Martin, 2013; Shrivastava, Selvarajah, Meyer & Dorasamy, 2014; Dawlabani, 2014) describe leadership using the Ubuntu world view. In their research Bertsch (2012) and Martin (2013) describe leadership in America using ubuntu theory. They found out that ubuntu principles provide a platform for humanistic leadership. De Gruchy (2011) in his study of humanist imperatives in South Africa also posits the application of African philosophy by leadership to bring togetherness among people.

A transformational leadership style fits well with a humanistic leadership views. Pirson and von Kimakowitz (2014) assert that transformational leadership incorporates the four drives. Although Pirson and von Kimakowitz (2014) never mention ubuntu principles in their research but the values they found correlate to the values of ubuntu. They describe a leader based on moral values, inspiring followers, stimulating them intellectually and engaging them emotionally. These outlined values resonate well with those of leadership applying the Ubuntu principles. The humanistic leader acts responsibly for the benefit of the society.

Other scholars like Dawlabani (2014) developed leadership models based on the

humanistic views. He describes leadership in eight stages which interchange between individualism and collectivism. Although he did not mention the word ubuntu, most of the leadership principles he mentioned correlate to those of ubuntu leadership values. Tan *et al.* (2013) in their quantitative research on 200 students' perception on leadership styles found out that spiritual intelligence correlates with transformational leadership style. Spiritual intelligence and transformational leadership styles are found in the ubuntu theory. The research of Tan *et al.* (2013) shows Ubuntu values can be applied world over because their participants are drawn from all over the world.

The research done by Shrivastava *et al.* (2014) in South Africa on leadership incorporates ubuntu as a theoretical frame work. Their findings also indicate that the humanistic management philosophy can be applied by leaders using ubuntu principles. The research related to black managers therefore, more research is required to determine the behaviour and perception of humanistic leaders across the race spectrum when applying Ubuntu principles.

In his study, Nwagbara (2012:68) states that Ubuntu rather inheres in collective leadership, which is one of the contributions of post modernism, and shows a period of paradigm shift in presentation authenticity and genuineness. He further cited Mbigi (2005) who outlined components of African leadership which relate to Ubuntu. Firstly, Ubuntu offers respect for the dignity of others. Secondly, it encourages group solidarity, "an injury to one is an injury to all". Thirdly, Ubuntu advocates team work in that none of us is greater than all of us. Fourthly, it fosters service to others in the spirit of harmony. Lastly, it develops inter-dependence, that is, each one of us needs all of us. A closer look at these Ubuntu components shows a close link to business leadership as a factor of humanistic management philosophy in governance. Nwagbara (2012) also states that Ubuntu principles incorporate compromise, persuasion, discussion, accommodation, listening and freedom of speech, all of which are regarded as elements of the humanistic management leadership paradigm.

Research show that African cultural pursuits created foregrounds of fundamentally

group connotations of decision-making and leadership, thereby asserting that personality requirements will be met or achieved when possessions are viewed cooperatively (Komba and Kangaude-Ulaya 2013). Nwagbara (2012:80) postulates that leadership applying Ubuntu rewards team work rather than individual efforts. Therefore, eradicate the effects of rewarding individuals in a collective community that could result in social chastisement and sabotage of performance.

In his research, Ncube (2010) used Ubuntu to develop leadership model. He shows that Ubuntu as a leadership philosophy framework can be applied practically as a leadership model. According to him, Ubuntu also embraces a spirit of caring, society synchronization, generosity, admiration and receptiveness. He further describes Ubuntu leadership as the capacity for compassion, reciprocity and dignity.

Business leadership in African context has been constructed on strong relationships, participation, responsibility, and spiritual authority. Ncube (2010) argues that business leaders applying Ubuntu values become role models and legitimises their leadership by commitment to such African values as honesty, sincerity, truthfulness, compassion, empathy, dignity and respect for others. These values relate to humanistic management in governance. Ubuntu principles as business leadership philosophy advocates collectivism and relationship over material gain, including ownership of opportunities, responsibilities and challenges (Ncube, 2010).

Literature indicates that leadership practising Ubuntu use participatory decision-making, transparency and democracy. The Ubuntu leadership framework requires that leadership not only encourage a collective vision but also has a vision that guides others (Ncube, 2010).

Other scholars argue that leaders who practice Ubuntu search for opportunities to initiate change through people (Ncube, 2010). Rather than being forced on people, change comes through a process of openness and transparency and people come to accept change. Decisions to change come by consensus rather than polling and there is circularity in the decision-making process. Ncube (2010) states that the process of change is interactive and decisions are revised as many times as necessary before the final one is made. Building affiliation with others is a characteristic of good

leadership universally, but a supreme factor for Ubuntu (Ncube, 2010). In constructing relationship one builds trust, thereby fostering collaboration and reciprocity. By accepting our inter-connectedness, a leader operating with the principles of Ubuntu will also have the desire to empower others. Many scholars accept that empowerment of others means reinforcement others, allowing them to act on their own inventiveness and trust in themselves.

Ncube (2010) further asserts that a collectivist mentality encourages teamwork and a non-competitive environment. He deduces that such an environment promotes solidarity and a spirit of working together towards common goals and the good of the business. Ubuntu requires that leaders build up the wherewithal and competence of an organisation by enlightening modernization and obtaining the best from every person, the development of individual prospective. That means humanistic leaders act as mentors and coaches for the subordinates. Therefore, everyone grows from that experience. These leaders who practice ubuntu equip others with skills to perform and nurture growth and creativity through mentoring and building relationships. Ubuntu recognises the contribution of others, empowering them further. Through continuous integration, Ubuntu empowers others to develop and grow. Ubuntu helps to put in place leadership structures that are appropriate and relevant to the African context and that may offer a different approach in other contexts.

However, the approaches used by most researchers are based on leadership in isolation instead of leadership combined with other factors like strategy, ethics and culture. Little literature exists on the humanistic management leadership in governance applying ubuntu principles. Although the King III (2009) highlights important facts about leadership applying ubuntu principles but it lacks supporting evidence.

# 3.4.3. Humanistic Management Culture and Ubuntu

The concept of culture has been researched with the emphasis on the organisational culture. Few studies link humanistic business culture in governance to the ubuntu theory. Culture can be perceived in two perspectives, namely the organisational

culture and societal culture in which the business operates. However, the societal culture can affect business operations since community constitute the stakeholders of the firm. The leaders and employees of the organisation are drawn from the society which has its own norms, values and beliefs which the business cannot ignore. Pirson and von Kimakowitz (2014), in their study, mention that culture based on human relations and which is inclusive of a larger group, can influence organisational culture. This will result in firm fostering dialogue with stakeholders in trying to reach consensus. Since culture is guided by a set of values, in South Africa, Ubuntu principles can provide that platform for guiding business values.

Sulamoyo (2010:43) in his study established a link between African culture (Ubuntu) and humanistic management Culture. He highlighted the following facts:

- Culture shapes assumptions about what is important, useful and relevant in a business.
- Culture helps to define individual interests thereby mediating the relationship between the individual and the firm.
- Culture creates the rules for social interaction that conditions how people will
  react to others within the organisation. Every form of interaction occurs
  according to the rules (norms) of what is the appropriate form of
  communication according to gender, age, social status, kinship, etc.
- Culture shapes processes of power how it is distributed and legitimised within organisation.
- African culture (Ubuntu) is based on collectivism as opposed to western individualism, therefore accommodating stakeholders' views in decisionmaking.

These views indicate how Ubuntu philosophy can play a role in the business by adopting humanistic management philosophy in governance based on business culture. Although many scholars acknowledge the difference between western culture and African culture; their integration can promote good humanistic governance in organisations.

Although leaders usually want to influence the organisational culture, the power of community culture can also over-power their influence. Hence, organisational culture in businesses operating in South Africa can be linked to Ubuntu values. On the other hand, the influence of multi-culturalism has diluted the influence of society on business culture especially in urban areas. The western cultural influence has also affected people's view about ubuntu values; however, some scholars have cited this as the cause of unethical behaviour experienced in business. Nwagbara (2012) also asserts that the practice and culture of the humanistic management philosophy in Africa, is essentially rooted in her cultural beliefs systems, norms and traditions that are uniquely African.

The exploratory study done by Sinha and Arora (2012) established a link between business culture and humanistic management philosophy in governance. However, they did not indicate further link to the African culture. But other scholars highlighted that African environment requires business to adopt African philosophy and culture in order to survive. Sinha and Arora (2012) further established that overall governance of the firm can be influence by the societal culture. For example, if the organisation operates in an environment that does not tolerate corruption, then it would be difficult for it to practice unethical behaviour without being prosecuted by the community.

The King III Report (2009) shows that Ubuntu principles can be linked to humanistic business culture in governance when it adopts Ubuntu as its guiding framework. Berger, Bergan, Leisinger and Ojo (2014) in their study of culture perception on business in South Africa found out that culture affects humanistic governance. Although the views were solicited from advance economics students who were supposedly biased towards economistic view, the results indicated that a link exists between African philosophy (humanism) and business culture in Africa.

On the other hand, the mixed approach study done by Mohamed (2011) only showed the link between business culture and humanistic management philosophy in governance; it did not highlight the link to ubuntu principles. Mohamed further wrote that organisational culture characterised by shared assumptions, beliefs and values which are elements of humanistic approach help to shape and guide organisational behaviour. Philosophically, can an organisation have beliefs and values different from the values and norms of its stakeholders and survive? In trying to answer this question Edeh (2015) states that organisational culture is a reflection of the beliefs of the leaders and followers belonging to a certain group.

Since culture consists of shared beliefs one can not belong to a group where one belief differs from that of the group. Research indicates that Ubuntu cannot survive in an individualistic culture since people are always socially connected with others (Nagel, 2010:02). Hence, an organisation cannot exist in an environment where its beliefs differ from that of the society it tries to serve. In conclusion one can hypothetically conclude that a link exists between humanistic business culture in governance and ubuntu theory.

# 3.4.4. Humanistic Management Ethics and Ubuntu

Many scholars have defined humanistic management ethics as decisions which determine what is right or wrong in the business. However, other scholars argue that what is wrong or right maybe relative depending on one's beliefs and location. Lee (2011) asserts that organisations have tried to apply rules and regulations, educate people about ethics, enforce codes of conduct and have ethical officers, just to mention a few, but all in vain. According to Lee (2011), people have abandoned God and become selfish. He believes in supernatural powers that control human behaviour and foster trust and honesty in people. Lee (2011) argues that people must put God first in everything they do in order to be ethical. However, this can be regarded as Christian humanism; relying on supernatural power to influences good behaviour.

On the other hand, the proponents of Ubuntu also relate to the supernatural powers to influence good behaviour. They believe that if one breaks the rules, the Gods will punish that person. Hence, people do well because of the fear of the unknown. African people perform rituals to inform the Gods about every event.

The Table 13 (Moral Development theory) explains how people learn ethics through moral development. However, the theory seems to suggest that those who do not reach the last stage are not adequately ethical. On the other hand, it provides the framework from which ethical learning can be viewed. Although Lee (2011), Galbraith and Webb (2010) do not agree on the issue of moral development, they agree that unethical behaviour is influenced by factors outside the human moral compass. Galbraith and Webb (2010) believe that unethical behaviour can be influenced by external sources like reward for profitable decisions over the well-being of human beings. They also differ with the fact that Lee (2011) believes the solution lies in supernatural powers, whereas Galbraith and Webb (2010) believe that education provides the answers.

#### Table 13: Theory of Moral Development

### **Stage 6: Universal Principles**

Universal ethical principles of justice and respect for human autonomy and abstract reasoning.

### Stage 5: Social Contract and Individual right

It is characterised by judging the moral worth of societal rules and values insofar as they consistent with fundamental values, such as liberty, the general welfare or utility, human rights, and contractual obligations.

# Stage 4: Maintaining Social Order

People begin to consider society as a whole when making judgements. The focus is on maintaining law and order by following the rules, doing one's duty and respect authority.

#### **Stage 3: Interpersonal Relationships**

It is characterised by trying to live up to the expectations of others for good behaviour, by having good motives, living up to social expectations and roles. There is an emphasis on conformity being nice and consideration of how choices influence relations.

#### Stage 2: Individualism and Exchange

It is characterised by seeking to pursue one's concrete interests, recognising that others need to do the same. Children can understand individual point of view.

#### Stage 1: Obedience and Punishment

It is the earliest stage of moral development characterised by blind obedience to rules and authority and a fear of punishment especially common in young children.

Source: Galbraith and Webb (2010:42)

Although critics do not agree with Lawrence Kohleberg's Theory of moral

development, a close look at the idea shows its relationship to ubuntu. African philosophy advocates learning of ubuntu when the children are growing up. African philosophy has the adage that it takes the whole village to raise a child. This means the society should teach its children ethical behaviour when they are young so that they become human. The Ubuntu philosophy informs us that people are not born human but become humans due to education. The principle of Ubuntu is now being lost due to the influence of other cultures, like the western culture and the respect of wealth at the expense of human dignity.

In his dissertation Musina (2013) supporting the supernatural view of ubuntu, writes that:

- •" I am a reflection of the existence of my ancestors I exist because they exist or as we say "Umuntu ngumuntu ngubuntu" A person is a person through other people or we could also say, 'A thing is a thing through other things.' Meaning all things know each other in relationship to each other.
- We come from the energy flux and are the energy flux. This is why the circle is important to the Ubuntu spirituality. The circle shows that we are one.
- We respect and give thanks for all of our relations because all elements are part of the energy flux that makes up life.
- We try to live Ubuntu life with the aim of finding integrity and wholeness in the balance of nature, which is to see the energy flux in everything.
- To each person, place, animal, or object we ask for permission before taking and give thanks for that which we have received. These prayers are directed to the spirit of the desired object. These prayers explain our actions and give justification for our actions because we respect the spirit of all things.
- Birth and death reflects the life cycle in all things and in all places.
- The spirit of the land and the spirit of the water we honour in special ways. In fact, it is said that the experience we have with specific elements helps us to develop language and knowledge as an effort to respect the space we occupy.

- Our traditional governance institutions are inclusive of nature as a decision making relational member of Ubuntu. We honour the intelligibility of nature.
- We honour the dead because they live in a parallel world to that of the living".

These views indicate how the author believes that the ubuntu worldview focus on supernatural powers in terms of fostering ethics of society. This view is also supported by Mugumbate and Nyanguru (2013) who refer to ubuntu as African spirituality. They cited Tutu as the proponent of ubuntu to support their argument. In African culture ubuntu can be applied to enhance the practice of ethics. Mugumbate and Nyanguru (2013) view ubuntu as humanistic ethics.

Ncube (2010), in his study, found out that one should not expect others to exhibit ethical behaviour if one cannot demonstrate it. Ubuntu encourages leaders to demonstrate ethical principles to their followers. Ethical values are critical to the success of a business because they serve to guide an entrepreneur on ethical issues.

On the other hand, in a quantitative exploratory research of 530 companies done by Khomba and Vermaak (2012) revealed that corruption was rife in African companies despite the practice of Ubuntu principles. However, the researchers accept that ubuntu values have a direct impact on business ethics. These findings support Lee's (2011) argument that managers are forced by circumstances; for example, using the maximum profit objective which is beyond their control, hence, engage in unethical practices, although their internal moral compass may be against it.

## 3.5. Criticism and weakness of Ubuntu Theory

Many scholars have criticised ubuntu principles. Their criticism was not based on the application of Ubuntu to management but it is worth noting. Mugumbate and Nyanguru (2013) state that ubuntu cannot be universally applied. However, this assertion was based on the view that ubuntu is an African philosophy applicable to black Africans only. The research which has been done in western countries show that ubuntu is a worldview with an African origin but cannot be applied in any environment. They further argue that ubuntu does not have a solid theoretical

framework. However, theories put forward by scholars like Mbigi (Collective five finger theory) and Metz (Ubuntu moral theory) refute this criticism.

The myth that ubuntu values weaken society, for example, due to principles practices by black Africans while they were colonised by the white people, can be rejected with the contempt it deserves. Ethical behaviour cannot be criticised because of people who took advantage of it and misused the hospitality afforded to them. The other criticism from Mugumbate and Nyanguru (2013) was that it gives people a very strong identity, resulting in herd mentality. They give as an example the recent xenophobic attacks in South Africa. However, there is no evidence to support this claim by Mugumbate and Nyanguru (2013) that Ubuntu may cause xenophobia.

Oyowe (2013) noted the weakness of ubuntu principles. His criticism was based on the Metz's ubuntu moral theory. He argues that ubuntu promotes collectivism at the expense of individualism, hence does not respect individual rights. According to him society cannot advocate community rights while simultaneously respecting personal rights. He views individualism and collectivism as opposites which cannot be practised simultaneously. However, Oyowe missed the point that society is made up of individuals. For one to respect the society, one has to observe individual rights of community members. Ubuntu philosophy advocates that society contributes to the needs of the individuals, hence society benefits from individual ethical behaviour. It discards the selfishness of western individualism which does not benefit other people. Therefore, Oyowe (2013) failed to comprehend Metz when he says that individualism and collectivism co-exists in Ubuntu.

Nagel (2010) also put forward her criticism of ubuntu. She outlined that if ubuntu principles were being practiced in African countries why there is gender inequality and violence against women in Africa. Although, gender inequality and violence against women can be found in African countries, studies have not established a correlation between Ubuntu and gender inequality or violence. Hence, associating ubuntu with these issues is misplaced. It can be noted that ubuntu values have been diluted by western culture. Hence the causes of gender inequality and violence may not be linked to ubuntu.

According to Sulamoyo (2010) the strong affinity with tradition and social duties of ubuntu may cause short-term goal setting. But no empirical evidence supports this assertion. Ubuntu was criticised for being vague and subject to various interpretations. The researcher's view is that all schools of thoughts can be subjected to different philosophical interpretation depending on the worldview of the scholar.

Most researchers who criticise ubuntu do not understand this African worldview. They criticise it, comparing to western philosophy whose application to humanistic management philosophy in governance raises more questions than answers. Many scholars agree that current governance theories are failing (Mele, 2013). Hence, there is need to develop humanistic management models in governance to replace the existing ones based on economic views of the western paradigm. The next section justifies the researcher's view on humanistic management philosophy in governance using the ubuntu worldview.

## 3.6. Justification of Ubuntu Philosophy as a Theoretical Framework

Literature on humanistic management and governance shows that scholars use western individualistic view and economistic paradigm to explain them. However, this has failed to explain why business continues to face a plethora of crises. Therefore, in this section the researcher justifies why he has used the African Philosophy (Ubuntu) to explain humanistic management philosophy in governance.

The Ubuntu philosophy provides values significant for sustainability (Shumba, 2011). Incorporating ubuntu principles in an organisation enhances performance and productivity. Shumba (2011) further asserts that Ubuntu is an honest and principled structure that stresses communalism and collectivism which are applicable to performance governance and personality development that may denote sustainable lifestyles. Its humanistic philosophy provides a decent and proper framework of ubuntu for cordial survival with each other and with environment which runs parallel to the doctrine of sustainable progress. Shumba (2011) states that ubuntu also provides many possibilities for inter-generational knowledge and at the same time important information for inter-generational scholarship whereby contemporary societies discover from one another, and with the west learning from Africa. This

literature indicates that organisational survival can be achieved by adopting ubuntu values. However, empirical evidence linking increased productivity and the adoption of ubuntu principles is lacking in the literature under review.

Mashasha (2013) also supports Shumba's (2011) view on the significance of the ubuntu philosophy. He writes that ubuntu teaches that all people in society are actors in that they subsist through rather than by ubuntu. This means that the application of ubuntu makes the organisation survive during trying times. The concept of all members being actors provides a feeling of belonging which promotes hard work and co-operation among the stakeholders of the organisation. Mashasha (2013) states that ubuntu also educates and that all people are observers, in that all are accountable for the rectification and support of others in their society. Ubuntu encourages people to work together hence greater productivity and higher performance. If one person were to fail to attain his/her personal objective for the firm, the penalty/rewards would be collectively felt by all. This can play a decisive role in consolidation at the work place, finally leading to a more dexterous, consistent and cost-effective future. This could lead to stakeholders governing themselves and sharing the same aspirations with the organisation. Mashasha (2013) posits that the role of the leaders would then be to perform as the authority that maintains the constructive and advantageous attitude, and also promote superior collective communication and intellectual perception amongst all.

Other scholars like Khomba and Kangaude-Ulaya (2013) highlighted a plethora of ubuntu philosophical significance to governance. They argue that the ubuntu philosophy provides valuable lessons which include collectivism and team work, creation of synergies and competitive advantages, humanistic leadership styles and maturity, consensus in decision-making systems, effective communication, and community-based corporate social responsibility.

In their study Khomba and Kangaude-Ulaya (2013) found out that under the ubuntu philosophy the community is more vital than a person. Further, they posit that they are several governance principles derived from African tribal societies that embraces the ubuntu philosophy. These include trust, inter-dependence, and spiritualism.

Ubuntu advocates respect and human dignity which is significant to being able to transcend ethnic divisions by working together and respecting each other. Many scholars are of the view that societies or organisations which practise ubuntu are truly open and make these principles available to others. They are affirming of each other and do not consider it a danger that others are competent and excellent.

In the same study Khomba and Kangaude-Ulaya (2013) noted that South African companies like ESKOM, SAA, just to name a few, who practised Ubuntu principles soon after democracy showed improvement in their performance and profitability. Therefore, African organisations should run their activities on the premise that the society cares, and that the care of its stakeholders is principal to its governance.

Under the African governance provisions, respect, dignity, caring and sharing are measured as significant principles that bring together African communities. The ubuntu philosophy implies that one can only augment one's excellence by involvement with other members of the working community, thereby also enhancing their prominence within the local communities (Khomba & Kangaude-Ulaya 2013). Ubuntu philosophy helps to explain how organisations understand African societies and their integration principles. The constructive attributes of ubuntu also reveal what a firm can achieve in terms of comprehending the genuineness of accepting corporate principles that are in line with African society. This view is also supported by Jolley (2010). He found that the Ubuntu philosophy fosters communication among members of the organisation creating an environmental fabric conducive to stakeholder inclusivity. This promotes humanistic governance in the organisation.

Organisation can fabricate collaboration and aggressive strategies by allowing team effort based on ubuntu principles to infuse the firm (Khomba & Kangaude-Ulaya, 2013). As a people-centred philosophy, ubuntu stipulates that a person's significance depends on collective, intellectual, and devout criteria. Communalism and collectivism are essential to the spirit of the African ubuntu philosophy. Equally important in African philosophy relationships is the respect of working with others as a team. A spirit of solidarity simultaneously supports cooperation and competitiveness amongst the team by allowing individual to contribute their best

efforts for the betterment of the entire organisation. The existence of ubuntu as a shared value system implies that the organisational members are encouraged to strive towards the outlined group values, which consequently enhance their functioning together as a team. The cooperation of stakeholders is brought closer to being effective because of the increase in the level of the stakeholders' commitment, loyalty and satisfaction, which ultimately has a positive impact on the overall performance (Khomba & Kangaude-Ulaya, 2013).

Research indicate that practising ubuntu encourages oneness and sharing in an organisation. Ubuntu fosters community-based approaches. It also helps to build synergies where the whole is greater than the sum of individual parts (Khomba & Kangaude-Ulaya, 2013). The community-based ubuntu philosophy enhances productivity and organisation performance. Through the ubuntu philosophy, synergies generate an enormous competitive advantage for the organisation, from employees who uphold this philosophy and their teams. An African organisation can gain competitive advantage based on numerous elements, including efficient individual associations with others, verbal communication and announcement, time supervision, efficient administration, maturity and management and cultural philosophy.

The studies done by scholars like Khomba and Kangaude-Ulaya (2013) point to the fact that African culture and leadership styles can be found based on the Ubuntu philosophy framework. There is empirical evidence to suggest that African culture is unlike western cultures in some modes of behaviour which implies that in an African framework, community and cultural linkages are reasons for the achievement on the continent. The inference of such concerns is that individuals must come first, before efficiency, commodities, and proceeds. Gade (2012) in his research found out that Ubuntu fosters inclusivity which promotes leadership legitimacy.

Further studies indicate that African Ubuntu governance recognises the importance of group solidarity that is prevalent in African cultures, acknowledging that an African leadership styles involves group and societal support, involvement and collaboration (Khomba & Kangaude-Ulaya, 2013). They further note that application

of the Ubuntu philosophy in organisation cultivates togetherness and enables stakeholders to express compassion and perseverance. Khomba and Vermaal (2012) posit that Ubuntu's inclusivity principles cause the organisation's members to feel a sense of belonging and to support one another to achieve the intended objectives, hence increased productivity.

The literature review suggests that the application of western individualistic governance system in organisations operating in African environment cause social and economic divisions and it becomes costly for the firm. Studies done in Malawi (Khomba & Vermaal, 2012) and Tanzania (Sigger, Polak & Pennink, 2010), for example, shows that the community values togetherness. Khomba and Kangaude-Ulaya (2013) clearly indicate that one of the significant factors of the Ubuntu philosophy is respect for the leaders (elders). Respect creates harmony and increase productivity in an organisation. It creates a platform for honest discourse among the stakeholders without hidden agendas.

Many scholars are of the view that using Ubuntu philosophy as a lens to view governance may eradicate ethical issues like corruption, fraud, collision of companies and other unethical vices. Under Ubuntu teachings people are made aware that individualism, greed and profit maximisation at the expense of community contravenes the principles of humanity. Although van Niekerk (2013) disagrees with Metz's views on ubuntu morality theory, he acknowledged that this Ubuntu principle plays a significance role in the development of business ethics in African organisational context.

In his research Ncube (2010) discussed significance of Ubuntu in relation to concepts like management and governance in African. He argues that Ubuntu helps to trounce overwhelming contradictions, producing some quantity of hospitality and in so doing alleviating tensions and aggression in the organisation. Ncube (2010) also agrees with other scholars that Ubuntu holds promise for a more comprehensive discourse that embraces traditionally misinterpreted and marginalised non-western traditions.

Adding to the discourse on the significance of Ubuntu, Letseka (2012) asserts that Ubuntu develops vital principles of stakeholder solidarity, compassion, respect and

human dignity. He further argues that Ubuntu's humanistic orientation towards stakeholders serves as a cohesive moral code in the face of adversity. Ubuntu inspires stakeholders to expose themselves to others, to encounter a difference in their humanness so as to enrich our own. He further describes Ubuntu as a theory of right direction. Ubuntu also can be justified as a normative theory of right direction that has an African pedigree which seeks to produce harmony and to reduce discord, where harmony is a matter of identity and solidarity. Ubuntu also values human life or thinking of others as worthy of flowering, as part of loving others or promoting harmony. These values contribute greatly to the development of humanistic governance in business.

## 3.7. Summary of the Chapter

The literature reviewed indicates that most scholars agree that the Ubuntu philosophy relates to a way of life based on collectivism. They also collectively voiced that it originates from Africa. The word "Ubuntu" is an isiZulu word. However, most African countries practice the system giving it different names which are similar to Ubuntu. Some scholars have noted the world-wide spread of the philosophy. Some criticised it as an African culture which cannot be applied anywhere, but however, overwhelming empirical evidence indicates its universal applicability.

The universal application of the philosophy caused the researcher to use it as a lens to view humanistic management philosophy in governance. Although Ubuntu has been used by other scholars as a conceptual framework, not much literature exists on its use in humanistic management.

Overwhelming evidence exists which indicate the link between the Ubuntu philosophy and the Humanistic management philosophy in governance. The researcher worked on the assumption that the Ubuntu philosophy provides a powerful framework which makes one understand the concept in detail. Therefore, the researcher based the argument of this philosophy on the "Collective Five Finger Theory" developed by Mbigi. The Collective Five Finger Theory can be described as based on the five principles, namely, survival, spirit of solidarity, compassion, dignity and respect. These values make up the pillar of Ubuntu Theory. Other

scholars have established a link between this theory and humanistic management philosophy.

The researcher used Ubuntu philosophy as a conceptual framework because it provides a strong and powerful pillar when exploring humanistic management philosophy in governance, especially in an African setting. The relationship between Ubuntu and Humanistic management had been researched by other scholars but using individualism and western perspective. Conversely, the researcher applied the African Collectivism perspective. This study argues that applying the individualism perspective on governance had been related to a plethora of challenges governance was experiencing, as indicated in the literature review.

# **CHAPTER FOUR**

## RESEARCH METHODOLOGY

#### 4.0. Introduction

The previous chapter explained the theoretical framework used in this study. This chapter describes how data is collected based on the assumptions and approaches used. The manner in which the research study is conducted can be influenced by the research philosophy. The research paradigms, research approaches and research methodologies used help to answer the research questions, solve the research problem and achieve the intended objectives as outline in chapter one. Therefore, the purpose of this chapter is as follows:

- To explain the paradigm bases of this study.
- To evaluate research approaches and research designs used.
- To expound on research methodologies adopted.
- To introduce the data collection methods and research instruments developed and used to collect data to answer the research questions.
- To describe and analyse data processing and the analysis procedure implemented.
- To describe the research population, sample and sampling procedures.
- To explain the validity and reliability of instruments used to collect data.
- To explain the ethical considerations, limitations and delimitations applied.

The chapter was concluded by summarising the main points.

## 4.1 Post-positivist Paradigm

Scholars (Senevirane, 2013; Yow, 2013; Sefotho, 2015) believe that the post positivist paradigm can be view as an alternative to positivism. It was developed due to short comings of positivism. Sefotho (2015) describes it as a paradigm that provides an encompassing new way of investigating real world challenges. Post positivists assume that the world and reality are not objective and exterior, but they are socially constructed and given meaning by the participants (Senevirane, 2013). Along the same lines, Bergan, Feijter, Framback, Godefrooij, Shootweg, Stalmeijer and Zwet (2012) describe this paradigm as a philosophical framework that underlines

and affects research activities. They further elaborate the view that it also explains the assumptions underlying the researcher's views on reality and knowledge. Similarly, Nekona (2015) joined the discourse by defining post positivism as a belief system based on relativist ontology and subjective epistemology. It means that numerous realities exists that are constructed and collective among personalities or an assemblage and which are perceptive to the subject and the investigated participant cannot be divorced from it.

Post-positivists can be described as being additionally worried with preserving natural environment in which meticulous situations transpire so as to divulge supplementary naturalistic results (Yow, 2013). It can be referred to as a reality-oriented research paradigm, principally because the study takes place in more pragmatic settings, thus leading to further convincing findings. Doran (2010) in her study voiced her views by arguing that within the post positivist paradigm, the ontological assumption shifts to a further decisive analysis of realism. The knowledge about reality is approximated and hunted through meticulous approaches such as the grounded theory. The inquirer owns his/her predispositions so that adjustments to the conclusion can be completed.

Table 14: Major assumptions within positivist and post-positivist paradigms

Feature	Post-positivist Paradigm	Positivist Paradigm	
Ontology	Reality is multiple and subjective; constructed	Reality exists; there is a real	
	by individuals	world driven by real natural	
		causes	
Epistemology	The inquirer interacts with those being	Inquirer is independent from	
	researched and findings are the creation of the	those being researched;	
	interactive process	findings are not influenced by	
		the researcher	
Values	Subjectivity and values are inevitable and	Values and biases are to be	
	desired	held in checking; objectivity	
		is sought	
Methodology	<ul> <li>Induction process</li> </ul>	Deductive process.	
	<ul> <li>Emerging interpretations grounded in</li> </ul>	Fixed design	
	participants' experiences, flexible	Tight control over context	
	design, context bound.	emphasis on measured;	
	<ul> <li>Emphasise on narrative information;</li> </ul>	quantitative information;	
	qualitative analysis which seeks	statistical analysis which	
	patterns	seeks generalisation.	

Source: Doran (2010)

Anja (2012) also asserts that the post positivist paradigm recognise a description as

legitimate rationalization if it produces insights and superior clarification according to measurement which can be overtly expressed. Supporting Anja's philosophy, Nekola (2015) also articulates that results are generated by mutual interactions between participants and the researcher. Meaning becomes fundamental to human associations. He further elaborates that it employs a hermeneutic and dialectical methodology to investigate how phenomena are comprehended by human beings. Therefore, the researcher mutually with the informant modernises and gives phenomena to accomplish a more knowledgeable compromise and to appreciate the enhanced perspective of reality.

Post positivism believes in simplification just as positivism does but takes a critical realist position when recognising societal reality and collective phenomena in the social world (Sefotho, 2015). It does not totally disapprove positivism but extends it beyond the narrow view of looking at reality as capable of being generalised. Reality is considered in a more expansive way. In that same regard, Xerri (2013) argues that unlike positivism, post positivism views the task of the social scientist as not to gather facts and measure how often certain patterns occur but to appreciate the different constructions and meanings that people place upon their experience.

Therefore, researchers should endeavour to comprehend and describe why people have different knowledge, rather than explore for peripheral causes and elementary laws to elucidate their activities (Bergman *et al.*, 2012). Hence, people's behaviour arises from the sense of what human beings make of different situations, rather than as an undeviating response to exterior stimuli. The view takes a departure from the positivism paradigm.

The discourse on post positivism cannot be concluded without viewing the major assumptions underpinning the post-positivist paradigm, in comparison to positivism. Doran (2010) tabulated these assumptions as indicated in Table 14.

Xerri (2013) agrees with Doran (2010) in terms of the assumptions of post-positivism. Xerri highlights that post-positivism has the ontological view of critical realism, that is, real reality but only imperfectly and probabilistically apprehensive (Xerri 2013). It has the epistemological assumption of modified dualism or

objectivism. Post-positivist axiology influences the research, although it can be controlled. Adding to the views above, Yow (2013) points out that post-positivism also can use scientific methods like positivism. This is in line with Xerri (2013) who posits that the post-positivist methodology can be referred to as a modified deductive process. It may include qualitative methods in addition to quantitative methods. Several realities are subjectively imitated from participants' local and daily experiences by context-sensitive qualitative methods. The excellence of a study depends on criteria such as reliability and genuineness (Nekola, 2015).

The strengths of post-positivism have been outlined as the capability to examine change over-time, to comprehend people's meanings, to regulate innovative issues and ideas as they materialise, and to contribute to the development of original theories (Senevirane, 2013). Above all, it provides a technique of assembling data which is seen as ordinary rather than simulated. The other paradigm similar to post-positivism, described below, is pragmatism.

Literature indicates that pragmatism began with the contributions of scholars like Williams James, John Dewey, George Herbert Mead and Arthur F. Bentley, among others (Goldkuhl, 2012; Mertens, 2015). These scholars disagreed with the positivism paradigm that truth and knowledge can only be generated through scientific methods. Researchers like Gray (2013) and Karley (2014) explained pragmatism as an ideology which posits that real ideas work and generate practical consequences for the community. Therefore, Gray (2013) continues arguing that pragmatist's emphasis not whether a suggestion fits a fastidious ontology, but whether it suits rationale and is proficient in obtaining the intended accomplishment. Similarly, Mertens (2015) posits that pragmatism incline to common sense and realistic philosophy. A principle is true if that principle creates opportunities for enhanced behaviour for autonomous, determined living. Pragmatism, according to Gray (2013) provides an epistemological justification for mixing approaches and methods.

The views of Gray were supported by Karley (2014) who pointed out that pragmatism asserts that concepts are only relevant where they support action. This

means that the most important determinant of your position on each of the continua is the research question- one position may-be more appropriate than another for answering a particular question. Karley (2014) wrote that for pragmatist, the most important meaning of the idea (or a study results) are in the practical consequences. Pragmatists recognise that there are many different ways of interpreting the world and understanding research, that no single point of view can ever give the entire picture and that these maybe multiple realities. The researcher may not base his arguments on whether they realise truth but on the revelation that results work with reference to the dilemma under investigation (Mertens, 2015).

The assumptions underpinning the pragmatism paradigm makes it suitable for mixed research. Ontological assumptions indicates that pragmatism finds itself sandwiched between the transcendental realism of the positivist/post-positivist paradigm and the relativism of the constructionist paradigm in that it accepts external reality but questions assurance (Clausen, Nicol & Gill, 2010). Pragmatism makes use of interpretations that produce their best outcomes. It claims that the external world exists independent of the researcher's mind. It believes that people are socially and historically positioned and investigators cannot be certain that they can read the world.

Epistemologically, pragmatism assumes that the researcher can be both objective and subjective in his observations (Clausen, Nicol & Gill, 2010). Therefore, it moves between the dualism of positivism and the inseparability of the knower and the known in constructionism. Applying this philosophy, Mertens (2015) points out that this frees the researcher to develop any type of relationships with the informants, which may be appropriate for the study. The relationship may be rated in terms of the ability to achieve intended objectives. Emphasising the epistemological assumption of pragmatism, Clausen, Nicol and Gill (2010) also reveal that pragmatists seem to have an agnostic paradigm to knowledge in that they decline any foundational interpretations (anti-foundationalism). Pragmatists assume that measures and objects have no definitive or final nature and are subject to researcher manipulations and interpretations.

Methodologically, according to Goldkuhl (2012), this philosophical position justifies the use of mixed methods. This view is supported by Mertens (2015) who describes some of Dewey's contributions. Both Goldkuhl and Mertens draw their pragmatism theory from Dewey and his emphasis on applying mixed method to investigate a phenomenon (Goldkuhl 2012 & Mertens, 2015).

Other scholars believe that the most vital determinant of the research philosophy can be the research question. If the research question does not suggest unambiguously that either a positivist or interpretivist philosophy is adopted this confirms the pragmatist's view that it is possible to work with both philosophies. The pragmatism philosophy fit perfectly with mixed methods, that is, both qualitative and quantitative are applicable in one study. Therefore, it can be possible for a researcher in a particular study to ponder on the philosophy adopted as a continuum rather than opposite positions. Some scholars point out that at some point the knower and the known must be interactive, while at other times, one may more easily stand apart from what one is studying. The proponents of pragmatism argue that it is appealing because it avoids the researcher engaging in what he sees as rather pointless debates about such concepts as truth and reality. In their view one should research what interests the investigator and is of value to him/her. The researcher studies in different ways in which he sees fit and uses the results in ways that can bring about positive consequences within his/her value system.

Justifying the pragmatism paradigm, Gray (2013) wrote that under pragmatism, the research paradigm can remain separate; or it can also be mixed or combined into another research design. He further argues that pragmatism views the mixing of quantitative and qualitative data in a single study not only as legitimate, but in some cases, necessary.

Realism can be described as another paradigm similar to post-positivism (Mulili, 2011; Mbilini-Kuze, 2012). On the other hand, Flowers (2009) believes that realism borrows aspects from both positivism and interpretive paradigms. Similarly, Karley (2014) explains the similarity of realism to positivism. He says that it assumes a scientific approach for the advancement of knowledge. But Camilleri (2012) describe

another feature of realism similar to the interpretive paradigm. He posits that knowledge of reality comes from social interaction. Realism is concerned with multiple perceptions of a single event.

In her study, Mbilini-Kuze (2012) describes realism as philosophy that recognises certain flexibility and that there are differences between reality and people's views of reality. Similarly, Camilleri (2012) adds that for the researcher to comprehend reality, he has to understand the social structures that have given rise to the phenomena under study. Therefore, the realism paradigm analyses the objects and understand how they behave. This supports claims made by Flower (2009) that realism accepts that reality may exist in spite of science or observation. He goes on to say, that there is validity in recognising realities that are simply claimed to exist or act, whether proven or not. The knowledge of reality depends on social environment (Mbilini-Kuze, 2012).

On the other hand Karley (2014) argues that realism posits that objects have an existence independent of the human mind. He distinguishes realism from idealism. Contributing to the discourse, Wong (2006) also states that realists consider that there is only reality although several perceptions of that reality must be triangulated to obtain a better picture of it. Flower (2009) also explains that realism concerns itself with explaining and understanding the phenomena rather than making predictions.

Most scholars (Wong, 2006; Yeong, 2009; Flowers, 2009; Mulili, 2011; Camilleri, 2012; Karley, 2014) distinguish realism from positivism and interpretive paradigms; although they accept that realism borrows from these two paradigms. It perceives natural and social sciences as different. In line with positivists, realists agree that science must be empirically based, rational and objective (Flower, 2009). He goes on to say social objects can also be scientifically studied, not simply analysed through language and discourse. On the other hand, realism also accepts the interpretivists' view that phenomena can be described and finds meaning through interpretation (Camilleri, 2012).

In explaining realism, Karley (2014) divided the realism philosophy into direct

realism and critical realism. He goes on to explain direct realism as a philosophy which posits that objects exist independently of our knowledge. Critical realism postulates that what we experience of the real world are sensations and images of things in the real world, not the things directly. Therefore, realist researchers inquire into the mechanism and structures that underlie institutional forms and practises. They analyse how these emerge over time, how they might empower and constrain social actors. Also how such forms maybe critiqued and changed (Flower, 2009). In the same vein, Camilleri (2012) points out that realists take view that researching from different angles and at multiple levels will all contribute to understanding since reality can exist on multiple levels and hence realism maybe seen as inductive or theory building.

Ontologically, realism assumes that reality is real not only imperfect and probabilistic but apprehensible and so triangulation from many sources is required to try to understand reality (Wong, 2006; Yeong, 2009; Mulili, 2011). That means realists act independently or out of phase with the observable situation where events may occur unexpectedly (Camilerri, 2012). He further describes four realism (Camilerri, 2012:185):

- The world exists independently to how it is perceived (Classical realism).
- The task of science is to advance knowledge about the world, even though such knowledge will never be known with certainty.
- All claims which are derived from knowledge must be critically evaluated and tested in order to determine their extent and whether they do or do not truly represent their world (Scientific methods).
- The truth is an appropriate goal for marketing (and social) theory and research.

