

**Internal factors influencing job satisfaction in a freight forwarding company.**

**By**

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## **Abstract**

This paper examines the issue of job satisfaction within a freight forwarding company. The widespread dissatisfaction coupled with high staff turnover has necessitated a study of this nature. Due to the broad nature of this topic, this study focused specifically on company factors with the intention of determining which of these factors, if at all, were primarily responsible for the dissatisfaction that was prevalent. Company factors, upon which the study was based, were identified to try to assist management understand the full extent of the dissatisfaction. The intention was to identify the specific company factors that were contributing to the dissatisfaction in order to help curb the high level of staff turnover within the company.

The study was conducted as staff were leaving at an alarming rate without the necessary steps being taken to address the problem.

The methodology that was used was to send out a questionnaire to a broad section of the staff where the company factors were outlined and staff had to rate their level of satisfaction.

The results that were obtained outlined which of these company factors contributed to the dissatisfaction that was prevalent. It zoned in on the important issues that needed to be addressed as opposed to addressing issues that were not as important. There were some distinct patterns that were found in the data. None of the factors investigated scored ratings of 4 or 5 (satisfied or highly satisfied) and the results showed a general dissatisfaction within the company.

This research is an invaluable source of information not only to this company, but to other freight forwarding companies to prepare them for similar problems that they may encounter within their companies. It is envisaged that companies who take heed of the findings will not experience high levels of dissatisfaction as well as high staff turnover but they would retain their personnel especially their skilled workforce.

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## **Chapter 1: Introduction**

### **1.1 Industry Background**

The Freight Forwarding sector employs thousands of employees who make a valuable contribution to the industry and ultimately, the economy as a whole. Companies generally invest large sums of money in their staff by way of training and development. The freight forwarding industry is a highly specialized one which requires staff who are capable of functioning in this very demanding and pressurizing environment. With the growth of the economy as well as Foreign Direct Investment, the volume of goods entering and leaving our shores is on an incline. South Africa is seen as a favourable nation in respect of trade as compared to our African counterparts and as such, our government has entered into many trade agreements with overseas nations. This has resulted in tariffs on imports being lowered and the ripple effect has been that companies are in a position to import without the fear of paying high duties.

In order for companies to offer the service that importers and exporters are looking for, they need personnel who are skilled in all aspects of supply chain management as well as staff who are au fait with the laws governing international trade. As such, companies can ill afford to ignore the people component of their operation. As much as there is a drive to increase their client base in an effort to improve their bottom line earnings, companies will not sustain themselves if service levels drop due to inexperienced and dissatisfied personnel.

For their efforts, staff are looking for rewards proportionate to the tasks that they are performing. Rewards take the form of salary benefits and the work environment that a company offers to its staff in order for them to embrace the company as well its ideologies. If these ingredients and others are missing, it has the potential to impact the company negatively.

Companies are losing their intellectual capital at increasing rates and it is being replaced with those who lack quality and expertise. This has a negative impact on many companies as the period for new staff members to adjust to new conditions and procedures prove to be time consuming as well as costly. In the interim period, clients have to constantly re-adjust to changes and this is a contributing factor for valued clients moving their business to the opposition. The constant stream of new workers is perceived as a sign of instability within the organisation, a perception that the company can ill afford in the market place.

Individuals are migrating on a daily basis to opposition companies and little has been done to investigate the primary cause of this migration and the reasons for the dissatisfaction experienced in the industry. This research into the dissatisfaction of staff members within the freight forwarding company will go a long way to providing answers to this dilemma and hopefully benefit the industry at large.

## **1.2 Company background**

Job satisfaction in the freight forwarding company is perceived to be at an all time low. Many staff members are dissatisfied and disillusioned with the company and are leaving the company at an alarmingly high rate and plying their trade to the benefit of their competitors. The company has spent a large amount of resources to equip and train its staff only to see them defect to the opposition. This was of concern to the management as they are not seeing the fruits of their labour. Added to this was the concern that clients were also going to the opposition and the result was that the company's budget was not being met. With staff leaving at such a rapid rate, it was difficult to fill those gaps overnight and the result was that pressure was being placed on the other staff who were battling to cope with the work load.

The research was conducted on a reputable freight forwarding company in the Durban region. The basis of the research was a questionnaire intended to shed light on the current levels of job satisfaction as well as highlight the issues that contribute to the low levels of satisfaction. This research intends to bridge the gap of knowledge that exists and by so doing, hopes to bring clarity to the subject to help the company as well as similar other companies to create a stable working environment.

## **1.3 Problem Statement**

A noticeable trend in the industry is that staff tend to move from company to company and the real cause of this is unknown. Many companies are losing valuable staff members and the effect of this is that existing business is under threat. It is common knowledge that staff tend to move for various reasons, and although there are numerous articles and books published on the issue of job satisfaction, there are no published resources specific to the freight forwarding industry that can assist management curb the high levels of dissatisfaction as well as staff turnover.

## **1.4 Research Objectives**

The overall aim of the research is to understand job satisfaction and staff turnover in the freight forwarding company.

This will be done firstly by:

1. Investigating company factors that affect job satisfaction.  
Company factors are defined in the Literature Review.
2. The relevant data that are derived will be used to measure the degree or level of job satisfaction within the organisation.

## **1.5 Rationale for the study.**

The rationale for this study is as follows:

- a) To bring to management's attention the problem of job satisfaction within the organisation.
- b) To identify the chief reasons for dissatisfaction amongst the workforce.
- c) To assist in addressing employee concerns.
- d) To help management better understand the needs of their workforce.
- e) To propose suggestions to ensure that staff are performing to capacity.
- f) To help management retain their most valuable assets: their staff.
- g) To help create a stable work environment.
- h) To reduce staff turnover within Freight Forwarding Organisations.

## **1.6 Limitations of the study.**

The research will follow a descriptive form and therefore, one of its major limitations is that it cannot help to determine what causes a specific behaviour, motivation or occurrence. The other limitation is that data collection is through a self-completed questionnaire and there is thus little or no control or influence on the number of respondents.

## **1.7 Delimitations of the study**

This study is confined to the freight forwarding company namely Micor. The company factors that were investigated as issues affecting the staff within the company may not be common to the issue of satisfaction in other companies.

The size of other companies may vary from the freight forwarding company being investigated. This could cause the results to deviate significantly.

Furthermore, the sample size of the company may not be of a nature that is going to produce a balanced result. Due to the population being mainly non-white, the results may project a one-dimensional point of view.

### **1.8 Assumptions of the study**

This study is based on a questionnaire that was issued to the entire workforce. The employees within the company have different levels of education. It is assumed that those who have completed the questionnaire had a good understanding of the requirements. It is also assumed that the study would benefit other freight forwarding companies. However, this assumption is made on the basis that similar conditions exist within these companies for a similar result to prevail.

### **1.9 Methodology of the study**

The research was based on a survey that encompassed various elements affecting job satisfaction. These elements are covered in the Literature review. The survey took the form of a questionnaire that was sent out to the entire workforce of 300 staff members. Respondents were made up of Asians, Coloureds, Whites and Blacks, holding various positions within the company.

Data was derived from the questionnaire that was sent out and data analysis was based on the information that was derived from the questionnaire.

### **1.10 Conclusion**

This chapter provided a background to the freight forwarding industry and the problems that have affected the company in respect of staff leaving. The chapter also provided an outline of the limitations and delimitations of the study, assumptions as well as the methodology of the study.

Chapter 2 will focus on the body of information available on job satisfaction.

## **Chapter 2: Review of Factors Influencing Job Satisfaction**

### **2.1 Introduction**

Job Satisfaction is one of the most widely researched work attitudes in organizational literature today. Organisational behaviour researchers have attached a high level of importance to the issue of job satisfaction (Robbins, Odendaal and Roodt, 2003). According to Robbins, Millett and Waters-Marsh (2004), job satisfaction is defined simply as an individual's attitude towards his or her job.

Attitudes are complexes of beliefs and feelings that people have about specific ideas, situations or other people and they are important because they are the mechanisms through which most people express their feelings (Moorhead and Griffin, 1995). One of the attitudes referred to by Moorhead and Griffin (1995) is job satisfaction or dissatisfaction.

Champoux (2003) states that the needs of an individual are latent characteristics that are activated by stimuli or objects that a person experiences and that people tend to behave in a way that satisfies an activated need. It therefore must be stated that different individuals are motivated by different needs. A person's personal value system will have an effect on how he or she reacts to motivators and impediments.

Extensive research conducted on job satisfaction has indicated that personal factors such as individual's needs and aspirations determine this attitude along with group and organizational factors.

## **2.2 Definition of Company Factors**

For the purposes of this study, company factors have been identified as those factors that pertain to the organisation or company that have a direct or indirect bearing on the issue of Job Satisfaction. The following Company Factors, on which this study is based, are as follows:

- Communication and information flow
- Career opportunities
- Promotional opportunities
- Implementation of change
- Salary / Compensation
- Succession planning
- Skills and competencies of managers
- Company benefits
- Equality and fairness within the workplace
- Culture of the business
- Incentive schemes
- Company policies
- Management initiatives to retain staff
- Transparency

A detailed analysis of each of these factors will be presented in this chapter to show their importance and the impact that they have on the workforce. In chapter 4 and 5, the analysis will highlight which of these Company Factors is largely responsible for the dissatisfaction among staff members.

### 2.2.1 Communication and Information Flow

Hicks and Gullett (1974) states that a manager spends much time communicating with others in the organisation. His success is often dependent on how well he understands them. There is a general perception that managers often fail to understand their workforce and because of this, there is a natural tendency to react negatively when communication is filtered from their superiors.

Without mutual understanding, it has been found, people seldom work together well. Lack of understanding creates fragmentation and resistance within the ranks and unless management realizes that the success of their business hinges on their people component, communication will not be given the priority that it deserves.

According to Cole (2002), in managing personnel, communication is considered the most important, single skill because it is the foundation of understanding and the basis for transmitting management objectives and the means of comprehending the employee points of view.

Hicks and Gullett (1974) further states that great management thoughts and ideas are strictly armchair thoughts until a manager puts them into effect through communication. His plans may be the best in the world, but until they can be communicated, they are worthless.

The manner in which management communicate with the workforce will determine how well those thoughts and ideas are received and implemented. The idea is for management to get staff to buy in to their plans which will ultimately benefit the organisation and therefore the challenge is for management to appeal to the attitudes and emotions of their staff. If staff resist these ideas, the company will feel the effects as brilliant ideas cannot be translated into profits. Cole (2002) states that in supervisors and senior management, communication has been the Achilles heel, the area in which management has been weakest. The conclusion that one can make is that management do not see the importance of effective communication and therefore don't pay much attention to it.

According to Hampton (1986), in some organisations, the behaviour of a CEO or other manager may be so intimidating that subordinates live in fear and trembling. Planning sessions or other meetings can produce extreme anxiety levels for many individuals. Such meetings reveal much about how fear is so prominent in some company cultures or climates that it can inhibit subordinates from openly revealing problems or in seeking support to

cope with them. This kind of behaviour from superiors does not bring out the best in their workforce but rather, it creates an unpleasant environment of distrust and dislike that leads to extreme dissatisfaction.

When a sender conveys a sense of superiority to the receiver, the receiver's self-esteem is threatened. The sender seems to be saying that the receiver is inadequate and less worthy. Whatever the other parts of the communication, the threat posed by the posture of superiority is likely to increase defensiveness. (Hampton, 1986). This type of behaviour is typical of leaders who believe that they have all the answers and are not open to other's points of view. This self-imposing leadership style is stifling to say the least and does little to enhance the morale of the workforce.