Epistemologically, realism advocates that researchers be part of the research process (Wong 2006), but remain as objective as possible (Mulili 2011). It accepts that results may probably be true. Yeong (2009) adds that the results must be subject to falsification. That means the findings of the reality have to fit in pre-existing knowledge. Regarding the methodology advocated by realism, Wong (2006),

supported by Mulili (2011) argue that it depends on triangulating several perceptions of reality to capture a better picture of phenomenon. It prefers modified experimental/ manipulative case studies/convergent interviewing (Yeong, 2009). The interpretation of the results can be by quantitative methods and/or qualitative methods. Mulili (2011) elaborates that realism does not use methodologies that investigate cause and effect relationships, but are mainly concerned with underpinning causal tendencies of power.

# 4.1.2 Justification of Post-Positivist paradigm

After analysing the paradigms, the researcher came to the conclusion that post-positivism was the one suitable for the study. Drawing from other scholars like Mbilini-Kuze (2012), Everest (2014), Abodeeb (2014) and others, the researcher noted that post-positivists accept the use of both quantitative and qualitative approaches. In that regard, words, pictures and narrative (qualitative) are used to add meaning to numbers. The numbers (quantitative) add precision to words and enables generalisation and testing.

Abodeeb (2014) elaborates that post-positivism assumes that reality is multiple, subjective and mentally constructed by individuals. Therefore, the choice of a paradigm to guide the study was influenced by the nature of the research problem. The main study objective was to explore humanistic management philosophy in governance using Port Shepstone mini-bus taxi industry as a case study. This was made possible because post-positivism paradigm accepts the use a case study to investigate a phenomenon. In this study the researcher interacted with the informants in their social setting to understand their behaviour. This was in line with the perception of post-positivists who advocate studying participants in their social setup (Everest, 2014).

The nature of the study required one to view issues from different perceptive and get in depth understanding, hence the use of different approaches. This was made possible due to the application of the post-positivism paradigm which allows triangulation of data gathered using different methodologies (Mbilini-Kuze, 2012).

Post-positivists posit that there is reality beyond a researcher's thinking (Everest 2014). Therefore, the data collected and the way it was interpreted could not be devoid of human interference. This allowed the researcher to get answers to many questions to increase validity and reliability, as well as the credibility of the results.

Above all, post-positivism paradigm tenets fit in well with the researcher's values, norms and beliefs about inquiry, which reflected on how the researcher explored humanistic management philosophy in governance using Port Shepstone mini-bus taxi industry in KwaZulu-Natal province.

## 4.2 Research Approach

The researcher used mixed method approach. The mixed method approach combines both qualitative and quantitative approaches. The researcher begins by explaining qualitative and quantitative approaches as they contribute to mixed method approach.

## 4.2.1 The Qualitative Approach

Qualitative approach purists base their assumptions on interpretive and post-positivism paradigms as opposed to positivism (Leung & Shek 2011) which was explained in the research philosophy and paradigms in the earlier sections of this chapter. Interpretivists advocate designs like the case study and ethnography. The qualitative approach can be defined as a means for exploring and comprehending the meaning individuals or groups assign to social or human problem (Thanh & Thanh, 2015:26). The researcher intends to obtain in-depth and insightful data from society. Leung and Shek (2011:18) summarised the definition of the qualitative approach as:

"...an umbrella term for an array of attitudes toward and strategies for conducting inquiries that are aimed at discovering how human beings understand, experience, interpret, and produce the social world".

Leung and Shek's (2011) definition indicates the main characteristics of qualitative research which are understanding society, societal experience, how society interpret phenomena and how society perceives human problems. Similarly, Everest (2014) concurs with Leung and Shek's views. He points out that the qualitative approach

involves the investigation of phenomena in their natural setting, attempting to make sense of, or to interpret phenomena in terms of meanings human beings bring to them. Basically, it answers, "why, how and in what way" questions.

The researchers' use of the qualitative approach prescribes to naturalistic view. Researchers enter and investigate the world of the informants as it exists (Sepeng, 2010), based on the naturalistic phenomenological philosophy, which advocates that multiple realities exist and these realities are socially constructed through individual and collective definitions of the situation. Qualitative researchers want to deduce how people interact and why these interactions occur in the way they do in certain situations. The investigators analyse the qualities, characteristics or properties of phenomena in order to understand and explain their world. Sepeng (2010) also articulates that the researcher who enters the world of the participants under investigation through physical proximity for a period of time as well as through development of closeness in the social sense of shared experience and confidentiality gather rich data. Therefore, meaning and knowledge are discussed with informants as it is the subject realities that the researcher tries to reconstruct.

Leedy and Ormrod (2010:136) clearly outlined the purposes of qualitative approach. They listed four purposes, namely description, interpretation, verification and evaluation. Firstly, qualitative approach researchers reveal the nature of certain situations, settings, processes, relationships, systems or people. Secondly, it enables the researcher to gain new insights into a particular phenomenon, develop new concepts or theoretical perspectives about that phenomenon and discover the problems that exists with the phenomenon. Thirdly, it allows the researchers to verify the validity of certain assumptions, claims, theories or generalisation within real-world contexts. Lastly, it provides a means through which an investigator can judge the effectiveness of particular policies, practices or innovations. As a general rule, qualitative studies do not allow the researcher to identify cause-effect relationship, to answer questions such as "what caused what or why did such and such happen?"

The literature reviewed on qualitative approach indicates many characteristics of this

approach. Leung and Shek (2011:20) listed them as naturalistic inquiry, inductive analysis, holistic perspective, qualitative data, personal touch of the researcher, capturing the constant and ongoing changes of dynamic systems, unique case orientation, context sensitivity, empathic neutrality and design flexibility. Qualitative researchers advocate meaning and essences of experience in comprehending human reality. Sepeng (2010) agrees with Leung and Shek on the characteristics of qualitative approach, but he adds more ideas. He includes the component of data gathering as a significant characteristic. Data is collected in the field where informants experience the problem under investigation. Researchers favour face-to-face interaction with the participants over a period of time, which means, investigators are directly involved in the data collection process.

Other scholars like Sepeng (2010), Qu and Dumay (2011) and Klein and Olbrecht (2011) have their own belief on the characteristics of the qualitative approach. According to them, the qualitative approach has two characteristics namely, it focuses on phenomena that occur in a natural setting (real world) and that it involve studying these phenomena in all their complexity. The researchers do not simplify what is observed. The investigators recognise that the problem they are studying has many dimensions and layers, and so endeavour to portray the problem in its multifaceted form. The investigator becomes an instrument. The qualitative approach assumes that the investigator's capability to analyse and make sense of the phenomenon becomes critical for comprehending any social phenomenon understudy. It is based on the philosophy that there is not necessarily a single truth to be discovered.

On the same discourse on qualitative approach characteristics, Thanh and Thanh (2015:25) wrote seven qualitative approach characteristics. Firstly, as alluded to earlier by other scholars, investigations are done in a naturalistic setting. Secondly, researchers ask broad research questions designed to explore, interpret or understand the social context. Thirdly, informants are selected through non-random methods based on whether the individuals have data vital to the research questions. Fourthly, data collection methods involve observation and interviewing that bring the

researcher in close contact with the participants. Fifthly, the investigator takes the discourse role, and gets extremely acquainted with participants and the social context in which they live. Sixthly, hypothesis formations are done after the researcher begins data collection and are modified through the research as new information is collected and analysed. Lastly, the study reports data in the narrative form.

Regardless of criticism, mostly from positivists (based on quantitative approach); scholars highlight many benefits of the qualitative approach (Everest, 2014). Leung and Shek (2011) argue that the qualitative approach's advantage lie in its evolving design and flexibility, as well as its inductive logic of examination that permits exploration and creative synthesis of social reality to be achievable and comprehensible. Similarly, Everest (2014) describes five benefits of qualitative approach. Firstly, it uses the participants' own categories of meaning to collect and interpret data. Secondly, it is useful for investigating a limited number of cases in depth. Thirdly, it conducts cross-case comparisons and analysis, thereby coming up with rich conclusions. Fourthly, it provides comprehensible descriptions of participants' personal experiences of the phenomena. Lastly, it responds to local situations, conditions and the stakeholders' needs. The qualitative approach relies on transferring data from observations, reports and recordings into written words rather than into numeric data.

However, there are also criticisms of the qualitative approach, mainly from positivists who advocate the quantitative approach. Scholars argue that it is impossible and unrealistic to understand the reality through qualitative methods (Leung & Shek, 2011). Its subjectivity brings limitations on generalisations. Commenting on the issue of subjectivity, Everest (2014) posits that it depends on the researchers' whims, personal emotions, anecdote and conjecture, which affect the reliability and the validity of the research results. Furthermore, the active involvement of the researcher in the data collection process, together with the interactive relationship between researcher and subjects, introduces bias. Leung and Shek (2011) also note that data analysis relies mostly on the subjective views of the investigator. This makes the representativeness and generalisation of the results

questionable. Owing to small samples and uniqueness of participant cases, the data are not representative and the findings might be generalised. This also makes the replicability of the study difficult (Qu & Dumay, 2011).

The qualitative approach only provides a descriptive narrative of the social phenomena. It has weaknesses in verification and explanation of the cause-effect relationship, as well as prediction of outcomes (Klein & Olbrecht, 2011). The reliability and validity of the qualitative approach, which is the major benchmark of rigour in research approach, is also questionable. Yow (2013) wrote that the qualitative approach lacks strict rules and procedures as well as a high level of subjectivity and relativism which might cause extreme challenges. The qualitative approach is also time-consuming and relatively expensive methodologically when compared to qualitative approach. Everest (2014) criticised the qualitative approach for its bulky nature of data collection and loss of time in data coding. He further highlighted as a limitation the ethical concerns arising from the inevitable physical contact between the researchers and human subjects, and the disclosure of the participants' identities.

## **4.2.2** The Quantitative Approach

The quantitative approach is normally used in positivism and post-positivism philosophical stances. These philosophical paradigms had been discussed in the previous sections. Everest (2014) defines the quantitative approach as collecting numerical data, making observations and measurements of the phenomena which can be subjected to statistical analysis, repeated and replicated by the same or other researchers under similar conditions. Proponents of the qualitative approach argue that its capability to reduce data to numbers gives it a strong edge over the qualitative approach (Rose, Spinks & Canhoto, 2015). Results are easily acceptable if they are quantified. This gives the quantitative approach subjectivity and reliability to its findings. Sepeng (2010) also argues that it allows for deductive thinking, scientific testing of hypotheses and standard data collection, usually from a large number of respondents. Quantitative purists assume that social observations should be treated as entities in the same way that physical scientists treat physical objects. Qu and Dumay

(2011) suggest that the observer is separate from the entities that are subject to observation and maintain that social science inquiry should be objective. Time and context free generalisation are desirable and possible, and real causes of social scientific outcomes can be determined reliably and validly (Klein & Olbrecht, 2011).

In the quantitative approach, the researchers remove the biases, remain emotionally detached and uninvolved with the objects of study, and test or empirically justify their stated hypotheses (Sepeng, 2010; Everest, 2014). The quantitative approach emphasises the facts and causes of behaviour. It focuses on population and it seeks to discover general patterns for a population, rather than for particular individual. Leung and Shek (2011) mention five characteristics of quantitative approach. Firstly, it relies on empirical methods with clear rules and procedures, deductive methods; for example, hypotheses testing, accuracy and precision in measurement are required to ensure reliability and validity. Secondly, value neutrality is required throughout the study. The researcher becomes an objective, neutral and disinterested scientist. Thirdly, representiveness and generalisation of the results to explain social phenomena and predict outcomes are fundamentally significant. Fourthly, quantification of the findings is emphasised with the use of mathematical models, statistical procedures and presentations. Lastly, reliability, internal and external validity, and objectivity are essentially vital qualities of criteria for the study.

Positivists have explained the benefits of the quantitative approach over the qualitative approach. Yow (2013) explains that it has the ability to explain social phenomena and predicts outcomes with accuracy. The clear and well-defined rules and procedures on methodology, reliability, validity and accuracy on measurement tools, and systematic procedures of data collection and data analysis provide researchers with precise and reliable evidence to explain social phenomena (Abodeed, 2014). The quantitative approach benefits researchers based on the commitment to scientific and objective methods. The value neutrality of scientists would reduce biases and pre-conceptions and more, beyond common sense of beliefs. Furthermore, it permits statistical inference that ensures generalisations of the results (Leung & Shek, 2011).

Table 15: Comparison of qualitative and quantitative approaches

	Quantitative approach	Qualitative approach	
Fundamental princ		-	
Philosophical orientation	Positivism; post-positivism	Constructivism; interpretativism; critical theory; post-positivism	
Nature of reality	-independent of human; consciousness and governed by laws; external to subjects	Socially constructed by actors	
Nature of knowledge Values	Fact accumulation; knowledge derived through sense impressions Value neutrality	Construction of reality; understanding meaning and interpretations Normative; value-laden	
Role of Research			
Purpose	Explanation and prediction	Understanding reality	
Scope	Focus on measured variables	Holistic, focus on individuals	
Quality criteria	Reliability and validity	Trustworthiness; authenticity; with components of credibility; transferability; dependability and conformity	
<b>Process of Researc</b>	İ		
Relationship with theory	Confirmation structured with logical sequence deductive	Emergent interactive and open inductive	
Relationship with environment	Manipulative; control of context	Naturalistic context-sensitive	
Values of	Neutral and value-free; control	Reflexive, rely on self-awareness of the	
researchers	bias through error elimination	researcher	
Relationship between	Distant, detached, neutral	Close; with empathetic mentality	
researcher and objects			
Participation of subjects	Passive	Active	
Preparatory work			
Use of literature	Fundamental; used as skeleton of theory and hypothesis	Auxiliary; used for a better understanding of human experiences	
Concepts	Operationalisation	Open to construction	
Data collection	1	1	
Research design	Structured predetermined and strictly planned	Unstructured; flexible through the course	
Selection of sample	Selected statistically representative sample e.g. random sample	Representative is not a primary focus	
Instruments	Standardised measurements	Not standardised	
Nature of data  Data analysis	Quantitative data	Qualitative data	
Target of analysis	The variable	The individual	
Analytical focus	Focus on variation between variables	Understand the experiences of participants	
Analytical	Mathematics and statistics	Interpretation of meaning and	
techniques	techniques and statistics	experience of informants	
Results Presentation		1 <b>*</b>	
Data Presentation	Tables	Extracts from texts, documents and narrative of interviews	
Generalisation	General possible	Conceptual generalisation with time and context specific	

Source: Leung and Shek, 2011.

However, the quantitative approach has received its own share of criticism, especially from the interpretivists (proponents of the qualitative approach), who oppose the positivism paradigm. It is impossible and unrealistic to comprehend reality through quantitative methods (Leung & Shek, 2011). The major weakness of the quantitative approach is the methodological inadequacy to understand the social world that is complex and ever-changing. It over-simplifies the complexities of real world experiences, misses major factors of significance that are not easily quantified and fails to portray the reality and its impact as a whole (Leedy & Ormrod, 2010). The quantitative approach is criticised for being divorced from the real world, and seek a homothetic or attic science based on probabilities derived from the study of large numbers of randomly selected cases. It neglects the subjective experiences and interpreted meanings of the actors which enrich the information (Sepeng, 2010).

The position and role of researchers and participants in the quantitative approach are also queried. As the researcher is responsible for determining the variables, setting the hypotheses, deciding the on research design and measurement instruments as well as controlling the context of the study, manipulation of the participants' perceptions can take place. It regards informants as units or objects of study which may affect ethical issues.

Thanh and Thanh (2015) also criticised the quantitative approach for the statistical portrayal of people by describing participants as numbers in their tables and as correlations in their matrices. Everest (2014) argues that it fails to answer "how and why" questions. Also numbers, if not properly used, may be misleading. He further states in his criticism, that results from good research in numerical form may lack a pragmatic edification because of the silence they exert on participants feelings, explanations and recommendations. The Researcher concludes this section by comparing qualitative and quantitative approaches in a tabular form. See Table 15.

### 4.2.3. The Mixed Methods Approach

The researcher adopted the post-positivism stance that recommends the mixed method approach. Therefore, in this section the Researcher explains the mixed

method approach, concurrent triangulation approach and the benefits of these approaches.

Although the mixed method approach integrates data from qualitative and quantitative methods, it has its own definition. Terrel (2012) defines mixed method approach as research which result from pragmatist view and that integrate the qualitative and quantitative approaches within different stages of the study process. This definition emphasise the paradigm stance and the integration of data. From Terrel's (2012) view, the Researcher concludes that this approach combines good qualities of qualitative and quantitative approaches.

Similarly, Bamerger (2012) describes the mixed method approach as a method that combines qualitative and quantitative approaches to theory, data collection, data analysis and interpretation. Supporting Bamerger's (2012) line of thinking, Bulsara (2015) also states that the mixed method approach involves collecting, analyzing and integrating qualitative and quantitative information in a single research unit. Unlike Terrel (2012), Bamerger (2012) and Bulsara (2015) emphasise integration in every stage of research process. However, all three scholars agree that mixed method approach make use of the benefits of both quantitative and qualitative approaches.

Johnson and Onuegbuzie (2012) add that the mixed method approach prescribes the application of many approaches in answering research questions, instead of confining the researcher's choices. These scholars emphasise the legitimacy of combining qualitative and quantitative approaches.

Supporting the definition of mixed method approach, Terrel (2012) describes the following features which characterise the mixed method approach:

- employs post-positivism, realism and pragmatic knowledge stances
- uses sequential, concurrent and transformative inquiry models
- combines both qualitative and quantitative approaches
- data can be collected simultaneously or sequentially depending upon the research design. Priority can be given to either data type or both approaches could be equally considered

- allows scholars to expand and interchange from one approach to another or converge confirm results
- investigator can draw on breadth of generalisations offered by both the approaches, and
- designs may or may not be driven by a theoretical perspective.

Leedy and Ormorod (2010) also described the mixed method approach as an approach which believes that the investigator's capabilities to interpret and deduce meaning from what he sees may be critical for understanding social phenomenon. He further explained that the researcher becomes an instrument. The researcher interacts with the informants and his skills also help to get rich data.

The mixed method approach bases its philosophical principles on the post-positivism paradigm which states that there is not essentially a single truth to be discovered (Qu, 2011). There are many perspectives held by different people, with each of these views having equal validity or truth. Therefore, according to Klein and Olbrecht (2011), the purpose of the mixed method approach is to reveal the nature of these multiple perspectives.

After further analysis of literature, the researcher concluded that the mixed method research is composed of four elements. Firstly, it focuses on research questions that call for real-life contextual understanding, multi-level perspectives and cultural influences. Secondly, it employs qualitative and quantitative approaches for them to complement each other. Thirdly, it makes use of multiple methods. Lastly, it crafts the study within philosophical and theoretical positions.

When using the mixed method approach, many models can be used which vary from integrating at every research stage to interpretation during integration. Bulsara (2015) grouped these models into sequential and concurrent mixed method approaches. Sequential models include instrument design models, data transformation models and explanatory models, whilst the concurrent model only includes the triangulation model. Since the researcher used concurrent mixed method approach (Triangulation model), he found it imperative to describe the model in detail. However, the other methods were explained in passing. The instrument design model gives more priority

to qualitative data than quantitative data (Bulsara, 2015). It involves two steps beginning with the qualitative and then moves to quantitative approach. The data integration is done at the analysis stage.

The data transformation model starts by collecting quantitative data followed by qualitative questions to explore the results (Bulsara 2015). It can analyse qualitative data (open ended) and then numerically code.

In the explanatory model, quantitative research questions or hypotheses address the research question (Bulsara, 2015). Information from the first quantitative stage was investigated further in a second qualitative stage. The collection of qualitative data collection was used to explore important quantitative results with a few informants. The researcher collects qualitative data to probe further and justify quantitative data.

## **4.2.3.1** Concurrent Triangulation Mixed Method Approach

The concurrent triangulation model simultaneously uses both qualitative and quantitative approaches. Bamberger (2012) posits that triangulation compares information on findings, impacts and other essential variables from various independent sources.

Terrel (2012) adds to the discourse by emphasising that the triangulation model equally weights the findings from both quantitative and qualitative approaches. Along the same line as Bamberger (2012), Terrel (2012) argues that triangulation integrate data during the interpretation stage unlike the sequential model. He further notes that interpretation of findings indicate either non-convergence or convergence that validate knowledge claims.

Bulsara (2015) defined triangulation as a mapping out or exploring fully, the richness and complexity of people's experiences by studying simultaneously from one standpoint. He also totally agrees with Terrel (2012) and Bamberger (2012) that triangulation take advantage of both qualitative and quantitative approaches to draw rich generalisations.

Triangulation serves the purpose of providing rigour and depth to the findings

(Bulsara, 2015). Basing arguments only on statistics and survey or descriptive opinions may not provide human motivation (Merten & Biher, 2012; Zohrabi, 2013). It also gives directions for future research, if the two approach findings fail to converge. The approach may reveal other information not previously expected by the investigator.

# 4.2.3.2 Justification of using Mixed Method Approach

The purpose of the study is to explore humanistic management philosophy in the taxi industry governance, hence the Researcher decided to use Port Shepstone minibus taxi industry as a case. According to Bamberger (2012), in such a situation the mixed method approach becomes the only best approach. It enhances the validity and reliability of findings through data triangulation. When findings from both qualitative data and quantitative data converge and agree this increases the validity and credibility of the interpretation. This method gave the Researcher room to explore further where inconsistent information emerged.

Since the quantitative approach and the qualitative approach, if used separately, have their weaknesses the Researcher drew from the strength of combining the two approaches. Using the mixed method approach extended the comprehensiveness of the findings (Zohrabi, 2013). The Researcher analysed the phenomena using numerical data (questionnaire completed by taxi operators) and complemented it with qualitative data (operator interview data and observations) to get an in-depth understanding of the results. The words, graphs and narratives were used to add meaning to numbers and, conversely, numbers were also used to add precision to the words, graphs and narratives.

The Researcher agreed with Bamberger (2012) that the mixed methods approach incorporates wider diversity of values through the use of various methods that advance different values. This encouraged value consciousness on the side of the researcher.

The mixed method approach enabled the researcher to answer a broader and more complete range of research questions since the researcher was not confined to a single approach (Mertens & Biher, 2012). This was made possible through the triangulation model applied by the researcher to integrate the interpretations from both qualitative data and quantitative data. It also added the insight the researcher could have missed if he had used one approach. Johnson and Onwuegbuzie (2012) held the same view that mixed method approach increases the generalisability of the results. Therefore, the use of both qualitative and quantitative approaches produced more complete knowledge necessary for theory and practice.

The Researcher also opted for the mixed method approach due to its flexibility and the fact that it effectively permits populations with limited language skills or trust issues to participate (Bulsara, 2015). Due to the taxi wars in the taxi industry, the researcher found the mixed method approach to be the best. As the researcher was gathering data there was a bitter fight between two associations.

Conversely, Johnson and Onwueghuzie (2012) refer to the weaknesses of the mixed method approach. They allude to the fact that it is difficult to be done by a single researcher and that it is time-consuming. The researcher took time to collect the data and used taxis as a means of transport so that he could observe better.

### 4.3. Research Design

Research design should be viewed differently. Yin (2003, 2009) views research design as the judgment that associates the information to be collected and the conclusions to be drawn from the original questions of the research. This means research design can be described as a process of designing strategies to gather data which answer research questions. Similarly, Cooper and Schinder (2010) and Mulili (2011) concur that it is a master plan or scaffold which outlines the methods and procedures for collecting and analysing data. These two views differ in that the former emphasises on answering research questions and obtaining generalisation from the data, whilst the later view research design as a framework which guide the research process. Other scholars like Yow (2013) describe research design as a plan or proposal to conduct research. However, most recent researchers (Yissak, 2010; Tan, 2012; Putland, 2013; Abodeeb, 2014; Rose, Spinks & Canhoto, 2015) base their definition of research design on work done by Yin. Therefore, the researcher analyse

the definitions of research design proposed by Yin.

Yin (2009:21) defined research design as a logical plan for getting from here to there, where here may be defined as the initial set of questions to be answered, and there is some set of conclusions about these questions. He views research design as reasoned transformation from problem to the answering or finding possible solutions to the problem. He proposed another definition (Yin, 2000:21):

"Research design can be defined as a plan that guides the investigator in the process of collecting, analysing and interpreting observations. It is a logical model of proof that allows the researcher to draw inferences concerning causal relations among variables under investigation".

The above definition epitomise the key aspects of research design, namely collection, analysis and interpretation of data. Collection refers to the process of gathering data from objects. Analysis shows the process of coding and drawing inference from data to become information, whilst interpretation means generalisation of the data in order to come up with a theory or model.

However, Cooper and Schinder (2010) and Mulili (2011) agree with Yen (2003, 2009) on the four issues that the research design addresses. Firstly, it addresses the issue of what questions to study. Secondly, the problems of what data are relevant. Thirdly, the issues of what data must be collected. Lastly, the problem of how to analyses the data and reach a conclusion. Therefore, the main purpose of research design is to help to avoid a situation in which the evidence does not address the initial research question. According to Yen (2009) research design deals with a logical problem and not a logistical problem. Mulili (2011) summarised the description of research design by saying that an appropriate research design gives focus to a study, and ensures the data collection processes are in line with the objectives of the study, considering that accurate data must be collected if the results of a study are to be useful.

There are five types of research designs, namely, Experiment, Survey, Archival Analysis, Historical design and Case study (Yen, 2003; 2009; Leedy & Ormrod,

2010). The researcher selected the case study research design for the reasons explained in the next section. Experiment, Survey, Archival Analysis and Historical designs were not discussed in this report.

### 4.3.1. Research design that guided the study

The Researcher selected the case study research design as a framework for collecting data to answer the research questions. In this section the researcher defined the case study research design. Secondly, the researcher justified the use of it. And lastly, the investigator discussed the strengths and limitations of the case study.

### 4.3.1.1 Definition of Case Study

Various scholars suggested a number of definitions. The Researcher started by analysing the definitions proposed by Schell (1992) and Yin (2003; 2009). Instead of giving a definition, Schell (1992) and Yin (2003; 2009:23) outline what the case study does. They posit that it is an inquiry that:

- investigates a contemporary phenomenon within its real-life context
- is used when the boundaries between phenomenon and context are not evidently clear
- copes with the technically distinctive situation in which there will be many more variables of interest data points, and as one result
- relies on multiple sources of evidence, with data needing to converge in a triangulating fashion, and as another result
- benefits from prior development of theoretical propositions to guide data collection and analysis, and
- is not merely considered as a data collection tactic, but is a comprehensive research strategy.

The above characteristics emphasise that case study is suitable where objects are examined in their social settings and where the researcher can use various data collection methods to triangulate data and reach a conclusion.

Yin (2009) further elaborates that it tries to illuminate a decision or set of decisions;

why they were taken, how they were implemented, and with what result. He adds that it is a strategy to be preferred when circumstances and research problems are appropriate rather than an ideological commitment to be followed whatever the circumstances. Therefore, case study according to him guides the researcher in the process of solving a research problem using data collected from observing an object, group of objects or an organisation. Similarly, Tan (2012) also describes case study as a research stratagem which applies the usage of both qualitative and quantitative data collection and analysis while using case studies as a platform. The data compilation procedure is usually interactive as the researcher relates to person implicated in the case under consideration. The case can be an individual person, an event, a group or an institution to which in-depth analysis is applied.

In their study, Rose, Spinks and Canhoto (2015:01) also describe the features of the case study. They outlined five features. Firstly, it is an in-depth study of a small number of cases, often longitudinally (prospectively or retrospectively). Secondly, data is collected and analysed relating to a large number of features for each case. Thirdly, cases are studied in their real-life context, understanding how the case influences and is influenced by its context. Fourthly, cases naturally occur in the sense that they are not manipulated as in an experiment. Lastly, it uses multiple sources of data including interviews, observations, archival documents and even physical artefacts, to allow triangulation of findings. This description concurs with other scholars' views (for example, Yen, 2003; 2009; Vissak, 2010; Mulili, 2011; Putland, 2013; Abodeeb, 2014).

The discourse on the case study cannot be closed without looking at the different aspects of research strategies. These aspects were viewed in connection with other research designs like the experiment, archival analysis and history designs. The three aspects which are forms of research questions require the control of behavioural events and focus on contemporary events. Yin (2009) presented these aspects in a tabular form as indicated by Table 16.

The Table 16 indicates that Case study can be applied where the researcher wants to answer how and why questions. This enables the investigator to get a deeper

understanding of the phenomenon under study. Having reviewed literature on case study from various scholars, the Researcher explains why he opted for it in this study. Therefore the next section justifies the use of the case study as a research design.

Table 16: Different aspects of Research Designs

	Form of Research	Requires control of	Focuses on	
	question	behavioural events	contemporary	
			events	
Experiment	How, why?	Yes	Yes	
Survey	Who, What, where,	No	Yes	
	how many, how much?			
Archival	Who, what, where,	No	Yes/No	
Analysis	how many, how much?			
History	How, why	No	No	
Case Study	How, why	No	Yes	

Source: Yin (2009)

## 4.3.1.2 Justifying the use of Case study

The investigator applied the case study approach as the main technique for this exploratory research for the reasons discussed below. The case study addresses the research problem within the post-positivist paradigm rather than the positivist or interpretive paradigms. In this study, the Researcher adopted the post-positivist stance, because it suits the research problem.

The case study allows the researcher to use both the qualitative and quantitative research approaches (Yin, 2003, 2009; Mulili, 2011). The mixed method approach has been chosen and it was wise to apply the case study since it permits the use of multiple methods for collecting data. In this regard, the investigator used questionnaire (quantitative), observation and interview (both qualitative) research methods to collect data. This gave the researcher leeway to triangulate the data to reach a general conclusion.

The research also involved the "why" and "how" questions, because this fit very well with the case study as indicated by Yin (2009). The why and how questions helped the investigator to get a deeper understanding of humanistic management philosophy in governance as applied in the taxi industry. The research was related to contemporary events (Mulili, 2011). The issue of humanistic management philosophy in governance is pertinent, especially in small and medium enterprises like the taxi industry where the industry deals with human beings in their day to day operations.

In line with Putland's (2013) view that the case study does not require extensive access to or control over the behavioural patterns of the objects, the researcher established that there was no way he could control the behaviour of taxi operators. The case study enabled the investigator to collect open-ended emerging data (through observations and interviews) that was used to develop themes. The other reason the researcher used case study was due to its many advantages.

Tan (2012) outlined many advantages of case study. Its use helped the researcher to gather data that contributed to practical knowledge on how humanistic management philosophy in governance was being applied in the taxi industry. Also, these results can be of much use for future research, concerning governance issues (for example, the King IV report being drafted). Other scholars (Tan, 2012; Putland, 2013; Yow, 2013; Abodeeb, 2014; Rose, Spinks & Canhoto, 2015) indicate that there is less bias, in the case of summarising and coming up with general propositions based on the work done. The case study enabled the investigator to extract the richest and most significant data given that objective sampling was applied. The case study also allows one to analyse generalisations.

The adaptability of the case study to different types of research questions and to different research settings gives it an advantage over other research designs (Rose, Sprinks & Canhoto, 2015). Therefore, it was easier to answer the research questions, "How and why does the humanistic management philosophy impact governance in the mini-bus taxi industry". The advantage is that its format makes the study

accessible to a wider readership than other designs; hence it promotes discourse and a generation of new knowledge.

The components of the case study also contributed to the researcher choosing it (case study) for his study. Yin (2003; 2009) described five of these components. Firstly, the case study makes use of the researcher question. The research question asks "why" and "how" questions which suit the case study. Secondly, the research propositions (research purpose) should suit the case study. The purpose of the study is to explore humanistic management philosophy in governance using the Port Shepstone mini-bus taxi industry in KwaZulu-Natal. The purpose clearly states that the research design should be a case study. Thirdly, based on unit of analysis as a component, the researcher used Port Shepstone taxi rank to collect the data. Fourthly, the case study presents the logic, linking the data to the propositions (purpose). This was viewed as a huge advantage by the researcher since it gives rigour and quality to the research findings. Lastly, it provides the criteria for interpreting the findings for easy generalisation.

However, many researchers warn of certain pitfalls inherent in case study (Vissak, 2010; Tan, 2012; Putland, 2013). The case study can be time-consuming. To overcome this limitation, the researcher used mini-bus taxis as a means of transport during his study. The other weakness cited was that it was labour intensive. The Researcher gave himself more time and resources to concentrate on the data gathering stage.

### 4.4 Population, Sample and Sampling methods

This section describes the population of the study. It further explains the sample and the methods used in choosing it.

## 4.4.1 Population

A population can be defined as the total quantity of things or cases of the type which is subject of the study (Mbili-Kuze, 2012). It is a group of people that share one or more characteristics from which data can be gathered and analysed. Greener (2008)

describes population as the full universe of people or objects from which the sample is selected. Therefore, it can be viewed as the theoretically specified aggregation of study elements from which the sample is actually selected.

Since the researcher used the case study design, the population refers to all the minibus taxi operators using Port Shepstone rank in KwaZulu-Natal. Minibus taxi operators refer to the people who own taxis and who use them for business purposes to transport people to various destinations using Port Shepstone as their rank. It can be assumed, therefore, that these minibus taxi operators run their taxis using business principles.

Govender (2014) pointed out that it is difficult to accurately determine the population of the minibus taxi operators who are in the public transport business. Therefore, the researcher had to first find out the number of associations using Port Shepstone rank and ascertain the number of members. However, the researcher found out that other people give their taxis to those with well-established taxis to register their taxis with the associations in their names to avoid paying fees. Therefore, the researcher did not include those operators. There were approximately 20 associations using Port Shepstone rank. Each association had a minimum of approximately 20 active members. The researcher estimates the population to be at least 400 minibus taxi operators using the rank.

## 4.4.2 Sample and Sampling

Since this study used the triangulation technique where questionnaire, observation and interview methods are used, he found that the population of 400 operators was too small to get a representative sample from the population (Leedy & Ormrod, 2010). Therefore, the investigator used the entire population as the sample to increase the validity and reliability of the data collected (Zohrabi, 2013).

The researcher distributed questionnaires to 360 operators, observed 25 operators doing their business and also interviewed 15 operators.

#### 4.5 Research Methods

After identifying the population the researcher went on to administer the questionnaire. At the same time, the researcher observed the way operators conducted their governance. The researcher then conducted an in-depth, face-to-face interview with some of the taxi operators to get a deeper understanding of the impact of the humanistic management philosophy on governance in the taxi industry.

In this section, the researcher explains the questionnaire, observation method and interview method.

### 4.5.1. Questionnaire

The researcher's philosophical stance was based on post-positivism which allows the use of the mixed method approach. In the mixed method approach, the researcher used the case study design which permitted the collection of data through many methods, including the questionnaire.

This section explains the definition, purpose, benefits and limitations of the questionnaire. The section also explained the instrument used in the questionnaire. It further described how the questionnaire was designed, pre-tested (pilot study) and how it was administered to the sample of minibus taxi operators. The reliability and validity of the questionnaire instrument is dealt with in a different section.

A questionnaire has been defined in different ways. Hameed, Khurshid and Malik (2013) described a questionnaire as a group of questions used to solicit data from people, pertaining to their beliefs, attitude and behaviour. These questions maybe guided and/ or partially guided. That means the respondent can be given options to choose from.

Annum (2014) also defined a questionnaire as a methodically compiled form or document with a set of questions intentionally designed to extract answers from participants for the function of gathering data. The definition emphasised accuracy required when constructing a questionnaire. The questionnaire must gather information which answers the research question. In line with this definition, the researcher took time to construct a questionnaire which answers how and why

humanistic management philosophy impacts the taxi industry governance.

Similar to Annum (2014), Phellas, Block and Seale (2011) posit that a questionnaire is a form of investigative document, which contains an analytically compiled and well-planned sequence of questions anticipated to draw the information which will present insight into the nature of a problem. It contains a set of questions on a topic designed to be answered by participants. Sample taxi operators answered the set of questions provided on the questionnaire.

Therefore, from the definitions provided, the researcher concluded that a questionnaire is a well constructed document with questions intended to answer the research question. The purpose was to draw information from the taxi operators and generalise the findings.

The questionnaire served valuable purpose in this study. These are some of the purposes as outlined by Hameed, Khurshid and Malik (2013:73):

- to collect factual information from the minibus taxi operator pertaining to their beliefs on the impact of humanistic management philosophy on taxi industry governance
- to gather straightforward information relating to minibus taxi operators' attitude towards humanistic management governance
- to look at the behaviour of the taxi operators towards humanistic management philosophy in taxi industry governance, and
- To collect baseline information which can be later tracked over time to examine changes, that is, in future research.

Due to the significant purpose of the questionnaire in this study the researcher further justifies why it was used. The researcher discovered that the questionnaire had many benefits. The questionnaire was cheap to administer to the minibus taxi operators (Phellas, Bloch & Seale 2011). The only costs were associated with printing it. It also reduced the error of bias caused by characteristics of the researcher. The absence of

the researcher gave participants opportunity to answer sensitive issues pertaining to the minibus taxi industry governance while remaining anonymous.

The questionnaire made it possible for the researcher to gather data about knowledge, beliefs, attitudes and the behaviour of minibus taxi operators pertaining to humanistic management governance (Evaluation Briefs 2008). With the limited resources and the need to gather data from many taxi operators, the questionnaire fulfilled this objective. Furthermore, it protected the privacy of the respondents giving the opportunity to provide data without fear or favour.

With the questionnaire, it was possible to contact a large sample of minibus taxi operators quickly, easily and efficiently (Bracato, Macchia, Murgia, Signore, Simeoni, Blanke, Korner, Nimmergent, Lima, Pailino & Hoffmeyer, 2014). The questionnaire made it easy, quick to code and interprets the data. Adding to that, it was easy to standardise information which leads to its reliability. All the minibus taxi operators were able to answer the same questions, allowing the analysis of the perception and perspectives of different individuals on the same phenomenon.

The other benefits were that the respondents were able to complete the questionnaire in their own time, giving them the opportunity to put their minds to it, and it allowed the researcher to collect more information from the minibus taxi operators (Kelly, 2011). Therefore, it saved time.

Although the study benefited from using the questionnaire, there were limitations he encountered. Some minibus taxi operators complained that it was tedious to complete the questionnaire. The the benefits and purpose of the study were explained to them. These minibus taxi operators were assured of obtaining a copy of the findings which might help their businesses. Others thought that they would fail to understand the jargon, but the researcher explained that there was no jargon used in the questionnaire. The questions were simple and straight forward.

### **4.5.1.1 Questionnaire Research instrument**

The Likert Approach was used (Leedy & Ormrod, 2010). The Likert Approach is also called Summated Scale (Office Educational Assessment, 2006). This research instrument allowed choosing whether to use four, five, six or seven point ratings (Greener, 2008). In this study, the five point rating scale was used. The Likert Scale was explained in detail in the research instruments section. The questionnaire which asked the minibus taxi operators to tick or circle the number that appears against the statement that most accurately reflects their feelings and beliefs about the humanistic management philosophy in governance of the taxi industry was constructed.

## 4.5.1.2 Questionnaire Design

In designing the questionnaire the researcher followed the stages recommended by Hameed, Khurshid and Malik (2013). The stages are as follows:

- Stage 1: Initial considerations
- Stage 2: Question content, phrasing and response format.
- Stage 3: Question sequence and layout.
- Stage 4: Pre-test (pilot) and revision
- Stage 5: Revisiting question sequence and layout after the pre-test.
- Stage 6: Final questionnaire

The study considered the research question, how and why humanistic management philosophy impacts governance in the taxi industry? From this question four main research questions were also designed. Then the researcher further developed more questions from each one of the four questions. The Likert scale was used as described in the questionnaire instrument section.

Furthermore, the researcher included the general layout of the questionnaire. A statement of the purpose of the study was also included. Questions were divided into sections based on the four research objectives (research questions). These were the sections:

• Section 1 dealt with the humanistic management strategy on taxi industry governance.

- Section 2 dealt with the humanistic management culture on taxi industry governance.
- Section 3 dealt with the humanistic management leadership on taxi industry governance.
- Section 4 dealt with the humanistic management ethics on taxi industry governance.
- Section 5 dealt with basic personal information and demographic data on the taxi operators.

This had an effect on the data collected and also the number of response the researcher received. The quality of the responses shows the reliability and validity of the instrument used. The reliability and validity were explained in their own section.

### 4.5.1.3 Pilot study (Pre-test) of the Questionnaire

The researcher administered the questionnaire to twenty taxi operators. The main purpose was to refine the questionnaire (Hameed, Khurshi & Malik, 2013). This helped the researcher to check whether the taxi operators understood the language used in the questions. The other reasons were to check people's understanding and ability to answer the questions, to highlight areas of confusion and look for any errors, as well as providing an estimate average time of completing the questionnaire. It also helped to check whether the questions were interpreted the same way by all the participants. The data from the pilot study was not included in the final report.

# 4.5.1.4 Questionnaire Data Collection Procedure

The ethical clearance letter was obtained from Durban University of Technology giving permission to collect data and then approach various taxi operator associations explaining the research study. The taxi operators were given time to ask questions and the researcher explained everything, especially emphasising that the research was for study purposes, not for any other hidden agenda. The benefits of the study were also highlighted to the taxi operators. Then questionnaires were given to the first 360 taxi operators who volunteered. The letters explaining the purpose and

asking for the participants consent were attached to the questionnaire.

Those taxi operators who volunteered were told that during the study they were not going to be offered any monetary incentives since resources were limited. The only benefit was receiving a report of the findings after the investigation.

Questionnaires were administered direct to the 360 participants. They were given two weeks to complete them. The participants were provided with a cell phone number for inquiries. Explanations were given to the participants about the confidentiality of the whole exercise. The participants were given one week to complete the questionnaire. After two weeks the investigator collected the questionnaires. There was a high response rate. At the same time, the interviews were conducted with participants who were not included in the questionnaire survey. The next section describes how the interviews were conducted.