In contrast, when the sender conveys a sense of equality, defensiveness is less likely. The sender may have more power, status, and ability, but some senders attach little or no importance to these differences and encourage working together in a matter of fact way. (Hampton, 1986).

Communication should appeal to people's worth and if they are shown to be an integral part of the whole process, then the response that management should expect from the workforce should be overwhelming.

According to Bobbit, Breinholt, Doktor and McNare (1978), management often tries to influence others and influence requires communication. Ineffective influence, perhaps because of ineffective communication, can lead to dysfunctional emergent behaviour. Ineffective communication is often the cause of the huge gap between management and the workforce. The efforts by the shareholders to propel the company forward are hampered by the inability of senior managers to communicate the goals and aspirations of the organisation to the workforce. Companies would do well to inform staff of developments within the organisation, as information that is filtered through from illegitimate sources can result in instability and widespread dissatisfaction.

According to Wiesner and Millett (2001), communication is the lifeblood of organisations. Without it, information about tasks, roles, changes, policies or procedures cannot be conveyed and organisations that choose to ignore this critical element do so at their own peril. Wiesner and Millett (2001) further state that, done well, communication creates a positive climate in which individuals feel more committed to their organisations; done poorly, it lowers job satisfaction and increases stress and burnout.

Management must endeavour to develop a climate that is conducive for effective and healthy communication that is going to goals and aspirations of the company. To this end, managers, supervisors and staff must move away from attacking and criticizing one and other and adopt a more constructive approach. A code of conduct should be established to determine what acceptable and unacceptable communication is, especially when one considers the diversity of the South African workforce.

The task therefore, for managers of organisation, is to ensure that communication across all spheres is going to benefit the organisation to which every single individual has an obligation.

### **2.2.2 Career Opportunities**

Long term career prospects play a major role in whether employees leave or stay. Employees who display ambition and who have the capacity to function at a higher level will not want to stagnate but their dissatisfaction at not being given opportunities within the company will cause them to look for careers that are mentally as well as financially rewarding. In this regard, companies need to establish career paths for such individuals and ensure that there is scope for growth within the company. It is therefore imperative that organisations have career development programmes and mentorship programmes and address issues such as succession planning within their structures for the following reasons:

- Equal employment opportunities:

This will provide better opportunities for minorities and women to move up in their organisations.

- Quality of work life:

Employees, especially the younger generation, express desires to obtain greater control over their own careers. They are less willing than earlier generations of employees to simply accept the roles and assignments given to them at the convenience of management. They want greater job satisfaction and more career options.

- Competition for high-talent personnel:

Highly educated professionals and managers tend to select employers that are supportive of their career aspirations and who have career development programmes.

- Retention of Personnel:

Reduces turnover of employees caused by frustrations of individual career ambitions.

- Improved utilization of Personnel:

Performance is better when people are placed in jobs they like and which fits their ambitions. When one looks at the South African economy, and the emergence of Previously Disadvantaged Individuals (PDI's), there is an evident trend that these individuals are extremely ambitious and are carving out a career path that is destined to see them play a leading role in the economy of this country.

The Expectancy Theory argues that the strength of a tendency to act in a certain way depends on the strength of an expectation that the act will be followed by a given outcome and on the attractiveness of that outcome to the individual. Peter Drucker says that all organizations now say routinely that people are their greatest asset (Reichheld, 1996). However, most organisations still believe what nineteenth century employers believed: "People need us more than we need them". (Reichheld 1996:92).

On average, it has been found that Harvard MBA's change employers three to four times in their first ten years out of school (Reichheld, 1996). According to Taylor (1972), "graduates do not tolerate the boring, straight-jacketed jobs of production work. They demand change not only in respect of more challenging careers but also in respect of better salaries and opportunities."

In a newspaper article by Webster (2004), it is stated that the South African workplace is a highly energetic, but somewhat complex environment and to succeed as an organization, one must be willing to embrace change. As the demographics of the workplace continue to evolve, leaders need to embrace the fact that change is inevitable and therefore the strategy and approach to the workforce must be in line with these changes as well. Therefore, career opportunities cannot be confined to the white minority only, but to the other racial groups of the company as well.

Organisations that have a narrow-minded approach to providing staff of colour with adequate career opportunities will have a workforce that is extremely dissatisfied and which will ultimately lead to a mass exodus of qualified and skilled workers. The freight forwarding company has a large contingent of workers of colour but with little opportunity of functioning at a higher management level.

Peters (2005) states that organisations must create opportunities to lead. The way to create leaders is to let people lead. The trend with the freight forwarding company is to create

opportunities for white employees to function at a higher management level. That is why the freight forwarding industry has a high number of whites in management level. Individuals of colour have to constantly approach management and plead for opportunities only to hear one excuse after another. Management seems to lack an eye for spotting talent and even if they do, there is still reservation to provide opportunities to these individuals.

The company has a 'mentorship programme' in order to create a 'gene pool' so that there would be availability of adequately qualified personnel to choose from, should senior positions become available. One of the reasons for the programme was to give individuals from previously disadvantaged backgrounds an opportunity to begin to function at a higher level in the company at some time. A programme was drawn up where the individual selected for the programme was expected to go through the various divisions in the company in order to gain knowledge and understanding of those divisions even though the individual has worked in those divisions before. The programme constituted a 'grocery list' of activities that was considered a waste of time and a delay strategy by management. Management could not commit itself to any time frames for advancement neither could they 'promise' any opportunities at all. Furthermore, certain individuals were incorporated onto the company's MANCO (management committee meeting) held bi-monthly, where the management structure from throughout the country came together to discuss management issues.

This was a tremendous opportunity for any employee to gain insight and experience of top flight management. However, the hesitancy by management to elevate the position of certain employees when positions became available was contradictory to their plans for future growth and development.

### **2.2.3 Promotional Opportunities**

The issue of promotion is always a very contentious one in many organisations. According to Brewster et al. (2003: 261), the key ethical issue in managing the promotions of employees is fairness. According to Robbins, Odendaal and Roodt (2001), promotional opportunities are one of a number of job dimensions that contribute to or influence job satisfaction. Luthans (1989) suggests that there are various job dimensions that represent the most important characteristics of a job about which people have effective responses. One of these dimensions is promotion opportunities.

According to Stredwick (2005), it is vital that employees have the opportunity to carry out their work to their best of their ability and to share in career-progression opportunities. It is often found that staff, who, in the eyes of their peers, do not deserve promotions, are the ones elevated higher up the corporate ladder. The question that seems to be on everyone's lips is: What criteria are used to promote certain individuals? There do not seem to be any set criteria laid down by the organisation to promote individuals to certain positions. Promotion takes place in accordance with the needs and requirements of the organisation. Whilst this might be perceived to be in the interest of the organisation, staff, especially from the non-white sector of the community, are being prejudiced.

Many organisations are torn between promoting on the basis of qualification or on the basis of loyalty of senior employees. Although organisations are mindful of the imbalance that has been created by the effects of apartheid, there still appears to be a reservation to promote the black majority. Although South Africa is ten years into its democracy, promotional opportunities, especially at senior management level, appear to be few and far between. Many companies refuse to comply with labour laws which require that their employees are a fair representation of the demographics of the country.

There appears to be a lack of transparency when it comes to promotions within the freight forwarding company. Promotions seem to favour the white minority. The effects of this are as follows:

- Staff don't perform at optimum levels.
- Animosity between non-white and white counter parts.
- Reduction in morale of the staff.
- Disinterest in the goals and aspirations of the organisation.
- No buy-in from staff.
- High levels of resistance.

According to Robbins, Millet and Waters-Marsh (2004), Herzberg states that hygiene factors such as quality of supervision, pay, company policy and administration, supervision, salary and physical working conditions, when adequate in a job, will lead to high levels of satisfaction. By themselves, the hygiene factors do not motivate individuals but the

motivators, being achievement, recognition, the work itself, responsibility and advancement, help to complement the process. Cohen et al. (1988) states that increased motivation is one of the ways that organisations also derive benefit. The lack of promotional opportunities for people of colour within the management structure sends a negative message to the rest of the workforce.

Brewster et al. (2003) says that although the employee does not have a right to promotion, they most certainly have a right to fair evaluations and consideration for promotions. They also have a right to be informed of the reasons for lack of promotion in those situations where it might be reasonably expected. The explanations provided by the management of the freight forwarding company, in many cases, are designed to hide the real reasons as to why the individual was not promoted to a higher position. If the reasons provided by management are not found to be plausible, the individual has the option of challenging that decision. However, what the individual must consider is that he or she runs the risk of jeopardizing his future within the organisation as management today are not as open to staff members challenging decisions that have been taken behind closed doors. The staff member concerned would be branded as a 'trouble maker' and would be seen to be working against management.

According to Robbins, Oodendaal and Roodt (2003), one of the many job dimensions that contribute to or influence job satisfaction is promotional opportunities.

What management must accept is that staff members are not as gullible as in the years gone past, and in the days post apartheid, the workforce has gained more of a voice and has become more aware of their rights in the workplace.

#### **2.2.4 Implementation of Change**

The one thing that organisations cannot avoid is change. The demands that have been created due to competition has necessitated that organisations change or face extinction. Changes, in many cases, are created and implemented with the organisation in mind and staff are expected to comply and that is one of the reasons for dissatisfaction among the workforce.

According to Hachman, Lawler and Porter (1983), organisational change efforts often run into some form of human resistance. People are generally averse to change and will do

whatever is necessary to prevent those changes from taking place. Although experienced managers are generally all too aware of this fact, surprisingly few take time before an organizational change to assess systematically who might resist the change initiative and for what reason. The changes that are implemented by organisations are often decided at senior management level and the staff are left out of the decision making process. In many organisations, the approach is less participative and staff are not aware of impending change until it is implemented.

Sisson and Storey (2000) say that central to the new forms of organizational structures and processes are the importance of employee involvement and participation. Management would do well to use involvement or participation to increase worker commitment and thereby increase job satisfaction. A more participative approach is preferred to a dictatorial mentality. Cole (2002) states that people should be able to contribute to decisions affecting their jobs. Some organisations are slowly starting to realize the importance of co-opting staff members in the decision-making process but this is not the norm in many other organisations. This, however, is not the norm within the freight forwarding company.

Only a selected group of individuals are allowed to participate in the change processes.

Change such as new structures, policies, targets, acquisitions, re-locations, etc., all create new systems and environments, which need to be explained to people as early as possible, so that people's involvement in validating and refining the changes themselves can be obtained. The people that these changes affect most are the ones least consulted.

Hackman, Lawler and Porter (1983) further state that people who are affected by change experience emotional turmoil. Even changes that appear to be positive or rational involve loss and uncertainty. For a number of different reasons, individuals or groups can react very differently to change – from passively resisting it, to aggressively trying to undermine it, to sincerely embracing it.

Hackman, Lawler and Porter (1983) cite four common reasons why people resist change as:

- A desire not to lose something of value: Focus on their own interest.
- A misunderstanding of the change and its implications: A perception that the change might cost the individual much more than he will gain.
- A belief that the change does not make sense for the organisation: People assess the situation differently – they see the change as more of a cost.
- A low tolerance for change: Fear that they will not be able to develop the new skills and behaviour that will be required of them when faced with a different challenge.