### 4.5.2. Interviews

Since the study used the triangulation mixed method approach, the respondents were answering the questionnaire whilst the researcher was busy conducting the interviews. This section explains how the interviews were conducted, the type of interview used, benefits of such a type, the limitations encountered and the research instrument used in the interview method.

Interviews are usually used in qualitative research (Boyce & Neale, 2006) that involves conducting intensive individual interviews with a small number of participants on a particular idea, programme or situation. Mbilini-Kuze (2012) defined the interview as a way of uncovering and exploring the meanings that underpin people's lives, routines, behaviours and feelings. Adding to the discourse, Chingwaru (2014) also described the interview as a data collection encounter in which one person (an interviewer) asks questions to another (a participant). In this study the researcher asked questions to minibus taxi operators in order to collect data on their perceptions and perspectives on humanistic management philosophy on governance in the taxi industry.

Research interviews involve a set of assumptions and understandings about a situation which is not normally associated with a casual conversation (Wilkinson & Birmingham, 2003:43). The purpose of the research interview is to gather information which answers the research question. Therefore, the interview can be described as an interaction in which oral questions are posed by the researcher to elicit oral answers from the participants (Annum, 2014).

Many scholars (for example, Phellas, Block & Seale, 2011; Qu & Dumay, 2011; Mbilini-Kuze, 2012; MacDonald & Headlam, 2013; Annum, 2014; Chingwaru, 2014;) agree that there are three forms/types of interviews, namely, the structured interview, unstructured interview and semi-structured interview.

The structured interview follows a set of specific questions, which are worked through systematically (MacDonald & Headlam, 2013). This type of interview is used when the researcher wants to acquire data where the answers are directly comparable. The investigator asks questions, permitting a limited response category (Qu & Dummay, 2011). This method is rigid as the researcher reads from prepared questions and deviates from them as little as possible. All participants answer the same questions for easy comparability. This method can be biased, since using similar criteria to those used to evaluate the scientific value of quantitative methods disadvantages the researcher's view. Since the researcher used the mixed method approach this method could not be applied. It was going to be like duplicating the quantitative research methods (questionnaire).

The unstructured interview is the other interview style. It can be described as an indepth interview that provides enough freedom for the participants to steer the conversation, that is, to bring in all sorts of participant experiences which have a bearing on the topic (Chingwaru, 2014). The researcher does not prescribe the respondents to specific prepared questions (Annum, 2014). It is appropriate when researching issues where the participants have to be allowed to speak undisturbed on a very broad concept which will unconsciously relate personal motives, feelings,

attitudes, experiences and so on. Qu and Dumay (2011) state that the unstructured interview assumes that the researcher know all the necessary questions. Therefore, the interview will address the issues as they emerge in the interview. However, this type of interview has the challenge that the data only represent the participant's worldview. It can be problematic when the researcher wants to gather data to answer specific research questions. Therefore, the researcher decided not to use this type of interview.

The researcher used the semi-structured interview style. Qu and Dumay (2011) viewed this style as the middle of the road between the structured interview style and unstructured interview style. It involves prepared questioning guided by identified themes in a consistent and systematic manner imposed with probes designed to elicit more elaborate answers (Phellas, Block & Seale, 2011; Chingwaru, 2014). It contains specified questions, but the researcher probed further for clarification, elaboration and explanations from the respondents (Annum, 2014).

The focus of the researcher was on the interview guide incorporating a series of broad themes to be covered during the interview (Qu & Dumay, 2011). This interview guide helped to direct the conversation towards the topic and issues involving the humanistic management philosophy in governance of the taxi industry. The guide served the purpose of ensuring adherence to thematic concepts.

The semi-structured interview provided the researcher with many benefits. It provided flexibility, accessibility and intelligible understanding of the data gathering process. The taxi operators were able to disclose important and hidden facets of the humanistic management philosophy in taxi industry governance in a relaxed atmosphere (Qu & Dumay, 2011). It permitted the researcher to modify the style, pace and ordering of questions to evoke the fullest responses from the respondents. The other benefit was that it enabled taxi operators to provide responses in their own terms and in the way that they thought and used language.

The semi-structured interview style proved to be valuable for the researcher to

understand the way the taxi operators perceived their businesses environment. Annum (2014) posits that it helps to understand the worldview from the participants' perspective. In this interview style, both interviewer and interviewee participate in the interview process, producing questions and answers through a discourse of complex interpersonal dialogue (Chingwaru, 2014).

The semi-structured interview enables participants to raise and pursue issues and matters that have not been included in the interview guide by the researcher. This provided rich data for the study. Probing further, yielded valuable data for the research which answered the research question since participants were able to justify their responses.

On the other hand, the researcher encountered minor challenges during the process of the interviews. The semi- structured interview maybe reactive to personalities, moods and interpersonal dynamics between the researcher and the interviewee than methods such as questionnaire (Mbilini-Kuze, 2012). In order to overcome this challenge the researcher prepared thoroughly and did a pilot study for the interview. The minibus taxi industry was a very sensitive area due to taxi wars, therefore, the interviewees felt threatened when the researcher informed them he was going to record the interview. The researcher explained to them the confidentiality of their responses and assured them that in the final report their names were not going to appear. The researcher also approached the aspects from different angles to check responses.

### 4.5.2.1 Face-to-Face Interview Methods

Whilst the study used semi-structured questions, the questioning method used in this study was conducted on a face-to-face basis. The face-to-face interview method refers to the process whereby the investigator meets the respondent and asks questions directly (Becker, 2011). It has many benefits as compared to other questioning methods like the telephone interview, skype interview, self-completion interview and postal interview.

The advantage of face-to-face interview is that the researcher knows the person answering the questions (Becker, 2011), unlike the telephone and self-completion interviews where another person (a secretary for example) may answer on behalf of the respondent. The inquirer develops rapport, personal contact and motivates the informant to honestly and truthfully answer the questions (Leedy & Ormrod, 2010). This was beneficial for the study since the minibus taxi operators felt greatly honoured to be visited by an academic researcher. This gave the investigator an opportunity to stretch the interviews to the range of one hour to one hour and thirty minutes. The face-to-Face interview allowed the researcher to observe body language and the reactions of the interviewees guided him (Becker, 2011). This helped to check validity of the data provided (Leedy & Ormord, 2010). The participants were interviewed at the place of their choice; however, most of them preferred their homes where they also showed the researcher their hospitality. It also gave the researcher an opportunity to ask additional questions and check on certain unclear responses, thereby collecting rich and detailed data.

On the other hand, the face-to face interview may pose some challenges to the researcher (Becker, 2011). The investigator travelled to various places to meet the informants which required financial resources in terms of transport (Leedy & Ormrod, 2010). It also time consuming.

### 4.5.2.2 Interview Pilot study

Turner (2010) explains that pilot study assist the researcher in determining if the there are flaws, limitations, or other weaknesses within the interview design. This allowed the researcher to make necessary revisions prior to the implementation of the study. It gave the researcher a chance to refine interview questions. The pilot study also eliminated ambiguous questions as well as generating useful feedback on the structure and flow of the semi-structured interview.

Pre-testing (pilot study) can be described as a procedure for testing the quality of an interview guide and for identifying potential researcher biases (Chenail, 2011). It can also be called a feasibility study which is a small scale version or trial run done in

preparation for the major study. It is then a pre-testing or trying out of a particular research instrument, that is, the interview guide.

Annum (2014) concurred with Chenail (2011) saying that pilot study provides many advantages. Firstly, it gives the researcher a warning about where the main research study could fail. Secondly, it shows areas where the interview guide may not be followed. Lastly, it shows the appropriateness of the questions and the interview guide instrument to be used.

MacDonald and Headlam (2013) outlined what the pilot study allows the researcher. It allows the researcher to:

- administer the questions in the same way as in the main study
- ask the subjects for feedback to identify ambiguous and difficult questions
- record the time taken to complete the interview, decide whether it is reasonable, and record participants' time commitment in the interview guide
- discard all unnecessary, difficult or ambiguous questions
- assess whether each question gives an adequate range of responses
- establish that replies can be interpreted in terms of the information that is required
- check that all questions are answered
- re-word or re-scale any questions that are not answered as expected, and
- shorten, revise and if possible, pilot again

The researcher piloted the interviews to five selected minibus taxi operators. The interview guide was used. This helped the researcher in more than one way. The data from the pilot study was not included in the main report.

The researcher was able to identify personal feelings of minibus taxi operators during the questioning and hence understand how to handle such situations. He developed a greater appreciation for the challenge of sharing all one knows about a topic. The researcher learnt the value of patience in the interviewing process. He also gained an appreciation of the feelings of being and not being heard. Furthermore, he appreciated the vulnerability of the minibus taxi operators. The pilot study helped the researcher to identify prior assumptions about minibus taxi operators.

### 4.5.2.3 Interview Data Collection Procedure

The researcher purposively sampled 15 minibus taxi operators to be interviewed using the semi-structured interview guide. The researcher targeted those active minibus taxi operators. These were considered as the participants who could provide valuable data to answer the research question.

The researcher asked for the consent of the participants to participate in the study. He explained their rights before starting the interviews and also the significance of the study to them. The researcher explained who he was and why he was carrying out the study. The importance of the interview was emphasised so that the participants understood. The selected minibus taxi operators were asked if they had any questions before the interview began. Then the researcher answered the questions as best as he could. The respondents were asked for their consent before the researcher recorded the interview. The individual interviews took place at the place of the interviewee's choice, especially a place conducive to the interview. After the interview, the researcher shared the main points with the participants. This allowed the interviewee to clarify or make further comments. Furthermore, the researcher asked the interviewee's consent to use the data collected for the study. All interviewees agreed. The researcher transcribed the taped interviews into word documents and analysed them.

In the interview process the researcher used questioning techniques as suggested by Qu and Dumay (2011). The researcher used introductory questions. This was done to kick start the dialogue and move to the main interview. Follow-up questions were also used in order to direct questioning to what had been said. For example, repeating what had been said. The researcher probed further to draw to more complete narratives. The minibus taxi operators were regularly asked to elaborate further and provide more reasons for their actions and behaviours. The researcher also used

specific questions to develop more precise descriptions from the general statements. Direct questions helped the researcher to elicit responses. For example, "how do you handle a client's complaints?" On the other hand, indirect questions were also posed. These helped the researcher to pose projective questions. The use of structuring questions drew valuable data from minibus taxi operators. The purpose was to refer to the use of key questions to finish off one part of the interview and open up another, or to indicate when a theme was exhausted by breaking off long irrelevant answers. The investigator also used silence to allow pauses, so that the interviewees had ample time to associate and reflect and break the silence themselves with essential information. Similar to some forms of probing questions was the use of interpreting questions. The researcher rephrases an interviewee's answer to clarify and interpret rather than to identity new information. The researcher also used "throw way the question" technique. This served a variety of purpose, for example, to relax the subject when sensitive areas had been breached.

### 4.5.3. Observation Method

The observation method was the other data collection method which was used besides the questionnaire and interview. Yow (2013) describes observation method as the process of gathering data through seeing and interpreting the behaviour of the objects. The description indicates that observation helps the researcher to understand what participants do and why. Similarly, Ouparami (2009) defined observation method as a method which involves collecting information about people's behaviour, attitudes and activities without their knowledge. This definition describes the other part of observation where the researcher does not reveal his/her identity to the participants. This method can provide rich information and insight into the nature of the phenomena under study.

Therefore, the observation method can be described as the method that permits the researcher to directly see and collect data of what people do without depending on what they say they do. It gives the researcher first-hand experience and provides relatively objective measurement for behaviour. In support of the description, Kothari (2004) indicated that the researcher may observe without asking questions.

The observation method has two sides, namely participant observation and non-participant observation. Participant observation refers to the situation where the researcher works among the people being researched (Yow, 2013). The researcher may or may not reveal his identity to the participants. The researcher decided not to use this method since he had no time to get involved in the governance of minibus taxi industry business. Also getting involved may have caused the operators to be uncomfortable with the researcher involvement in the governance of their business. It was also risky to work as one of the minibus taxi operators since there were taxi wars going on. Therefore, non-participant observation was the best method to use.

In describing non-participant observation, Yow (2013) outlines that it is when the investigator remains totally outside the group, never taking part while always reveal his identity to all participants. The purpose of non-participant observation, is for the researcher to have unadulterated access to phenomena under study. It can be overt or covert. The former refers to making observations with the full knowledge of those being observed but without taking an active part in what they are doing or what is being observed. The covert non-participant observation also refers to making observation without the participants knowing. The researcher opted to reveal his identity so that he asks for consent from the people being observed.

Comparing observation method to other methods showed that it provides many benefits. It permitted the researcher to record information without relying on the participants' views (Ouparami, 2009). This improves the reliability of the data and freed data from participants' bias. It also provided information on things which the participants were unwilling to talk about and a moderate degree of realism.

The other advantage was that the data gathered related to what was currently happening. It was not complicated by either the past behaviour or future intentions or attitudes (Kotheri, 2004). It did not depend on the willingness of the respondents to co-operate, as was the case with the questionnaire and interviews.

Leedy and Ormorod (2010) highlighted that the observation method helps the researcher shift focus depending on the cropping up of new developments, potentially essential objects and events presenting themselves. The researcher observed and encountered scenarios which helped him to get unexpectedly rich data for the study which he was not expecting in the first place. These events helped the researcher to move beyond selective perceptions of people in the taxi industry.

#### 4.5.3.1 Observation Schedule

The researcher drew an observation schedule to help him to indicate expected areas to observe. This was done so that what is observed answers the research question.

### 4.5.3.2 Observation Schedule Piloting

The researcher pre-tested the observation schedule for three reasons as indicated by Sepeng (2010). Firstly, to check that it was sensitive and whether it picked up the required forms of data. Secondly, to check that it included all relevant issues. Lastly, to make sure that the data collected could be easily interpreted and followed by the researcher.

As a pre-test, the researcher spent the whole day travelling by minibus taxis and attended one Association meeting. The objective was to test the observation schedule and whether it could collect the required data. After the pre-test the researcher made adjustments to the observation schedule. The data collected from the pilot study was not included in the final report.

### 4.5.3.3 Observation data collection procedure

The researcher approached minibus taxi operators in different associations and introduced himself. He asked for their consent to observe them while they directed and controlled their businesses. The investigator observed 25 minibus taxi operators. The researcher explained the purpose of the research. The researcher took four months observing how the minibus taxi operators were conducting their businesses.

Once granted the consent the researcher became quiet and inconspicuous, yet

friendly to everyone who approached him. He developed a relationship with the minibus taxi operators and they took him into confidence. He used the field note book to record observations as recommended by Leedy and Ormord (2010). The book was divided into two columns. The left column was used to record observations in note form and the right column used for preliminary interpretations. The researcher tried to be as objective in record-keeping. However, some of the interpretations changed with time, due to new developments.

After the four months the researcher thanked the minibus taxi operators who were involved in the study. He informed them that he had obtained rich data pertaining to how they govern their businesses.

#### 4.6. Data Collection Procedures

This section describes how the researcher gained entry to collect data and the instruments used in the data collection.

# 4.6.1. Gaining Entry

Gaining access to a field can be a difficult task especially when trying to secure participants for a particular project (Dahleberg & McGaig, 2010). The researcher visited the minibus taxi associations explaining the study and determining whether the proposed study would be welcomed and if investigators would be tolerated.

The researcher had to get a letter from the Durban University of Technology, introducing him as the researcher to the minibus taxi associations. The inquirer took the letter to various minibus taxi association meetings seeking permission to use their members as participants in the study. After receiving permission, the researcher negotiated with individual participants for them to take part in the study. The researcher asked for individual consent.

The researcher went on to inform the respondent what was involved and what was expected of them in writing and verbally, trying to ensure that potential respondents had a clear understanding of the purpose of the study. Appointments for interviews

were made with the respective people. The interviews were conducted with different respondents from those who were issued questionnaires.

Questionnaires were administered to minibus taxi operators during their association meetings. The respondents were given two weeks to complete the questionnaires, after which the researcher came back to collect them personally at the next association meetings scheduled in two weeks' time. The respondents were given the researcher's whatsapp cell-phone number to address queries and clarifications. The researcher also asked consent from the participants whom he was going to observe. The investigator explained to them how he intended to carry out a non-participant observation, without interrupting their business operations.

### 4.6.2. Data Collection Instruments

The researcher used a Likert Scale in the questionnaire, an interview schedule in the interview and an observation schedule in the observation. This section explains in detail these research instruments in detail.

### 4.6.2.1 The Likert Scale

The Likert Scale was developed by Dr. Rensis Likert in 1932 (Wilkinson & Birmingham, 2003; Bertram, 2010). The objective for Dr. Rensis Likert was to develop an instrument measuring psychological attitudes in a scientific way. He sought a method that would produce attitude measures that could reasonably be interpreted as measurements on a proper metric scale, in the same sense that we consider grams or degrees Celsius as true measurement scales (Bertram, 2010). He developed a 5-point scale (Boone & Boone, 2012). However, other researchers developed the Likert scales which can take points ranging from 4 to 9. But the commonly used scale remains the 5 point scale (Bertram, 2010).

Using the Likert Scale, the respondents were provided with a scale of possible responses to the question, the attitude ranging from "strongly agree" to the exact opposite measure of "strongly disagree". The study used a variety of these measures as indicated on the Table 17. The Table 17 shows some of the variable and the rating

scales used to solicit minibus taxi operators' perspectives on various issues of humanistic management philosophy in governance in the taxi industry.

**Table 17: Different Domains of Questions** 

Domain	Ratings					
Agreement	Strong	Disagree	Neutral	Agree	Strong Agree	
	Disagree					
Satisfaction	Extremely	Somewhat	Not Sure	Somewhat	Extremely	
	dissatisfied	dissatisfied		satisfied	Satisfied	
Evaluation	Poor	Fair	Good	Very Good	Excellent	
	Not all	Not too	Neutral	Somewhat	Very	
	important	important		Important	Important	
	no extent	small extent	moderate	large extent	Very large	
			extent		extent	
Knowledge	Not all	Not too	Not Sure	Somewhat	Very familiar	
	familiar	familiar		familiar		

These different domains of questions were used to check the level of agreement, satisfaction, evaluation, knowledge, and so forth of minibus taxi operators regarding their perceptions and perspectives on their attitudes, beliefs, behaviour in relation to the humanistic management philosophy in taxi industry governance.

The respondents were requested to indicate their level of agreement, satisfaction, evaluation, knowledge for range of questions. Each level on the scale was assigned a numeric value or coding, stating at one and increased by one for each level. This provided the investigator with quantitative data for analysis.

The researcher opted for the Likert Scale due to the benefits of this scale. It was very simple to construct saving the time for the researcher. The instrument produced a highly reliable scale (Bertram, 2010). It was easy to read and compete for the respondents.

However, the Likert Scale had its own drawbacks. Bertram (2010) argued that participants may avoid extreme responses categories. The investigator informed the

participants to answer the questions honestly and truthfully according to the best of their knowledge and understanding of the question. Also the researcher used other research instruments to collect data to increase the validity and reliability of the findings.

#### 4.6.2.2 Interview Schedule

The interview schedule can be describe as an interview with pre-coded questions to produce quick, cheap and easy data which is highly reliable (Sunandamma & Sarasvathi, 2011). The researcher can probe further to understand the respondent's reasons for the answer.

DeClerk, Willens, Timmerman and Carling (2011) described the characteristics of a good interview schedule which the researcher considered when constructing it. These are the characteristics:

- It asks for and obtains all the information required for achieving the research objectives.
- It contains questions relevant to the study and does not include irrelevant and unimportant questions.
- It does not contain questions which are beyond the memory span of respondent.
- It contains questions that can be answered as quickly and easily as possible.
- It avoids unwarranted presumptions about the respondents.
- It does not restrict the choices of answers so as to bias or distort replies to be given.
- Inter-related questions are so positioned as to avoid context effects.
- Appropriate introduction and instructions are included.
- The instrument should be adequately pre-tested and revised so as to be a satisfactory tool for the particular survey.

After considering the characteristic of the interview schedule, the researcher went on to follow a step by step construction. The first step was to determine the type of data required for the study (Sunandamma & Sarasvathi, 2011). The interview schedule, being an instrument for gathering data for a specific study, was constructed logically and in sequence by the researcher. The researcher analysed the research objectives, research questions, purpose of the study and the operational definition of the concepts. This analysis provided information on questions to be included to gather data which answer the research question. In coming up with these questions, the investigator took cognisance of the research problem.

In the second step, the researcher determined the comprehension level of respondents. The researcher tried to understand and determine the minibus taxi operators' knowledge relating to the humanistic management philosophy in governance. This was done through interacting with these operators. Then, the investigator chose words and concepts depending on the level of the minibus taxi operators' knowledge.

These two steps led the researcher to draft the Interview Schedule instrument. The inquirer listed the various broad categories of data, that is, humanistic leadership, humanistic strategy, humanistic management ethics, and humanistic management culture, all relating to governance. The researcher sorted them out in a logical order. Then, questions were developed based on these broad categories. The objective was to exhaust all questions that were required to solicit data to answer the research question. The investigator also considered the content, wording and other aspects in the drafting of the questions.

After drafting the questions the researcher went on to evaluate the draft instrument. The questions were examined by the promoter, the Durban University of Technology Content Review Committee and other research peers. The researcher also discussed these questions with experts in the public transport sector. Evaluation of the draft instrument was done according to the recommendations of DeClerk, Willens, Timmerman and Carling (2011). It was done to review the relevance of each question to the research objectives and investigative questions. Clarity and unambiguity of the questions were also scrutinised. The evaluators also looked at the

practicability of the question, that not demanding knowledge and information that the respondent did not know and also did not test the memory of the participants. Questions were checked for their validity, that is, checking if they were not loaded or leading questions. Other essential aspects, like length of the instrument, structure, logical and psychological order, and content coverage, were considered by the evaluators. The interview schedule was also piloted to be further refined and making it user friendly.

The researcher used the interview schedule because of the various benefits derived from it. Wilkinson and Birmingham (2003) explained that it can be used even if the respondents lack reading and writing skills to answer the questions. It was a useful instrument which helped the researcher to untangle complex concepts. The interviewer had the benefit of probing further and deeper mining rich and detailed data. The response rate was very high. However, the process was very expensive since the researcher had to travel. It was also time consuming. The researcher tried to avoid interviewer bias by being professional in the interview process.

### 4.6.2.3. Observation Schedule

The observation schedule can be described as a design to record activities per day per observer (Wilkinson & Birmingham 2003). The purpose of this instrument is to solicit information which the Likert Scale and interview schedule cannot gather. Using the observation schedule, the researcher gathered data which the minibus taxi operators could not have informed through the other instruments.

In developing the observation schedule the researcher took into consideration certain aspects recommended by Phellas, Block and Seale (2011). The categories were related to the study and focused on the relevant aspects. The investigator defined what was in or out of each category clearly. He ensured that categories were mutually exclusive.

The investigator used the following major categories derived from the research objectives:

- 1. Practical signs of humanistic management leadership in the governance of minibus taxis.
- 2. Humanistic management ethics implementation and adherence in the process of the minibus taxi governance.
- 3. Formulation and implementation of humanistic management strategies during minibus taxi governance.
- 4. Visible impact of humanistic management culture on minibus taxi governance.

The observation schedule contained three columns (DeClerk, Willens, Timmerman & Carling, 2011). The first column indicated the time. It was very important to record the time the event or activity took place. The second column, showed the observed activity. These were the observed set of activity that people engaged in, which were categorised according to the four categories identified by the researcher. The activity could be an act (single actions which people do) or event (a set of related activities which people carry out). The last column was for the researcher's comments. The researcher had to comment immediately after observing the event or activity before losing its meaning.

In the field, the inquirer used the techniques outlined by Wikinson and Birmingham (2003). He entered the notes as soon as possible on the observation schedule. The researcher took what was deemed enough time (four months) to observe the minibus taxi operators performing various activities. The researcher labelled the notes properly on the observation schedule. Notes were written in chronological order and then sorted out later.

## 4.7 Validity and Reliability

Validity and reliability show how the researcher arrived at his findings, that is, the research journey travelled (the decision trail). The researcher asks important questions such as: "If someone uses the same instruments of measurement will they obtain the same findings?" If yes, then the researcher has passed the test of reliability. Reliability refers to the repeatability of the process to achieve similar

results. Validity is usually about the trustworthiness of the findings based on the uniformity of method and conclusion, the defensibility or cogency of argumentation. In this section, the researcher describes what he had done to increase reliability and validity of instruments, data and findings.

## 4.7.1 Reliability

Reliability refers to the uniformity with which a measuring instrument yields definite results when the unit being measured has not altered (Ellis & Levy, 2009). This means that if another researcher repeats measuring the same unit using the same instrument, he must get the same results provided the unit has not changed. Similarly, Leedy and Ormrod (2010:93) describe reliability as the extent to which the instrument yields consistent results when the characteristics being measured have not changed. Mbilini-Kuze (2012) concur with Leedy and Ormrod (2010) that when administering an instrument under the same or similar conditions to the same population and obtaining similar results, the instrument is deemed to be reliable, therefore, the more similar the results, the greater the reliability.

Turyasingura (2011) provides several descriptions of reliability but they contribute to the same meaning. Here are some of his descriptions:

- Reliability refers to the extent to which a measurement scale or a test is dependable, consistent, predictable and stable, that is, whether one can obtain the same answer in repeated use of the same instrument.
- Reliability refers to the extent to which a set of variables is consistent with what it is intended to measure.
- Reliability is the ability of the research tool to produce the same results when it is used at different times, but in a similar setting.
- Reliability measures how reproducible survey data are, using the same survey instrument.
- The reliability of the scale is the degree of accuracy with which it measures what it is supposed to measure.

The descriptions provided by Turyasingura (2011) all emphasise the ability to repeat

measuring a unit and obtaining consistent results.

Contributing to the reliability discourse, Zohrabi (2013) argues that reliability deals with the consistency, dependability, and replicability of the results obtained from a piece of research. Obtaining the similar results in quantitative research is possible because data are in numerical form. However, with qualitative approaches to achieve the identical results is fairly demanding and difficult because data are in narrative form and subjective. Therefore, when using the qualitative approach the researcher should instead of obtaining the same results, think about the dependability and consistency of the data. The purpose is not to attain the same results but, rather to agree that based on the data collection processes the findings and results are consistent and dependable.

Leedy and Ormrod (2010:93) outline four forms of reliability, namely, inter-rater reliability, internal consistency reliability, equivalent forms reliability and test-retest reliability. Inter-rater reliability refers to the extent to which at least two individuals evaluating the same product or performance give identical judgement. Internal consistency reliability means the extent to which all of the items within a single instrument yield similar results. Equivalent forms reliability refers to the extent to which at least two different versions of the same instrument yield similar results. Lastly, the test-re-test reliability refers to the extent to which a single instrument yields the same results for the same people on two different occasions.

Instead of forms of reliability, Zohrabi (2013) explains types of reliability, namely, external reliability and internal reliability. External reliability is concerned with the replication of the study. Replication of the study can be increased if the researcher classifies his social position, carefully choose the informants, conducts the study in a natural setting, identifies and describes the constructs, and also explicitly explains the data collection procedures and analysis.

Internal reliability deals with consistency of collecting, analysing and interpreting the data (Zohrabi, 2013). This can be achieved when an independent investigator on reanalysing the data obtains similar findings as the original researcher. To increase the reliability of the data, the researcher needs to elaborate descriptions and explanations

of variables which cannot be quantified and are difficult to measure, for example, attitude and motivation. The researcher can also use relevant results and conclusion from previous studies in their reports (Zohrabi, 2013) to enhance internal reliability. The interviews can be recorded and preserved; therefore, the re-analysis or the replication of the data can be easily implemented by other independent researchers, thus increasing the internal reliability of the data and findings.

# 4.7.1.1. Methods applied to increase reliability of the instrument, data and findings.

The researcher took cognisance of the factors affecting the reliability of the instruments, as described by Turyasingura (2011), for example, the wording of the questions, the mood of the respondent, the nature of interaction between the researcher and the respondents, and changes in the physical setting for data collection. The researcher used simple English when constructing the questionnaire and also during interviews so that the respondents could understand him. A friendly and conducive environment was provided for the interviewees for them to feel comfortable. The interviewees made their own place of choice as to where the interview would take place. The inquirer also observed the participants in their natural setting. Two weeks were given to the participants to answer the questionnaire. This allowed them to answer it without rushing and applying their minds to it.

Credibility, applicability, dependability and confirmability are essential elements to trustworthiness (Mbilini-Kuze, 2012). The investigator used triangulation of multiple techniques (questionnaire, interview and observation methods) to collect data so as to gauge a more holistic picture of discursive practice. The multiple data collection method increases trustworthiness of the data.

The researcher also conducted a pilot study of the questionnaire, interview schedule and observation schedule. Feedback was provided regarding the way in which the questions were formulated, as well as the wording, and on the length of the questionnaire. The researcher checked the data collected through an interview schedule and observation schedule pilot study and whether it answered the

researcher's question or not, thereby increasing the reliability of these schedules.

The research instruments were reviewed by a Durban University of Technology panel of experts (when the researcher submitted them, accompanied by the research proposal). In addition to that, the researcher also asked a group of PhD students studying the same course to examine and analyse the instruments. After this process, the promoter or supervisor also reviewed the instruments. This process increased the reliability of the instruments and data collected by them.

The investigator recorded the interviews and preserved them so that if any independent researcher wants to re-analyse or replicate the study, he/she may come to the same conclusion. The completed questionnaires and their analysis sheets were safely kept by the researcher. This was also done with the field book which the investigator used for recording observed data.

In his final report, the Researcher described the research processes in-depth. That included the data collection process, how they were analysed, how different themes were derived and how the results were obtained. The processes of identifying and choosing the population and sample were also described in detail. This detailed information can help replicate the study and contribute to its reliability (Zohrabi, 2013).

The researcher also realised that in order to collect and analyse data one has to be skilled and perfect. Taking the advice of Leedy and Ormrod (2010) that the human instrument can become more reliable through training and practice, the researcher attended workshops offered by Durban University of Technology on how to gather data. The researcher went on to practice collecting data using the other PhD students (his peers) hence perfecting the art of interviewing and observing. This also increased reliability of data collected by the researcher.

However, if data are reliable, it does not mean it is valid; therefore, the researcher had to undertake certain procedures to increase the validity of the instruments, data and findings. The next section explains validity.

#### **4.7.2.** Validity

Validity refers to the researcher's ability to draw meaningful and justifiable inferences from scores about a sample or population (Ellis & Levy, 2009). The validity of an instrument means the extent to which the instrument measures what it is supposed to measure. The validity of a study relies on the relationship of researcher's conclusion of reality. Measuring instruments yield scores but the significant part is the interpretation researchers make of the data, which may or may not be valid.

Along the same line, Mbilini-Kuze (2012) describes validity as the extent to which empirical measures adequately reflect the real meaning of the concept under study. Adding to what Mbilini-Kuze said, Zohrabi (2013) points out that reality is holistic, multidimensional and ever-changing. Therefore, validity is concerned with whether the study is believable and true and whether it is evaluating what it is supposed or purports to evaluate. Validity forms part of the significant criterion for evaluating the quality and acceptability of the research.

Leedy and Ormrod (2010) describe the forms of validity, namely, face validity, content validity, criterion validity and construct validity. Face validity refers to the extent to which, on the surface, an instrument looks like it is measuring particular characteristics. It is useful for ensuring the cooperation of the people who are taking part in the research study. Face validity relies entirely on subjective judgement, it is not, an approach that provides, very convincing evidence that an instrument is truly measuring what the inquirer wants to measure.

Content validity is the extent to which a measurement instrument is a representative sample of the content area being measured (Leedy & Ormrod, 2010). It is considered when a researcher wants to assess participants' achievements in some area. A measurement instrument has a high content validity if its items or questions reflect the various parts of the content domain in appropriate proportions and if it requires the particular behaviour and skills that are central to that domain.

Criterion validity refers to the extent to which the results of an assessment instrument correlate with another, presumably related measure. Zohrabi (2013) refers to it as utility criterion, which means the degree of usefulness the evaluation findings have

for the stakeholders. It intends to inquire whether or not the research works. It asks whether the evaluation generates enough data for the decision makers with regard to the effectiveness and appropriateness of the programme. When the evaluation process provides the different stakeholders with proper and ample information, it can be surmised that the utility criterion has been met and consequently thed validity requirements achieved.

Construct validity is the extent to which an instrument measures a characteristic that cannot be directly observed but is assumed to exist based on patterns in people's behaviour (Leedy & Ormrod, 2010). Examples of these constructs are motivation, creativity, racial prejudice and so on. When investigators inquire by raising questions or observe behaviours as a way of assessing an underlying construct, they should obtain some kind of evidence that their approach does, in fact, measure the construct in question.

Discussing the concept of validity, Ellis and Levy (2009) and Zohrabi (2013), unlike Leedy and Ormrod (2010), classify it into internal and external validity. Internal validity refers to the extent to which its design and the data that it yields permit the investigator to draw accurate conclusions about cause and effect and other relationships within the data. External validity refers to the extent to which its results apply to situations beyond the study itself, the extent to which the conclusion drawn can be generalised to other contexts.

Zohrabi (2013) explained that to establish internal validity requires the examining of one or more of these internal validity procedures, namely, criterion related validity, construct validity, content validity and statistical conclusion validity.

Criterion related validity, also called instrument validity, is based upon the premises that processes and instruments used in a study are valid if they are parallel or similar to those used previously in validated research (Ellis & Levy, 2009:333). In order to establish criterion related validity it is necessary to draw strong parallels between as many particulars as possible from the validated study population, circumstances, instruments used, methods followed, etcetera.

Construct validity is in essence an operational issue. It asks whether the measures chosen are true constructs describing the event or merely artefacts of the methodology itself (Zohrabi, 2013). The researcher ask questions: "Do measures show stability across methodology, i.e. are the data a reflection of true scores or artefacts of the kind of instruments chosen?"

Content validity refers to the degree to which items in an instrument reflect the content universe to which the instrument will be generalised (Ellis & Levy, 2009). The researcher asks the question whether the instruments measures data obtained from all possible measures of the properties under study.

Lastly, the statistical conclusion validity, which refers to the assessment of the mathematical relationships between variables and the likelihood that this asserts merit, provides a correct picture of the co-variation (Zohrabi, 2013).

External validity can be described as the extent to which its results apply to situations beyond the study itself, the extent to which the conclusion drawn can be generalised to other concepts (Ellis & Levy, 2009). It addresses the generalisability of sample results to the population of interest, across different measures, persons, settings or times. It demonstrates that research results are applicable in natural settings.

## 4.7.2.1 Techniques used to validate the study

The researcher used the mixed method approach; therefore, it was also imperative to include validation techniques which cover both qualitative and quantitative methods. On the qualitative approach side, the researcher focused on adaptation of validity concepts which ensured credibility, transferability and trustworthiness of the research instruments. Considering what Turyasingura (2011) and Zohrabi (2013) recommended, the study followed the itemised procedures to increase validity:

1. The Triangulation of data collection methods (questionnaire, interviews and observation) was done. This was done through operating across multiple sources of data and methods. The researcher gathered data through interviews, questionnaire and observations. This data provided an opportunity to crosscheck the evidence which was gathered from each set of respondents. Collecting information from a variety of sources and with a variety of

techniques confirmed findings. The same results obtained showed the validity of the data gathered. Through triangulation, the researcher gained qualitative and quantitative data in order to corroborate the findings.

- 2. The Researcher used disconfirming evidence, in terms of which the researcher established preliminary themes, after which a search was conducted to identify evidence that the data were consistent with the preformulated themes or that the data disconfirm it. Preliminary themes were established based on the reviewed literature, consisting of humanistic leadership on governance, humanistic ethics in governance, humanistic strategy in governance and humanistic culture in governance. During interviews and observations, care was taken to identify those activities undertaken in the minibus taxi industry which corresponded with the prior themes.
- 3. Researcher reflexivity was applied, in which the inquirer discloses beliefs, values and opinion which may bias inquiry. The researcher endeavoured to collect, analyse and interpret data as impartially as possible. He was explicit, critical and faithful at all the different phases of the inquiry process. The researcher was non-judgemental and clear as possible throughout the research process. Ethical rules and principles were adhered to and the findings were reported as honestly and as accurately as possible.
- 4. Data and interpretations were fed back to the participants in the study (member checking) for them to evaluate it. The results and interpretation of the interviews were handed over to the interviewees in order to confirm the content of the interview encounter. This supported and recognised the plausibility and truthfulness of the information.
- 5. The Researcher travelled by the minibus taxis from the day he engaged in this study, although he obtained the data after receiving the ethical clearance from the university. This provided a prolonged engagement in the field hence; observations were repeated in order to build up trust with the participants in the study. This enhanced the validity of the research data and findings. The research observation continued until the saturation point was achieved.

- 6. The investigator provided clear and detailed documentation of all research activities and decisions (the audit trail).
- 7. A thick rich description, with deep, dense and detailed narratives of the study was provided.
- 8. The Researcher created a Whatsapp group of PhD students and promoters to discuss research issues. After every interview, the researcher compiled summaries of the interview data. The interview notes were shared with the study peer group of PhD students and promoters to obtain feedback on the study methodology, thereby contributing to the overall credibility of the study. Additional credibility was provided by the researcher's supervisor and a critical reader, who gave feedback on the draft report. The plausibility of the data analysis and the interpretation by the afore-mentioned independent people tremendously augment the validity of the research.
- 9. Interview schedule, observation schedule and questionnaire were pilot tested.

  These provided feedback on the validity of these instruments.

Validity and reliability are significant components of a research study. The researcher applied techniques which increased the validity and reliability of instruments and data which enable a generalisation of the findings. Hence, the next section discusses data processing and analysis.

#### 4.8 Data Processing and Analysis

The essence of any data processing and analysis procedures must be to return to the terms of reference, research objectives, purpose of the study and begin to sort and evaluate the data gathered in relation to the questions posed and the concepts identified (Maree, 2010). Data processing and analysis, therefore, implies editing, coding, classification and tabulation of data collected. Data have to be summarised and presented in a way that communicates the significant features.

Raw data (both qualitative and quantitative) were collected and so had to be processed or for analysis. The researcher applied concurrent triangulation hence quantitative data (questionnaire data) and qualitative data (interview & observation data) were analysed separately. The researcher examined raw data using different

interpretations in order to find linkages between the research objectives and the outcomes with reference to the main research question. The findings were integrated to arrive at a generalisation.

## 4.8.1 Quantitative data Processing and Analysis.

Qualitative analysis consists of numerical representations and the manipulation of observations for the purpose of describing and exploring the phenomena that those observations reflect (Leedy & Ormrod, 2010). The processing and analysis of quantitative data involves descriptive statistics, which involve summarising a set of answered questionnaires.

In this study, the researcher used the Statistical Package for Social Sciences (SPSS) to analyse the data. Leedy and Ormrod (2010) explain that the use of computer software like SPSS to analyse data provides many advantages. It provides user-friendliness, a range of available statistics, speed completion and allows the researcher to summarise and display data in tables, pie charts, bar graph or other graphs.

After collecting the questionnaires, the investigator scrutinised them for accuracy by visually examining data responses, the number of respondents and non-respondents that were reported. All incomplete and spoiled questionnaires were set aside and excluded from analysis. The data from the questionnaires were transferred to excel then applied to SPSS for analysis.

SPSS assesses the differences among three or more independently sampled groups on a single, non-normally distributed continuous variable (Maree, 2010). This was appropriate since the researcher used the Likert scale with normal scale ratings as a questionnaire instrument.

## 4.8.2 Qualitative data Processing and Analysis.

Qualitative data analysis involves reducing data by clustering common themes to uncover the main issues that arise (Maree, 2010). The researcher was guided by the following principles in qualitative data analysis:

• Qualitative analysis takes place throughout the data collection process. As

such, there is reflection on impressions, relationships and connections while collecting the data. The search for similarities, differences, categories, themes, concepts and ideas forms part of the continuous process.

- An analysis commences with reading the data and then dividing the data into smaller and more meaning units.
- Data units are organised into a system that is predominantly derived from the data.
- The researcher made sure that the analysis truly reflected the respondents' perceptions.

In this study, qualitative data from interviews and observations were collected using tape-recording and handwritten field notes. For the handwritten notes, field editing involving completing, translating and re-writing the hand-written notes was done immediately after coming back from the field so that the researcher might recall the notes immediately. The tape recorded data was also field edited by listening to the tapes after recording to ensure that the voices were audible and clear. In the event where the voices were not clear, some participants were re-visited to ascertain an answer. The tape data were first transcribed. The transcribed data was taken to the interviewees to verify for the second time. Then the soft and hard copies were stored.

After the data had been coded the researcher went on to the next step of the data analysis process where it was organised or combined according to related codes into themes or categories (Maree, 2010). In this research, the investigator read through the identified codes and found the themes that recur in the data. The inquirer carefully went through descriptive responses given by participants to each question in order to understand the meaning they communicated. This approach permitted the themes to emerge from the data.

After establishing the themes and having labelled the data, the coded data was grouped into themes. This involved some form of cutting and sorting. This process involved selecting sections of data and putting them together in their appropriate themes. Maree (2010) advises that a simple method is to cut the text out of the printed hard copy and sort it into different category piles. Each pile represents a

category and has a label with a descriptor. This was an interactive process where the researcher moved back and forth through the data, and sometimes decided to make new piles. The researcher worked meticulously to ensure that he kept the identifier (source of data) with the data so that he knew where the next came from. This was continued until categories were identified and labelled according to the coded data in the relevant categories.

#### 4.8.3 Findings integration

After processing and analysing qualitative and quantitative data separately, the researcher had to integrate the findings. The integration and interpretation of the findings means relating findings from both qualitative and quantitative data to the original research problem and to the specific research questions. The findings were also related to pre-existing literature, concepts, theories and research studies. The researcher also established the practical and theoretical significance of the findings. The limitations of the study were also identified in the process.