When the changes that have taken place within the organisation are considered, and the outcomes thereof, it stands to reason why staff do not express 100% confidence when changes affecting the company are made. These changes have not produced the desired results for both the company as well as the employee. Over the years, the company has embarked on a number of change initiatives, with negative consequences.

According to a senior manager from within the company, some of these changes made by the company included the following:

- **Name Change:**

A significant change involved the company changing its name. This proved to be a final straw in the long string of bad decisions that the company had made. The freight forwarding company has been in existence for more than 90 years and is considered to be a household name. The name change and all that went with it proved to be extremely confusing for the business community, the clients, as well as the staff. The changes lacked logic and wisdom and there was huge effort to make people understand exactly what the company was trying to achieve.

- **Diversification Strategy**

The company leadership felt that with the name change, it wanted to embark on a diversification strategy that was totally lacking in strategy. The focus had shifted away from the core business of clearing and forwarding to other non-profitable ventures. Had management given careful thought to the direction in which it wanted to steer the organisation as a whole, the results may have been much more successful.

- **Black Economic Empowerment (BEE) initiative**

The company tried to use the Black Economic Empowerment (BEE) route to try and secure government and other tenders but with little success. Management were not prepared to change the demographics within the company and were too gullible to think that by positioning a 'lily-white' organisation as a BEE initiative, it was going to succeed. Yes, the company invested in 'strategic' black business initiatives but they did not enjoy the success that they were looking for.

The result of these changes was the eventual demise of the company and its eventual buyout due to poor performance. The share price plummeted to all time lows and the company had to sell or face the risk of total closure.

Changes experienced under new management were as follows:

- Change of agents worldwide.

The company's decision to rid itself of the 40 odd agents worldwide and form a single alliance with a freight forwarder has not been without its fair share of grey areas and shortcomings. The biggest contention is the fact that the company has given all of its work to the new agent but the influx of new business that was promised to the company did not materialize. The company's revenue base as a result has decreased and continues to do so on a daily basis. The risk of such an arrangement is that, should the deal turn sour, and both parties decide to part ways, the consequences for the company could be disastrous.

According to Beer and Nohria (2000), nearly two thirds of change efforts fail and sadly, the freight forwarding company seems to be part of this statistic. The reasons for these failures are numerous but in a nutshell, the management lacked the expertise to carry out these changes. It is imperative that should the company see itself as a serious competitor in the market for many years to come, it needs to pay serious heed to its approach to change initiatives. According to Marrow (1969), the planned change approach, a concept developed by Kurt Lewin, addresses change that was consciously embarked upon and planned by an organisation. The planned approach to change is closely linked to Organisational Development that emphasizes its humanistic orientation and its commitment to organisational effectiveness.

#### **2.2.5 Salary / Compensation**

Luthans (1989) states that there are five job dimensions that represent the most important characteristics of a job about which people have effective responses. One of these characteristics concerns the issue of pay. Pay is considered important in determining job satisfaction. This is hardly a novel observation, but is one that is too often overlooked or forgotten.

According to Robbins, Millet and Waters-Marsh (2004), Herzberg states that hygiene factors such as pay, when adequate in a job will lead to high levels of satisfaction. By themselves, the hygiene factors do not motivate individuals but the motivators being achievement, recognition, the work itself, responsibility and advancement help to complement the process.

Lefton and Buzzotta (2004) define motivation as the drive to achieve a goal. Motivated people want to make something happen because they envision that once they achieve their goals, they will be better off than they originally were. Once these goals are achieved, a higher level of satisfaction is derived which translates into benefits for the individual in the form of better salaries.

Dubin (1974) states that people work because they expect something out of it. Whatever the expectations of the individual, these become the basis for his preference for his employer. Fair and equitable compensation are therefore important in keeping members satisfied in an organization. According to Armstrong and Murlis (1988), people want to be treated fairly and would thus like to be paid according to their worth. Robbins, Odendaal and Roodt (2003) states that it is possible to identify a number of job dimensions that contribute to or influence job satisfaction. One of these dimensions is pay.

Pay is defined as the remuneration received and the degree to which this is viewed as equitable compared to that of another person in a similar position within or outside the organisation.

One of the big issues facing the freight forwarding company is the reluctance to pay workers, especially those of colour, an equitable and fair salary. Different criteria are used when it comes to determining salaries of white workers as opposed to non-white workers. For some strange reason, management have this perception that when it comes to whites, they cannot be paid below a certain salary, irrespective of how unqualified they might be. They come in well after those who have been with the company for a number of years, but their earning potential is that much greater and management can easily justify the salaries that they are paying these individuals.

According to Gerber, Nel and van Dyk (1987), there are three factors that determine the levels and differences of a compensation package:

- Level of responsibility

Determines the value of compensation, in other words, what jobs are better paid than others. It does not, however, determine the amount of compensation.

- Compensation levels in the market.

The compensation structure of the organisation must be based on market related levels of compensation to enable the employer to attract and retain personnel in a competitive market

environment.

- Individual expertise.

The last factor that influences the compensation decision is the particular expertise of the employee.

The freight forwarding company does not have a set of criteria for the various positions that determine what salary should be paid for those positions. This is determined by management according to conditions prevailing at the time and it is not uncommon for management to keep shifting the goal post.

Sisson and Storey (2000) say that central to the new forms of organizational structures and processes are the importance of employee involvement and participation. Management use involvement or participation to increase worker commitment and thereby increase job satisfaction. A more participative approach is preferred to a dictatorial mentality.

#### **2.2.6 Succession Planning**

Succession planning is a process whereby an organisation ensures that employees are recruited and developed to fill key roles within the organisation.

Succession planning has become the focal point of many organisations today. Change in leadership roles can disrupt the workplace and affect productivity and morale. With succession planning, companies can ready themselves for change by preparing, training and moulding current employees who have the talent to be the future leaders of the company. Succession planning has also taken on new meaning for the new generation workforce. Individuals who have high level goals and aspirations and who make personal sacrifices in respect of furthering their studies or enhancing their skills want the assurance that the companies that they work for will recognize their efforts and groom them for involvement at higher levels within the organisation.

According to Mathis and Jackson (2004), succession planning is a process of identifying a long term plan for the orderly replacement of key employees. In order for companies to function effectively and to provide continuity in their service to their clients, and to maintain a competitive edge over their competition, it is imperative that companies adopt a long term pro-active approach rather than a short term reactive one. When key personnel leave, organisations are faced with a dilemma as they have not created a gene pool from which

young, budding employees can be taken and placed in these strategic positions.

Management doesn't have the confidence in their staff to transition into these positions as they have not done enough to develop them to function effectively at a higher level.

Stroh (1971) states that once a young man has been identified as a potential leader, he should be given opportunities to prove his value and to develop his latent abilities. According to Peters (2005:144), "the way to create leaders is to let people lead". The freight forwarding company should be creating opportunities for men and women to lead. No amount of programmes will achieve the desired result unless people are given the reigns of leadership. As much as mentorship programmes have their place, the company seems to be moving in a direction void of time and purpose.

If the youngster within the company can be shown what the higher job demands in the way of performance and preparation, he may very well take on additional training or temporary job assignments in order to achieve his individual goals eventually.

Employees who have a drive and a passion for business and who have been identified for future growth and development within the organisation, will no doubt rise to the occasion provided they have the backing of management and not left in the deep end with the expectation to fail.

According to Mello (2006), the old solution to succession planning of computer programmes that slot people in organisational charts, or training programmes that bump people up a pyramid-shaped hierarchy, won't work in an increasingly complex world. Succession planners are searching for new ways to develop executives who can cope with globalization and flourish in a new corporate climate. It therefore calls for management to start to think out of the box in order to cope with seismic changes created over the past ten years like downsizing, re-engineering and broadened spans of control.

The workforce and more importantly, the quality of the workforce, is ultimately what breeds success or failure of any business. Therefore, developing talent has become extremely important as future executives and leaders of business are likely to be part of a company's current workforce. According to Peters (2005), companies need to become obsessed about talent and not take this commodity for granted.

According to Thompson (2002), the staff of an organisation is its most important resource in the sense that the success or failure of the organisation depends on the actions and attitude of staff. Staff is a 'human resource' and so to be of maximum benefit to the organisation and

to the people who use its services, it is important that steps are taken to promote staff development.

According to Cascio (1992), career management is vital for both employer and employee. A key feature of the new career management concept is that the company and the employee are partners in career development. Employees are responsible for knowing what their skills and capabilities are, what assistance they need from their employers, asking for that assistance and preparing themselves for new responsibilities. A career is something that should not be left entirely to each employee. Instead, it should be effectively managed by the organisation to ensure efficient allocation of human capital resource and skill optimization for the benefit of the organisation.

The shortage of talent and skilled personnel in the freight forwarding company is glaringly noticeable. Management need to improve its efforts to ensure that those individuals who have been identified within the company for future development are fast tracked to move into positions of note; otherwise, they stand to lose employees of calibre who cannot be easily replaced.

#### **2.2.7 Skills and Competence of Management / Leadership**

As the demands of business have increased, the demands placed on managers and leaders to function with a high level of skill and competence have also increased. According to Rothwell (2005), people in organisations have high expectations of their leaders. Shareholders want leaders who can get results and for these reasons, values and competencies have emerged as crucial to success in organisations.

Hughes, Ginnett and Curphy (1999) states that the term management suggests words like procedures, control and regulations while the term leadership is more associated with words like risk-taking, creativity, change and vision. They come to the conclusion that leadership and management are closely related but distinguishable activities and do not view leaders and managers as different types as people. Thus the same individual can fulfil both roles. Therefore, for the purpose of this paper, the term 'leadership' and 'management' will be used interchangeably.

According to Bolt, Dulworth and Pfeiffer (2005), the most pressing problems confronting

managers and organisations attest to the need for more high-calibre managerial talent. Employing managers who have little or no expertise in today's competitive business environment is tantamount to organisational suicide. Yet organisations continuously choose to go down the same path and place people with little competence in strategic positions to steer the organisation, sadly not to new heights. People tend to substitute charisma for competence and expertise without really making an impact on the ideals and aspirations of the organisation. Organisations are constantly looking for innovative ways of improving on their business practice which has resulted in the search for just not ordinary leadership but for individuals with an extraordinary flair for innovation and creativity.

According to Sweet (1975), the reason why individuals leave the organization seldom resides with the individual alone. It is more likely to be found in the leadership, the politics, culture or the personality of the organization.

Different individuals have their own unique style of leadership. Employees may find it easy or in some cases difficult to adapt to the manner in which their leaders run their organisation and this can lead to large-scale dissatisfaction.

According to Kouzes and Posner (1995), good leaders display the following characteristics:

- Challenge the status quo:

This is done by seeking out challenging opportunities to change, grow, innovate, improve, experiment and take risks.

- Inspire a shared vision:

Leaders envisage an uplifting future, enlist others to share the vision by appealing to their values, interests, hopes and dreams.

- Empower others to act:

Leaders foster collaboration by promoting cooperative goals and building trust, strengthen people by giving power away, providing choice, developing competence, assigning critical tasks and offering visible support.

- Model the way:

Leaders set an example by behaving in ways consistent with shared values, achieve small wins that promote consistent progress, and build commitment.

- Encourage the heart:

Leaders recognize individual contribution and celebrate team accomplishments regularly.

The above-mentioned considerations are idealistic at best as many leaders within the company lack the fundamentals to inspire their colleagues, their subordinates as well as the company to greatness.