#### 4.9 Delimitations

Delimitations refer to the process whereby the researcher outlines the boundaries of the research, the factors, constructs and/or variables (Ellis &Levy, 2009). This means stating the characteristics that limit the scope of the study. It includes what the researcher is not going to do. Simon (2011) stated that the delimitation factors include the following:

- Choice of the research objectives.
- The research problem.
- Variables of interest.
- Theoretical perspectives that were adopted.
- Population and sampling.
- Theoretical methodology stance of the researcher.
- The geographical region covered by the study.

In this study, the main purpose was to explore humanistic management philosophy in governance using the minibus taxi industry as a case study. The researcher analysed

humanistic management leadership, culture, ethics, and the strategy of the minibus taxi industry and how these variables applicable in governance of the industry. Since the study was conducted in South Africa, the investigator found the Ubuntu theory as the most suitable theoretical framework to guide the researcher.

The study used the participants drawn from the minibus taxi operators, using the Port Shepstone terminus. Since the population was small, the population became the sample. The researcher also took the post-positivism stance in data collection, analysis and interpretation. Port Shepstone terminus is a rank in Port Shepstone which a town in the KwaZulu-Natal.

#### 4.10 Limitation

Limitations refer to the potential problems or weaknesses which the researcher encountered during the study (Leedy & Ormrod, 2010). A limitation is an uncontrollable threat to the internal validity of the study (Ellis & Levy, 2009). It is of paramount importance that the researcher states the limitation in order to allow other researchers to replicate the study or expand on the study. Leedy and Ormrod (2010) posits that stating the limitations of the research can help other researchers judge to what extent the findings can or cannot be generalised for other people and situations.

In this study, the researcher used the observation method which required more time to understand the behaviour of the participants. However, the researcher also used multiple methods as a way of validating the data. The observation data was complemented with other data from questionnaires and interviews. Concurrent triangulation helped the researcher to gather data in the limited time-frame.

The interviews, observations and questionnaire required financial resources to administer which were limited. However, the Durban University of Technology provided the researcher with financial help to collect data. The researcher had to budget for the study from his meagre earnings.

The researcher engaged with the participants whilst there was a conflict concerning the taxi associations involving some from Port Shepstone. The researcher had to travel around with his documents and student identity showing that he was a student conducting researching. He also had to explain to the respondents that he was not a criminal investigator from the government but academic researcher gathering information for knowledge creation rather than prosecution of the operators.

#### 4.11 Ethical Considerations

This section describes the measures the researcher took to protect the participants against harm and risk. Research ethics refers to the consideration of the participants' welfare during the process of collecting data and also in the final report (Leedy & Ormrod, 2010). Any researcher who involves human participants is obliged to consider the effects of the study on them and then take necessary measure to eradicate such effects.

As a process of checking whether the study would have adverse effects on the participants, the Durban University of Technology Ethics Committee reviewed the proposal to inspect its effects and the measures the researcher was going to take to protect the participants. The Ethics Committee accepted the ethical considerations of the researcher. The researcher received the ethical clearance letter which permitted him to collect the data.

## 4.11.1 Informed consent

Informed consent refers to the right of the participants to know the nature of the research and voluntarily accept to take part in the research (Leedy & Ormrod, 2010). It implies that the informants are made aware of the nature of data the researcher wants from them, why the data is being gathered, what purpose it is put to, how they are expected to participate in the study, and how it directly or indirectly it affects them. It is unethical to collect data without the consent of the research participants.

When the researcher attended the minibus taxi association meetings, he took the opportunity to explain in detail the nature of the study and the role of the participants. The researcher also asked for their consent to complete the questionnaire. Verbal consent was granted by the informants. However, accompanying the questionnaire, there was a consent form which explained everything in detail. The respondents were required to read and sign that consent

form.

During the interviews, the interviewees were asked for their consent to be interviewed. The Researcher also made them sign a consent form after explaining the nature of the study and their rights. When the researcher transcribed the interview content, he went with it to the interviewees who were asked to read and again consent to the researcher using the information supplied.

The participants who were recruited for observation were also asked to complete the consent form. The researcher explained again in detail the rights of these participants and the course they could take if they thought the researcher violated their rights. The details of the promoter and also the Durban University of Technology authorities were supplied to these participants.

#### 4.11.2 Maintaining Confidentiality and Anonymity

Confidential data refers to personal or identifiable data about the participants provided with the clear understanding that the researcher will not divulge the information to a third party without the consent of the participants (Leedy & Ormrod, 2010). Confidentiality therefore means it is the duty of the inquirer not to give the data to others without the consent of the informant. Anonymity also refers to the right of the informant not to be known as the supplier of the research data.

Therefore, the researcher asked the respondents not to write their names on the questionnaires. He made sure that in the final report no description could reveal the source of his information. The observation and interview participants were given code names so that when detailed description of the information from a certain informant was used, the researcher identified this person with a code name. The researcher informed them of their rights to withdraw at any stage of the study.

## 4.11.3 Avoiding harm or damage to participants

Harm or damage in research refers to social risks, psychological harm, economics risks and physical harm the participants may suffer as a result of being involved in the study (Leedy & Ormrod, 2010). Social risks refer to the disclosure of individual attitudes, behaviours or preferences that may lead to stigmatization, discrimination or

prejudice of the participant. Psychological harm includes stress, depression, confusion, guilt, embarrassment, loss of self-esteem caused by being involved in the study. Economic risks may occur as a result of disclosing a person's information that may, if revealed to others negatively affect his employment, insurance coverage, or academic status. Physical harm could happen either by or against a participant when exploring sensitive topics.

To safe-guard the informants against all these described forms of harm and risk, the researcher protected the information gathered. The data was kept at a safe place which accessible to the researcher only. The data stored in the computer was locked using a suitable password. Also, the computer used was kept by the researcher only.

The final report was also presented in a form that would not reveal how a particular participant has responded or behaved. This was made possible by the use of pseudonyms and codes.

## 4.12 Summary of the chapter

This chapter described in detail the research paradigm, research approach, research design, population and sample, research methods, data collection and analysis procedures, reliability and validity, delimitation and limitations.

After close analysis of paradigms, the researcher discovered that the nature of the research question and problem required the use of the post-positivism paradigm. This paradigm allowed the researcher to use multiple methods to collect data. Therefore, the researcher used the mixed-method approach, although both the qualitative and quantitative approaches were described in detail.

The research was based on Port Shepstone minibus taxi operators; therefore, the case study research design was appropriate for this study. The case study research design permits the researcher to gather data using both qualitative and quantitative methods (mixed-method) for collecting data. The researcher used questionnaire to collect quantitative data and observation and interviews to collect qualitative data. This was done using a sample of 400 minibus taxi operators.

The qualitative data was analysed using coding systems and themes, whilst the

quantitative data the researcher used SPSS version 20. This improved the validity and reliability of the conclusions.

The following chapter looks at data presentation, analysis and discussion.

#### **CHAPTER FIVE**

## DATA PRESENTATION AND ANALYSIS

#### 5.0. Introduction

The previous chapter explained the methodology used in the data gathering process. In this chapter, the researcher presents and analyses the data collected from the field. Since the study used the mixed method approach (concurrent triangulation), both qualitative data and quantitative data were presented and analysed separately. The findings from these two approaches were later integrated. Qualitative data was presented and analysed first, followed by quantitative data presentation and analysis.

## **5.1.** Qualitative Data Analysis

The qualitative data was collected using the interview and observation methods. Interview and Observation schedule instruments were used to collect data from taxi operators. Fifteen taxi operators were interviewed and 25 observed during their operations. The names of the taxi operators interviewed were coded using numbers, that is, Taxi operator 1 (T1) to Taxi operator 15 (T15) for confidentiality purposes. Four main themes were developed, namely humanistic management leadership in governance, humanistic management strategy in governance, humanistic management culture in governance. The research problem and research question guided the development of these themes. All information gathered was grouped into these four main themes.

The taxi business is predominantly owned by males. However, there are other taxi businesses governed by women. Most of the businesses governed by women were family businesses whose owners passed on. Of the 15 taxi operators interviewed, only two were women and the rest were man. Twelve of the taxi operators interviewed were former civil servants, that is, former government workers. Five of the taxi operators interviewed were in the taxi associations serving in various posts. All the taxi operators interviewed could speak and understand English very well.

Of the observed taxi businesses, twenty were men and five were women. Business meetings and taxis operations provided more data during the observation process.

Four months were spent observing the activities of these taxi businesses until enough data was gathered. All twenty-five taxi operators offered their support and consent. The non-participant observation data gathering method was used. Observed events, behaviour and attitudes were recorded in the field book. The observation schedule guided the field data gathering process.

#### **5.1.1** Humanistic Management Leadership in Governance

The leadership structures of the taxi industry are different from that of other businesses, especially corporate companies. Each corporate company has a board of directors; whilst many taxi businesses are governed by a Taxi Association. The Taxi Association plays a major role in the way the businesses are controlled and governed.

Each route had its own association which governed the leadership functions of those taxis. The taxi association consisted of 5 members elected by the taxi operators. The functions of taxi associations were similar to the functions of the corporate board. The taxi associations were not sub-divided into governing committees like the corporate boards of companies which have sub-committees like the risk committee, human resources committee, audit committee and so forth.

Humanistic management leadership was sub-divided into four sub-themes, namely, responsibilities of the humanistic management leader, the humanistic management leadership styles, the qualities of humanistic management leader, and the humanistic management leader and the decision-making process. Data gathered on humanistic management leadership was allocated from these sub-themes for presentation and analysis

# 5.1.1.1 Responsibilities of a humanistic management leader

In the taxi industry, leadership exists at three levels, namely, the Taxi Association, taxi operator and the driver. Figure 4 shows the three levels of leadership. The leadership responsibilities differed as one moved up the pyramid. Each level had its own leadership responsibilities with regard to controlling and directing the business.

The taxi association represented the interests of the taxi operators. The stakeholders

like commuters, drivers, conductors, government and others were not represented in the taxi association committees. The responsibility of the taxi association committees was confined to the welfare of the taxi operators. The association committees did not serve the interests of the community. Their responsibilities were based on the profit-maximisation-objective, an economistic view rather than humanistic view (Mele, 2013).

The leadership responsibilities of the Taxi Association were as follows as described by the taxi operators: 1) To foster the spirit of togetherness among taxi operators using the same route. 2) To receive community grievances and discipline issues. 3) To control and direct the business operations of the taxi operators. 4) To provide mentorship and coaching to new Taxi operators. 5) To protect the taxi operators from other taxi operators from other associations. 6) To protect taxi operators against external threats, for example, external competition. 7) To give route time-tables to taxi operators. 8) To collect subscriptions from taxi operators, and 9) protecting taxi operators in the same taxi association from competing against each other. Figure 4 shows the Organisational Structure of the Taxi Industry.

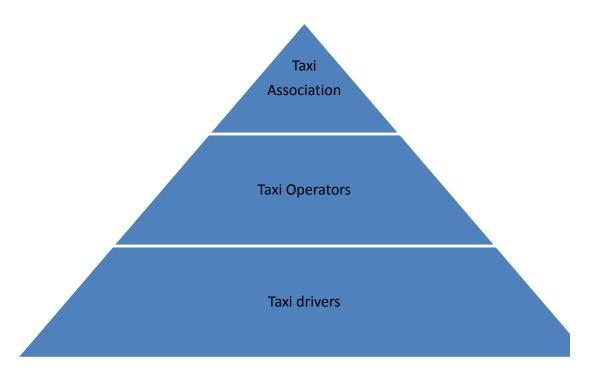


Fig 4: Organisation Structure of Taxi Industry

Taxi operators interviewed praised the Taxi Association for their responsibilities. Taxi operator 8 (T8) said:

Taxi Association is like our corporate board which directs and controls how we operate. It provides comfort in times of trouble and cheers us in times of joy. Without the taxi association, our businesses do not have leadership. It fights for us when we face threats from other competitors.

This view from taxi operators showed that they appreciate the leadership responsibilities displayed by the taxi associations. The taxi operators were more concerned with their welfare than the service to the community. Providing transport to the community was perceived more as a favour than business service.

The taxi operators were grateful that the taxi associations were looking after their interests. When asked to comment on why the taxi associations did not represents the interests of the stakeholders, taxi operators highlighted that:

The responsibilities of taxi associations are to protect our interests, not other people's interests. There is no logic in including other people because they do not have an interest in the taxi industry business. If other people are to be included in the taxi association they will destroy our taxi businesses (T2).

The taxi operators failed to understand that other stakeholders had an interest in the taxi industry since they were being served in different ways. This is similar to corporate boards which do not include other stakeholders, like workers. If the stakeholders and community are not represented on the boards it is difficult to cater for their needs. With no representation on the highest boards, like Taxi Associations, the grievances of the stakeholders may not be heard. Nobody will stand up for their cause.

It was observed that although one of the responsibilities of the taxi associations was to receive and deal with stakeholders' grievances, none from the associations came during the study. Many incidents were observed which the commuters could have raised if they were represented in the taxi associations. The spirit of togetherness between the taxi industry and the community was lacking. When the investigator

asked the taxi operators why commuters were not presenting their grievances to the taxi associations, T6 stated that:

The stakeholders are afraid of the taxi operators and drivers because they govern their businesses in a mafia style. If you report a driver he will come back to you after receiving punishment from the taxi association and harm you. They instil fear in the commuters and other stakeholders.

This gave the impression that the taxi associations purported to control and discipline the taxi operators and drivers, but facts on the ground indicated that nobody bother to report them. A business which disregards the concerns of the society is bound to fail because the society collectively fights back (Pirson & von Kimakowitz, 2013). When the communities were provided with alternative transport, like Municipality buses, they opted for the buses. It was a way of showing the taxi operators that the society was not happy with the treatment being received.

The taxi associations did not provide business training to the taxi operators for them to have skills on how to handle customers. The duties of the taxi associations centred on protecting them against threats from other taxi associations.

The leadership responsibilities of the taxi owners/operators focused on providing resources for the operations for the taxi business. This included registering the business and paying the required licenses, control of the maintenance to minimise the risk of the clients by providing safe vehicles and insuring the vehicles, recruiting and paying for the human resources, that is, drivers and conductors, and deciding on which Taxi Association to join, that is, what route to service. Taxi operators deal with financial control of the business and reporting to the family. They decide on the traditional rituals to be done for the taxi business when necessary, and implement decisions made by the taxi associations.

These responsibilities were similar to those of Chief Executive Officers in a corporate company. However, some of the responsibilities were not being implemented, for example, the duty to hire or appoint the businesses auditors and present financial statements. The taxi operators were not recording their operations

using proper accounting systems. Even the taxi associations were not doing this duty hence; the businesses were exposed to financial risk. There were financial leakages in the taxi business which caused the taxi operators to lose a great deal of money. This caused the industry to increase the taxi fares unnecessarily. The interests of society were not a priority for the taxi operators.

The taxi operators were not formulating strategies for the taxi operations as Chief Executive Officers do. The strategic leadership responsibilities were left to the taxi association. This left the taxi operators being like shareholders who run the company through a board of directors. On the other hand, the taxi associations pointed out that each taxi operator ran her/his business independently. Taxi operators who were members of the taxi association highlighted that:

Each taxi operator had the responsibility to run his business the way he sees it fit. The taxi association is just an umbrella body which protects the taxi industry against external threats. The internal operations of the business cannot be done by the association. The taxi operators should be responsible for the management of his taxi business (T13).

Misunderstanding of roles between taxi operators and taxi associations existed. The taxi operators were not independent since decisions on whether to service or not to service a certain route was determined by the taxi associations. If a taxi operator wanted to take his vehicle off the road he had to ask for permission from the taxi association.

Commenting on why they were not instituting internal controls in their businesses as part of their leadership responsibilities, Taxi operators stated that:

It is expensive to hire auditors whether internal or external. The only way of checking the employees' activities is through receiving the minimum cash agreed on every-day from the drivers. Small businesses do not require keeping financial records. The main objective of the business is to get enough money to feed my family (T8).

Taxi operators do not fully understand the importance of governance, let alone

humanistic management. The taxi workers took advantage of the poor governance; hence, they could defraud the owners of cash. The workers worked very hard to meet the set target early so that they could get extra money for their pockets. This failure by the taxi operators to perform their governance responsibilities had affected the stakeholders. The taxi operators pretended as though they are not making enough profit, hence, the increase in the taxi-fares. The drivers travel at high speeds trying to beat the targets, putting the lives of commuters and other road users in danger. Taxi drivers worked long hours, compromising the safety of the other road users and commuters.

Analysing taxi operators' responses showed that they were not concerned with other stakeholders as long as they got their money for their personal needs. According to taxi operators, their responsibilities were not to provide services to the community but to make money for their families. This short-term objective based on profit-making affected the society. When the society was affected it retaliated by not using the taxis and opted for the buses provided by the municipality. This was evidenced by the decrease in commuters using the taxis in the morning when buses were provided. Von Kimatovic (2013) argues that when the business fails to respect society, the community has the power to affect the business. It is the society which legitimises the operations of the businesses.

The relationship between a taxi operator and a driver was more of a principal and agent relationship. However, the difference between taxi operators and drivers was not very clear since some of the taxi operators were drivers themselves. The taxi operators found it difficult to control and monitor the activities of the drivers. The drivers were given a certain minimum target per day. This caused the following challenges:

- The drivers helped themselves to any extra amount of money during peak days. As leaders, the taxi operators had no knowledge of how to control these drivers.
- The drivers worked long hours to meet the targets. This posed a risk to both drivers and the commuters.

- The drivers did not service the taxis. They minimised expenditure in order to meet the daily amount required by the owner.
- Reckless driving, like over-speeding, failure to observe the rules of the road, and not respecting other road users, in order to make many trips to raise the require minimum amount and also get an extra amount was resorted to. This put the lives of the commuters at risk.
- Taxi operators had the impression that the business was not making any
  profit, and then pushed the taxi association to increase the taxi fares which
  affected the commuters.

Commenting on the leadership roles, taxi operators argued that:

As business people we are at the mercy of drivers. They are the Chief Executive Offers of the business who determine how the business is run. They make day to day operational decisions. Our responsibilities are to provide the driver(s) with the vehicle(s) to use and collect the agreed cash at the end of the day. The way the drivers make decisions is none of our business (T1).

The taxi drivers had their own leadership duties similar to those of operation managers in the corporate company. Taxi operators mentioned five responsibilities of the taxi drivers. Firstly, to implement decisions made by the taxi operators. Secondly, taxi drivers decide on the day-to-day operations of the taxi business. Thirdly, they are accountable for the daily cash collections and expenditure incurred by the business. Fourthly, taxi drivers recruit assistant drivers, vehicle cleaners and any other personnel required. Lastly, they make purchasing decisions in respect of running costs of the vehicles like fuel, oil and so on.

# 5.1.1.2. Humanistic Management leadership Styles

The taxi associations had any autocratic leadership style. The taxi operators were informed what to do and not to oppose it. The operators were given routes to service. Commenting on the leadership styles of the taxi associations, taxi operators asserted that:

The taxi association tells us what to do and we cannot question it. Even if the decision affects us, the drivers or the community we have to implement it

because we are supposed to follow the orders (T14).

This showed autocratic tendencies which affect the governing of the business since decisions cannot be questioned and tested for their suitability. An autocratic leadership style affects the morality and motivation of the workers. The stakeholders had no feeling-of-belonging which affects quality performance, especially by the workers (Martin, 2013).

An autocratic leadership style by the taxi association was observed when they engaged in taxi wars. All the taxi operators were forced to be involved physically, providing resources and moral support. The taxi association never considered the effects of the taxi wars on the commuters and other stakeholders. Such style of governance destroys the reputation of the taxi industry.

The taxi operators applied laissez-faire style of leadership. They did not care about the behaviour of their taxi drivers. Their only interest was on the cash which was brought in by the drivers. Taxi operators did not care about the behaviour of the drivers on the road. Responding to why the taxi operators did not control their employees, taxi operators lamented that:

What matters most is that the taxi drivers are cashing in the required amount every-day. If people have complains they have to approach the taxi association. The Taxi Association deals with the grievances of the commuters. The drivers can be given sanctions by the Taxi Association if found guilty of misconduct (T13).

The response indicated that the taxi operators had surrendered their leadership duties to the association. The taxi association responsibilities were to deal with external threats not the internal issues of the business. These kinds of leadership styles affect the society because nobody will be responsible for the bad behaviour of the taxi industry employees. The taxi operators only become worried when the taxi drivers disadvantage them. Taxi operators' leadership styles were based on self-interests rather than the interests of the stakeholders and community.

Taxi operators as the owners of the businesses were expected to govern the way

drivers work and respect the dignity of the society. But their leadership styles affected the stakeholders negatively. They left the stakeholders and community at the mercy of the taxi association and taxi drivers.

Some of the taxi operators did not understand what was expected of them as leaders. This was prevalent in the family taxi businesses were the taxi operators passed on and left the businesses to the family. This was evidenced by the responses of some of the taxi businesses run by family members. For example, participants representing taxi family businesses gave the following answer when asked about the leadership style they were using to govern their businesses:

I am not sure what is expected of me as a taxi business leader. There is nobody offering us training and coaching so that we are knowledgeable as to the appropriate leadership style to apply. I just follow what the taxi association does. Even the family members do not ask me about the leadership style I use and do not think it matters (T5).

The responses by the taxi operators show that they did not understand the significance of the leadership style in governing the taxi business. To them it was something unnecessary. However, literature showed that the leadership style applied by the managers determine how the business treats its stakeholders (Tukuta, Nkhosa & Rozaiwo, 2012). If the leadership style is one of indifference then the society in which the business operates suffers.

## **5.1.1.3.** Humanistic management leadership qualities

The taxi operators understood the leadership qualities which might be regarded as humanistic management leadership qualities. Such a leader possesses the following qualities as outlined by the taxi operators: 1) He cares for the people. The leader puts the interests of the people first. 2) Has good communication skills and listens to what his clients say. 3) Respects the dignity of the people when making business decisions. 4) Formulates long-term objectives based on satisfying his customers' needs at a reasonable profit. 5) Controls and governs the business in way that it becomes an integral part of the community. The business and the community depend on each other in a mutual relationship. 6) Cultivates the spirit of solidarity and

togetherness among his workers and the society. 7) Leads by example. He is not involved in unethical practices. These afore-mentioned leadership qualities positively correlated with those mentioned by Hancock (2015).

Although the taxi operators managed to identify the ideal qualities of a leader which might regarded as humanistic management leadership qualities, practising humanistic management leadership proved to be a challenge for most of the taxi operators observed. The failure by the taxi operators to control the taxi drivers posed a challenge. The behaviour of the taxi drivers on the road did not conform to acceptable behaviour from the observations made. The taxi drivers were the mirror which reflects the governance policies of the taxi operators. They were the implementers of these polices, hence, in whatever they did, the society believed that they had the blessings of the taxi operators.

The taxi operators also failed the humanistic management leadership test in the way they treated their workers. Some of the drivers work more than ten hours per day, seven days a week. This is unhealthy for the drivers and dangerous for the commuters. The taxi operators had the power to prevent this, but they believe it is the taxi drivers' way of making extra money for themselves. Taxi operators reasoned that:

The taxi drivers do not have exact hours during which they must work. What I want is for them to cash the minimum figure agreed upon. If they work for less than eight hours and cash the required amount, I do not have problems with that. You cannot say their working conditions are bad because they are their own managers. Taxi operators just set the targets and then the employees work towards that target. Every job has performance appraisal in place, so ours is the minimum figure to be cashed. Some drivers cheat us pretending as though it is hard to reach that target whilst they work for their pockets, hence working long hours. It is not a taxi operator's fault (T10).

During off peak days the minimum amount set by the taxi operators was very hard to get. This forced some of the drivers to work for long hours. Some taxi operators just set these minimum amounts without carrying out a study to determine if the target is

achievable. However, due to the need for work, the taxi driver had to work under these difficult conditions. On the other hand, these extra hours can be regarded as over-time. The question which begs an answer is whether over-time is a healthy thing for the employees? Some of the taxi drivers are fathers who need to be with their families. Working for more than 10 hours a day, 7 days a week may affect their families. The taxi operators have to consider such factors and use their authority to make taxi drivers work for less than 10 hours a day and less than seven days a week.

Communication among the taxi associations, taxi operators and taxi drivers was clear. There was a one-way communication between taxi operators and the community. When the taxi operators wanted to increase the taxi fares they just put a notice on the taxi screen for the commuters to read. Stakeholders' engagement was non-existent. A humanistic management leader has to engage the society, show empathy and discus issues with the stakeholders (Mele, 2012). The leaders have to view things from different perspective and to do so require the stakeholders' input.

The taxi operators had short-term objectives of making a profit. This affected the sustainability of their business. The long-term objectives were not communicated to the stakeholders. If a business operates on short-term objectives it cannot fore-see the future threats and opportunities (Lee, 2011). Humanistic management leaders are visionary leaders who plan their long-term objectives considering the impact of achieving those objectives on the stakeholders (Eustace, 2013). Their business obtains its legitimacy from the community; hence the objectives must reflect that.

The taxi operators had a collective spirit. The formulation of the taxi association was evidence of that spirit. However, it was misused in some cases. For example, the spirit of collectivism was used to coerce the taxi operators to engage in taxi wars. The taxi association incited the taxi operators to fight other taxi operators. The spirit of solidarity should extend beyond the taxi association (Mbigi, 2000; 2005). The Ubuntu culture encourages the leader to foster harmony and unity between his community and other communities (Khomba & Vermaak, 2012). If there are differences, Ubuntu encourages negotiations until a solution is found. A humanistic management leader embraces the Ubuntu principles for the benefit of his/her

business and also the benefit of the society.

When the taxi operators were asked about the practice of Ubuntu principles as leaders, T4 stated that:

We practice Ubuntu in our communities where we live. Practising the principles of Ubuntu in the business needs well-established businesses that have the know-how. We as taxi operators do not have much experience in the governing of the businesses. We copy and implement what we see from the corporate companies. It will be a great thing to practice Ubuntu when governing our businesses because we know its principles. Our community leaders are regarded as great leaders because of practising Ubuntu principles. Ubuntu values, if practised appropriately, can make one a great leader.

Taxi operators testify that practising the Ubuntu values makes one a humanistic management leader in business. They only lack how to implement it in business as they do it in their day-to-day life in the community. This indicated that taxi operators distinguish their community practices from their business practices although their businesses operate in the same community. Mele (2012) suggests that business leaders should regard their businesses as persons in the community. That means the business has to embrace the community ways of doing things. The company Act (2010) regards a company as a legal persona. This gives the company all legal rights to do what a human person can do, except engage in a marriage contract. Business can incorporate humanistic management values, if they can do what human beings do. The business needs leaders who can champion its humanistic management principles which relates to the environment in which they operate.

#### 5.1.1.4. Humanistic management leadership and Decision-making.

Leaders have to make decisions while directing and controlling the business. Humanistic management leaders are seen by the effects of their decisions on the human beings. Human beings implement the decisions made by their leaders whether those decisions are good or bad.

Taxi operators make various decisions in the process of governing their taxi businesses. Responding to the question on how decisions were made taxi operators replied that:

Society must be involved in the decision-making process. A good leader consults his subordinates. Ideas come from others even if they are employees. Although, people may not have businesses they may have good business ideas which taxi operators can implement. A one-man-band approach does not work. After all, these people are the ones affected by these decisions taxi operators make. It is unfair not to involve stakeholders (T5).

These operators were referring to Mbigi's (1997) five-finger-collective theory. Mbigi (1997) mentioned that "one finger cannot crush aphids; it needs the help of others". Decisions made by a person without consulting others, especially those who are going to be affect by the decision, do not sometimes hold water. Taxi operators make decisions in the governance of their taxis which affects society. For example, the decision on the number of taxis servicing a certain route on a given day. The inefficient allocation of taxis to routes caused people to wait long hours without transport, especially on Friday afternoons. The taxi associations took these decisions without consulting the communities and the communities were affected by such decisions.

Contributing to the discourse on how to incorporate society in governance decisionmaking, taxi operators pointed out that:

The taxi industry can accommodate community representatives in taxi associations since most decisions are made there. The taxi associations can hold consultative forums on important issues like taxi fare increases. Taxi industry employees should be allowed to have their own associations which are independent from taxi associations so that they can collectively bring important issues to the taxi associations (T1).

The responses indicate that taxi operators appreciate decision-making which involves other stakeholders. However, as leaders of the taxi industry, they failed to initiate the process of stakeholder involvement in the decision-making process.

Most of the interviewed taxi operators indicated that their background and African beliefs influence their decision-making process. Taxi operators argued that:

One's background affects the way one makes decisions. You cannot just wake up one day and become a humanistic management leader. It has to be cultivated from the early childhood stages. Some of us grew up understanding that the dignity of other people must be respected, therefore, the decision we make, and whether in business or personal life reflects those beliefs (T3).

Taxi operators indicated that society shapes the way one makes decisions. If society moulded the child in a bad way, then in his adulthood he is bound to be a leader who does not respect the community. Their argument is based on the issue of socialisation. They gave an example of the present day young people, who are influenced by various media, like social networks. Their behaviour does not reflect the teachings of their society because they are exposed to various environments through social media. If these young people become leaders, they may make decisions based on different perspectives which may not reflect the norms and values of their community. The taxi operators argued that if a leader does not understand the community in which he operates, he is bound to make controversial decisions which can be regarded as inhuman.

The issue of socialisation was brought up in response to the behaviour and decisions made by drivers as operational leaders of the taxi businesses. The taxi operators revealed that most of the taxi drivers who do not respect the commuters and make bad decisions were the young drivers. Taxi operators mourn the moral fibre of these young drivers who are driven by the need to have flush life at the expense of the stakeholders. According to the taxi operators, the reason for the young taxi drivers wanting flush life was the environment they are exposed to through social networks.

However, the taxi operators did not control their taxi drivers, they were adamant that it was complicated. They gave an example of a company which has Chief Executive Officer and shareholders. These taxi drivers who made decisions which negatively

affect the society increase the wealth of the taxi operators since they cash in higher amounts. Therefore, it was very difficult for the operators to fire them. It was like biting the hand that feeds them.

Literature indicates that humanistic management leaders implement decisions which uplift society as they depend on the society (Mele, 2013). Taxi operators had shown that they understood the significance of implementing decisions which respect community dignity. However, the practical aspects were not being done. Their decisions were based on self-interests rather than the interests of the community.

# 5.1.2. Humanistic management strategy in Governance

The humanistic management strategy was divided into three sections, namely, humanistic management strategy formulation, humanistic management strategy implementation and humanistic management evaluation. Dividing humanistic management strategy into sub-units helps to understand this concept better.

# **5.1.2.1.** Humanistic management strategy formulation.

The taxi operators argued that they formulated strategies, although they did not put them into black and white. According to taxi operators, it was difficult to survive in the taxi industry if one cannot design survival strategies. One of the taxi operators stated that:

Taxi business is like a football game; if the management team does not strategize then the team will definitely lose the game. As taxi operators we design our own survival skills based on strategic planning. The taxi association also formulates its own strategies which help the taxi operators. Collectively, both taxi operator and taxi association strategies help the business to be sustainable (T6).

The taxi operators formulated economistic management strategies. The strategies were mainly on how to gain competitive advantage and resource mobilisation. These strategies were not formulated with the stakeholders in mind. For example, when the taxi operators formulated strategies to fight competition, they did not consider the effects of the strategy on the commuters and other stakeholders. The taxi associations

waged wars which resulted in commuters being shot.

The taxi operators' businesses were not different from each other; hence strategy formulation was more collective rather than individual. The taxi association determine and approves strategies made by individual taxi operators. The taxi operators argued that:

Incorporating stakeholders in strategy formulation is a challenge because we do not want to reveal our strategies to stakeholders, fearing that they may link them to the competitors. It is also difficult for the stakeholders to access these strategies. We cannot again reveal the strategies to the society for the same reason. Strategy formulation is restricted to an individual taxi operator or taxi association, it cannot be shared. Even companies do not reveal their game plans (T7).

Business regards strategic formulation as a guarded secret. Decisions negatively affecting the stakeholders and society originate from strategy formulation. Failure to include the community in this stage means the business cannot implement humanistic management strategies. Society can only contribute if it is involved and receives communication about the intention of the business. Incorporating the society at a later stage cannot correct a decision already made and implemented.

The statement by taxi operators indicates an unwillingness to engage the society on issues which affect the community. Business should not have secrets if the strategies are going to affect human beings. For example, most business turn-around strategies exclude employees at the strategy formulation stages. This shows hesitation of the business to get ideas from the society. This is contrary to Ubuntu values where everything has to be discussed and solutions found collectively. Involving the society and stakeholders, prepares them psychologically in the event that the strategies have negative effects on society.

Literature indicates that humanistic management strategy requires the business to engage the stakeholders and community at the strategy formulation stage (Acquaah, 2015). This gives room for society to evaluate the effects of the proposed strategy on

them. Excluding the society leads to the business being viewed as an outcast which depends on the sweat and blood of the community without providing anything back.

A view by the taxi operators that strategies should be secretly formulated can be regarded as a hide-and-seek game being played between business and society. If there is interdependence between communities and businesses, what is the need for keeping secrets? Secrets are only kept where one needs to ambush, with the victim not realising what is coming. If the taxi business is part and parcel of the community, why should they hide their strategies from the community?

# 5.1.2.2. Humanistic management strategy Implementation

The taxi operators accepted that all stakeholders and society can be involved in the strategy implementation stage. The society, according to taxi operators, was also welcome to participate. The taxi operators pointed out that:

Stakeholders and society can get involved in whatever we are doing; we do not have anything to hide. We want them to benefit from our strategies. Our strategies are implemented by the taxi associations, taxi operators or taxi drivers; and depending on the kind of the strategy to be executed (T9).

Although the taxi operators were willing to accommodate the stakeholders at the implementation stage, it was observed to be too late for the society to make any changes to strategies already crafted. The business which wants to apply a humanistic management philosophy should involve the society in the whole process so that there is transparency and accountability. It would be difficult for the society to make the business accountable to them, if they do not understand how the strategies were formulated and the reasons behind their formulation. The ubuntu principles encourage a holistic approach to the involvement of the society in all the strategy stages of the business. A peace-meal approach does not help the society. For example, if the society was involved with the taxi operators in their formulation of a tax-war-strategy, the society could have advised otherwise. The strategy of allocating fewer taxis to certain route was supposed to be debated by the community before implementing it.

The taxi operators were asked about the role of the society in the strategy

implementation stage. Taxi operators mentioned that:

Accommodating stakeholders makes them have a feeling of ownership. It may be regarded as too late but it is better than nothing. Usually, the strategies we formulate and implement affect the community, so giving them a chance to participate in the process and highlight their grievances is a welcome idea (T8).

The Ubuntu principle emphasises the participation of the society in the activities which affect their lives. A person's welfare cannot be decided in his/her absences. The society should gather all concerned and ask them to suggest solutions to any problem. Mbigi (1997) mentioned that the community makes a circle under a tree and deliberates on challenges until they have agreed on a solution. The business needs to discuss with the community and stakeholders since their strategies affect all these people. Strategy formulation and implementation without assessing the impact of the strategy on the community can cause the society not to legitimise such decisions (Pirson & Lawrence, 2010)

The taxi operators lack the knowledge and skills of how to involve society and stakeholders in strategy formulation and implementation of strategy stages. They are afraid to divulge their strategies to the community. The society cannot accept their ideas if they do not understand the reasons behind the strategies. This stand-off between society and taxi operators affects the taxi industry. The community does not trust the taxi industry because they do not know why they do certain things. The taxi business is losing its reputation in the eyes of the society.

On the other hand, other taxi operators disagreed that not involving community in their strategy stages undermines stakeholders' dignity. Taxi operators fumed that:

Nowhere in the world have you ever heard that a business involves society in its strategies, whether formulation or implementation. The people have to start their own businesses if they want to formulate and implement strategies. Taxi operators cannot lose sleep because the society complains about not being involved. We are offering them services; therefore, they need to

appreciate the part we are playing. Strategy formulation and implementation must be left to the taxi operators and their associations. It is a no-go-area for the community. If they have other grievances, they have to raise them through their community leaders and these leaders will inform the taxi associations (T11).

The views by other taxi operators were that involving the community in strategy formulation and implementation did not make the governance humanistic. According to them, what matters most was the impact of strategies on the community. They believed that the business can have strategies which positively affect the community even without involving the society. The taxi operators argued that they do not have time and money to waste in involving the community on everything they do

Mele (2012) rejects the idea that business knows what is good for the community. She advocates the involvement of stakeholders in every stage of the strategies made by the business. These scholars postulated that if the business is left to do as it wishes then it violates the dignity and rights of the people.

### **5.1.2.3.** Humanistic management strategy evaluation.

The inquiry into how the taxi operators evaluated their humanistic management strategies revealed mixed feelings amount taxi operators. The participants provided various responses but the responses were linked in meaning. Taxi operators explained as follows:

We ask for feedback from the taxi drivers because they are the implementers of the strategies. They have to explain to us whether the strategy is working or not. We assume the taxi drivers also get feedback from the commuters. Sometimes the community through their community leaders provide feedback to the taxi associations pertaining to a certain issue or strategy. We maintain an open door policy for the stakeholders to raise issues so that we use them to evaluate our strategies. In our taxi association meetings we also discuss and evaluate strategies provided by the taxi association (T15).

The taxi operators' perception of humanistic management strategy evaluation was

that if they receive complaints from clients then they were getting feedback which they could use to evaluate their strategies. This kind of evaluation was rejected by Pirson & Lawrence (2010) who assert that stakeholders cannot evaluate what they do not know. Complaining and evaluation are different things. The business needs to involve the society in their strategy stages so that the society can evaluate these strategies. Taking society aboard cultivates the spirit of solidarity and togetherness between the business and the community. Those stakeholders affected by the strategies are in a position to evaluate the strategies.

The taxi operators were probed to explain what they did after receiving negative feedback on their strategies. Taxi operators highlighted that:

The purpose of the evaluation is to see whether the strategy implemented yields the desired results or not. If the feedback showed that the business is not achieving the intended objectives, then the taxi operators formulate another strategy or re-engineer that strategy on the right track. If the strategy is on the right course the taxi operators support the strategy. This evaluation of strategies is done during taxi association meetings or individual business meetings (T9).

Evaluation of the humanistic management strategies without the input of the society does not yield the intended results. The taxi operators had short-term profit maximisation motives. If the strategy was in favour of short-term profit maximisation then the taxi operators perceive it as working.

The taxi operators were asked to explain what they do if the strategy saves their interests at the expense of society. All the taxi operators responded that they considered their interest first before any other entity. According to them, that was the way of governing a business, that is, the survival of the business comes first before anything else. These taxi operators did not consider the threat posed by the society.

The taxi operators agreed that taxi drivers played any important role in the humanistic management strategy evaluation. Taxi drivers work with the community, so they had to provide feedback on the impact of the strategies on the community to

the taxi operators. The participants openly admitted that there was no way they could see the impact of the strategy on the stakeholders because they do not use mini-bus taxis. On the other hand, this indicated that if the strategy was favoured by the taxi drivers then they were unlikely to provide negative feedback.

Humanistic management strategy evaluation needs to be transparent. The stakeholders should know who is accountable to them between the taxi associations and the taxi operators. When taxi operators were questioned about who was accountable to the society between taxi associations and them, they showed that there was no clear cut line to determine who was accountable. Accountability and transparency are at the centre of strategy evaluation. Accountable people were supposed to be the ones receiving feedback from the community and stakeholders. It was of no use for the stakeholders and community to provide their views to people who cannot change anything.

#### **5.1.3** Humanistic management ethics in Governance

The code of conduct in business helps to eradicate unethical practices by the governing boards, management and employees (King III Report, 2009). Other codes of conduct can extend to stakeholders like shareholders. The taxi operators had a code of conduct which explained the expected behaviour. Taxi operators gave the following view:

In the taxi industry, the codes of conducts are drafted by the taxi associations. They outline the expected behaviour of the taxi operators when operating their businesses. The codes of conducts stipulate the expected behaviour of the taxi operators towards the commuters. Sanctions against the offenders and remedies for the affected stakeholders are indicated in the codes of conduct (T2).

The taxi associations had strict codes of conducts. However, from the observation made, nothing was witnessed as an inquiry into any issue committed by the taxi operator or taxi driver regardless of many issues taking place. It showed that although the codes of conduct were there on paper, the challenge was with the application of the code of conduct. The commuters were afraid to report taxi drivers

or taxi operators. There was no protection guaranteed on the part of the commuters who complained.

There was no code of conduct governing the taxi associations. If unethical behaviour was sanctioned by the taxi association, the stakeholders had nowhere to report. A probe into why the taxi association did not have a code of conduct revealed that:

In a family, rules apply to the children not the father. If the father breaks the family rules, who can punish him? This analogy refers to the taxi association as the father of the taxi operators and other stakeholders in the taxi industry. No one in the taxi industry can question the taxi association. To the best of my knowledge, even in companies, the board of directors do not have a code of conduct for the board itself. The board of directors put in place the code of conduct for the stakeholders (T8).

The statement by the taxi operators showed that nobody wanted to challenge the taxi association. The taxi operators regarded the taxi associations as the people who draught rules and regulations. If the taxi association accepts behaviour which undermines the dignity of the people, nobody could raise a finger against them. What was wrong or right was defined by the taxi association. The community had no say in determining what was wrong or right.

What determined right or wrong in the taxi industry was very important. The taxi operators' responses indicated that the perceptions of the taxi association members on what was perceived wrong or right influenced their views on humanistic management ethics. The taxi association members' views were not influenced by the society in which they operated. This means, the norms and values of the community did not determine the perception of what was right or wrong. Taxi operators put it clearly when they said that:

Ethical principles in the taxi industry are determined by the taxi association members. What they see fit as guidelines of ideal behaviour are what they recommend for the taxi operators. Some of the views clash with the society's views since what is right or wrong can be relative, depending on one's

#### background (T11).

Mele (2009) highlighted the danger of the business not adopting the norms and values of the community in which they operate. This could cause the business not to fit in the community, and hence suffer the consequences of neglecting the ethical values of the society. The unethical behaviour of the taxi drivers can be regarded as supported by the taxi association since the codes of conducts were crafted without the input of the society. This led to the erosion of the reputation of the taxi industry. The society did not trust the taxi associations because of the behaviour of the taxi drivers. The communities believed that the taxi industry does not have ethics (Vilakazi and Govender, 2014).

The taxi operators were asked if the society had contributed to the way the taxi industry approached humanistic management ethics. Most of the taxi operators interviewed were not sure how the community could contribute to the humanistic management ethics. Taxi operators asserted that:

Ethics depends on the upbringing of a person. If the person was brought up in an environment where stealing was a way of surviving, for example, then to him/her stealing is a norm. Looking at the breakdown of the family unity and violence we are experiencing in the community, this may explain why some of the taxi operators and taxi drivers behave in the way they do. Their behaviour mirrors the morals of their society. So in a way, I can say that society contributes to the ethical behaviour of the business. Therefore, the society cannot blame the taxi operators and taxi drivers because that is the way the community brought them up. The community can remedy the situation by bringing up their children in an ethical way and respecting the dignity of others (T7).

The taxi operators blamed the society for their behaviour. Other behaviours of the taxi drivers reflected what was happening in the community, for example, violence as a way of solving problems. Mukusha (2012) decries the effects of the other cultures on the Ubuntu principles. The way of solving problems was changing. The respect for human dignity was losing value due to influences from the way people

were socialising. People were being exposed to violent movies which gave them the impression that it was the only way of solving problems.

However, the taxi operators cannot hide behind the ills of the community for their failure to adhere to humanistic management ethics in their businesses. As educated adults they were supposed to differentiate between good and bad, right and wrong. Since they discovered that the community was not socialising its children in a right way, this could be their chance to change the situation though advocating ethical behaviour as their social responsibility to the society.

The way the taxi operators govern was put under the spot-light. Most of the taxi operators interviewed admitted that ethics were a challenge in the taxi industry. However, they were quick to highlight that most businesses were committing unethical practices. They cited an example of the unethical collision of companies in the construction industry. Taxi operators put it clearly when they said that:

Ethics depends on who define the word "ethics" because it is relative and depends on the location of that person and his beliefs. People have different views on what they call unethical practices. Anything in the taxi industry is quickly labelled unethical because the society wants to label the industry. Business cannot please everyone. It is normal that they may be discontentment with other stakeholders, therefore, that cannot be called unethical practices (T12).

The responses of the taxi operators showed that they do not believe that they were engaged in unethical practices. According to them, what society might view as unethical behaviour were, in fact, normal business practices. A probe further, revealing such a practice, elicited an example of raising taxi fares when in fact the price of fuel was going down. The taxi operators argued that it was a profit maximisation strategy based on capitalising on a situation. They pointed out that in a market economy the price of services was determined by supply and demand of the services, not by the price of the inputs. Nothing was called over-pricing in the vocabulary of the taxi operators.

Literature indicates that taking advantage of the stakeholders was an unethical practice, not a business strategy. The taxi operators were only interested in lining their pockets without regard for the community. If the price of fuel was fluctuating, so the taxi-fares were supposed to reflect such a trend. The taxi operators failed to define humanistic management ethics and implement it.

Another question was based on the issue of respecting other road users by the taxi drivers. The taxi operators admitted that certain drivers were having problems with respecting the rules of the road. According to the taxi operators, it was up to society to report those offenders to the taxi associations. The taxi operators showed the researcher their codes of conducts. When the issue of protecting whistleblowers was raised, the taxi operators indicated that it was the duty of the police force to protect the community, not taxi association.

When asked about corruption in the taxi industry, for example, bribing the traffic police officers at road blocks, most taxi operator accepted that it existed. They justified the act as a win-win situation. It was explained that:

We are small businesses and our capital base is very small, so we do not have enough money to service our taxis regularly as required or repair parts as quickly as possible. Some of us are poor pensioners relying on this business to feed our families. If traffic officers accept a small token for ignoring a certain fault on the vehicles, it is to our advantage. People must understand that it is difficult to govern a business, especially if you do not have support from somewhere (T4).

Govender (2013) cited that the failure to service the vehicles by taxi operators was one of the causes of accidents. The taxi operators had to consider the safety of their clients. It was unethical for the taxi operators to consider their interests at the expense of the commuters. Bribing traffic officers was unethical despite the reason or excuse given by the taxi operators. Ubuntu principles advocate that people must consider others in their business practices; Mbigi (1997) called it compassion.

Some taxi operators' vehicles had two-way radios which the taxi drivers used for

various purposes, some of which were unethical. For example, when there was a traffic-road block the taxi drivers would inform each other to avoid that point where the road-block was. This made it difficult for the traffic officers to weed-out unroadworthy vehicles from the roads. The two-way radios were also used during taxi-wars to co-ordinate members for the fights. The two-way radios were also used to inform taxi drivers were to pick up commuters. This reduced waiting-time for the commuters. Technology, if used for the right purpose, showed that it enhances humanistic management. This was in line with other countries like Japan, Australia, just to name a few, which were using technology in transport industry to improve their services and humanistic management.

Taxi operators number 12 commented on the use of the two-way radio as follows:

Two-way radio makes it easier for the taxi operators and taxi drivers to communicate. The idea was brought in as a way of helping the commuters who were sometimes left at a certain station because the taxi was full. With the two-radio technology the taxi driver can inform the other taxi drivers to come and take those people left behind. If a taxi driver has a breakdown, he can inform the other taxi drivers to help him. The service to the people improved since these two-way radios were installed. We are also aware that the taxi drivers are using them for other unethical behaviour like communicating whilst driving. Our code of conduct indicates that it is unethical and not acceptable. If these taxi drivers are reported they will be punished. But this must not take away the good intention behind the installation of two-way radios and their help to the stakeholders. Everything which has advantages also has disadvantages (T12).

The issue of taxi drivers working non-stop like machines which are not switched off was also discussed. Although the taxi operators had answered it under humanistic management leadership, the researcher wanted to discuss the ethical implications of taxi drivers working long hours. The taxi operators or taxi associations had no human resource policy on the working conditions of their employees. They retrenched employees without following any procedure or giving them a retrenchment package.

The taxi operators failed to justify why they were treating other human beings like that. The excuse they came-up with was that their business was in the informal sector, so most of the things were not done in a formal way like what happens in well-established companies. The capital base of the taxi industry was well above that regarded as a norm for the informal sector. It was only that the taxi operators were resisting the government's intention to formalise the sector. They cannot hide behind the excuses of being informal for their poor humanistic management ethical practices.

The other question was based on the mechanism in place to guide taxi operators on humanistic management ethical practices. The taxi operators admitted that there were no guidelines on what was accepted as good humanistic management ethical guidelines. The only thing which existed was the code of conduct which governed the behaviour, mostly of the taxi drivers, although it was not being fully enforced. The observations were that the taxi operators and taxi association had no regard for the people in terms of offering ethical services.

On the other hand, they were offering services which the buses could not offer, especially to the physically challenged people. They transport them from their houses without charging extra fare. They also charge learners lower amount if they are in school uniform. Most of the people who use taxis were poor (Govender, 2013). Regardless of transporting poor people, the taxis were more expensive than the buses. This was a way of considering various challenges of the society and offering help.

#### **5.1.4.** Humanistic management culture in Governance

Culture was divided into organisation culture and societal culture. The researcher explored how these interlink and contribute to humanistic management culture in controlling and directing the taxi businesses.

### **5.1.4.1.** Taxi Industry Governance Culture

The taxi operators had to explain their organisational culture in relation to humanistic management culture in governance. Most taxi operators interviewed explained that they believed in the supernatural powers helping them in the governance of the

business. The taxi operator had to do rituals thanking the ancestors for the business. They believed that failure to thank the ancestors resulted in the business experiencing a bad omen. On the day of the ritual, all taxis belonging to that taxi operator were not on the road. The taxi operator had to invite the community to help him to celebrate and thank the ancestors for the business. Taxi operators outlined that:

Owning and properly governing the taxi business was not the cleverness or skills of the taxi operator only, but the ancestors and God give the person luck and wisdom to have and run the business successfully. Failure to thank the ancestors and God may result in loss of the business or experiencing unexplainable accidents on the road (T9).

This view by the taxi operators explains the perceptions and perspective of the taxi operators on religious humanism as explained by Edwards (2009). That belief controls the way the taxi operators govern their businesses. Proving such theories and whether they were actually working or not was difficult. Beliefs are difficult to prove since they are in the mind of the believer. Some taxi operators gave a few examples of taxi operators who did not perform their rituals and experienced problems in the governing of their businesses. According to taxi operators, when they did the thanksgiving rituals things went well for them.

Two separate thanks-giving-ceremonies attended revealed the belief of the taxi operators which affects their cultural believes on humanistic governance. The taxi operators were being guided by the sangomas. The sangomas were regarded as the people who can link people to the spirit world. However, a correlation between rituals and success in business need further investigation.

The taxi organisational culture depended on the cultural values of the taxi operator. If the taxi operator was a Christian, then the business followed Christian principles. The business owner's beliefs guide the direction of the business. Most of the taxis operators interviewed and observed were following the traditional beliefs were ancestors help them to govern the businesses.

The taxi industry developed its own language like any other business. Language

helps communication among taxi industry stakeholders. The sign language was used in the taxi industry, for example, when the commuters wanted to indicate their destination to the oncoming taxi drivers, they could signal using fingers. The sign language was designed by the taxi association. Each route or taxi association had its own sign language applicable for that route. The sign language helped to save time since the taxi drivers could see whether that the commuter was going in their direction or not, without asking them verbally. The sign language improved humanistic management since commuters arrived at their destinations without delay.

In a way the taxi operators and taxi associations were applying Ubuntu principles. Language has been explained by scholars as being at the centre of humanism. People who show humanistic behaviour are described as using certain words. The humanistic management philosophy of a people could be understood through the way they talk with others. A cultured-people respects the elders when greeting and engaging in discussion with people older than them.

The taxi operators admitted that culture plays a very important role in humanistic management philosophy of governance. It provides the people with the language to approach stakeholders with words which do not take away the dignity of the people. It offers a way of explaining difficult situations like retrenchment which negatively affect people. Failing to handle and explain challenges in a cultured manner causes psychological effects to the people, for example, failing to explain retrenchment can cause stress to the workers.

### 5.1.4.2. Humanistic management Societal Culture

The taxi operators explained the effects of society on humanistic management. There were mixed feelings from the taxi operators. Some accepted that since they follow the culture of the society in which they live, they were bound to be influenced by the norms and values of that society. Others believed that the way business operates was different from society's way of doing things. Business has its own culture emanating from the founder's visions and principles. Taxi operators argued that:

Culture depends on the individual taxi operator. For example, if the taxi operator is a Christian, then he follows Christian values and the same with those who follow other religions. Usually, the taxi operator, as the founder, brings in his culture into the business. The society cannot prescribe how I must mould my organisational culture. Culture is also dynamic, as a taxi operator, I select those cultural values which add value to my business. I cannot accept everything because the community believes in that culture. In other words, the organisational culture is not influenced by the society (T10).

Although these taxi operators denied that the community affects their organisational culture, the taxi operators' personal culture was affected in the way they were socialised by the community. In others words, the community culture affects the individual culture.

The investigator asked how the taxi operators balance between organisational culture and the culture of the society. Most taxi operators interviewed highlighted that South Africa was a multi-cultural society. The taxi operators emphasised that they built their organisational culture based on their norms and beliefs. If conflict exists, then that was when they could address it, if need be. The taxi operators mentioned that people normal resist change at first but gradually accept it. The taxi industry brought in another dimension of doing business, which was different from what people used to do. According to taxi operators, societal culture evolved over time and can be influenced by the business.

The observation made was that the taxi industry was forcing its unaccepted culture on the society. The language of its employees denigrated the commuters which affects the commuters' dignity. They lacked respect for their clients, especially, the loaders of the taxis. The taxi business existed in the community, so was supposed to integrate its organisational culture with societal culture for harmony to exist. The taxi industry believed in culture of violence as a way of solving disputes. Ubuntu advocates debate and finding common ground (Khoza, 2012).

Mele (2009) asserts that the business is an entity which exists in the community. It has to follow the norms and values of the society to be legitimised. If a person or

entity does not follow the norms and value of the society, then he/she or it is regarded as an outcast. The taxi industry and the community are inter-dependent; therefore, the spirit of solidarity must exist between the two.

Responding to question on the role of business in supporting the cultural activities of the community, taxi operators mentioned that it depends on the individual taxi operator. The interaction between the taxi industry and the community occurred on an individual basis. It was not part of the taxi industry culture. The taxi associations prescribed nothing as far as the taxi industry and societal culture was concerned. Taxi operators argued that:

Asking the business community to support community cultural activities is a noble idea. Business can do this as part of their social responsibility. But forcing the business to adopt the norms and values of the community is not acceptable. African culture is biased towards socialism where means of production are owned by the community. History had shown that this does not work. Business is a separate entity from the community. It must exercise its freedom to incorporate the norms and values suitable for its sustainability, as incorporated in the national constitution. South Africa is a rainbow nation with different cultures. The society should accept that the business has its own culture. Having a different culture does not make the taxi industry an outcast in the society but shows the diversity of cultures (T13).

The organisational culture shows how it accommodates a humanistic management philosophy. The organisation is made up of employees coming from a community which has its own norms and values; changing their cultural beliefs to suit that of the organisation may violate their dignity. If the taxi industry accepts that the environment they are operating in has diverse cultures, they should also realise that even the workers they employ have diverse cultures. Indoctrination of workers with taxi industry culture leads to denigration of the workers' dignity. For example, some of the workers were Christians who are not supposed to work on Sundays. In order to save their jobs, they are forced to work on these days.

The taxi industry should accommodate the various cultures of society. The

organisational culture should be integrated with societal cultures. The founder of the organisation must engage stakeholders when formulating the organisational culture, so that all cultures can be catered for.

The data revealed that the commuters did not accept the taxi industry culture. The commuters had no alternative to mini-bus taxis. The community were not amused by the disregard of their culture by the taxi industry. Ubuntu emphasises the respect of the elders. The taxi drivers were using language and behaviour which was not appropriate in the presence of these older commuters.

Literature shows that the respect of societal culture indicates a humanistic management philosophy in the organisation while governing. African culture provides fertile ground for respecting the dignity of human beings. Mbigi (1997) describe it as, "I am because we are, and we are because I am". This gives the business a sense of belonging and security in the community. One cannot trade with an entity which he does not understand or differs from in values. Cultures bring in good ethics and foster good image of the organisation in the eyes of the community.

### 5.2 Quantitative data presentation and analysis

Quantitative data was gathered using a questionnaire. The taxi operators who participated in the qualitative data gathering were not included in the quantitative data gathering. The questionnaire was divided into five sections, namely, demographic, humanistic management leadership, humanistic management strategy, humanistic management ethics and humanistic management culture.

#### 5.2.1 Response rate data

The response rate was very high due to the methods used. The taxi associations meetings attended encouraged the participants to complete the questionnaire. Respondents use Whatsapp-cellular number for any clarification needed. Three hundred and forty-six participants (96%) responded. The other 14 questionnaires (4%) were not used due to various reasons. Of the 14 questionnaires, 10 were incomplete and 4 questionnaires were not returned.

#### 5.2.2 Demographic data

The demographic data was divided into: age of participants, gender, qualifications, period of taxi business ownership, type of ownership, and the reason for starting taxi business. The researcher found these demographic variables essential in assisting to explain the humanistic management philosophy in governance.

## 5.2.2.1 Age of Participants

Age was an important variable in this study since the older one was the more he/she could understand the Ubuntu values, and was more likely to practice humanistic management philosophy in governance. The Table 18 shows the age data. Table 18 reveals that most taxi operators were above 60 years of age (48.8 %), followed by those between the age of 41 years and 60 years (26.9%). Combining these two age groups places the majority of the taxi operators at 75.5 percent. This indicated that the majority of the taxi operators could understand Ubuntu. It is believed that the youth are the ones most influenced by other cultures. The age data revealed that taxi operators could apply humanistic management philosophy in their governance if they chose to.

**Table 18: Age of participants** 

Age of participants	Number	Percentage
0 to 20 years	12	3.5
21 to 40 years	72	20.8
41 to 60 years	93	26.9
Above 60 years	169	48.8
Total	346	100

### **5.2.2.2** Gender of the Respondents

Gender plays a very important role in humanistic management. The researcher established that the taxi industry was male dominated. Males constituted 80.3 percent of taxi operators versus 19.7 percent of females. The researcher found out that the females were governing the taxi industry were widowed.

## **5.2.2.3** Qualifications of taxi operators

The literacy rate was very high in the taxi industry. Table 19 indicates the educational levels of the taxi operators. The taxi industry had educated taxi owners. Those who had honours degree or a professional qualification comprised 42.2 percent. This indicates that the taxi operators might understand management and governance issues. Education helps in a study because an educated participant is likely to give a wise answer, which is, well thought of.

Table 19: Educational qualifications of taxi operators

Qualification	No of taxi operators	Percentage
Standard 6/Grade 12 and below	23	6.6
Diploma/First degree	124	35.8
Honours degree/professional qualification	146	42.2
Masters degree	50	14.5
Doctorate degree	3	0.9
Total	346	100

## 5.2.2.4 Period of Taxi ownership

There is an adage which says "experience is the best teacher"; meaning that, the longer one stays in an industry the more he/she is likely to understand it better. Figure 5 indicates the taxi operators' ownership period. Seventy three commas four percent of the taxi operators owned Taxi business for 11 years and above. The largest group were those who owned taxis between 16 years and 20 years (27.7%). More than 16 years in business was considered a long period. These people had experience in the way the taxi business could be governed. With their experience the researcher obtained rich data to answer the research questions pertaining to humanistic management philosophy in governance.

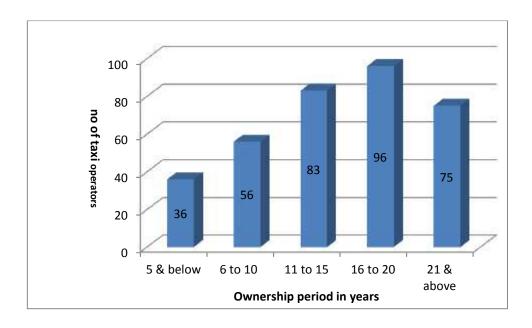


Figure 5: Taxi operators' ownership period

## 5.2.2.5 Type of taxi ownership

Taxi ownership types were grouped into three, namely, taxis individually owned (owned by one person), family owned taxis and taxis owned by a group. This variable helped the researcher to understand the vision and long-term objectives of the taxi operators. The views of a taxi operator who individually owned the taxi and those who represents stakeholders (either a family or group) are likely to be different. The largest group was individually owned taxis with 196 taxi operators (57%), compared to family-owned, 96 taxi operators (28%) and group owned, 54 taxi operators (15%). The individually-owned taxi operators were most likely to be self-centred and advocated short-term-profit maximisation. The other groups (family-and grouped-owned) were likely to understand the need for incorporating others because they already exist as a group.

# 5.2.2.6 Reason for starting the taxi business

In this study, reasons for starting business variable was sub-divided into four groups, namely, to create wealth, to survive, to provide transport, and to create employment. These sub-divisions helped the researcher to understand the taxi operators' vision and objectives. The prominent objective was starting a business to survive (29.8%), followed by the objective to create wealth for themselves (28.3%). The other

objectives, to provide transport and to create employment comprised, 17.3% and 24.6% respectively. This indicates that the majority of the taxi operators were interested in their welfare, not serving the community. Self-serving interests result in disregard for human dignity in pursuit of the maximisation of returns. Combining the two objectives, to create personal wealth and to survive, it showed that the majority (58.1%) were interested in their immediate personal welfare at the expense of the society.

## 5.2.3 Humanistic management leadership in governance

The humanistic management leadership data was coded as humanistic management leadership roles, humanistic management responsibilities, humanistic management leadership qualities, and humanistic management leadership decision-making.

## 5.2.3.1 Humanistic management leadership roles in governance

Leadership plays a significant role in governance. Leaders provide the directions through their visions. The participants were asked if they understand their general leadership roles in the taxi business. Table 20 shows the responses from the taxi operators.

Table 20: Taxi operators' perceptions on Leadership roles

Response	Number of taxi operators	Percentage
Strongly Disagree (SD)	11	3
Disagree (DA)	30	9
Not sure (N)	13	4
Agree (A)	136	39
Strongly Agree (SA)	156	45
Total	346	100

Table 20 shows that 39 percent of the taxi operators understand their general leadership roles. Many (45%) strongly agreed that they understand their leadership role in the taxi industry. This did not show whether the role was humanistic or not. It

can be that the roles had to do with other leadership roles since 3 percent strongly disagreed. Those who disagree (9%) could have associated the leadership role with the humanistic management leadership role in governance.

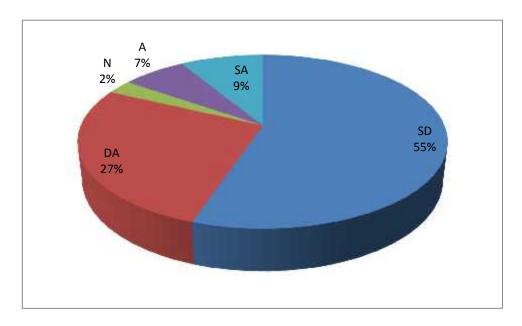
Relating participants' responses to leadership roles in relation to other variables showed interesting results. The period of ownership had a positive correlation coefficient (0.119) to responses on leadership roles. The higher the number of years of ownership, the more the taxi operators knew their leadership roles. The participants' age negatively correlated (-0.28) with perception of leadership roles. The older the taxi operator was, the less they agree that taxi operators know their leadership roles. Gender and qualifications of participants were positively correlated to leadership role responses, with correlation coefficients of 0.30 and 0.06, respectively. As the qualifications of the taxi operators became higher, the more they accept that they know their leadership roles. Ownership type had a correlation coefficient of -0.19. The mean average rating was 4.14 and standard deviation of 1.048. On average, most participants accepted that taxi operators know their leadership roles.

When the participants were asked if they were change agents for the community, their responses were different from that of general leadership roles. One hundred and ninety-one (55.2%) taxi operators strongly disagreed that they were community change agents. This was against 30 (8.7%) taxi operators who strongly agreed that they were community change agents. This indicated that taxi operators knew their leadership roles but were not prepared to extend their business leadership role to the society. Figure 6 show the taxi operators' responses on being community change agent.

Participants' responses to taxi operators as change agents in the community was positively correlated to the period of ownership (0.89), age of taxi operators (0.102), highest educational qualification (0.80) and the ownership type. Gender (-0.70) and reason for starting a business (-0.30) were negatively correlated to taxi operators' responses on being change agents. On average (mean rate 1.91 and standard deviation of 1.309) the taxi operators' perceptions revealed that they cannot be

society change agents.

A community change agent caters for the community and is most likely to be a humanistic management leader. If a person does not want to stand up for the community needs then instituting humanistic management leadership principles in his/her business can be a challenge. Society requires business leaders who champion its cause. Business leaders have resources to stand up for the society and correct the ills of the community. The refusal by the taxi operators to be community agents makes the society poor in terms of humanistic leaders



Key: SD-strongly Disagree; DA-Disagree; N-Not sure; A-Agree; SA-strongly Agree

Figure 6: Taxi operators' perception on being community agent

The enquiry from the taxi operators if they were practising Ubuntu in their taxi industry businesses revealed varied responses. Ubuntu has a bearing on the humanistic management philosophy in governance (Sikwela, 2014). Ninety-two (27%) taxi operators agreed that they practice Ubuntu principles as leaders, compared to 90 (26%) who disagreed. Ninety (26%) participants strongly disagreed, compared to 66 (19%) who strongly agreed. Combining those who strongly disagreed and disagreed the number increased to 180 (52%) in comparison to 158 (46%) combined agreed and strongly disagreed. This indicated that although most of the taxi operators were above 60 years (48.8%), they were not implementing Ubuntu

principles in their businesses as leaders. Failure to implement Ubuntu values by the business leaders revealed the way taxi industry viewed the separation between society and the taxi industry.

The informants' responses on taxi operators practising Ubuntu in the taxi industry positively correlated to the period of ownership (correlation coefficient of 0.72) and age of the informant (correlation coefficient of 0.116). The responses were not related to qualifications of the participants. Gender and reason for starting business had correlation coefficients of -0.09 and -0.67, respectively. The mean rating score was 2.87, with standard deviation of 1.523.

When the participants were asked how promptly they address the grievances of the stakeholders, 72 (20.8%) strongly disagreed, 95 (27.5%) disagreed, 9 (2.6%) were not sure, 82 (23.7%) agreed and 88 (25.4%) strong agreed. These figures exemplified that 48.3% of the taxi operators were not attending to the grievances of the stakeholders on time. On the other hand, 49.1% were attending to the problems of stakeholders.

The correlation between how prompt the taxi operators respond to grievances and the demographic variables was assessed. The data established that ownership period was negatively correlated to responses on promptness with a correlation coefficient of -0.104. Similarly, gender (-0.27), highest qualification (-0.135) and reason for starting business were all negatively correlated to responses to promptness. Age and ownership type were positively correlated with correlation coefficient of 0.27 and 0.24 respectively. The average mean response rate was 3.31, with a standard deviation of 1.554.

Listening and solving the challenges of the stakeholders is one of the important roles of a leader. Stakeholders feel involved if their grievances are being attended to. Solving grievances of the stakeholders makes people evaluate the performance of the business, and; provides valuable feedback to the leader. Leaders cannot be everywhere; giving people prompt attention encourages stakeholders to inform the leader of what happens in the business beyond the leader's sight. This improves the leader's oversight role in the way the business is governed.

### 5.2.3.2 Humanistic management leadership responsibilities

The researcher wanted to find out if the humanistic management leadership had responsibility towards their stakeholders. Unlike the humanistic management leadership role, humanistic management leadership responsibility entails accountability, honesty, trustworthiness and integrity of the leaders. Humanistic management leadership roles involved what the leaders do.

The taxi operators were asked if they were accountable to the community. Table 21 shows the responses of the participants.

Table 21: Taxi operators' views on leadership accountability to the community

Participants' responses	Number of taxi operators	Percentage
Strongly Disagree (SD)	100	28.9
Disagree (DA)	120	34.7
Not sure (N)	7	2.0
Agree (A)	97	28.0
Strongly Agree (SA)	22	6.4
Total	346	100

Table 21 shows that the taxi operators strongly disagreed (28.9%) and disagreed (34.7%) that they were accountable to the community. This indicated that the taxi operators did not want to be evaluated by the community.

The ownership period (0.29), age of participants (0.03), gender (0.04) and ownership type (0.139) were positively correlated with the participants' responses to accountability to the community. On the other hand, highest qualifications of participant (-0.42) and reason for starting business (-0.64) were negatively correlated to responses on accountability. The average mean rate of responses was 2.49 with standard deviation of 1.335.

Leadership accountability helps to check the balance between the needs of the business and those of the society. If the leaders were not accountable to the stakeholders it may be difficult for the leaders to cater to the needs of the

stakeholders. Leadership accountability is correlated to humanistic management leadership. The community can engage the business to incorporate humanistic management philosophy in governance if the business leaders are accountable to society.

On the other hand, 28% agreed and 6.4% strongly agreed that taxi industry was accountable to society, as the taxi industry has taxi associations to whom stakeholders can air their grievances. The number of taxi operators who agreed and strongly agreed (combined 34.4%) was far less than those who strongly disagreed and disagreed (combined 63.6%). This showed that the majority of the taxi operators did not want to be accountable to the society.

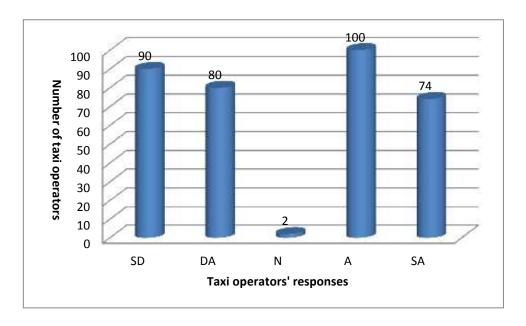
The taxi operators were questioned if their business values and principles respected the dignity of the stakeholders. The researcher asked this question because as leaders, the taxi operators were responsible for the business values and principles of their businesses. The participants strongly disagreed (28%) and disagreed (26%) that they were doing enough to protect the dignity of the stakeholders. Those who agreed and strongly agreed were 27% and 15% respectively. Four percent of the informants were not sure if they were doing enough to protect the dignity of the stakeholders.

Correlation coefficients of period of ownership (0.24) and type of ownership (0.70) were positively correlated to the informants' responses on respecting dignity of stakeholders. Highest qualification (-0.103), gender (-0.57), age (-0.77) and reason for starting business (-0.64) correlation coefficients were negatively correlated to the taxi operators' perception of respecting the dignity of stakeholders. The mean response rate was 2.73, and had a standard deviation of 1.485.

These results showed that the taxi operators were interested in their business and not other people. They did not understand why they could formulate values and principles which foster respect for the stakeholders. Those who were not sure (4%) did not understand why dignity should be an issue in the governing a business. Considering the level of education of the taxi operators, they should comprehend the significance of incorporating business principles which respect dignity of other human beings.

Humanistic management leaders should cultivate a culture of respecting the community, in their businesses. When the taxi operators were asked about their respect for the community culture, they had reservations with adopting society culture. Figure 7 shows the responses of the participants.

Twenty-eight percent of the participants agreed that they respect community culture in their business. Those who strongly agreed comprised 21.4 percent. Those who disagreed and strongly disagreed comprised 23.1 percent and 26.9 percent, respectively, whereas 0.6 percent where not sure of their position on respecting community culture in their business.



Key: SD-Strongly Disagree; DA-Disagree; N-Not sure; A-Agree, SA-Strong Agree Figure 7: Taxi operators' views on respecting community culture

Combining those who strongly agreed and those who agreed (50.31%) indicated that the majority perceive that they were respecting society's culture, compared to the combined strongly disagreed and disagree (48.1%). The taxi operators showed that they wanted to respect the community culture. Being aware of the need to respect the community culture was not a guarantee that the taxi operators incorporated it in their business. This shows that the taxi leaders were aware of their responsibility to the community.

Performance evaluation plays a very important role in ensuring that the workers

work in line with the policies and objectives of the business. Leaders have a responsibility to evaluate the performance of management, to check if management is implementing the recommendations of the leaders. Taxi operators have a responsibility to check the performance of their taxi drivers. The taxi operators strongly disagreed (60%) and disagreed (23%) that performance evaluation was necessary. Very few taxi operators strong agreed (7%) and agreed (9%) that performance evaluation was necessary. This showed the taxi operators did not see the significance of evaluating the performance of drivers. What matters to them was receiving the agreed amount at the end of the day. Performance evaluation could help the taxi operators to measure how the taxi drivers implemented some of the decisions made by the taxi associations and taxi operators. Variables which were not measurable in monetary terms, like respecting the dignity of the stakeholders, suffered if there are no performance evaluations. Other taxi operators were not sure (1%) about performance evaluations; this indicates that they might not know why they should be done. This lack of understanding the significance of important issues like performance evaluation greatly affects the implementation of a humanistic management philosophy in the governance of the taxi industry.

The study enquired if the taxi operators establish a monitoring system and controls to prevent issues like corruption, fraud and other vices in the business. Monitoring and control systems establishment is an important responsibility of the leadership in governance. The responses of the taxi operators are indicated in Table 22.

Table 22: Responses on establishing monitoring and control mechanisms

Response	No of taxi operators	Percentage
Strongly Disagree (SD)	218	63
Disagree (SD)	98	28.3
Not Sure (N)	4	1.2
Agree (A)	19	5.5
Strongly Agree (SA)	7	2
Total	346	100

The majority (63%) strong disagreed on the establishment of monitoring and control mechanisms. Failure by the taxi operators, as the leaders of the industry, to implement monitoring and control mechanisms exposed the industry to having unethical practices. The Table 22 indicates that taxi operators did not put in place monitoring and control mechanisms to uproot bad practices by the workers. In such situations, workers end up concentrating on the objective of profit-maximisation at the expense of the stakeholders. This revealed that as leaders, the taxi operators were prioritising profit-maximisation as their core responsibility at the expense of other issues like the welfare of the stakeholders and community.

The leaders have the responsibility to pay special attention to the needs of the stakeholders and the community. The taxi operators were asked if they were fulfilling this responsibility. The taxi operators strongly disagreed (57%) and disagreed (33%). Very few taxi operators strongly agreed (2%) and agreed (9%). Three percent were not sure if it was their responsibility to listen to stakeholder and community concerns.

The relationship between taxi operators' responses and demographic variables varied from negative to positive. Age of participants and reason for starting a business had positive correlation coefficient of 0.118 and 0.091 respectively. Other variables had negative correlation coefficient namely, period of ownership –0.38, gender -0.69, highest qualification -0.32 and type of business ownership -0.35. The average mean rating of responses was 1.61 with standard deviation of 0.917.

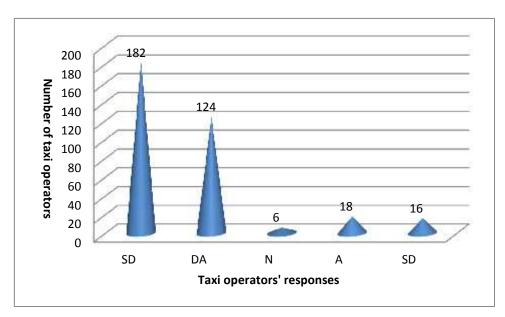
The philosophy of the taxi operators was that the aim of the business was to make a profit for its owners, not to be concerned with the community. This philosophy caused the taxi industry to neglect the humanistic management philosophy which encourages upholding the dignity of the community and stakeholders.

### **5.2.3.3** Humanistic management leadership qualities

The leadership quality is a very significant variable in the implementation of humanistic management philosophy in governance. The taxi operators were asked various questions which measured the humanistic management leadership qualities of the taxi operators.

The investigation into the way taxi operators formulate strategies which benefited the society in which they operated received mixed feelings. The majority (52.6%) of the taxi operators strongly disagreed and 34.84% disagreed that strategies were supposed to be formulated with society in mind. The results on figure 8 testify that taxi operators' quality of humanistic management leadership was non-existent.

Further, non-parametric correlation analysis revealed a positive correlation coefficient of 0.64 between participants' responses to tax leaders' formulation of community-benefiting strategies and the period the taxi operators had been in business. The age and gender of the taxi operators were negatively correlated with correlation coefficient of -0.66 and -0.37, respectively. Educational qualifications of the respondents were negatively correlated (-0.83) to the responses given on leaders strategy formulation. The cause for the formation of taxi business and type of ownerships had correlation coefficients of 0.37 and 0.06 respectively with the leadership strategy formulation responses. The mean rating was 1.73 with a standard deviation of 1.050.



Key:SD-Strongly Disagree; DA-Disagree; N-Not sure; A-Agree; SA-Strongly Disagree

Figure 8: Leadership formulating society benefiting strategies

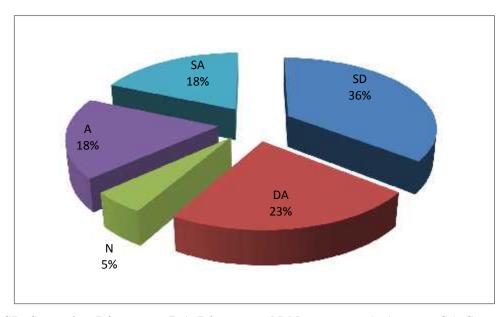
The figure 8 shows that taxi operators, as leaders, lack humanistic management

leadership qualities if they cannot consider the welfare of the stakeholder and community when formulating strategies. This indicates that the taxi operators' qualities of leadership were compromised due to a profit-making objective. Society was regarded as not being part of the business; hence there was no need to include it in the taxi operation plans. Strategies provide leeway for channelling resources towards achievement of intended objectives. Failure to consider community results in the strategy implementers also neglecting society in the activities of the organisation.

The qualities of the leaders are measured by the ability to identify opportunities and threats of the business. The investigator asked the participants if they identify opportunities and threats which also benefit the stakeholders. The taxi operators indicated that they strongly disagreed (39%) and disagreed (32.7%) with the idea of involving society in their strengths, weaknesses, opportunities and threats analysis. Ten comma one percent of the taxi operators agreed and four comma six percent of the taxi operators strongly agreed that it was essential to analyze opportunities and threats which also benefit the community and stakeholders. Three comma eight percent of the taxi operators were not sure if it was necessary. The ability to analyse the opportunities and threats which benefit society shows the quality of a humanistic management leader. Failure to consider the community shows that the qualities of the leader were not humanistic, but were based on his/her analyses of economic views, where only the issues of business mattered.

The study considered the ability of the taxi operators to be transparent in the way they were controlling and governing their businesses. Figure 9 shows the results from the taxi operators' responses.

The figure 9 revealed that most of the taxi operators strongly disagreed (40.8%) and disagreed (23%) with the idea of being transparent in the way they were governing their businesses. The responses from the informants negatively correlated with the period of operation (-0.79), gender (-0.18), reason for a starting business (-0.04) and type of ownership (-0.11). The gender of participants and their highest qualification had positive correlation coefficients of 0.82 and 0.99 respectively. The average mean



Key:SD-Strongly Disagree; DA-Disagree; N-Not sure; A-Agree; SA-Strongly Disagree

Figure 9: Transparency in governance

This indicated that the taxi operators did not want to involve society. According to this data, the taxi operators did not want the community to know about their operations. A leader who does not want the community to understand how his/her business is run has questionable qualities. The society can be suspicious of such leaders. If the taxi operator is engaging in honest transactions, there is no need for secrets. Leadership qualities are judged by the community and stakeholders. If the leader cannot reveal his/her governance principles, how would the society measure his/her humanistic management leadership qualities?

The way the taxi operators were honestly carrying out their governance duties was scrutinised. The ability to be honesty gives the leader credit on his/her qualities. Of the taxi operators that participated, 56 strongly agreed (16.2%), 72 agreed (20.8%), 14 were not sure (4%), 63 disagreed (18.2%) and 141 strongly disagreed (40.8%). These responses from the taxi operators testified that the majority of the taxi operators were not honestly carrying out their governance duties. This compromises the quality of the taxi operators as governance leaders. If the leaders were not honestly doing their duties, then the workers were likely to operate in any way that

they like. This could cause a problem or the stakeholders and community. It leaves the society with nowhere to air their grievances and the community loses trust in the taxi operators as leaders.

Other variables of the humanistic management leadership qualities were faithfulness and truthfulness. The study looked into the taxi operators' perceptions of faithfulness and truthfulness in the way they were governing their businesses. Table 23 shows the responses from the taxi operators

Table 23: Taxi operators' perception on faithfulness and truthfulness in governance

Response	No of taxi operators	Percentage
Strongly Disagree (SD)	182	52.6
Disagree (DA)	86	24.9
Not sure (N)	19	5.5
Agree (A)	42	12.1
Strongly Agree (SA)	17	4.9
Total	346	100

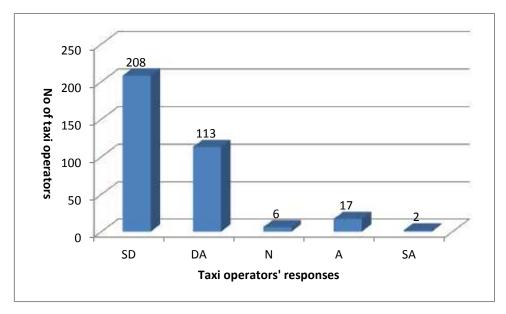
The table 23 reveals that taxi operators were not faithful and truthful in the governance activities. That means that the taxi operators do not want to reveal their operations to the public. This creates an atmosphere of mistrust between the taxi industry and society. Humanistic management leaders should be open in the way they govern their businesses in order for the community to trust them. Trust breeds good qualities in a humanistic management leader.

# 5.2.3.4 Humanistic management leadership and Decision-making

Decisions made and implemented by the leader play a significant role in the way the organisation applies humanistic management philosophy. The study enquired the taxi operators about their perceptions of decision-making on the way that they govern their businesses.

The taxi operators were asked if they incorporate the community's views in their decision-making. Figure 10 shows the responses from the taxi operators. The data

revealed that the majority (60.1%) of the taxi operators strongly disagreed with the idea of considering society's views in decision-making. The taxi operators were of the view that the community has nothing to do with the decisions that leaders make in their business. A few (0.6%) strongly agreed that leaders should incorporate the community's views in society. The taxi operators indicated that there was no interaction between business and society. The businesses owners do not listen to the views of the community, regardless of the decisions made affecting the society. Other taxi operators were not sure (1.7%) if they had to involve the community in their governance decision-making.



Key: SD-Strongly Disagree; DA-Disagree; N-Neutral; A-Agree; SA-strongly Disagree

Figure 10: Considering stakeholders' views in decision-making

In decision-making, a leader should consider the effects of his/her decisions on the stakeholders and community. In this regard, the study enquired from the taxi operators if they were considering the effects of their decisions on human beings. The taxi operators strongly disagreed (33.8%), 190 taxi operators (54.9%) disagreed, 3 (0.9%) were not sure, 23 (6.6%) agreed and 13 (3.8%) strongly agreed. The data showed that the majority (88.7%) did not consider the effects of their decisions on the people. The decisions made by the taxi operators may disregard the dignity of the people. Failure to consider the effects of their decisions on people might cause

suffering of the human beings.