Expanding on the concept of leadership, Gary Howard, as quoted by Leonard (1999) states that:

- Leaders do not just develop visions of what an organisation is, they develop visions of what an organisation can be.
- Leaders do not just inform people about new visions, they energise people to accept and work towards making those visions come true.
- Leaders do not just formulate new programmes and policies; they initiate improvements that last by changing organisational culture.
- Leaders do not just manage organisations; they seek ways to transform them.

The current leadership has done little to communicate to the staff what the vision of the company is going forward. As a result, staff members just come to work, do their job and go home without fully realizing what their contribution is to the bigger picture. There has to be a clear picture painted for the staff of where the company has come from, where it is currently and where it intends to go. Staff need to understand the importance of their contribution but if they are not aware of the vision of the company and where it intends to position itself in the market, then the staff might not see the point of making a concerted effort to make a valuable contribution to the goals of the company.

According to Wiesner and Millett (2001), leadership improves the bottom line. As much as this is the expectation of all shareholders, leadership simply cannot only focus on the figures and ignore the other components that are important to the contribution of these figures. The trend with current leadership is to focus on the figures. This represents a very short-term approach at the expense of long-term benefits. Wiesner and Millett (2001) further states that leadership is a long-term investment in the future, not a quick fix for the balance sheet.

### **2.2.8 Company Benefits**

According to Gerber, Nel and van Dyk (1987), employee benefits and services have become an important part of employees' compensation packages. When one looks at organisations

today, it is not uncommon to find that almost every organisation provides its employees with certain tangible benefits over and above their basic salary. These benefits are designed to offer protection against contingencies such as illness, accidents, unemployment and loss of income as a result of retirement.

Some benefits are also designed to satisfy the social and recreational needs of employees.

Although, benefits and services are not directly linked to higher productivity, Gerber, Nel and van Dyk (1987) says that management nevertheless expect that such indirect benefits and services should derive the following advantages to the organisation:

- More effective employment.
- Increased morale and loyalty of employees towards the organisation.
- Reduced labour turnover.
- Lower absenteeism.
- Better public relations.
- Reduced influence of trade unions.
- Reduced threat of government interference.

According to Milkovich and Boudreau (1988), employee benefits are regarded as the indirect form of the total compensation and include paid time away from work, insurance and health protection, employee services and retirement income. According to Aldag and Kuzuhara (2005), benefits offered by an organisation also determine how well those employees perform on the job.

According to Bernadin (2003), research on High Performance Work Systems indicates that characteristics of a firm's compensation system are strongly related to corporate financial performance. The term compensation refers to all forms of financial returns and tangible benefits employees receive as part of an employment relationship. According to Cole (2002), employee benefits are concerned with the financial as well as non-financial aspects. The following benefits have been highlighted by Cole (2002):

- Company telephone
- Company car
- Car allowance
- Training opportunities
- Life insurance

- Private health care / Medical Aid
- Pension fund
- Share options
- Profit sharing schemes

Gerber, Nel and van Dyk (1987) further highlight the following benefits:

- Holiday leave
- Sick leave

Moorhead and Griffin (1995) state that the burden of providing employee benefits is growing heavier and heavier in many organisations. Benefits are seen as a way of increasing employee compensation and in many organisations, benefits account for 30 to 40% of payroll. By virtue of the fact that the various components within the benefit structure are called 'benefits', they should ultimately be of benefit to the employee.

However, the trend that is becoming more and more evident in the South African context is that benefits, although part and parcel of the company's contribution to the workforce, the benefits derived are not entirely satisfying.

The freight forwarding company has many of the benefits outlined by Cole (2002) and Gerber, Nel and van Dyk (1987). These benefits are nothing out of the ordinary as many of the other freight forwarding companies offer the same, if not better. The benefits are not reviewed on an ongoing basis in order to make them more beneficial and meaningful to the staff.

Benefits like medical aid is a huge point of contention as staff are given a once-off payment which is built into their salary and when premiums go up, staff are not compensated for the increase. Furthermore, for a long time staff were restricted in terms of which medical aid company they should belong to. The company has 'contracted' to Discovery Health and staff were compelled to join Discovery. This has been hotly contested as staff maintained that since the company had paid its portion into their salaries, they should be able to join whichever service provider they desired. The adage that staff were getting a better deal by giving Discovery Health all the support did not hold true. Certain staff members were able to obtain better deals directly from Discovery Health than what the company was able to get.

The provident fund is another one of the benefits that has been a point of dissatisfaction among staff members. For a number of years, the returns derived on the investment were substantially lower than what staff could get from private financial institutions. This matter

has been raised on numerous occasions over a long period of time but the response from management was not one that gave staff any comfort that management were acting in the staff's best interest.

Management needs to understand that benefits are there to meet a certain need that workers have and in order to maintain a satisfied workforce, management need to ensure that the benefits offered to staff must gain approval rather than discontentment.

### **2.2.9 Equality and Fairness within the Workplace**

Equity Theory works on the premise that people in organizations want to be treated fairly. According to Armstrong and Murlis (1988), people want to be treated fairly and would thus like to be paid according to their own valuation of their worth.

According to Roosevelt and Thomas (1996), managers need to understand the profound changes taking place in the workplace and help move forward towards finding a solution in dealing with a diverse workforce. Roosevelt and Thomas (1996) further states that management has a limited ability to accept, understand and address diversity and complexity, which has become the cause of extreme tension between the workforce and management.

Affirmative action initiatives by the government were intended to create a sense of equity in the workplace. Cloete (1997) states that with appointments and promotions in all spheres of employment in the RSA, white males were highly favoured before the new constitutional dispensation came into effect. The status quo has largely remained unchanged. White males as well as females are still given preference ahead of their counter parts even though they do not fit the profile for the position.

According to Salgado (2005), Sasol's demographic profile revealed the following:

Board	:	9 white men, 3 black men, 1 black woman, and 1 white woman.
Group Executive committee	:	7 white men, 1 black man
South African Executive committee	:	5 white men
International Executive committee	:	8 white men

Main operating activities committee : 17white men, 2 black men, and 1 white woman.