Leaders can be guided by the code of conduct in making decisions, especially where conflict arises. The taxi operators were questioned if they had a code of conduct which guided them in decision-making as leaders. Table 24 shows the data from the taxi operators' responses.

The Table 24 indicates that the taxi operators had a code of conduct which helped them to make decisions. The majority of the taxi operators (45.7%) strongly agreed that the code of conduct existed. This means that the code of conduct was only for the taxi operators and had no input from the community when it was crafted.

Table 24: Taxi operators' responses on code of conduct

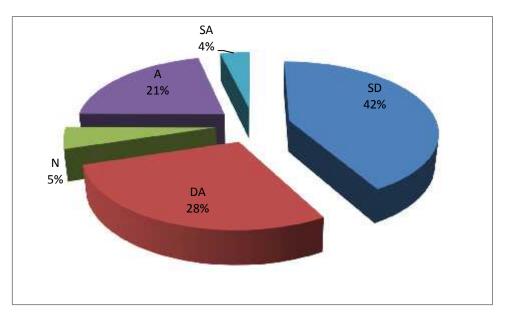
Response	No of taxi operators	Percentage
Strongly Disagree (SD)	20	5.8
Disagree (DA)	23	6.6
Not sure (N)	3	0.9
Agree (A)	142	41
Strongly Agree (SA)	158	45.7
Total	346	100

The taxi operators were asked to rate themselves on the practice of good ethics in decision making. The taxi operators accepted that ethics were problematic. One hundred and ninety-two (55.5%) strongly disagreed and 113 (32.7%) disagreed that good ethics in decision-making was being practised. Those who agreed comprised 5 (1.4%) and 15 (4.3%) strongly disagreed. This reflected that the taxi operators were not happy with the ethical decisions which were being made in the taxi industry. If the taxi operators were not happy, it means that the community and stakeholders were not happy with the ethical decisions made in the taxi industry.

Strategic decision-making is the corner stone of humanistic management leader. The taxi operators replied to the way they were implementing strategic decisions which benefit the stakeholders and community. Figure 5.6 highlights the responses from the

taxi operators.

The data revealed that implementing strategic decisions was based on business interests, not the interests of the people. Figure 11 indicates that four percent and twenty-one percent strongly agreed and agreed respectively with implementing decisions which benefits society, whilst the majority (70%) strongly disagreed and disagreed with the idea. Failure to implement strategic decisions with human beings in mind caused the taxi operators as leaders to violate the dignity of people.



Key: SD-Strongly Disagree; DA-Disagree; N-Not sure; A-Agree; SA-Strongly Agree Figure 11: Implementing strategic decisions which benefit people

# **5.2.4** Humanistic management strategy in governance

Humanistic management strategy plays a crucial role in humanistic management philosophy in governance. The researcher gathered data on the perceptions and perspectives of taxi operators on formulation, implementation and evaluation of humanistic management strategy in governance.

## 5.2.4.1 Humanistic management strategy formulation in governance

Strategy formulation is an essential component of humanistic management strategy in governance. The business implements strategies which had been formulated by their leaders. The process of formulating strategies determines the humanistic management philosophy in governance of the business. The main objective was to

find out how strategies were formulated in the taxi industry and whether they show humanistic management philosophy in governance.

The study investigated if the taxi operators were involving society in the formulation of strategies. The results were as follows: 250 taxi operators (72%) strongly disagreed; 30 taxi operators (9%) disagreed; 6 were not sure (2%); 35 agreed (10%) and 25 strongly agreed (7). The average mean rating was 1.72, and had a standard deviation of 1.316. The results revealed that the taxi operators were not concerned with ideas from society when formulating strategies. This showed that the community could not air their views regarding the formulation of strategies which could affect them.

The participants were asked if they apply Ubuntu principles in the strategy formulation. Table 25 shows the results from the taxi operators' responses.

Table 25: Applying Ubuntu principles in Strategy formulation

Responses	No of taxi operators	Percentage
Strongly Disagree (SD)	34	9.8
Disagree (DA)	40	11.6
Not sure (N)	2	0.6
Agree (A)	90	26
Strongly Agree (SA)	180	52
Total	346	100

The majority of the taxi operators strongly agreed (52%) that they were applying the Ubuntu principles when formulating strategies. The average mean score was 3.99, with a standard deviation of 1.37. This information revealed that the taxi operators were applying Ubuntu principles amongst themselves excluding society. The data clearly showed that the taxi operators did not consider their business as part of the community. The participants regarded the taxi industry to be a community on its own which formulates strategies for its sustainability without considering the threat posed by excluding the community.

The information on the formulation of strategies which valued the welfare of the people was gathered. The results verified that the taxi operators formulated strategies which served their business interests at the expense of the people. Fifty taxi operators (14.5%) strongly disagreed and 201 disagreed (58%), whilst 50 (14.5%) and 30 (8.7%) strongly agreed and agreed, respectively. Fifteen (4.3%) of the taxi operators were not sure. The mean score was 2.5, with a standard deviation of 1.252. The data testified that the taxi industry did not value its stakeholders when formulating strategies. This led to the taxi operators concentrating on short-term profit maximisation objective.

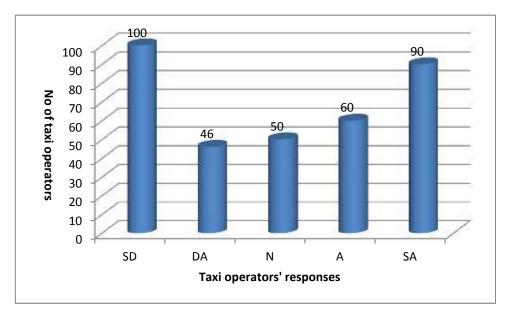
The humanistic management philosophy can be determined by the way the managers delegate important duties. The taxi operators were questioned if they allowed the taxi drivers to formulate major strategies in the governance of the business. The results were shown on figure 5.7.

The figure 12 showed that 28.9 percent of the taxi operators strongly disagreed and 13.3 percent disagreed compared to 26 percent and 17.3 percent who strongly agreed and agreed respectively. The other 14.5 percent were not sure if it was necessary to involve the taxi drivers in strategic decisions. This data revealed that the taxi operators did not trust their employees. In the taxi industry, taxi drivers are like operational managers, hence the need to be involved in the strategic governance of the business.

The taxi operators were also questioned if they used group formulation strategies. Seventy taxi operators (20%) strongly disagreed and 80 (23%) disagreed compared to 43 (12%) who strongly agreed and 100 (29%) agreed. The remainder 2.9 percent were not sure. The data indicates that the taxi operators were split into approximately two halves on this issue. Others (41%) understood that strategies were formulated by the taxi associations and their duties were to implement. Whilst others (43%) were of the view that they formulated their own strategies although the taxi association helped them formulate other strategies.

This information revealed the confusion in the taxi industry pertaining to how it was governed. It may mean that other taxi operators were not implementing the taxi

association's formulated strategies preferring their own. If the taxi association formulated humanistic management strategies the taxi operators can discard them.



Key: SD-Strongly Disagree; DA-Disagree; N-Not sure; A-Agree; SA-Strongly Agree.

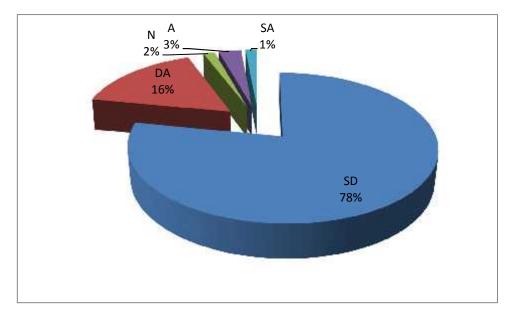
Figure 12: Taxi drivers to formulate strategic decisions

#### 5.2.4.2 Humanistic management strategy implementation in governance

The way at business implements strategies in governance reveals its humanistic management philosophy. The researcher asked the taxi operators questions to establish how they view humanistic management strategic implementation in governance.

The taxi operators were asked if they implement competitive strategies when governing their businesses. One hundred and eighty taxi operators (52%) strongly disagreed and 100 (28.9%) disagreed compared to 26 (7.5%) and 20 (5.8%) taxi operators strongly agreed and agreed respectively. Twenty taxi (5.8%) operators were not sure. The mean rating was 1.88, with a standard deviation of 1.215. This information revealed that the taxi operators believed in a monopolistic view where they were not suppose to compete. This can explain why they end up physically fighting competitors. This leads to the taxi operators failing to respect the dignity of other competitors. It also affects the commuters who end up being affected by the so-

called "tax wars".



Key: SD-Strongly Disagree; DA-Disagree; N-Not sure; A-Agree; SA-Strongly Agree Figure 13: Implementing stakeholders' strategies in taxi industry

The taxi operators were asked if they implement strategies which incorporate the views of society and stakeholders. Figure 13 shows the responses of the taxi operators. The taxi operators strongly disagreed (78%) with implementing strategies using the views of the stakeholders. Figure 13 reveals that the taxi operators did not want to compromise to accommodate the views of society and stakeholders. The data showed that even if the taxi association incorporated the views of society, the taxi operators were not going to implement such strategies.

The researcher wanted to know if the taxi operators implement safety measures to protect the lives of the stakeholders; these safety measures include regularly servicing vehicles, giving taxi drivers resting time, monitoring over-speeding, checking that the vehicles are road worthy, including other maintenance measures. The responses from the taxi operators are presented on Table 26.

Table 26 data reveals that combining the taxi operators who strongly agreed and those who agreed that implementing vehicle safety measured was important, constituted 47.4 percent compared to 49.1 percent those who strongly disagreed and disagreed. It shows that taxi operators did not value commuter welfare. They wanted

to maximise profit on the expense of the stakeholders.

The taxi operators were questioned whether they support each other in implementing strategies. The study showed that 150 (43.4%) taxi operators strongly disagreed, 80 (23%) disagreed, 20 (5.8%) were not sure, 50 (14.5%) agreed and 46 (13.3%) strongly agreed. The mean score was 2.82 and had a standard deviation of 1.343. This data showed that although the taxi operators belonged to taxi associations they were not mentoring and coaching each other in strategic implementation. The spirit of solidarity in terms of strategy implementation was low. This affected the stakeholders since the taxi operators would use a trail-and-era method in implementing their strategies.

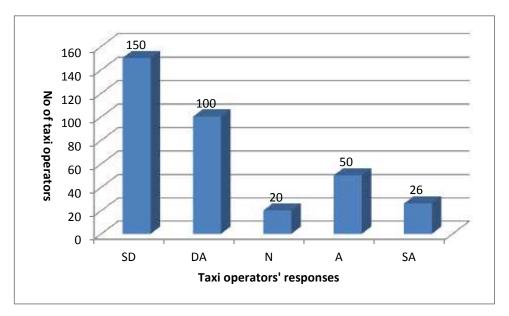
Table 26: Implementing vehicle safety measures

Responses	No of taxi operators	Percentage
Strongly Disagree (SD)	80	23.1
Disagree (DA)	90	26
Not sure (N)	12	3.5
Agreed (A)	144	41.6
Strongly Agree (SA)	20	5.8
Total	346	100

Change strategy is an essential component of humanistic management strategy. The taxi operators were asked if they implemented change strategy to accommodate the views of the stakeholders. Figure 14 shows the taxi operators' responses. The majority (43%) strongly disagreed that change strategy was necessary. This indicated that the taxi operators were not prepared to compromise their profit maximisation objectives and accommodate the needs of the society. Twenty (6%) taxi operators were not sure.

The data illustrates that taxi operators do not discuss change strategies in their association meetings. Failure to implement change strategies reveals if the taxi operators formulate a strategy, they are perceived to be unfriendly by the community; they cannot change their strategies to suit the needs of the society. Taxi operators

regarded business strategies as an issue divorced from society and stakeholders. They believed that what matters most was the sustainability of their business regardless of the effects of the business on the stakeholders.



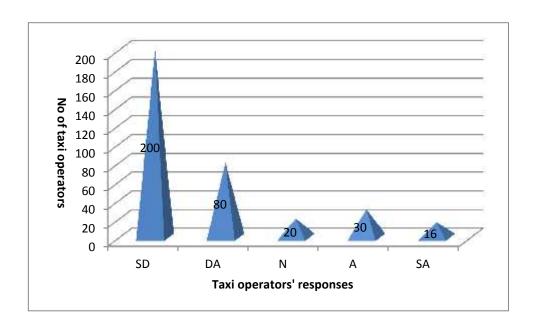
Key: SD-Strong Disagree; DA-Disagree; N-Not sure; A-Agreed; SA-Strongly Agree Figure 14: Implementing change strategy

## 5.2.4.3 Humanistic management strategy evaluation in governance

Analysing and receiving feedback on the strategies implemented provides a back bone for humanistic management strategy evaluation in governance. The study investigated if taxi operators were evaluating their strategies and whether humanistic management philosophy was part of the evaluation process.

The responses to the question on the effects of their strategy evaluation on the stakeholders were varied. Figure 15 shows the results. The majority of the taxi operators (57.8%) testified that they strongly disagreed with the idea of evaluating strategies for the benefit of the society. The data revealed that taxi operators did not understand the importance of considering the effects of their strategies on the stakeholdersandcommunity.

According to the taxi operators, the strategies should be evaluated for the benefit of the business. Regardless of their qualifications and age, these taxi operators were adamant that business comes first, and not the stakeholders or community. Twenty (5.8%) of the participants were not sure if the strategies should be evaluated for the benefit of the stakeholders and community. These results indicated the interests of the taxi operators. Very few (4.6%) strongly agreed that the stakeholders and community should be considered when evaluating strategies. Those who strongly disagreed (80%), individually owned their taxi business. This showed the feeling of selfishness by the taxi operators. They believed that considering the stakeholders and community could affect their business since they would change their strategies to suit society.



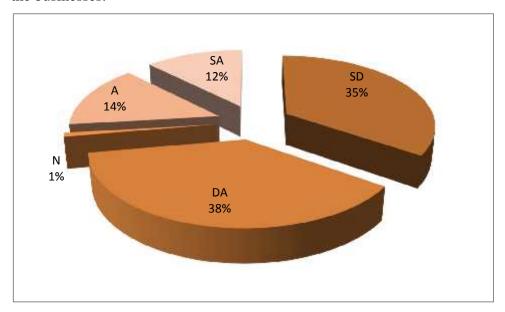
Key: SD-Strongly Disagree; DA-Disagree; N-Not sure; A-Agree; SA-Strongly Agree.

Figure 15: Evaluation of strategies for the benefit of society

Stakeholders' feedback is imperative in implementing humanistic management strategy. The businesses can use the feedback to evaluate their strategies. The taxi operators were asked if the commuters and stakeholders were providing significant feedback.

Figure 16 indicates that the taxi operators were not getting feedback from the stakeholder and commuters. A hundred and sixty taxi operators strongly disagreed

that they were receiving feedback. Failure to receive feedback means that the strategies were not being evaluated by the people. This means that the taxi operators were not providing enough platforms for the people to air their grievances. Societal participation in evaluation of the businesses strategies legitimises the operations of the businesses.



Key: SD-Strongly Disagree; DA-Disagree; N-Not sure; A-Agree; SA-Strongly Agree Figure 16: Stakeholders feedback on implemented strategies

The study enquired if the taxi operators were monitoring and controlling their business services. The taxi operators' knowledge of the business operations was tested. Table 27 highlight the taxi operators' responses.

Table 27: Monitoring and controlling of operational services

Responses	No of taxi operators	Percentages
Strongly Disagree (SD)	160	46.2
Disagree (DA)	90	26
Not sure (N)	10	2.9
Agree (A)	66	19.1
Strongly Agree (SA)	20	5.8
Total	346	100

Table 27 revealed that the taxi operators were not doing their duty of monitoring and controlling the operations of the taxi industry. Very few taxi operators (5.8%) strongly agreed and agreed (19.1%) that they were monitoring and controlling the services of their taxi business. The rest were content with receiving cash and let the taxi drivers do as they wish. Monitoring and controlling constitutes an essential component of strategic evaluation. Without control mechanisms in place, the chances of implementing short-term objectives in order to please the taxi operators and also benefit were high. Implementing short-term objectives in a competitive taxi industry means forgoing humanistic management philosophy and focus on selfish economistic principles to the detriment of human beings.

The willingness of the taxi operators to be control by government was questioned. The participants who strongly disagreed were 200 (57.8%), disagreed 96 (27.7%), not sure 4 (1.2%), agreed 40 (11.6%) and strongly agreed 6 (1.7%). This data showed that the taxi operators were not prepared to be monitored and controlled by government.

# 5.2.5 Humanistic management culture in governance

The study investigated how culture influences humanistic management philosophy in governance. Business governance involves inculcating certain cultural practises in the organisation in order to achieve the intended objectives. The objective of the study was to explore those culture traits which lead to humanistic management philosophy in governance. The influence of society on organisational culture was also investigated. This was done using the perceptions of the taxi operators.

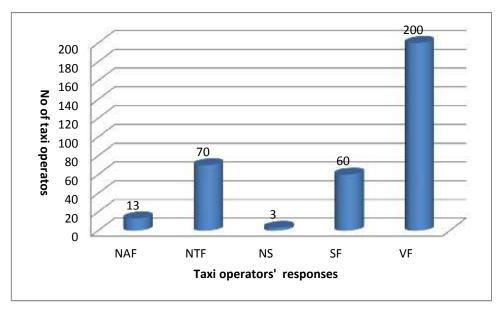
Table 28: Ritual practices in the taxi industry

Responses	No of taxi operators	Percentage
Not All Familiar (NAF)	31	9
Not Too Familiar (NTF)	50	14.5
Not Sure (NS)	5	1.4
Somewhat Familiar (SF)	80	23.1
Very Familiar (VF)	180	52
Total	346	100

The research enquired if the taxi operators carried out African ritual practices in the business. Ritual practices indicate what is regarded as an acceptable culture in that business. Table 28 indicates the responses from the participants if ritual practices were familiar in the taxi industry.

The Table 28 indicates that the majority (52%) of the taxi operators were familiar with ritual practices in the taxi industry. Of those who were not all familiar (14.5%) with the practice can be due to different religions and different understandings of the word "ritual".

The language used in the taxi industry was investigated. Language conveys a philosophy prevalent in the business. Certain words express the humanistic management philosophy of the industry. The participants were asked if the taxi industry uses its own business language different from the society's language. Figure 17 indicates the responses of the participants.



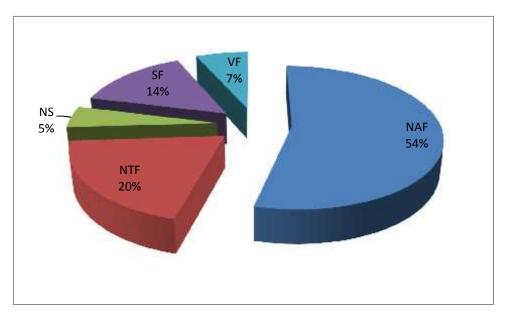
Key: NAF-Not All Familiar; NTF-Not Too Familiar; NS-Not Sure; SF-Somewhat Familiar; VF-Very Familiar

Figure 17: Existence of a language in the taxi industry

The participants accepted that they were very familiar (58%) with a language which existed in the taxi industry. This indicated an existence of a cultural difference between taxi industry and society. If the community culture was similar to business

culture, there would be no need to have a different language.

The effects of community's culture on the taxi industry when controlling and directing business came under spotlight. The participants indicated that they were not all familiar (55.8%) with such a phenomenon. Seventy four taxi operators (21.4%) indicated that it was not too familiar, 12 (3.5%) not sure, 43 (12.4%) somewhat familiar and 24 (6.9%) indicated that it was very familiar. This data showed that there was no cultural exchange between the taxi industry and community. Cultural exchange helps to foster humanistic norms and values into people, especially among the business people.



Key: NAF-Not All familiar; NTF-Not Too Familiar; NS-Not Sure; SF-Somewhat Familiar; VF-Very Familiar

Figure 18: Taxi industry culture influence on community culture

The participants were asked if the taxi industry culture affects the community culture. The figure 18 data indicate that society was not accepting the taxi industry's culture. Some of the participants accepted that it was very familiar (7%) that the society's culture was influenced by the taxi industry culture. This can be attributed to the acceptance of the taxi industry language by the society. The majority (54%) indicated that it was not all familiar for society to accept the taxi industry culture.

The trend of the participants' responses indicated that cultural exchange between taxi industry and society was non-existent. Period of ownership (-0.13), age of the taxi operators (-0.45), academic qualifications of informants (-0.09), reason for establishing business (-0.33) and type of ownership (-0.109) had negative correlation coefficients with the taxi operators responses. The mean average score was 1.92, with standard deviation of 1.3.

The participants were asked if they regarded taxi industry culture as part of society's culture. One hundred and ninety-seven (57%) participants indicated that it was not all familiar, 125 (36%) not too familiar, 7 (2%) not sure, 15 (4%) somewhat familiar, and 2(1%) very familiar. This data revealed that the taxi industry culture was not accepted in society. The taxi operators cultivated a different culture in their business which was total rejected by the community.

The existence of an inter-dependent culture between society and the taxi industry was examined during the study. The participants showed that interdependence was not familiar as indicated by Table 29.

Table 29: Inter-dependence between society and taxi industry

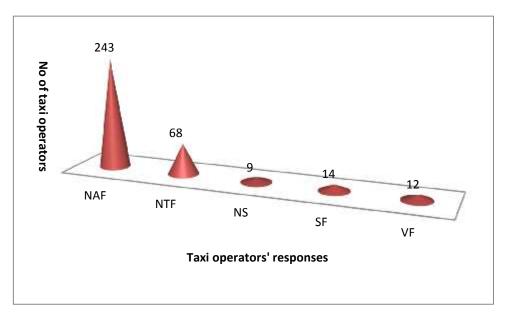
Responses	No of taxi operators	Percentage
Not All Familiar (NAF)	196	56.6
Not Too Familiar (NTF)	83	24
Not Sure (NS)	4	1.2
Somewhat Familiar (SF)	44	12.7
Very Familiar (VF)	19	5.5
Total	346	100

Accountability plays a pivotal role in humanistic management governance. The taxi operators were asked if they cultivated culture of accountability in their businesses. The responses are presented in figure 19.

The taxi operators were not all familiar (61.6%) with culture of accounability when

governing their businesses. This indicated the inconsideration of the taxi operators of not involving the community in their operations.

Transparency being the most important element of governance, the taxi operators had to state how familiar they were with transparency culture. The respondents revealed the following data; 70.2 percent were not all familiar, 19.7 percent not too familiar, 2.6 percent not sure, 4 percent somewhat familiar and 3.5 percent very familiar with transparency culture in governance of taxi business. Taxi operators' responses negatively correlated with period of ownership (-0.16), gender (-0.3) and highest qualification (-0.25). The correlation coefficient between informant ages and responses to transparent culture was 0.53. The mean average rating was 1.5 with standard deviation of 0.964. These results showed that the taxi operators were not familiar with culture of transparency.



KEY: NAF-Not All Familiar; Not Too Familiar; NS-Not Sure, SF-Somewhat Familiar; VF-Very Familiar

Figure 19: Taxi operators' community accountability culture

Culture fosters the spirit of trust and togetherness in the society. The study enquired if the taxi operators were familiar with culture of trust. Table 30 shows the results.

The majority of the taxi operators were not all familiar (53.8%) with the culture of trust between society and taxi operators. The Table 30 indicates that trust does not exist between society and taxi operators. This shows that the taxi operators do not incorporate the society when directing and controlling their businesses.

Table 30: Trust culture between society and taxi operators

Response	Number of taxi operators	Percentage
Not All Familiar	186	53.8
Not Too Familiar	123	35.5
Not Sure	3	0.9
Somewhat Familiar	20	5.8
Very Familiar	14	4.0
Total	346	100

Culture instils a sense of respect for one's dignity. The taxi operators were asked to rate how familiar they were with the culture of respecting people's dignity. The participants indicated that they were not all familiar (21.1%), not too familiar (57.2%), not sure (3.8%), somewhat familiar (10.7%) and very familiar (7.2%). The perceptions of the taxi operators were that dignity of the people was not respected; although very few were of the opinion that it was being respected. This variance in opinion among the taxi operators reveals that their taxi industry culture does not cultivate a sense of respect for the community which may affect the way the taxi industry workers handle the people from the community.

#### **5.2.6 Humanistic Management ethics in Governance**

Humanistic management ethics is the cornerstone of sound governance. The researcher wanted to find out the extent to which humanistic management ethics were being practised in the taxi industry when governing their businesses.

The participants were asked to rate activities on a 5 point scale ranging from no extent (1) to very large extent (5). The researcher asked the taxi operators to rate their ethical services to the commuters. Twenty-seven percent (192) argued that ethics were non-existent in taxi industry, twenty-eight percent (97) rated that it

existed to a small extent, twenty percent (70) pointed to its existence on a medium scale, twenty-three percent (79) indicated its existence on a large scale and two percent (8) indicated its existence on a very large scale. This data indicates that not all taxi operators believe that taxi industry practises ethics.

Caring for customers indicates an application of humanistic management ethics. Taxi operators were asked to rate the extent of customer care in the taxi industry. One hundred and twelve (32%) participants indicated that they rate customer care to a large extent, 82 (24%) small extent, 76 (22%) no extent, 65 (19%) very large extent and 11 (3%) medium extent.

The study found that the taxi operators admitted that they were not considering the welfare of the commuters when governing. Table 31 shows how the participants rated their incorporation of commuter welfare in governance.

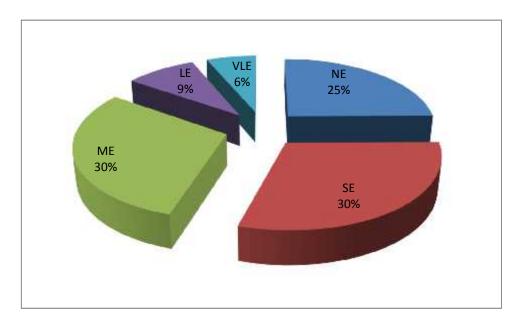
It is regarded as unethical not to consider the welfare of one's customers when governing at business. The perceptions of the taxi operators on this variable showed that commuters were not important in the governing of the business.

**Table 31: Considering effects of governance on commuters** 

Response	Number of participants	Percentage
No extent	30	9
Small extent	87	25
Medium extent	36	10
Large extent	100	29
Very Large extent	93	27
Total	346	100

Taxi operators were divided in the way they perceived the taxi-fares they were charging. Eighty-two (24%) taxi operators believed that the taxi fares were high, 96 (18%) to a small extent, 25 (7%) medium extent, 63 (28%) large extent and 80 (23%) very large extent. It is unethical to have large profits on the expense of customers. It shows that the taxi operators had an economic motive rather than a humanistic view.

The results from the observation show that even if the costs of operating taxis go down fares were not being reduced.



Key: NE-no extent; SE-small extent; ME-medium extent; LE-large extent; VLE-very large extent.

Figure 20: Taxi operators' perceptions of their employees' working conditions

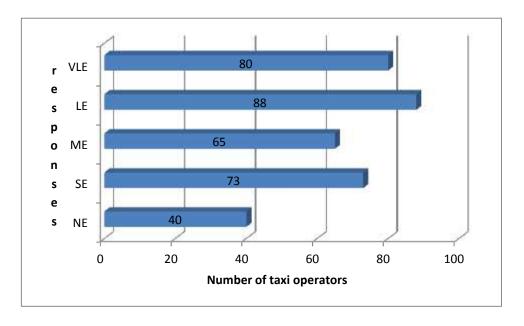
The welfare of employees has to be considered when applying humanistic management philosophy. The way the business treats its employees affects the reputation of the business in the eyes of the society. It is the responsibility of those governing the business to put in place policies which encourage good working conditions of the employees. Figure 20 indicates how the taxi operators rated the working conditions of the taxi employees

The figure 20 indicates that the taxi operators were not proud of their workers' working conditions. The researcher noticed that some drivers worked for more than ten hours a day. They had no time for their families. It affected the social life of those employees.

Corruption is one of the variables which measure the humanistic management ethics of an organisation. If corruption is prevalent in an industry it affects the customers since the cost would be passed on to the customers. The taxi operators accepted that

there was corruption in the taxi industry. Figure 21 indicates the participants' responses to the prevalence of corruption in the taxi industry. Taxi operators indicated that corruption was rampant to a large extent (25%) and very large extent (23%).

There was a high positive correlation coefficient of 0.9 between the taxi operators' response to corruption in the taxi industry and highest education level of informants. Eighty-two percent of those who had been in the industry rated for a longer period rated the existence of corruption between a large extent and very large extent.



Key; NE-no extent; SE-small extent; ME-medium extent; LE-Large extent; VLE-very large extent.

Figure 21: Taxi operators' corruption perception in the taxi industry

Transparency is one of the variables which are vital in determining humanistic management ethics in business. Those who are included in the running of the business should be as transparent as possible. Failure to be transparent may breed mistrust. When asked to rate whether the employees were transparent or not, the taxi operators indicated that transparency was non-existent (No extent 25%), 27 percent small extent, 21 percent medium extent, 15 percent large extent and 12 percent large extent. Such a perception showed that taxi operators do not have faith in their employees. A lack of trust may result in taxi operators not treat their employees

fairly.

Equivalent to transparency are truthfulness and honesty. Those who govern the business should to so truthfully and honestly. Table 32 shows the taxi operators' perception of truthfulness and honesty in the taxi industry.

Table 32: Taxi operators' perception of the existence of truthfulness and honesty.

Response	Number of taxi operators	Percentage
No extent	97	28
Small extent	89	25.7
Medium extent	67	19.4
Large extent	54	15.6
Very large extent	39	11.3
Total	346	100

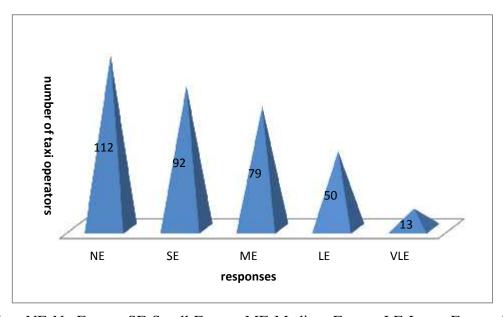
Table 32 shows that the number of taxi operators who believed that truthfulness and honesty exists in the taxi industry decreases as you move from no extent to very large extent. The lack of truthfulness and honesty in the business causes unethical problems. If those who are governing the business cannot do it openly then the stakeholders may not trust that business.

Humanistic management ethics of a business can be measured in terms of the respect for dignity offered to the stakeholders by those who govern the business. The taxi operators indicated that respect for dignity of stakeholders was non-existent. Ninetysix (27.7%) rated respect for dignity no extent, 92 (26.6%) small extent, 73 (21.1%) medium extent, 49 (14.2%) large extent and 36 (10.4%) very large extent.

A code of conduct helps foster ethical conduct. The research enquired from the taxi operators the existence of a code of conduct in the taxi industry. The taxi operators responded that to a very large extent 28.3%, large extent 28.9%, medium extent 19.7%, small extent 12.1% and no extent 11%, code of conduct exists in the taxi industry. The number of taxi operators who accepted that code of conduct exists. The study enquired the enforcement of the code of conduct. The taxi operators rated that

the code of conduct was being enforced. The data indicates that 96 (28%) of the participants rated, to no extent, 83 (24%) small extent, 72 (21%) medium extent, 60 (17%) large extent and 35 (10%). This result shows that even though the code of conduct was there, it was not being enforced.

A correlation coefficient of -0.873 between participants' responses to enforcement of code of conduct and period of ownership was revealed. This indicated that those who had experience in the taxi industry believed that code of conduct was not being enforced. The highest education qualification showed a higher negative correlation coefficient of -0.931 with the taxi operators' responses to enforcing code of conduct.



Key: NE-No Extent; SE-Small Extent; ME-Medium Extent; LE-Large Extent; VLE-Very Large Extent

Figure 22: Extent to which taxi operators can report unethical behaviour

Whistle-blowing is one of the mechanisms of improving ethics in an organisation. The taxi operators indicated that they could not report on another member if he/she commits an offense which affects business. Figure 22 shows the taxi operators' rating of the extent to which they can report on each other. The number of taxi operators who would report on those practising unethical behaviour decrease as one moves from no extent (32%) towards very large extent (4%). Eighty-one percent of the taxi operators above the age of 20 years testified that whistle blowing was

difficult in the taxi industry. The result shows that the taxi operators cannot regulate themselves in terms of humanistic management ethics.

The norms and values of society did not affect the humanistic management ethics practices of the taxi industry. Ninety-seven (28%) and hundred and three (29.8%) participants indicated that norms and values of the society were affected to no extent and a small extent respectively the controlling and directing of the taxi industry. Ninety (26%) believed that to medium extent, 40 (11.6%) large extent and 16 (4.6%) very large extent. There was a negative correlation coefficient of -065 between informants' highest qualifications and their responses to norms and values affecting humanistic management ethics in the taxi industry governance. The data shows the decrease in taxi operators who believes that humanistic management ethics in the taxi industry can be influenced by society's norms and values. Norms and values of the society determine the acceptable standard behaviour which contributes to what is wrong or right in that society.

Humanistic management ethics were not being incorporated in the taxi industry governance. Table 33 shows the taxi operators' perception of the extent to which humanistic management ethics were being considered during governance processes.

Table 33: Humanistic management ethics in taxi industry governance

Responses	Number of taxi operators	Percentage
No Extent	97	28.0
Small Extent	93	26.9
Medium Extent	75	21.7
Large Extent	63	18.2
Very Large Extent	18	5.2
Total	346	100

The number of taxi operators who believed that humanistic management ethics were not being practised increases as one moves from being practised to a very large extent (5.2%) towards no extent (28%).

The study discovered that the taxi operators believed that their personal ethics affect the way they governed their business. Thirty-three (10%) rated to no extent, forty-six (13) small extent, seventy (20%), ninety-two (27%) large extent and one hundred and five (30%) very large extent. The data show an increase in the number of participants who thought that personal ethics influences the way one perceives humanistic management ethics.

### 5.3 Integration of Qualitative and Quantitative Results.

The study used a concurrent triangulation method (mixed method approach) which requires data to be analysed as qualitative and quantitative separately, then integrate the results. This section presented, analysed and discussed findings from both qualitative and quantitative data as an integrated component to improve reliability and validity of the data.

## 5.3.1 Humanistic management Leadership in governance

The quantitative data indicated that the taxi operators understood their leadership roles. The majority (84%) accepted that they understood their leadership roles. Those who were interviewed managed to itemise their leadership roles. The observation revealed that the taxi operators were not exercising their humanistic management leadership roles regardless of knowing them.

Failure to practise humanistic management leadership roles was exposed when the majority (55.2%) of the taxi operators revealed that they were not society change agents. The participants were of the opinion that business and society were different entities which must not be mixed. The results showed that the taxi operators were surrendering their leadership roles to the taxi association regardless of knowing what was expected of them.

Although the taxi operators were practising Ubuntu principles at their homes, they were not doing it in the business. They separated business from society. This caused the taxi operators not to practise humanistic management leadership. The taxi operators who were interviewed argued that the business principles should reflect economic views.

The participants were divided on the view of attending to stakeholders' grievances, with 49.1percent asserting that they attend promptly to the grievances while 48.3 percent testifying that they were not doing enough. This division was also noticed among the taxi operators interviewed. The results of the observation revealed that the taxi operators were not attending to the stakeholder grievances but they were aware that they were supposed to improve in that respect.

The taxi operators (63.6%) were of the belief that they were not accountable to the community. This data correlate with the views of the participants interviewed who argued that society had nothing to do with their businesses accountability. The study revealed, through observation, that taxi operators were careless about being accountable to society. This affected them as leaders who must practise humanistic management leadership.

Fifty-four percent were of the idea that there was no need to respect the dignity of the stakeholders. This perception of those interviewed who argued that business involves arm's-length transaction and not respecting dignity. They perceived respect for dignity as a thing which may cost them money. The observations showed that the stakeholders who include taxi drivers and commuters were not respected by the taxi operators. The taxi operators viewed them as tools which must be used to achieve their short-term profit maximisation objectives.

The taxi operators, as leaders, were divided, approximately into half, on the issue of respecting the culture of the community. Fifty percent believed that there was no need to respect the culture of the community against 49.4 percent who attested to supporting the community's culture. The interviewed participants were of the view that business has its own culture hence there is no need to consider the community culture. The results from observations indicate that the taxi operators differentiate between business culture and community culture. When taxi operators were not at their businesses, they followed society culture but when it comes to governance they did not follow society's culture.

The taxi industry had no performance evaluation. Eighty-three percent of the participants testified to that. The taxi operators were concerned with the taxi drivers

cashing the agreed minimum amount per day. They could not evaluate the behaviour of the taxi drivers towards customers. They surrendered that role to the taxi association. The participants (91.3%) indicated that the taxi leaders were not monitoring and controlling their employees' behaviour.

Ninety percent of the participants answered that the taxi leaders did not care about the needs of the community. The observed activities revealed that the taxi operators only cared about their self interests. The study found that, through the interviews, the taxi operators believed that the community should take care of itself, and not be supported by the taxi business. The taxi business had to prioritise things which increases returns to its owner.

The qualities of humanistic management leaders were investigated. The taxi operators (87.44%) did not believe that a leader should formulate strategies that benefit community. The taxi operators reasoned that any strategies which benefit the community affect the profitability of the business. The taxi industry business had a small capital base which cannot support society.

The taxi business had no obligation to be transparent to society in the way in which they operated. Sixty-three percent supported that idea. Taxi operators saw no reason why they had to reveal their business secrets to society in the name of transparency. Observing the behaviour and attitudes of taxi operators confirmed that they hide their governance processes from the community. Other taxi operators (59%) revealed that taxi leaders were not honest in their governing. The observed participants showed that taxi leaders try all means to unethically maximise profit. Taxi operators' faithfulness and truthiness were questionable, 77.5 percent of the participants confirmed that.

Data revealed that the taxi leadership was not including stakeholders in decision making. The participants (60.1%) confirmed that incorporating stakeholders' views was non-existent. They didn't even consider the effects of their decisions on the community (88.7%). The taxi operators interviewed posit that it was not their responsibility to rope in stakeholders in decision making or considering the effects of the decision on community. According to taxi operators the businesses had to make

decisions which maximise profit for it to survive. The stakeholders should look after themselves.

The participants (88.7%) accepted that the codes of conduct exist in the taxi industry. Those who were interviewed testified that the codes of conduct also exist. The codes of conduct were observed during the study. The study noted that the codes of conduct were drawn up by the taxi associations. However, enforcing those codes of conduct was a challenge.

The taxi associations and taxi operators were using the autocratic leadership and laissez-faire styles, respectively. These compromised their humanistic management leadership roles.

# 5.3.2 Humanistic management strategy in governance

Humanistic management strategy formulation contributes to humanistic management philosophy in governance of a business. Both qualitative and quantitative data revealed that the involvement of the stakeholders in strategic formulation was problematic. Eighty-one percent of the participants were of a belief that taxi operators do not involve stakeholders in strategic formulation. This was supported by those taxi operators who were interviewed who argued that there was no need to involve outsiders in the strategic formulation. The researcher observed that the taxi associations which were responsible for strategic formulation did not have stakeholder representatives.

There were contradictions between participants who were interviewed and those who answered the questionnaire on the view of using Ubuntu principles in strategic formulation. Of those who answered the questionnaire, 78 percent conceded that Ubuntu principles were being applied whilst those interviewed opposed the idea. The observations revealed that Ubuntu principles were not being applied in the strategic formulation but individual taxi operators were practising Ubuntu at home but not at their businesses.

There was no evidence to support that the taxi operators value the welfare of the stakeholders when formulating strategies. This was supported by 72.5 percent of the

participants. The observations showed that the taxi operators believed that it was expensive to include things which improve the welfare of stakeholders.

The participants were divided on the issue of delegating strategic formulation, with 43.2 percent accepting and 43.3 percent rejecting. The situation on the ground showed that taxi drivers had autonomy in strategy formulation. The taxi association also formulated strategies but the individual taxi operators did nothing. It can be argued that the taxi operators delegated the responsibility to the taxi association and taxi drivers. The taxi operators were also divided on the group strategy formulation, with 43 percent not accepting and 41 percent accepting. The taxi operators and taxi drivers as individuals were not making groups to formulate strategies but individual taxi associations were formulating strategies. Interaction between taxi associations was not good; there were taxi wars instead of working together.

When it comes to humanistic management strategic implementation, again the taxi operators were found wanting. Participants (78%) were of the view that there was no use of implementing stakeholders' views. The study revealed that the taxi operators welcomed the views from the stakeholders, but they were not represented and afraid to air their views. Stakeholders like commuters were afraid of the taxi operators and taxi drivers. Society was excluded in the strategic implementation.

Implementing humanistic management strategy improves the competitive advantage of the business through legitimate acknowledgement by the stakeholders. Taxi operators (80.9%) were not implementing humanistic management strategies which make for competitive advantage. The taxi associations resort to violence instead of business strategies.

Implementation of humanistic management safety strategies were a challenge. The taxi operators did not having enough capital for implementing the safety strategies since they were operating on hand-to-mouth basis. Participants (49.1%) testified that the taxi operators could not implement safety strategies. This endangered the lives of the commuters. The other taxi operators (47.4%) believed that safety strategies were being implemented. The observations indicated that taxi operators were not taking minimum safety precautions.

Supporting each other in the implementation of the humanistic management strategies improves the reputation of the business. The taxi operators (66.4%) indicated that they were not supporting each other. Although the taxi associations were formulating strategies, they were not supportive at the implementation stage. This caused the taxi drivers to violate stakeholders' dignity in the process.

Implementation of change which benefits the take stakeholders improves the reputation of the business in the eyes of society. The majority of the informants (43%) pointed out that taxi operators were not implementing change. The participants argued that change which only benefits the business, not society, must be implemented. Their view was that society must look after itself.

Humanistic management strategies need to be evaluated regularly. The participants (57.8%) were of the view that it was a waste of time to sit down and evaluate strategies. There was no evidence to reveal that strategies were being evaluated. The taxi association meetings never discussed the evaluation of humanistic management strategies.

Feedback was not forthcoming from the stakeholders. Seventy-one percent of the taxi operators confirmed that feedback was not coming from stakeholders. The observations showed that there was victimisation of stakeholders who dare to report the taxi drivers or taxi operators. Some stakeholders who tried to report lost their lives in the process.

The observations revealed that there were no instruments to monitor and control the performance of the employees in the taxi industry. These instruments could have provided necessary feedback to the taxi associations and taxi operators. The taxi operators (72.2%) were of the same view. The taxi operators defended the position saying that it was beyond their financial reach to put in place monitoring and controlling mechanism as a form of evaluating workers' behaviour and performance.

The majority (85.5%) of the taxi operators were against government control. Whenever the local authority tried to put in place some control mechanism, the taxi operators went on strike against it. Government is deemed serving the interests of the

people hence; its involvement may improve humanistic management strategies of the taxi industry.

## **5.3.3** Humanistic management culture in governance

Humanistic management culture plays a pivotal role in the cultivation of humanistic management philosophy in governance. In this section, the qualitative and quantitative findings on humanistic management culture are integrated.

Culture is based on the way human beings do certain things. The participants (75.1%) indicated that African rituals were being practised in taxi industry. The taxi operators explained that it was a form of informing and thanking the ancestors and God for the way their businesses were running. The investigations revealed that even those who believed in Christian values were doing these rituals. The rituals were being done at an individual level. These values and beliefs have great influence on one's views of humanistic management philosophy.

Language has influence on culture. The taxi operators (58%) confirm the existence of a a language specific to the taxi industry, that is, different from society's language. The taxi industry language includes both sign and verbal language. The language was used to convey the taxi industry culture.

The taxi operators (77.2%) confirmed that community culture did not affect taxi industry culture. The observations revealed that individuals change their behavioural culture when they join the taxi industry, especially the young employees. The taxi operators defended the taxi industry saying that they develop their culture in order to survive the competition from other transport competitors, like bus transport companies.

Participants (93%) unanimously pointed out that the taxi industry culture was not acceptable in the community. The findings indicates that the taxi industry culture demean stakeholders thereby affecting their dignity. The taxi operators interviewed defended it by claiming that it is their unique strategy.

Taxi operators (80.6%) agreed that interdependence between society and taxi industry culture was not familiar. Society was not prepared to learn from the taxi

industry culture. This affected the reputation of the taxi industry in the eyes of the stakeholders.

The study revealed that 61.6 percent of the participants indicated that culture of accountability was not familiar in the taxi industry. The taxi association did not want to be accountable to stakeholders in any respect. This was also due to their poor transparency culture, rated not familiar (70.2% of participants). An organisation which is not transparent in its governing is bound to abuse the stakeholders. The taxi operators were secretive in the way they directed and controlled their businesses.

Businesses which encourage humanistic management philosophy in their governance foster the spirit of trust and togetherness among their stakeholders. The informants (89.3%) rated the spirit of trust and togetherness not familiar in the taxi industry. The taxi associations did not trust each other and continuously engaged in fights in which many were lost.

The informants (78.3%) were of the view that respect for the dignity of the stakeholders was not familiar in the taxi industry. The taxi operators only respect their self-interests of maximising profit at the expense of stakeholders. They cared less for building good humanistic management culture which can be emulated by society.

#### 5.3.4 Humanistic management ethics in governance

The humanistic management philosophy in governance hinges on governance ethics. Ethics being what is right or wrong, determines the way business treat stakeholders. The stakeholders judge the reputation of the business based on the ethical behaviour of that business. In this section, the qualitative and quantitative findings on the humanistic management ethics in governance are integrated.

The taxi operators were required to rate the extent to which their governance ethics conform to humanistic management ethics standards. Fifty-five percent of the participants accepted that the humanistic management ethics were non-existent to a very large extent. Observing the taxi operators, the study found out that they cut corners to make quick money at the expense of their stakeholders. They justify

unethical practices as a survival strategy.

Although 51percent indicated that customer care exists to a large extent in the taxi industry, the observations revealed a different scenario. Unfair practises were rampant in the taxi industry. For example, high taxi-fares for short distances, prohibiting competition, intimidating and sabotaging competitors, failure to service taxis and so on. This affected the welfare of the commuters to a large extent. The taxi drivers worked long hours which affected their families and other stakeholders like commuters and other road users. Fifty-five percent of the taxi operators agreed that the working conditions of taxi drivers were bad.

Corruption and fraud were prevalent in the taxi industry. The participants rated to a large extent (48%) the existence of corruption and fraud. Taxi driver practised corruption in order to meet the required money per day. Corruption and fraud caused transparency to be non-existent (rated 52% no extent) in the taxi industry. The taxi operators did not want to reveal their operations because of the poor governance ethics. The unethical business practices breed dishonesty in the taxi industry governance. Taxi operators indicated that respecting the dignity of stakeholders was not practised to a large extent (54.3% of participants).

Participants (57.7%) attested to the existence of the ethical code of conduct for the taxi operators. However, the taxi operators (52%) revealed that it was not being enforced. The taxi operators and taxi drivers intimidated commuters who wanted to report them to the taxi associations.

Norms and values of the society determine the ethical values of that community. Taxi operators agreed that to no extent (57.8%) the taxi industry could incorporate the values and norms of the community. Taxi operators believed that the business governance was different from society operations; hence there was no need to integrate the values and norms of these two.

## **5.4 Summary of the chapter**

The chapter was divided into three sections, namely, qualitative data analysis, quantitative data analysis, and integration of qualitative and quantitative results.

The data collected through interviews and observations was analysed. The qualitative data was coded under the headings humanistic management leadership, humanistic management strategy, humanistic management culture and humanistic management ethics. The analysis revealed that humanistic management leadership roles, responsibilities and qualities were lacking in the taxi industry. This had led to the stagnation of the industry. The decisions made by taxi industry leaders when governing were based on economic concerns, not on humanistic management philosophy. The society did not legitimise the operations of the taxi industry but they do not have options. The taxi operators' views indicated a lack of humanistic management strategy. The study revealed that humanistic management strategy vision was non-existent. The taxi industry was trying to enforce its non-humanistic management culture on the society. The reputation of the taxi industry leaves a lot to be desired.

The quantitative analysis of the participants' perception was done using SPSS version 20. The study used descriptive statistics to describe the taxi operators' perceptions. The data was grouped into humanistic management leadership, humanistic management strategy, humanistic management culture and humanistic management ethics. The results indicated that application of humanistic management philosophy in taxi industry governance was a challenge for the stakeholders.

The last section integrated the results of qualitative and quantitative analysis. The figures from quantitative results were explained by the narratives of qualitative results thereby increasing the reliability and validity of the findings. Integrated findings conclude that humanistic management philosophy in taxi industry was not being practised.

## **CHAPTER SIX**

### **DISCUSSION**

#### **6.0 Introduction**

In this chapter, the findings from chapter five are discussed. The discussion is grouped into four sections derived from the research objectives, namely, humanistic management leadership in governance, humanistic management strategy in governance, humanistic management culture in governance, and humanistic management ethics in governance. The chapter ends with the summary which highlights key points discussed.

## 6.1. Humanistic management leadership in governance

The King III Report (2009) and King IV Draft Report (2016) outlines the roles and responsibilities of a leader who can be regarded as following the humanistic management philosophy. In a Similarly way, Eustace (2013) outlines the principles of a humanistic management leader as, firstly, respecting the dignity of others. Secondly, a leader should create group solidarity. Thirdly, the leader should cultivate team spirit in his/her followers. Fourthly, he should provide a service to others. Fifthly, he should promote interdependence and connectedness among group members, and lastly, he should possess the power of persuasion. Afolabi and Akindele (2013) recommend that roles and responsibilities be aligned to humanistic management leadership theories.

The study conducted found that the taxi operators understood their humanistic management leadership roles and responsibilities. They managed to itemise them as, firstly, to foster a spirit of togetherness; secondly, to work together with society in decision-making processes; thirdly, to create conducive environment for business to work and thrive, and lastly, to offer affordable services to the community. These roles and responsibilities were similar to those recommended by the King III Report (2009), Eustace (2013) and King IV Draft Report (2016). The results also revealed that the taxi operators knew these roles and responsibilities but they did not practise them. The taxi industry leadership failed to institute their roles and responsibilities

which resulted in society not legitimising the taxi industry operations. Mele (2013) asserts that when the leadership fails to perform their roles and responsibilities which respect the dignity of the community, business is likely not to be legitimised by the society.

The study undertaken by Osei (2015) reveals that humanistic management leaders apply servant leadership theory principles which perceive a leader as a role model, who serves the community, respects human dignity, and mentors and coaches followers to become future leaders. The view is supported by Yukl (2010, 2013) and Keskes (2014).

The results of this study indicated that taxi operators were not interested in taking a leading role in the issues of society. They regarded the taxi industry as separate from society issues. Ncama, et al. (2013) state that taxi operators regard themselves as separate from society and want to be on their own. This caused the taxi operators to be considered as outcasts in society, which affected their business operations.

The accountability of leaders to the stakeholders is the cornerstone of humanistic management leadership (Pirson & von Kimakowitz, 2014). The King III Report (2009) and King IV Draft Report (2016) emphasise the need for businesses to be accountable to stakeholders. Govender (2003, 2014a & 2014b) assert that the failure of the taxi industry leadership to be accountable to the commuters has resulted in poor service delivery. This indicates the correlation between leadership accountability and humanistic management leadership.

The results of this study indicate that the taxi leadership were not accountable to their stakeholders. The inference is that humanistic management leadership is lacking, and this result in the wellbeing of the commuters. In African society, a leader is expected to be answerable to the community. Mbigi (1997) argues that a leader becomes a leader because of the presence of people. For the leader to become humanistic, he/she has to work with others, as shown in the Collective Five Finger theory of Mbigi (1997). This analysis, by Mbigi (1997), shows that the taxi operators do not qualify to be humanistic management leaders since they do not incorporate society which constitutes the important factor.

Pirson and Lawrence (2010) and McNamara (2013) mention respect for the dignity of stakeholders as a quality of a humanistic management leader. The humanistic management leader is expected to encourage the business to practice humanistic management philosophy, which respects the dignity of human beings. Schoeman (2012) and Atiti (2013) explain that in African humanism, the leader should respect others for him to be respected. South African taxi operators are expected to follow African humanism which respects the dignity of people.

The findings indicate that the taxi operators did not respect the dignity of the stakeholders, for example, failure to improve working conditions of employees, in their failure to control the behaviour of the taxi drivers towards commuters, failure to incorporate members of the society in their leadership structures like the Taxi Association. The taxi operators also admitted that as leaders they were not doing enough to respect the dignity of the stakeholders. Mele (2009) argues that failure to respect the dignity of the stakeholders by the business leaders can result in society retaliating. This may explain why the Taxi industry fails to grow.

Culture is a key factor when applying a humanistic management philosophy. Society feels honoured and respected if the business leadership incorporates the cultural principles of the community in the business governance. Mohamed (2011) argues that application of a humanistic management philosophy becomes complete if the leaders respect the culture of the society. It is impossible to respect the dignity of a person without respecting his/her culture. The Ubuntu principles explain the South African cultural principles and how a leader should handle his/her subordinates' culture (Komba & Vermaak, 2012; Schoeman, 2012; Shrivastava, *et al.*, 2014)

The research undertaken indicates that the taxi operators did not respect the culture of the community in which they conducted their business. Instead, the taxi industry developed their own taxi industry culture which was not accepted by the community. These findings show that the taxi industry leadership did not apply a humanistic management philosophy in their governance of the taxi industry. Applying these findings to Mohammed's (2011) assertion indicates that if the taxi industry leadership does not respect the culture of the community then they do not respect the

dignity of the people. The taxi industry leadership behaviour did not exemplify South African humanism (Ubuntuism), therefore, did not qualify to be labelled humanistic management leadership.

Performance evaluation helps the humanistic management leaders to get feedback on the business governance. The findings showed that the taxi operators were not applying performance evaluations to their employees, hence failed to understand what was going on in the industry. This resulted in the taxi industry employees violating the dignity of the taxi industry stakeholders. The behaviour of the taxi industry employees, especially, the taxi drivers, affected the reputation of the industry in the eyes of the stakeholders. Ubuntu principles encourage the leadership to hold meetings with stakeholders and iron out differences until a solution is found (Shrivastava, *et al.*, 2014). Through regular meetings with stakeholders, the taxi operators could evaluate the performance of their employees.

Mele (2013) asserts that the community legitimise the operations of the business. The business obtains its licence to operate from the society failure to do so results in business failing the humanistic management test. In African society, leaders should work together for the betterment of the community (Cameron & Quinn, 2011). The study results indicate that the taxi industry leadership were egocentric and only considered their personal wellbeing at the expense of the community. The taxi operators, as leaders, could have worked hand-in-hand with the community leaders to improve the welfare of the people.

The King III Report (2009) and King IV Draft Report (2016) highlights that transparency is at the heart of good governance. Good governance incorporates humanistic management philosophy principles (Pirson & Turnbull, 2011). A business should be transparent to its stakeholders. The stakeholders of the taxi industry includes the community, hence the taxi industry should be transparent to the community. The results of the study showed that the taxi industry leadership were not willing to be transparent to the community. They viewed transparency as selling their business secrets to other people who have nothing to do with them. The failure by taxi operators to be transparent to stakeholders cultivated an environment of

mistrust. This caused the stakeholders to illegitimatise the taxi industry operations. African humanism advocates openness, solidarity, compassion and empathy, and these principles come with being transparent and honesty to stakeholders as leaders (Martins, 2013).

Humanistic management leadership involves making decisions which are beneficial to the welfare of the community (Spitzeck, 2011). Governance involves making decision which affects the stakeholders (Fernando, 2011). Humanistic management leadership in governance incorporates decisions which highly regard the dignity of the community in which the business operates. Ubuntu advocates the involvement of the stakeholders by the leadership in decision making (Sigger, *et al.*, 2010; Mashele, 2012), which Mbigi (1997) called the Collective Five Finger Theory.

The results of this study indicated that the taxi operators did not include the stakeholders in decision-making. The taxi industry leadership did not consider the effects of their decisions on the community. Their decisions were based on profit-maximisation objectives and sustainability of their businesses. This was not in line with what Spitzeck (2011) recommends that humanistic management leadership should do. Taxi operators as leaders operating in the African environment were supposed to apply Mbigi's (1997) Collective Five Finger Theory, which is, working together with the community for better decisions which incorporate society's views. Failure by the taxi operators to apply Ubuntu values in their governance decision-making cause the society to disregard the taxi industry business.

Leadership styles applied in an organisation indicate whether the business leadership is applying a humanistic management philosophy in its governance or not. Myeni (2010) grouped leadership theories as transactional or transformational leadership styles. Pirson and Von Kimakowitz (2014) regard transformational leadership styles as humanistic, for example, the Servant leadership and neo-charismatic approach, just to mention a few. On the other end of inhuman leadership styles is autocratic leadership style, which is the worst style of leadership and is regarded as neglecting the needs of the followers and disregarding the dignity of the people's dignity (Mele, 2009). Ubuntu advocates the transformational leadership style which incorporates the

views of the majority (Mashele, 2012).

The taxi industry leadership used the autocratic leadership style which did not regard the welfare of the employees and the community. Their leadership style was based on transactional issues to the detriment of human beings. The taxi industry leadership had not used the transformational leadership approach as recommended by Pirson and Von Kimakowitz (2014). The taxi association dictated what must be done without consulting the stakeholders. They coerced the taxi operators into being involved in the taxi wars instead of educating and coaching taxi operators on competitive-business-strategies. The leadership style was based on personal interests not the interest of the stakeholders like employees, commuters, community, and so on. The African leadership style advocates democracy and involvement of those who are affected by the decisions or rulings to be made (Eustace, 2013). The Taxi Association leadership was not in-line with the African way of leadership (Ubuntu leadership) as described by Khoza (1994) and Eustace (2013). The taxi industry is dominated by African leaders who are supposed to understand Ubuntu principles and the value of Ubuntu leadership relating to the humanistic management leadership principles of governance.

#### **6.2** Humanistic management strategy in governance

The success of any business governance hinges on good strategic formulation (Nickols, 2012). Commenting on the strategic formulation in the taxi industry service provision, Govender (2013) articulates that the stakeholders are not happy with the way taxi operators formulate strategies in the provision of transport service to the people. For a strategy formulation process to be humanistic, it has to involve the stakeholders. Gade (2012) describes Ubuntu strategy formulation as sitting under a tree and discussing issues until a strategic solution is found.

The results from this study indicate that the taxi operators had not involved stakeholders in decision formulation. The Taxi Association, as the strategy formulation board, have no representation from the stakeholders. This has resulted in taxi operators formulating strategies which were unpopular with the stakeholders. These formulated strategies infringe on the dignity of the commuters, employees and

other stakeholders. Govender (2014a; 2014b) highlighted that the strategies formulated by the taxi operators were not favourable and commuters were complaining. The cause of discontentment among stakeholders was due to their non-involvement in strategy formulation. A strategy that does not respect the dignity of the people cannot be humanistic. The African way of strategy formulation is to sit down with stakeholders and discuss until a strategy is agreed upon.

As the taxi operators conduct their business in the African environment, one expects them to apply African humanism to humanistic management strategy formulation, such as the Ubuntu principles. Tukuta, Nkhosa and Rozaiwo (2012) dwell on to a large extent, how governance principles can apply African humanism in strategic formulation process. Khoza (1994) asserts that businesses operating in the African environment should use African theories like Ubuntu for them to be legitimised by society.

The findings from this study indicate that taxi operators do not use African humanism theories like Ubuntu principles in strategy formulation. The taxi operators believed that the business was separate from society; hence, there was no need to apply African theories derived from the community. This was not in line with recommendations of other scholars like Khoza (1994), Tukuta, Nkhosa and Rozaiwo (2012), who discovered that the application of Ubuntu principles in the business may increase its success and sustainability.

The welfare of the stakeholders needs to be catered for when formulating strategies. The study findings showed no evidence of taxi operators' involvement of stakeholders in strategy formulation. Mele (2003; 2009; 2011; 2012; 2013) emphasises the involvement of stakeholders in humanistic management philosophy in governance. Brubaker (2013) supports Mele (2013) that business using African humanism should consider the views of the stakeholders. The taxi operators did not agree with the view of unveiling their strategies to the community. This led to suspicion by the society. The taxi operators defended themselves using the transaction cost of instituting such a mechanism. They were of the view that stakeholders cannot be involved in issues they had no interests in. This was disputed

by Mele (2003) who regarded business as part of the community which must participate in the activities of the society.

Humanistic management strategy formulation encompasses the use of all the available stakeholders in a business (Pirson & Lawrence, 2010). The leaders should delegate duties to the members of the society who may have knowledge of the strategy to be formulated (Sanchez, 2014). Employees need to be given duties so that they feel a sense of ownership towards the strategy.

The findings dispute the delegation of strategy formulation by the taxi operators. Taxi operators surrendered the responsibility of strategy formulation to the taxi association; hence, employees were just used as a means to an end. Pirson and Lawrence (2010) argue that using people as a means to an end affects their morale and performance. Strategies were being imposed on them without their participation in their formulation. If the taxi operators followed Ubuntu principles, everyone was supposed to have a role to play, as recommended by Sigger, *et al.* (2010).

The study shows that the humanistic management implementation was exclusively for the inner circle stakeholders, more particularly the employees. The community members were left out. Lawrence (2010) does not agree with the idea of not involving stakeholders in strategic implementation since it does not lead to humanistic management strategy implementation in governance of the business.

Acquaah (2015) posits that implementing humanistic management strategy in governance improves the competitive advantage of the business. Testing this assertion relating to the taxi drivers produced negative results. The taxi operators did not agree with the competitive environment in the first place. The taxi association engaged in continuous physical violence with anybody who dared to try to compete with their members for the same route. The violence in business was un-African, seeing as that Ubuntu advocates co-existence of people and cultivating the spirit of solidarity and togetherness (Engelbrecht & Kasiram, 2012).

The humanistic management philosophy is based on the need to care for the stakeholders when governing and operating a business (Aktouf & Holford, 2012).

The results indicated that the taxi operators did not care for the welfare of the people when implementing strategies. The way they treated their employees, commuters and other road users showed an uncaring attitude by the taxi operators. The taxi operators were supposed to implement safety measures for their stakeholders. The taxi owners did not even service their vehicles which posed a danger to the welfare of the stakeholders. The behaviour by taxi operators in implementing strategies did not follow the African humanism philosophy. Mashele (2012) describes Ubuntu principles as principles which teach one to be compassionate and have empathy towards fellow human beings.

Sanchez (2014) suggests that for humanistic management strategy implementation to succeed in an organisation, members have to work together and support each other. This strategy implementation was no evident in the taxi industry. The various Taxi associations acted on their own without consultation or help from other taxi associations. At the individual level, taxi operators were not assisting one another in strategy implementation. This had a huge impact on stakeholders, especially, employees and commuters. The Collective Five Finger Theory of Mbigi (1997) advocates collectivism in doing things like strategy implementation. It is unfortunate that the taxi industry dominated by black African people has failed to apply Ubuntu values.

The humanistic management philosophy in governance works hand in glove with change strategy implementation (Abelson, 2010). Change implementation can be viewed in two aspects, namely, change implementation on an individual level, and business level (Pirson & von Kimakowitz, 2014). The current study under research showed that taxi operators were implementing change strategy at the individual level. They did not want to implement change at the business and society level, and that is the change which is regarded as humanistic change. Change implementation which does not help the stakeholders is useless. Ubuntu values do not advocate change implementation strategy if the status quo is sustainable. The Ubuntu values prescribe discussion which leads to change implementation strategy for the betterment of society (Sulamoyo, 2010). The taxi operators failed to do that regardless of them practising Ubuntu values in their personal lives.

According to Sanchez (2014) sustainability and success of a business depends on humanistic management strategy evaluation. Continuous evaluation of humanistic management strategy provides governance direction for the business in terms of respecting the dignity of the stakeholders. The study revealed that taxi operators did not evaluate their strategies. To the taxi operators the strategy evaluation was a waste of time and money. This was disputed by Sulamoyo (2010) who argues that in the African context, Ubuntu principles provide a pillar for strategy evaluation in society. If a strategy does not conform to Ubuntu principles then society sits down under a tree and reviews that strategy to bring harmony and togetherness in the community.

Humanistic management strategy evaluation depends on constant feedback from the stakeholders. The King III Report (2009) and the King IV Draft Report (2016) emphasise the importance of stakeholder inclusivity and constant feedback from them. The study findings indicated that the taxi operators were not facilitating constant feedback from the stakeholders. The taxi industry environment was pregnant with fear and mistrust. Mbigi (1997) refutes such a situation when he describes the African environment as compassionate and peaceful.

The evaluation of performance and behaviour rely on a measurement instrument. For the taxi industry to be able to evaluate its humanistic management philosophy strategies it needs such an instrument. Govender (2013) argues that for the taxi operators to provide good services to commuters, they should have ways of evaluating the behaviour of the taxi drivers and monitor them. The results showed that no such instrument existed in the taxi industry. The taxi operators were of the view that it cost money to implement monitoring and controlling mechanism when governing their business. This impacted negatively on their humanistic management governance. This was contrary to African principles, as described by Pietersen (2005), which advocates instruments like society feedback and platform discussions as a way of evaluating strategy effectiveness.

Government is responsible for the welfare of the people, hence deemed to be applying humanistic management governance (Fernando, 2011). The formalisation of the taxi industry and regulation by the government may bring more accountability

to the taxi operators. However, this view was vehemently rejected by the taxi operators. The taxi owners were of the view that government involvement may bring in more expenses, and rules and regulations which may affect the implementation and evaluation of humanistic management strategies in the taxi industry. The taxi operators denied the existence of a governance structure in society where everything which happens in the community is under the control of community leaders like Chiefs and Indunas (Hauge-Helgestad, 2011).

#### **6.3** Humanistic management culture in governance

The humanistic management philosophy in governance relies on culture, since culture shows how people perceive certain aspects of life. Culture determines what people view as good or bad, and wrong or right, hence respect of the people's dignity may depend on what those people's culture defines as dignity (Memon, 2015).

The study revealed that the taxi operators carried out ritual ceremonies as a way of thanking their ancestors and Gods for blessing them with businesses. This may have a bearing on the way taxi operators practise humanistic management philosophy. The beliefs of the taxi operators on holding these ceremonies can influence the way they control and direct their businesses. This is in line with African humanism, as described by Sikwila (2014), who explains that humanism involve spiritual powers which help society to achieve certain objectives. On the other hand, the results of the study on the behaviour of the taxi operators ran contrary to the African culture and humanism of respecting the stakeholders. Hence, even if the taxi operators believed in supernatural powers, there is no evidence of African humanism being practised in their businesses.

Edeh (2015) posits that culture encompasses norms, values, symbols and language. Language conveys the way people in a certain area do certain things, which is culture. Language helps human beings to explain and communicate their culture from one generation to another. Language also can be used to explain things regarded as wrong or right in a society, it adds humanism to the community. The study indicates that the taxi operators developed their own language divorced from the community language. These results reveal that the taxi industry is distancing

itself from the community it operates in. This has caused the taxi industry to define human dignity in their language which is not acceptable to society. By introducing another culture different from that of the community, the taxi industry operators have caused society to disregard the industry. African humanism accommodates other languages but does not tolerate any culture which undermines African culture (Engelbrecht & Kasiram, 2012). The taxi industry language undermines society's culture; therefore, it causes the taxi industry to be seen as not applying humanistic management culture.

Business and society should have inter-dependency, for the business to be legitimised by the society (Lawrence, 2010). This inter-dependence can be exhibited through sharing of cultural values. The study revealed that the taxi operators disregarded their community culture when controlling and directing their businesses. This affected their humanistic management culture since the respect of the stakeholder dignity in terms of cultural beliefs falls away. The taxi operators defended this tendency on the grounds that it was their competition and branding of the industry. The results also showed that the neither society nor the taxi industry wanted to share its culture which caused a conflict. Instead of finding common ground, as advocated by Ubuntu theory (Mbigi, 1997), the taxi industry and society are reluctant to reach this point. The stand-off negatively affects both society and the taxi industry since mistrust and fear prevails.

The study indicated that accountability, a spirit of togetherness and solidarity, and a spirit of trust were non-existent between the taxi industry and society. This was contrary to Fatoki and Chindoga's (2011) recommendation that for the business to succeed it has to incorporate the culture of the society in which it operates. Khomba and Vermaak (2012) and Atiti (2013) posit that businesses which are operating in the African environment should incorporate Ubuntu values. The King III Report (2009) and King IV Draft Report (2016) have supported adopting stakeholder inclusivity and the Ubuntu theory as a way of adapting to the African environment for businesses. The failure by the taxi operators to work within society's culture makes them fail the humanistic management culture test. It shows that their business philosophy is not based on respecting stakeholders.

Mele (2013) emphasises that respect for the dignity of human kind is at the heart of humanistic management philosophy. The study findings were at invariance with Mele's (2013) assertion. The taxi industry did not believe that in business the dignity of the stakeholders had to be respected but that business should engage in arm's length transactions and serve its own interests. The taxi operators are apathetic about promoting humanistic management culture which would improve their rapport with their society. This is the inverse of what the Ubuntu principles advocate.

#### **6.4.** Humanistic management ethics in governance

The humanistic management ethics discourse plays an important role in humanistic management philosophy in governance. It helps one to understand the philosophical bases of what society regards as right or wrong, and bad or good. Galbraith and Webb (2010) are of the opinion that ethics depends on the location, person and culture. That means, humanistic management ethics philosophy relies also on the location, and norms, values and beliefs of the community. Therefore, any business which needs to apply humanistic management philosophy in governance should understand how society defines its ethics.

The study revealed that the taxi operators rated their standard of humanistic management ethics as very low in the taxi industry. Their explanation was based on sustainability and competitive strategy issues. Dierksmeier (2013) refused to accept the taxi operators' defence on the grounds that unethical practices cannot be justified. Failure to raise the standards of humanistic management ethics negatively affects society in many ways, especially in cost and poor service issues. This was supported by Lee (2011) who points out that as long as business has a short-term objective of maximising profit, which is unethical, the society will suffer.

Customer care contributes to humanistic management ethics, as indicated by Govender's (2003, 2014a & 2014b) research on the taxi industry's provision of services. Although the taxi owners explained that customer care existed in the taxi industry, evidence points to the contrary. The commuters were ill-treated and intimidated with no recourse help. The taxi drivers worked long hours which affected their families and posed a danger to the stakeholders, especially, the commuters and

other road users. Khoza (1994) is of the view that business should ethically regard the dignity of its stakeholders and incorporate policies which promotes respect for human being when governing. Although the taxi operators showed that they were aware of society's expectations, they did not show a willingness to address the unethical conditions in the taxi industry because of benefits derived from the situation.

The humanistic management ethics is measured through the prevalence of issues like corruption, fraud, nepotism, which negatively affects society (Hofielen, von Kimakowitz & Pirson, 2010). The study results showed that corruption and fraud were prevalent in the taxi industry. Corruption and fraud negatively affects society and shows a disregard for humanistic management ethics by the taxi operators. Konyana (2013) argues that disregard of ethics may be caused by the perception of business on what constitute ethics. According to this study, the taxi operators regarded corruption and fraud as sustainability and competitive strategies. Pacquing (2013) asserts that people view ethics different; hence, the taxi operators may view corruption and fraud different. To the taxi operators it may be ethical to cut corners when doing business transactions.

To minimise humanistic management ethics in governance companies put in place a code of conduct (Pirson & Dierksmeir, 2014). A code of conduct prescribes recommended behaviour in certain circumstances and the sanctions given to those who fail to follow those recommendations. The study revealed that a code of conduct exists in the taxi industry. The taxi associations crafted the code of conduct for their members. However, the study also revealed that there was no evidence to show that the code of conduct was being applied and enforced in the taxi industry. This was contrary to African humanism (Ubuntu) which advocates caring, sharing, respect, compassion, unity, negotiation, tolerance and understanding (Khomba & Kangaude-Ulaya, 2013). Taxi operators, as black Africans operating in an African environment, were supposed to adhere to the code of conduct which improves humanistic management ethics.

Nkambule and Govender (2014) concur with the findings of this study when they

point out that the taxi operators do not follow any rules and regulations. If the taxi operators fail to follow their own rules and regulations, then obeying the norms and values of society becomes a challenge. The results of this study also indicated that the taxi operators were unethically operating and not following the norms and values of society.

# **6.5** Summary of the chapter

In conclusion, views from different scholars do not agree with the views of the taxi operators. The results indicated that the taxi industry has a long way to go in the application of humanistic management leadership. Although the taxi industry leaders understand their humanistic management leadership roles and responsibilities, they do not practise them. The taxi operators were far from acquiring qualities of humanistic management leadership. The study also established that humanistic management strategies were not being formulated, implemented and evaluated by the taxi operators. The taxi operators' philosophy of humanistic management ethics were at variance with the ideal ethics as recommended by various scholars. As a result, the study established that the taxi operators operated unethically and violated the dignity of the stakeholders. The study also revealed that for one to understand humanistic management leadership, humanistic management strategy and humanistic management ethics one should understand the humanistic management culture. The study indicated that the taxi operators were not practising humanistic management culture regardless of them being black Africans operating in South Africa.

#### **CHAPTER SEVEN**

# SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

#### 7.1 Introduction

This chapter presents a summary of the study. It provides a conclusion on findings, research questions, discussion on models and methodology. Finally, it makes some recommendations and proposes an alternative model of humanistic management philosophy in governance.

# 7.2 Summary of the research findings

The purpose of the study was to explore humanistic management philosophy in governance with specific reference to the minibus taxi industry in Port Shepstone, KwaZulu-Natal. The mini-bus taxi industry has the potential to create employment, increase the Gross Domestic Product of the country and release society from the jaws of poverty. The mini-bus taxi industry transport 65 percent of the commuters in South Africa and 95 percent of these commuters are poor. The mini-bus taxi industry has improved the accessibility to remote areas in South Africa. The taxi industry is 100 percent owned by black South Africans, making it the only industry which has achieved the Broad Black Based Economic Empowerment objectives without the intervention of the government. However, only a few studies have looked at the governance issues in this taxi industry.

The assertions above have prompted this study the purpose of which was to explore humanistic management philosophy in governance with specific reference to the mini-bus taxi industry in Port Shepstone, KwaZulu-Natal. The summary of the findings organised under the research themes extracted from the research questions enabled direct focus and connectedness of insights and inferences. The section also touches on a humanistic management governance model. The methodology used in the study is also justified to show its appropriateness before final recommendations and conclusions of the study are made. The chapter proceeds to present a summary of contributions that add to new knowledge.

Humanistic management leadership plays a significant role in governance of a business. Findings from the study indicated that the taxi operators understood their humanistic management leadership roles and responsibilities. The challenges were found in the practice of the humanistic management leadership roles and responsibilities. The study further revealed that regardless of the taxi operators coming from society where Ubuntu principles are practised, they did not incorporate these principles in the governance of their taxi businesses. This created challenges on accountability, trust, compassion and integrity on the part of the taxi owners.

The sustainability and success of a business hinges on formulation, implementation and evaluation of humanistic management strategies in governance. The study indicated that there was no evidence to support that the taxi operators were formulating, implementing and evaluating humanistic management strategies when governing their businesses. The absence of humanistic management strategies promote violence, intimidation and mistrust within the taxi industry. The taxi operators did not incorporate their African way of life into the governance of their businesses which created conflict between the community and the taxi industry. This led to society not legitimising the taxi industry.

The way business views what is right or wrong, and bad or good affects the reputation of the business in the eyes of society. The study showed that the taxi operators did not understand humanistic management ethics in governance. They believed that business had a right to behave in a manner that promoted its economic objective regardless of violating the dignity of society. This created a stand-off between the community and the taxi owners resulting in the taxi industry having a bad reputation.

The humanistic management culture creates a better environment for the business to operate in, if it is practised correctly. This study revealed that the taxi industry had created its own culture which was looked down upon by society. Regardless of the taxi industry being dominated by black South Africans who practise Ubuntu principles in their communities, the taxi owners had created an unacceptable culture which was far from being a humanistic management culture. The results also showed

that if a humanistic management culture can be adopted in governance by taxi owners, the taxi industry may gain stakeholder confidence and boost its success.

#### 7.3 The main findings

The main findings of the study will be summarized as follows: humanistic management leadership in governance, humanistic management strategy in governance, humanistic management ethics in governance and humanistic management culture in governance.

## 7.3.1. Humanistic management leadership in governance

Leadership plays a significant role and has great responsibilities in the governance of an organisation. The study revealed that in the taxi industry the taxi owners had various roles and responsibilities. The taxi operators were able to identify humanistic management leadership roles and responsibilities but they did not put these roles and responsibilities into practice. The study also revealed that the taxi owners surrendered their leadership roles and responsibilities to the taxi association. Stakeholders were not represented in the taxi association.

Humanistic management leadership is based on leaders who consider the welfare of the stakeholders. The study revealed that the taxi operators were not concerned with the welfare of the stakeholders, but concerned with their economic objective of maximising profit. The grievances of the stakeholders were not addressed. The spirit of togetherness and solidarity was lacking between taxi industry and the community.

The study indicated that the taxi association did not provide business coaching, mentoring or training to the taxi operators who were struggling to manage their businesses. The taxi operators used traditional accounting systems which left them vulnerable to system abuse by the employees. Internal controls were non-existent in the taxi business. This resulted in financial leakages in the business and the taxi operators passed on the costs to the innocent commuters.

The study indicated that as leaders of the business, the taxi owners were not providing strategic vision for the business. This role was surrendered to the taxi association which provided a fit-all approach. This resulted in taxi operators being

forced to implement decisions they were not comfortable with. The study also showed that the lack of leadership vision and direction resulted in employees and stakeholders suffering.

The Agency relationship existed between the taxi operators and taxi drivers. However, the principals (taxi operators) failed to institute governance principles in their agents (taxi drivers). This caused many challenges. Firstly, corruption and fraud was rampant in the taxi industry. Secondly, the taxi drivers worked long and unhealthy hours posing risk to commuters, their families and other road users. Thirdly, drivers did not maintain their vehicles in order to maximise profit for their principals (taxi operators). Fourthly, taxi drivers were reckless in approaching their work, exposing the lives of the commuters and other road users to great danger.

Humanistic management leadership styles used by the leaders of an organisation determine their humanistic management philosophy in governance. The study indicated that the taxi association used an autocratic approach to leadership. On the other hand, the taxi operators adopted a laissez-fair approach. These leadership styles are a far-cry from recommended humanistic leadership styles. This challenge created a platform of confrontation between the taxi leadership and the stakeholders. The study revealed that the reason behind taxi owners adopting the laissez-fair approach was that they surrendered their leadership roles and responsibilities to the taxi association. This created a governance leadership vacuum with regard to leadership of the taxi employees.

The study revealed that taxi operators were reluctant to take a leadership role in the community activities. The taxi operators were not prepared to be change agents for the community. Being change agents was going to promote humanistic management leadership, since the taxi leaders were going to interact with the community. Failure to be change agents clouds the community's perspective of taxi operators.

An organisation requires quality humanistic management leaders for it to be legitimised by society and become sustainable. The taxi operators were able to identify the qualities of humanistic management leadership. The study showed that the taxi operators failed to satisfy qualities of a humanistic management leader. This

was also revealed through the way taxi operators treated their employees and commuters.

Interaction between stakeholders and business leaders promote humanistic management. The study revealed that the taxi leaders were not prepared to listen to the community. According to the taxi leaders, society had nothing to offer except demands which might be costly to the taxi industry. This created mistrust between society and taxi leadership.

The study revealed that the taxi operators had a collective spirit but it was wrongly used. The taxi operators were coerced to engage in taxi wars because of the collective spirit. This was against the right kind of collective spirit as advocated by the Ubuntu principles. The findings showed that the taxi leaders did not adhere to Ubuntu principle but instituted principles based on economism. This created ethical problems between the community and the taxi leadership.

The results also showed that the decisions which were made by the taxi owners affected society. The taxi leadership failed to initiate the process of engaging stakeholders in the decision-making process. Although the taxi operators accepted that their decisions were affected in a way by their background and upbringing, no evidence existed that related their behaviour to African humanism which is the philosophy of the South African community.

Paying special attention to the needs of the stakeholders shows the humanistic management philosophy in governance of the organisation leaders. The results showed that taxi operators did not want to pay attention to the needs of the community. This caused to society to view the taxi industry as consisting of people who are interested in using the community to gain returns without giving back to the community.

The study revealed that the taxi operators had a perception that they were not doing enough to be honest and truthful in the way they were governing their businesses. Humanistic management leaders are expected to be open, honest, caring, trust-worth and truthful in their governance. This created a problem because the community had

no faith with the way the taxi operators were governing their businesses.

Humanistic management leadership can be influenced by the environment (nature/nurture controversy). Evidence from this study points to the contrary with regard to the issue of leadership behaviour in the taxi industry. Regardless of the taxi operators doing their business in the African environment, they were influenced by economic factors rather than social factors (humanism) in their governance. This posed a challenge to the taxi industry's respect and regard for human dignity. The study showed that taxi leadership were egocentric and selfish.

#### 7.3.2. Humanistic management strategy in governance

Humanistic management strategy implementation, formulation and evaluation make up the corner stone of humanistic management philosophy in governance. The study revealed that the taxi operators formulated strategies through their taxi associations although they did not render them in black and white. The strategies were based on competitive advantage and resources mobilisation. According to evidence from this study, the strategies were collectively formulated and implemented. This created a challenge of the one-size-fit-all approach, which does not work in certain businesses depending on the implementors' approach.

Group strategy formulation may help the business to benefit from the input of the various facets of the industry. The study revealed that taxi operators felt that sometimes the group strategies did not suit their business and they face operational challenge as a result thereof.

Collaboration and collectivism are the major principles of African communities. The study indicates that the taxi operators did not want their businesses to be part of the community. As a result this caused society to view the taxi industry with suspicion.

The study revealed that strategy formulation was a strongly guarded secret without involving the stakeholders. The taxi associations were afraid to lose their game-plans to competitors. Secretly formulating strategies takes away the humanistic management strategy sense from the strategy formulation. This posed the problem of not receiving diverse views from the stakeholders.

The study showed that the taxi operators did not care about receiving ideas from society. This caused the taxi associations to formulate strategies which did not respect the dignity of the community. When the community's dignity is not respected the people retaliate by not legitimising the taxi industry. The rapport between taxi operators and people from society suffered.

When the strategies are formulated they need to be implemented. In the taxi industry the taxi drivers were in charge of implementing strategies formulated by the taxi association. This left the taxi operators as spectators in their business operations. Evidence from the study indicated that the taxi operators were not worried by the scenario of being left-out in the strategy governance equation. This was contrary to stakeholder inclusivity where every stakeholder has to play a role in the humanistic management strategy.

Competitive strategy implementation improves the viability and sustainability of the business. The study revealed that the taxi operators were not implementing competitive strategies. They believed in a monopolistic view where they were not supposed to compete.

This can explain why they ended up physically fighting other competitors resulting in so called "taxi wars". This caused a challenge to the stakeholders because they were not benefiting from competition and their right of choice was violated.

The study revealed that the taxi operators were willing to involve all stakeholders in strategy implementation. Since the taxi operators were not even included in the strategy decision process, it was of no use for them to require the other stakeholders to be included. They were supposed to be included first before they called other stakeholders. The study indicated that roping in other stakeholders at the strategy implementation was too late. The strategy formulated would not include other stakeholders' input. The study implicitly showed that the taxi operators were not comfortable society taking an active role in strategy implementation, but instead were comfortable with just informing the community. This created a challenge of implementing strategic decisions which affected society. For example, taxi drivers implemented the strategy of allocating fewer taxis to a certain route resulting in

commuter delays.

The study also revealed that the taxi operators were of the view that the absence of community in strategy process did not make the strategy less humanistic. However, the evidence showed that it was difficult, if not impossible, for a business to apply the humanistic management strategy without involving the stakeholders.

The study indicated that the taxi operators did not take safety measures. Failure to take safety measures exposed the stakeholders to great risk. The taxi operators were supposed to take safety measure as part of their humanistic management strategy for the benefit of the stakeholders.

A business which applies humanistic management philosophy in governance needs to get feedback and evaluate its strategies. The study revealed that the taxi operators obtained feedback from the taxi drivers. A challenge was created when the taxi drivers provided feedback which did not reveal their bad behaviour. The study revealed that the taxi operators were expecting the stakeholders to complain to the taxi association but there was enough evidence to show that the environment did not permit the stakeholders to report.

The perception of the taxi operators plays a significant role in humanistic management strategy evaluation. The study indicated that the taxi operators were not prepared to side with society in the event that a conflict between business and society arose. This posed a challenge that even if the community were to report their grievances, the taxi operators would take the business side which is based on monetary value, not on humanitarian values.

Delegation of duties and responsibilities encompasses some of the principles of humanistic management philosophy in governance. The taxi operators were not prepared to delegate their duties, due to the fact that, they surrendered the governance of the taxi industry to the taxi association. This caused the taxi operators to do some things which they did not have knowledge of.

For the humanistic management strategy evaluation to be effective it needs to be transparent and the stakeholders have to know who is accountable. The study showed

that it was difficult to understand who was accountable between taxi operators and the taxi association. This created the challenge that the stakeholders were not sure who to approach when providing feedback which might be valuable in humanistic management strategy evaluation.

The South African government has a responsibility and role to look after its citizens; hence it applies humanistic management philosophy in the way it governs. The study showed that the taxi operators were reluctant to be controlled and guided by the government; therefore the strategies of the taxi operators were not evaluated by any other authority in the country.

#### 7.3.3 Humanistic management ethics in governance

Humanistic management ethics guides the business in their humanistic management philosophy endeavours in governance. It creates order and certainty in the way the business is controlled and directed. One of the instruments used in humanistic management ethics in governance is a code of conduct. The code of conduct stipulates the expected behaviour in the industry. The study showed that the taxi industry had a code of conduct drafted by the taxi associations. The contents of the code of conducts depend on the taxi association. This posed the challenge that not all codes of conduct addressed the issues which affect society.

The study also revealed that the enforcement of the code of conducts was non-existent. There were no modalities on the application of the code of conducts. The whistleblowers were not being protected from the offenders. This created the problem of the strict code of conducts being reduced to useless papers.

There were no codes of conduct which governed the taxi associations. The taxi operators had no problems with that since they regarded the taxi associations as beyond reproach. The scenario posed a challenge that the taxi associations were violating the dignity and rights of the commuters, and there was no instrument to measure their abuse of the stakeholders.

Community norm, values and beliefs influence humanistic management ethics. It therefore means that humanistic management ethics differs from person to person,

and depends on the location. The study revealed that taxi industry humanistic management ethics were not influenced by society regardless of the taxi operators coming from that community. The norms, values and beliefs of the community did not determine what was wrong or right in the taxi industry. This caused problems for society because what they regarded as ethics issues differed from the taxi operators' views of ethics.

To add insult to injury, the taxi operators blamed society for the behaviour of some of the taxi drivers. They argued that the South African black society was experiencing unethical behaviour and these young taxi drivers were being influenced by that. Nobody was prepared to take the blame for the unethical behaviour being exhibited by the taxi drivers. Taxi operators were of the view that it was a small section of rotten apples (taxi drivers) that spoilt the reputation of the taxi industry.

The study revealed that corruption and fraud were rampant in the taxi industry. The taxi operators took it as a cost-reduction strategy. The ethical implications of such behaviour were not considered by the taxi operators. This created a challenge of passing on the costs of corruption and fraud to the commuters.

Technology can improve the application of humanistic management ethics in the governance of the business. Technology increases the efficiency and effectiveness of providing the stakeholders' services, thereby reducing waiting time and costs. The study revealed that the taxi vehicles were fitted with two-way radios which helped the taxi drivers to communicate. Results showed that these radios were used to inform taxi drivers of stations where they could pick commuters. Conversely, the radios were also used to communicate where the traffic policemen/women were stationed. This created the problem of the taxi vehicles, not being inspected by the traffic policemen/women.

The study showed that the taxi industry had no other mechanisms in place to check their application of humanistic management ethics, besides the codes of conducts which were not enforced. Relying on one mechanism posed a challenge that if it fails to work people do not have an alternative. The findings showed that the taxi industry provided a service to the poor South Africans which no other transport industry did. The taxi industry's humanistic management ethics were boosted by help they extended to the school children, people with disabilities and the elderly. They provided door-to-door services at a reduced cost to these people.

# 7.3.4 Humanistic management culture in governance.

The humanistic management culture provides a vehicle through which humanistic management philosophy in governance can be achieved. Humanistic management leadership, humanistic management strategy and humanistic management ethics all rely on humanistic management culture.

The study indicated that South African communities practised the African humanism culture (Ubuntu). Taxi operators also believed in African humanism. The findings revealed that the taxi operators believed in supernatural powers which helped them to govern their businesses. The taxi operators, at an individual level, carried out rituals to appease their ancestors or Gods for success in business. This created a problem where the taxi operators were reluctant to take business governance training, as they believed that supernatural powers would look after their businesses. Taxi operators' perception of humanistic management culture in governance was influenced by this belief.

The business culture is usually influenced by the culture and vision of the founder/owner of the business. The study indicated that the taxi operators believed that their businesses followed their cultural beliefs. The taxi associations governed the businesses, not the taxi operators. The findings revealed that the taxi operators' and taxi drivers' cultural beliefs were violated by the taxi associations' governance system. The businesses were forced to operate against their cultural belief, for example, operating on a Sunday when the Christian values of the taxi operator did not allow working on such a day.

Language provides a media through which humanistic management culture can be conveyed. The study showed that the taxi industry developed its own language to convey their own messages. Society was forced to adopt such a language. This

created a conflict between the language of society and the taxi industry language. The community argues that the taxi industry language was rude and derogatory to the commuters and other stakeholders. On the other hand, the data revealed that the taxi language, especially the sign language, was useful in making it easier for the taxi drivers and commuters to communicate without delaying other commuters.

The study also revealed that humanistic management culture was an essential component of humanistic management philosophy in governance. Humanistic management culture provided means and ways of explaining complex situation like retrenchment without stressing the individual.

Like humanistic management ethics, the discourse on whether humanistic management culture can be influenced by environment or society was pertinent in this study. This study did not give conclusive results on whether humanistic management culture in governance was influenced by society. However, one can infer that since the taxi industry created its own culture therefore humanistic management culture of the taxi industry is not influenced by community culture. This may cause conflict between the taxi industry and society, and failure by taxi industry to adapt to the society's culture may be regarded as being rebellious.

The humanistic management culture bases its principles on solidarity, compassionate, togetherness, sharing and empathy. The study showed that the taxi operators as a group did not offer a hand to society's cultural activities but did so in their individual capacities. This created the perception that those who did not offer their help were regarded renegades in society.

Findings revealed that the taxi operators and taxi associations disregarded the rights and dignity of the employees in the cultural sphere. Employees were being forced to do things against their cultural beliefs. This created an atmosphere where the employees were not motivated to work and as a result disregarded the dignity of other stakeholders. The taxi industry was not accommodating of other cultures when governing, regardless of South Africa being a rainbow nation with various cultures.

The study revealed that the commuters did not accept the taxi industry culture. The

culture prevailing in the taxi industry denigrated commuters and did not respect the community. This created the challenge that given an alternative means of transport, the commuters are likely to use it.

# 7.4 Humanistic management philosophy in governance in terms of Ubuntu Theory

This study has contributed to new knowledge in the sense that it has explored the humanistic management philosophy in governance using the Ubuntu theory as a theoretical framework. Literature on humanistic management philosophy in governance viewed using the lens of Ubuntu theory is scarce, as discussed in chapter two and chapter three, respectively. Previous studies have concentrated on corporate governance. This study contributed knowledge on how the humanistic management philosophy in governance can be applied. The involvement of society as stakeholders in governance was highlighted.

The findings from this study provide a platform on which business and society can find each other. The business needs to be legitimised by society and society requires quality services and products. The humanistic management philosophy encourages the business to engage the society in a win-win situation which promotes sustainability and success of the business. The taxi industry has to incorporate the community norms, values and beliefs in its governance for it to reap great rewards. This is what Mbigi (1995) called the Collective Five Finger Theory, as discussed in Chapter three. Mbigi (1995) argues that one finger cannot crush aphids, it needs the help of other fingers, meaning that business alone without the involvement of society cannot survive.

The findings attest to Ubuntu principles, which are survival, compassion, solidarity, dignity and respect. Humanistic management leaders have to be compassionate, and have to safeguard the dignity of society and respect the norms, values and beliefs of the community when making governance decisions. When performing their roles and responsibilities, humanistic management leaders are expected to involve society (spirit of solidarity) and this would enable the business to survive.

The results also indicated that humanistic management strategy requires the taxi

industry to respect and consider the dignity of society when formulating, implementing and evaluating the strategies. Involvement of stakeholders in humanistic management strategy formulation, implementation and evaluation mitigate challenges which maybe faced by the taxi industry. The survival of the taxi industry depends on the application of humanistic management strategies in governance which make the stakeholders appreciate the efforts of the taxi operators. The results showed that taxi industry cannot survive if society feels that they are left out and taxi operators govern their businesses like rebels.

The findings revealed that humanistic management ethics in governance relies on the Ubuntu principles. The taxi operators had to incorporate the Ubuntu principles when drafting their codes of conduct. This would make taxi industry ethics fall in line with the humanistic ethics of society and create harmony between society and the taxi industry. This would also create harmony among various taxi associations which were constantly involved in physical confrontations.

The Ubuntu theory relates to the findings on humanistic management culture in governance. The humanistic management culture of the taxi industry should incorporate the spirit of solidarity, spirit of compassion, spirit of respect, spirit of survival and spirit of considering the dignity of society. The results showed that the taxi industry experienced many challenges because of not harnessing the rich African culture of humanism (Ubuntuism) in the governance of their businesses.

# 7.5. Conclusion

The findings indicated that taxi operators did not practise humanistic management leadership regardless of their community's rich humanism culture which promote humanistic management philosophy in governance. The taxi operators showed that they understood the principles of humanistic management leadership, but did not follow them since they had economic objectives. The study showed that autocratic and laissez-fair leadership styles were used which do not show application of humanistic management philosophy in governance.

The results indicated that formulation, implementation and evaluation of the

humanistic management strategies in governance were non-existent. The taxi operators did not formulate, implement or evaluate strategies but taxi associations prescribed what the taxi operators had to do. The study revealed that not all taxi operators were comfortable with taxi associations' prescription of strategies. The strategies did not yield results because the other stakeholders, like commuters, were not involved. Hence, the taxi industry was not legitimised by society.

The study showed that humanistic management ethics were a challenge. Corruption, fraud, nepotism and so on were prevalent in the industry. Respect and consideration of community dignity were lacking. Technology was unethically used, regardless of the noble idea of installing radios on the vehicles for the benefit of commuters. The use of Technology in Taxi industry in other countries like Japan, United Kingdom, America, and so on, had been proved to improve humanistic management ethics of the industry. Employees were not fairly treated in the taxi industry which affected their families, commuters and other road users.

The humanistic management culture was not being practised in the taxi industry. The study revealed that the taxi operators developed their own culture when governing which was not in line with the Ubuntu culture of the community. The taxi operators, as individuals, accommodated humanistic management culture but applied a different culture in the governance of the taxi industry. This caused conflict between community and taxi industry.

The study showed that humanistic management philosophy in governance needs realignment in the taxi industry. The study put forward recommendations and suggested a model as explained in the next section.

# 7. 6 Recommendations

Based on the research findings above, the study makes the following recommendations:

**7.6.1** The taxi operators indicated that they understood their humanistic management leadership roles and responsibilities but do not apply them. The study recommends that the government should hold workshops with the taxi operators educating them

on the significance of applying humanistic management leadership when governing. This may help the taxi operators to appreciate humanistic management philosophy in governance and apply it for the benefit of the stakeholders.

- **7.6.2** The findings revealed that taxi leaders did not involve the community in governance. The study recommends that the taxi association should have stakeholders' representatives who have the interests of society and other stakeholders. This will eliminate conflict between taxi operators and stakeholders.
- **7.6.3** The study revealed that the working conditions of the taxi drivers were not healthy and posed risk to other stakeholders. The study recommends that the taxi leadership should draft a human resource policy which is in line with humanistic management philosophy. This would improve the safety of stakeholders.
- **7.6.4** The findings revealed that the taxi leadership did not take part in society's activities and this caused society to regard taxi leadership with suspicion. The study recommends that taxi leadership should integrate Ubuntu principles in their governance. This will improve reputation of the taxi industry.
- **7.6.5** The humanistic management strategy was not being implemented in ways which promote a humanistic management philosophy when governing. The study recommends that strategy formulation, implementation and evaluation should involve all stakeholders for transparency and accountability purposes. There must be clear duties on who does what to avoid conflict. This would improve the way business regards and respects dignity of the people.
- **7.6.6** Findings revealed that taxi industry lacked competitive strategies. The study recommends that the taxi association should coach, mentor and train their members on competitive strategies. This would enable the taxi operators to offer competitive services, not resort to violence when faced with stiff competition. Formulation, implementation and evaluation of humanistic management competitive strategies would give taxi operators insight into the humanistic management philosophy
- **7.6.7** The taxi operators were not seriously regarding safety of the stakeholders. This study recommends that the taxi association should assist the taxi operators to institute

and maintain safety measures. The humanistic management philosophy in governance is seen by the business as emphasising the welfare and dignity of the stakeholders.

**7.6.8** Taxi industry strategies were formulated, implemented and evaluation with the profit-maximisation economic objective. The study recommends that when formulating, implementing and evaluating a strategy, the businesses should take cognisance of the society's governance principles which prevail in the environment which they operate. Taxi operators should apply Ubuntu principles in strategy formulation, implementation and evaluation since they are operating in South African environment. This will create spirit of solidarity and togetherness between taxi industry and the community which leads to business sustainability.

**7.6.9.** The taxi operators had codes of conducts, but failed to apply them. The study recommends that the taxi association and taxi operators need workshops and training on how to enforce codes of conduct. Government and the corporate world can help with workshops and training on how to enforce code of conduct. The codes of conducts should stipulate the grievance procedure and how it protects whistleblowers and those who raise grievances.

**7.6.10** Taxi operators did not consider the norms, values and beliefs of society. The study recommends that the taxi industry should engage society and other stakeholders on the ethical practices prevalent in the area which taxi owners operate. These suggestions by stakeholders on ethics maybe incorporate in the codes of conducts.

**7.6.11** Findings indicated that corruption and fraud were rampant in the taxi industry. The study recommends that the taxi operators, taxi associations, taxi drivers and other taxi stakeholders should work hand-in-hand with the police to curb corruption and fraud. Suggestion boxes should be placed at strategic places where the stakeholders could access them without interference from would-be perpetrators. Whistleblowers should be protected against offenders.

**7.6.12** Use of Technology had been identified as causing challenges in the taxi

industry when the taxi drivers used two-way radios to avoid traffic officers. The study recommends that all two-way radios should also be connected to a command centre which may be monitored by independent stakeholders like the police service and community. Every minibus taxi would be encouraged to have the two-way-radio; this would make it easier for the traffic police to monitor the taxis.

**7.6.13** Findings indicated that there was cultural conflict between society and the taxi industry. The study recommends that the taxi operators and taxi industry should engage the community in cultural developments. The taxi drivers and taxi operators should take part in community cultural activities so that they understand the environment they are operating in.

**7.6.14** The taxi industry developed its own language which created misunderstanding between society and taxi drivers. Society labelled the language as unacceptable. The study recommends that the taxi industry should incorporate society in language development. There should be sanctions to anyone found abusing the language agreed upon between community and taxi owners.

**7.6.15** Findings indicated that there was no culture dissemination from the old taxi operators or taxi drivers to young taxi operators or taxi drivers. This had created a challenge were both parts failed to take cognisance of each other's culture. The study recommends that taxi association must hold workshops with taxi operators educating them on culture integration and accommodation in the business. In turn, the taxi operators have to educate their employees to tolerate other cultures.

#### 7.7 New suggested Model

This study explores humanistic management philosophy in governance with specific reference to the taxi industry in Port Shepstone, KwaZulu-Natal. The research has identified issues relating to humanistic management philosophy in the taxi industry governance. According to this study, humanistic management philosophy in taxi industry governance is lacking in Port Shepstone taxis. Although taxi operators belong to taxi associations, this does not help the application of humanistic management philosophy in the governance of taxi business.

After a thorough analysis of the findings of the study, coupled with a review of literature on humanistic management philosophy in governance of the taxi industry, a model was proposed, indicated on Table 34. The model can be applied to any business.

Table 34: Humanistic management philosophy in governance model

Concept/ Factor	Sub-concepts/Factors	Explanation/Description
1.Humanistic management leadership	Humanistic management leadership roles and responsibilities	<ul> <li>Mobilises resources for the benefit of both business and community.</li> <li>Provides long-term vision for the business incorporating society values and principles.</li> <li>Protector of business and stakeholders' interests.</li> <li>Mentor, coach and trainer of business values and principles derived from society's principles and values.</li> <li>Fostering spirit of solidarity and togetherness between business and stakeholders.</li> <li>Stand for justice.</li> <li>Guard the long term sustainability and survival of the business for the benefit of stakeholders.</li> </ul>
	Humanistic management leadership qualities  Humanistic management leadership styles	<ul> <li>Compassionate, caring and peace loving.</li> <li>Good communicator.</li> <li>Have respect and regard for dignity of stakeholders.</li> <li>Role model who leads by example.</li> <li>Unifier</li> <li>Servant leadership.</li> <li>Stakeholder inclusive approach.</li> <li>Democratic approach.</li> <li>Transformational leadership styles.</li> </ul>
Humanistic management	Humanistic management strategy	Stakeholder inclusive strategy formulation approach.

strategy	formulation	<ul> <li>Society driven strategic formulation approach.</li> <li>Humanistic bias in strategy formulation.</li> </ul>
	Humanistic management strategy implementation  Humanistic management strategy	<ul> <li>Stakeholder inclusive strategy formulation.</li> <li>Society driven implementation approach.</li> <li>Stakeholder inclusive strategy evaluation.</li> </ul>
2.Humanistic management ethics	evaluation  Humanistic  management individual  ethics	<ul> <li>Society based feedback.</li> <li>Respect and regard for dignity of human beings.</li> <li>Cultivate good society norms, values and beliefs in one's business.</li> <li>Transparent, honesty, truthful and accountable to the stakeholders.</li> </ul>
	Humanistic management business ethics	<ul> <li>Business becomes part of society in terms of ethics.</li> <li>Integrate society's ethics and business ethics for the benefit of stakeholders.</li> <li>Protects whistleblowers.</li> <li>Stakeholder inclusive approach in code of conduct formulation and implementation.</li> </ul>
	Humanistic management society ethics	<ul> <li>Society should be a pillar on which business relies on in terms of ethics.</li> <li>Business should get support from the society.</li> <li>Business becomes a component of society in terms of ethics.</li> <li>Business incorporates society's principles in code of conduct.</li> </ul>
3.Humanistic management culture	Humanistic management individual culture	<ul> <li>Aligning individual culture to the culture of the business.</li> <li>Involvement of individuals in the business culture formulation.</li> <li>Individual cultures to be respected by the business.</li> <li>Includes culture issues in the code of conduct.</li> </ul>

Humanistic management business culture	<ul> <li>Stakeholder inclusive approach in culture formation and dissemination.</li> <li>Business culture to incorporate the norms, values and beliefs of society.</li> <li>Business should participate in society's cultural activities and vice versa.</li> <li>Business associations should provide cultural education programmes to their members.</li> </ul>
Humanistic	Society culture should be the
management society	foundation of business culture.
culture	<ul> <li>Society should exhibit good cultural values and principles so that business emulates society.</li> <li>Society should not tolerate bad culture, even it is done by the</li> </ul>
	business.
	<ul> <li>Governance principles should be derived from community cultural principles.</li> </ul>

# 7.8 Suggestions for future studies

The study aimed at exploring humanistic management philosophy in governance with specific reference to taxi industry. This was confined to taxi industry; therefore, other research needs to be conducted using a different business/industry. What applies in taxi industry may not apply in construction businesses, for example.

The study highlighted the issue of spiritual humanism which exists in African societies. The correlation of spiritual humanism and business sustainability can be investigated further.

Humanistic management issues on human resources were not deeply investigated in this study. Other studies can explore humanistic management philosophy in human resource governance. The issue of remuneration governance and how it affects the welfare of stakeholders need further investigation.

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## **APPENDICES**

### **APPENDEX A: Ethical Clearnce Letter**



MANAGEMENT SCIENCES: FACULTY RESEARCH ETHICS COMMITTEE (FREC)

24 April 2015

Student No: 21451610 FREC No:15/1SFREC

Dear Mr. K Zvitambo

DOCTORATE DEGREE IN TECHNOLOGY: BUSINESS ADMINISTRATION

TITLE: EXPLORING HUMANISTIC MANAGEMENT PHILOSOPHY IN TAXI INDUSTRY

GOVERNANCE IN

KWAZULU-NATAL: A CASE STUDY OF MINIBUS-TAXI INDUSTRY IN PORT

SHEPSTONE

Please be advised that the FREC Committee has reviewed your proposal and the following decision was made: Ethical Level 1 -Full Approval

Approval has been granted for a period of one year, after which you are required to apply for safety monitoring and annual recertification. Please use the form located at the Faculty. This form must be submitted to the FREC at least 3 months before the ethics approval for the study expires.

Any adverse events [serious or minor] which occur in connection with this study and/or which may alter its ethical consideration must be reported to the FREC according to the FREC SOP's.

Please note that ANY amendments in the approved proposal require the approval of the FREC as outlined in the FREC SOP's.

Yours Sincerely

@m»~/

ProfN Dorasamy//
FREC: Chairperson

## **APPENDEX B: Research Editor's Declaration**

I Professor P Mswali declare that I edited and critically read this doctoral thesis. For any quiries, direct them to the contacts indicated below.

Prof Mswali P.

Green Publications Pvt Ltd

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## **APPENDEX C: Letter of Introduction to respondents**



Faculty of Management Sciences

Department of Public Management & Economics

May 2015

Dear Participant

I am a student at Durban University of Technology doing Doctorate of Technology in Business Administration. I would like to include you in my research study. I therefore ask for your permission to include you in the study. The data gathered from the interview, questionnaire and observation will be confidential. Your name or description will not appear on the final report. Nobody will have access to the data during the course of the study.

My research title is: Exploring humanistic Management Philosophy in Governance: A case study of Port Shepstone Minibus-Taxi industry in KwaZulu-Natal.

Thank you in advance for your cooperation.

Yours faithfully

Kudakwashe Zvitambo (Student)

Email: <u>zvitamboh@yahoo.com</u>

Cell: 083 884 1365

Dr. Mudaly, V. (PhD) (Promoter)

Email: mudalyv@ukzn.ac.za

## APPENDEX D: QUESTIONNAIRE

TITLE: Exploring Humanistic Management Philosophy in Governance: A case of Port Shepstone minibus-taxi industry in KwaZulu-Natal Province.

This questionnaire is divided into 5 sections:

- 1. Section 1 deals with the Humanistic Management Strategy on the Taxi Industry Governance.
- 2. Section 2 deals with the Humanistic Management culture on Taxi Industry Governance.
- 3. Section 3 deals with Humanistic Management leadership on Taxi Industry Governance.
- 4. Section 4 deals with Humanistic Management ethics on Taxi Industry Governance.
- 5. Section 5 deals with basic personal information about yourself and the taxi business.

Please be assured that your responses are confidential and will be only used for research purposes only.

Please indicate your response (in all sections) by marking the appropriate box with either a cross "X".

#### Section 1

The questions below relate to strategies when controlling and directing taxi business. Please rate how strongly you agree or disagree with each of the following statements by placing a cross "X" in the appropriate box.

SD –Strongly Disagree; DA – Disagree; N – Neutral; A – Agree; SA – Strongly Agree

Statement/Questions relating to taxi industry strategies when controlling and directing	SD	DA	N	A	SA
business.					
1.1.Taxi operators involve society in strategic	1	2	3	4	5
decision making when controlling and		_		-	
directing their businesses					
1.2.Taxi operators implement strategies and	1	2	3	4	5
views of the society when controlling and					
directing business					
1.3.Taxi operators include ubuntu in their	1	2	3	4	5
strategies					
1.4.Strategies take into consideration the welfare	1	2	3	4	5

of the commuters.					
1.5.Taxi operators maintain their vehicles for the	1	2	3	4	5
safety of commuters.	1	2	2	4	_
1.6.Taxi operators work together as a group.	1	2	3	4	5
1.7.Taxi operators support one another	1	2	3	4	5
1.8.Taxi operators implement competitive strategies when controlling and directing their businesses	1	2	3	4	5
1.9. Taxi operators allow drivers to make their own strategic decisions.	1	2	3	4	5
1.10. Taxi operators believe that taxi industry should be regulated by the government		2	3	4	5
1.11. Taxi operators use group decision strategy (strategic formulated by the group)	1	2	3	4	5
1.12. Commuters are consulted when taxi fare are considered	1	2	3	4	5
1.13. Services of taxis are monitored and controlled to eradicate accidents	1	2	3	4	5
1.14. Operators implement business strategic change	1	2	3	4	5
1.15. The activities of the taxi business are verified to check if they are not affecting society.	1	2	3	4	5

The following are statements regarding how culture affects people when controlling and directing taxi business. Please rate how familiar these culture issues are and place a cross "X" in the appropriate box.

NAF-Not All familiar; NTF-Not Too Familiar; NS-Not Sure; SF-Somewhat Familiar; VF-very familiar

Statement/Questions relating to your organisation		NTF	NS	SF	VF
2.1. Taxi industry has its own language	1	2	3	4	5
2.2. Taxi operators carry ritual ceremonies	1	2	3	4	5
2.3. Taxi operators instil culture of oneness in	1	2	3	4	5
employees					
2.4. Taxi operators trust their employees	1	2	3	4	5
2.5. Taxi fare are reasonable according to the	1	2	3	4	5
distance of the commuter					
2.6. There is culture of openness in the taxi	1	2	3	4	5
industry					
2.7. Ubuntu culture is practised in taxi industry.	1	2	3	4	5
2.8. Brotherly or sisterly love exists among taxi	1	2	3	4	5

industry stakeholders					
2.9. Taxi operators depend on one another.	1	2	4	5	6
2.10. Differences are discussed until solution 1		2	3	4	5
found.					
2.11. Taxi industry employees respect	1	2	3	4	5
commuters					
2.12. Taxi operators take into consideration	1	2	3	4	5
culture of the area they operate.					
2.13. Societal culture affects the directing and	1	2	3	4	5
controlling of taxi business.					
	1	2	3	4	5
2.14. Taxi industry culture affects the					
community when directing and controlling the					
business					
2.15. There is a culture of interdependence	1	2	3	4	5
between society and taxi industry.					
2.16. The taxi operators have the culture of	1	2	3	4	5
accountability to the society.					
	1	2	3	4	5
2.17. There is transparency culture in the		_			
activities of the taxi operators to the community.					
2.18. Trust culture exists between society and	1	2	3	4	5
taxi industry operators					
2.19. Community regards taxi business culture as	1	2	3	4	5
part of the community culture					
2.20. Taxi operators respect the dignity of the	1	2	3	4	5
commuters					

The following statements are regarding how leadership affects people when controlling and directing taxi industry. Please rate how strongly you agree or disagree with each of the following statements by placing a cross "X" in the appropriate box.

SD - Strongly disagree; DA -disagree;  $N-Neutral;\,A-Agree;\,SA-Strong\,Agree$ 

Statement/Questions relating to effects of	SD	DA	N	A	SA
leadership on people when controlling and					
directing taxi business					

3.1. Leaders of taxis formulate strategies which also benefit community	1	2	3	4	5
3.2. The leaders identify opportunities and threats of the business which also benefit society	1	2	3	4	5
3.3. The taxi leadership implement strategies which benefit the commuters	1	2	3	4	5
3.4. The taxi leadership consider societal views when making decisions	1	2	3	4	5
3.5. The taxi leaders consider effects of their decisions on the community.	1	2	3	4	5
3.6. The leaders are good at establishing systems to monitor, evaluate and control the implementation strategies which benefit society.	1	2	3	4	5
3.7. Leadership pay attention to the needs of the commuters and other stakeholders.	1	2	3	4	5
3.8. Leaders in taxi industry evaluate the performance of their drivers and other workers.	1	2	3	4	5
3.9. Taxi operators understand their leadership role in the taxi business.	1	2	3	4	5
3.10. Taxi leadership can accept change which benefit community	1	2	3	4	5
3.11. Leaders respect the culture of the community	1	2	3	4	5
3.12. Leaders practice ubuntu.	1	2	3	4	5
3.13. Leaders handle complaints from commuters promptly	1	2	3	4	5
3.14. Taxi leaders are accountable to the community	1	2	3	4	5
3.15. Taxi leaders respect the dignity of their customers when controlling and directing their businesses	1	2	3	4	5
3.16. Taxi leaders are transparent in their ways of controlling and directing their business.	1	2	3	4	5
3.17. Taxi leaders honestly carry out their controlling and directing activities.	1	2	3	4	5
3.18. Taxi leaders faithfully and truthfully carry out their controlling and directing activities	1	2	3	4	5
3.19. Taxi leaders have code of conduct	1	2	3	4	5
3.20. Taxi leaders practice good ethics when controlling and governing their businesses	1	2	3	4	5

The following statements are regarding to what extent can human ethics influence the controlling and governing of taxi business? Please indicate your response to the following statements by placing a cross "X" in the appropriate box.

NE–No Extent; SE–Small Extent; ME–Moderate Extent; LE–Large Extent; VLE–Very Large Extent

Factors that affect taxi industry ethics of	NE	SE	ME	LE	VLE
directing and controlling	1	2	2	4	
4.1. Do taxi operators provide ethical services to	1	2	3	4	5
the commuters?					
4.2. Do taxi operators care for their customers	1	2	3	4	5
when directing and controlling their businesses?					
4.3. When directing and controlling the taxi	1	2	3	4	5
industry, do the taxi operators consider the					
effects of taxis on environment and people?					
4.4. The taxi industry charge reasonable taxi	1	2	3	4	5
fares and make minimum profit.					
4.5. Taxi operators consider the welfare of the	1	2	3	4	5
commuters when directing and controlling.					
4.6. Taxi operators respect the dignity of the	1	2	3	4	5
commuters by repairing of seats, windows and					
other parts of the taxis.					
4.7. Employees' working conditions are	1	2	3	4	5
considered for example, drivers get enough rest,					
well paid, right of association etc					
4.8. There is corruption in taxi industry, e.g.	1	2	3	4	5
bribing the traffic police officers.					
4.9. Employees are transparent in their	1	2	3	4	5
operations e.g. employees declare all the fares					
collected.					
4.10. Truthfulness and honesty prevail in taxi	1	2	3	4	5
industry e.g. Employees tell the truth to the taxi					
operators.					
4.11. There is trust and respect in taxi industry	1	2	3	4	5
(Taxi operators trust each other.)					
4.12. Respect and dignity exist in taxi industry	1	2	3	4	5
(Taxi operators respect commuters' dignity)					
4.13. Taxi operators respect society, e.g. taxi	1	2	3	4	5
operators respects other road users.					
4.14. There is a Code of Conduct in taxi industry	1	2	3	4	5
(Taxi operators regulate themselves?)					
4.15. Taxi operator can report another taxi	1	2	3	4	5
operator.					

4.16. The norm and values of the society affect	1	2	3	4	5
taxi business operations					
4.17. The community can affect the taxi industry	1	2	3	4	5
controlling and directing.					
4.18. Personal ethics of the taxi operator can	1	2	3	4	5
affect the controlling and directing of the					
business.					
4.19. Taxi industry enforces code of conduct	1	2	3	4	5
4.20. Taxi industry incorporates the ethical	1	2	3	4	5
values of the society in their businesses					

Section 5 deals with basic personal information about yourself. Please indicate your response to the following statements by placing a cross "X" in the appropriate box.

# 5.1. How long have you been operating taxis?

5.1.1.	5 years and below	
5.1.2.	6 to 10 years	
5.1.3.	11-15 years	
5.1.4.	16-20 years	
5.1.5.	21 years and above	

# 5.2. How old are you?

5.2.1.	20 years and below	
5.2.2.	21 to 40 years	
5.2.3.	41 to 60 years	
5.2.4.	Above 60 years	

# 5.3. What is your gender?

5.3.1.	Female	
5.3.2.	Male	

# 5.4. What is your highest educational qualification?

5.4.1.	Doctorate degree	
5.4.2.	Masters degree	
5.4.3.	Honours	
	degree/professional	

	qualification	
5.4.4.	First degree/diploma	
5.4.5.	Std 6/grade 12 and	
	below	

# 5.5. What cause you to start the taxi business?

5.5.1. To provide transport to the	
community	
5.5.2. To get income from the business	
in order to survive	
5.5.3. To create wealth for oneself	
5.5.4. To create employment	

# 5.6. Who owns the business?

5.6.1 Family owned	
5.6.2. Individual owned	
5.6.3. other, specify	

# 5.7. Should you wish to receive a copy of the research findings, please provide your details?

Name:			
Address			

Thank you for taking the time to complete this questionnaire and for your contribution to this study.

#### APPENDEX E: INTERVIEW SCHEDULE

Title: Exploring humanistic management philosophy in Governance: A case of Port Shepstone minibus-taxi industry in KwaZulu Natal Province.

#### A. PRE-INTERVIEW ACTIVITIES

**Participant consent**: The researcher introduces himself and explains the purpose of both the study and interview. The participant is informed of her/his rights to withdraw from the study at any point due to any reason he/she seems deem fit. There are no consequences for withdrawing from the interview.

**Setting the Voice Recorder**: The researcher informs the participant that the interview will be recorded. The interviewer requests the consent of the interviewee to be recorded and promise to make him/her the recorded interview. During the setting of the recorder, the researcher discuses general issues with the participant in order to make him/her feel comfortable.

#### **B. INTERVIEW**

Questions: These are guiding questions; the researcher will probe further for deeper explanations.

- 1. Can you explain the business strategies of taxi businesses use?
- 2. Are the taxi operators having the ability to run the taxi business?
- 3. How do you evaluate the impact of decisions made by taxi operators on taxi industry operations?
- 4. Does the spirit of Ubuntu exist in the taxi industry?
- 5. How do taxi operators implement their strategic decisions?
- 6. Do taxi operators incorporate culture in their businesses?
- 7. How the spirit of ubuntu does assist the taxi operators to provide good services to the community?
- 8. How does the spirit of ubuntu help the taxi operators to make business decisions which affect the society?
- 9. Analyse how the taxi business culture affect the taxi industry customers.
- 10. Can you explain how the taxi operator can balance between making profit and offering affordable services to the society?
- 11. When considering ubuntu principles, how do taxi operators develop taxi industry culture?
- 12. What measures the taxi operators can put in place to control the operation of the business so that it benefits society?
- 13. What leadership qualities should a taxi operator have and how do they help him or her to run the business?
- 14. How do leadership qualities of taxi industry governance affect the society in which it operates?
- 15. What are the effects of leadership qualities on the decision making in taxi industry governance?

- 16. What can be done by leadership in taxi industry to incorporate ubuntu Theory in the operation of their business?
- 17. What are the expected business ethics in taxi industry?
- 18. How do African values and norms affect taxi business ethics?
- 19. Why African taxi industry should consider ethics when running their businesses?
- 20. How do business ethics in taxi industry affect the society in which it operates?

## C. POST INTERVIEW ACTIVITIES

**Playing the recorded Interview**: Interview recorded will be played while both researcher and participant listening. The researcher will ask for the interviewee's consent to use the data he/she provided in the interview.

**Conclusion**: The researcher will summarise what the participant has said. The interviewee will be thanked and promised to be given the findings of the study if she/he so wish.

## APPENDEX F: OBSERVATION SCHEDULE

The researcher will travel in the Taxis for four months observing behaviour and attitudes of the participants in relation to humanistic management philosophy and Ubuntu philosophy in the Taxi industry governance. Factors listed below will be observed. However, unexpected behaviours and attitudes will also be noted in the field book and interpreted.

Factors	Participant behaviour/Activity	Interpretation
1 Transparance	benaviou/Activity	
1. Transparency		
Reporting of Business		
2. Strategy		
Implementation		
3. Awareness of		
society's needs		
4. Competitive		
strategy		
5. Control of the		
business		
6. Revenue collection		
7. Purchases of		
consumables		
8. Vehicles		
maintenance		
9. Use of cell phone		
while driving		
10. Marketing strategy		
11. Comfort of the		
commuters		
12. Handling of clients		
13. Working conditions		
14. Pricing strategy		
15. Stakeholder		
participation in		
decision making		
16. Paying of SARS tax		
17. Environmental		
awareness		
18. Services to the		
society		
19. Recording of		
transactions		
20. Handling of		
complaints		
**************************************		<u></u>

21. Handling of victims	
of accidents	
22. Banking of revenue	
23. Quality of service	
24. Leadership quality	
25. Ubuntuism	
26. Application of	
ethics	
27. Decision	
implementation	
28. Application of	
internal control	
systems.	

#### APPENDEX G: LETTER OF INFORMATION

**Title of the Research Study:** Exploring Humanistic Management Philosophy in Governance: A case of Port Shepstone Minibus-Taxi industry in KwaZulu-Natal

**Principal Investigator/s/researcher:** Kudakwashe Zvitambo (M.B.A.; B. com Accounting; Dip Education)

**Co-Investigator/s/supervisor/s:** Mudaly V.(PhD)

Brief Introduction and Purpose of the Study: Business faces a plethora of governance challenges, namely, corruption, unethical practices, poor leadership, and many other challenges. Literature shows that governance theories been applied in business are based on economic view and borrowed from western philosophy. It does not respect human dignity. This is adversely affecting society. Therefore, the purpose of the study is to explore Humanistic Management Philosophy in Governance from the African humanism perspective. The aim of the study is to find a model suitable to African environment.

Outline of the Procedures: The researcher intends to use the Minibus-Taxi industry in Port Shepstone as a case study. The Taxi operators will make up the sample. These are expected to complete a questionnaire, interviewed and the researcher will observe how Minibus-taxis operate. The questionnaire will be completed by the participants while the researcher is waiting to increase response rate. The interviews will take place at a convenient place like a restaurant where there is less interruption. The investigator intends to take four months using and observing the operations of the Minibus-Taxis.

**Risks or Discomforts to the Participant:** The researcher does not expect any risk or discomfort to participants due to them participating in the study, hence does not take responsibility of any injuries during the study.

**Benefits:** The participants will benefit directly and indirectly. They will get more information on how to run their taxi business profitable and how to accommodate society into their business to get legitimate recognition. The researcher intends to publish locally and internationally in humanistic management Journals and other journals.

Reason/s why the Participant May Be Withdrawn from the Study: The participants have a right to withdraw from the study at any stage. They can resign due to illness, discomfort, or any other reason they may deem fit. There are no consequences for withdrawal by a participant

**Remuneration:** The participants will not get any benefits in monetary terms or otherwise. Those who want will receive the findings of the study.

**Costs of the Study:** The researcher will not expect participants to cover any costs of the study.

**Confidentiality:** The names of the participants will not be included in the final report. The data collected will be safely kept by the researcher.

**Research-related Injury:** The researcher does not expect any research related injuries.

## **Persons to Contact in the Event of Any Problems or Queries:**

Please contact the researcher (Kudakwashe Zvitambo 083 8841365.), my promoter (Dr Mudaly V. 082 977 0577) or the Institutional Research Ethics administrator on 031 373 2900. Complaints can be reported to the DVC: TIP, Prof F. Otieno on 031 373 2382 or <a href="mailto:dvctip@dut.ac.za">dvctip@dut.ac.za</a>.

**General**: Participating in the study is voluntary. The participants will be sampled from Taxi operators.

## APPENDEX H: CONSENT FORM



### **Statement of Agreement to Participate in the Research Study:**

- I hereby confirm that I have been informed by the researcher, **Kudakwashe Zvitambo** (name of researcher), about the nature, conduct, benefits and risks of this study Research Ethics Clearance Number: 15/15FREC.
- I have also received, read and understood the above written information (Participant Letter of Information) regarding the study.
- I am aware that the results of the study, including personal details regarding my sex, age, date of birth, initials and diagnosis will be anonymously processed into a study report.
- In view of the requirements of research, I agree that the data collected during this study can be processed in a computerised system by the researcher.
- I may, at any stage, without prejudice, withdraw my consent and participation in the study.
- I have had sufficient opportunity to ask questions and (of my own free will) declare myself prepared to participate in the study.
- I understand that significant new findings developed during the course of this research which may relate to my participation will be made available to me.

Full Name of Participant / Right Thumbprint	Date	Time	Signature	
I, <b>Kudakwashe Zvitambo</b> (name of participant has been fully informed study.	,			
Kudakwashe Zvitambo Full Name of Researcher	Date	Si	gnature	
Full Name of Witness (If applicab	ole) Date	Si	Signature	
Full Name of Legal Guardian (If	applicable) Date	Si	gnature	