Non-whites clearly do not feature much in the higher structures as evidenced by the statistics. This is a classic case for dissatisfaction among workers.

There is a negative perception that is created by the freight forwarding company, that only white employees can function in certain positions and that the appointment of a non-white individual would not prove to be the right decision for the organisation.

According to Newell (2002), creating opportunities for all and eliminating unfair discrimination requires practical action to promote change. Those promoting equal opportunities have clearly spelled out what organisations need to do to provide more equal opportunities. Some of these include developing an equal opportunity statement supported by top management and backed by training and development.

Although the company tries to maintain a degree of fairness, where previously disadvantaged individuals (PDI's) are given opportunities and preferences previously reserved for whites only, the wheels of change seem to turn extremely slowly.

Employees who have been identified for future growth are made to further their studies, enhance their management and leadership skills and then, after being mentored by their white counter-parts who are less qualified, then only are these employees considered good enough to move into senior positions.

The trend in the freight forwarding company is that white males and females occupy top management positions whilst their non-white counterparts fill lower to middle management positions. Although there are organisations that have moved towards redressing this imbalance, there are others who have made no attempt at all to ensure proper and equal representation at senior management level. Those who are given senior management positions are made to feel as if the company has done them a huge favour, and would not want to acknowledge the fact that those individuals in fact deserve to occupy a senior position by virtue of their experience, qualification and the contribution that they are able to make to the business.

According to Cohen et al. (1988), in the economic climate the late 1980's, many authors

advocated that organisations should behave in strategic pro-active ways in order to gain competitive advantage and thereby survive as effective operations. The principle of managing human resources indicates that competitive advantage can only be achieved through the efficient utilization of employees at all levels.

That is why many large, white orientated freight forwarding companies are finding it extremely difficult to obtain large tenders because their structures are not representative of the demographics of this country. Multinational corporations will not support these companies as they are bound by policy to ensure that their business goes to mainly BEE companies as well as companies that support genuine transformation.

Equity in respect of pay, promotions and rewards is an important factor affecting not only the freight forwarding company, but industry in general. According to Beer et al. (1985), inequity in employee pay leads to dissatisfaction among the workforce.

When one considers the freight forwarding company, it has become an acceptable norm for management to pay white workers a higher salary than non-whites even though they might be less qualified. Skin colour and not expertise seems to be the overriding factor.

According to Brewster et al. (2003), managerial staff will come into contact with multi-cultural groups and they will need to adapt to different work expectations and communication styles. The demand for equality in salaries, promotion opportunities and company perks has all added to the expectation of the new generation workforce.

According to Mathis and Jackson (2004), people who are relatively satisfied with their jobs and the organization's commitment to equality and fairness, will display a high degree of loyalty to the organisation.

In order for the company to instil a high degree of commitment into its workforce, it needs to ensure equality and fairness within its workforce. Equality and fairness is directly proportionate to commitment.

#### **2.2.10 Culture of the Business**

The culture of the organisation is paramount to its success or failure. Culture defines the character and nature of the business. This is an area that not much attention is paid to and

in many regards, not considered important.

Cultures vary across organisations and it would be extremely unusual to find any two organisations with the same culture.

Hannagan (1995) defines culture as a complex mixture of tangibles, assumptions, behaviours and such things as stories, myths, rituals, heroes, symbols and language of the organisation, all describing 'the way we do things here'.

According to Cascio (1992), culture is defined as the pattern of basic assumptions that a given group has invented, discovered, or developed in learning to adapt to both its internal and its external environment. Burnes (2004) states that managers and employees do not perform their duties in a value-free vacuum but their work and the way it is done are governed and directed by an organisation's culture. This

'organisational culture' is said to be the particular set of values, beliefs, customs and systems that are unique to that organisation. In essence, culture should distinguish an organisation from another just for the sake of distinction, but for the purpose of achieving a competitive edge over its competition.

According to Shafritz and Stevenoff (2005), people who are in organisations continue to find it amazingly difficult to understand and justify much of what they observe and experience. The culture prevalent in the freight forwarding company is one that lends itself to much confusion and uncertainty. There is an element of uncertainty among the workforce as to what the culture of the organisation is. Managers and executives seem to project their own values, beliefs, customs and systems instead of the organisation's values, beliefs, customs and systems.

According to Mathis and Jackson (2004), creating a culture that values people highly enables some corporations to successfully attract and retain employees. It would be incorrect to say that the freight forwarding company does not value its people component. What is lacking, however, is a more focused approach to its workforce where organisation works to communicate its values and instils them in its employees. Values are considered to be the bedrock of organisational culture and lets people know how they are expected to behave and what actions are acceptable.

Proctor and Gamble has core values of leadership, integrity, trust, passion for winning and ownership.

The culture prevalent in the freight forwarding company is one of 'work hard, play hard', as described in Hannagan (1995). This involves employees at a high level of activity. The high level of activity means that there is a great deal of pressure on the employees. One of the groups of people who represent this sort of culture is the sales staff. Younger people who are attracted to the action will thrive in such a climate where the emphasis is on high-volume sales. Shared cultural rituals manifest themselves in terms of sales conventions, contests and meetings. This does not involve the entire workforce but a select group of individuals governed by commonalities in behaviours. Unlike Proctor and Gamble, the freight forwarding company does not do much to promote values of leadership, integrity, trust, passion for winning and ownership, but rather it has developed an 'old boys club' mentality that fuels the desires and needs of a select few.

According to Hannagan (1995), senior management may choose to perpetuate the status quo by promoting managers who will continue the current culture. These individuals are those who would go with the flow and would not question the decisions made. Those individuals who fall outside of the circle and who do not identify with the culture of the company will not be viewed favourably for advancement within the ranks irrespective of how talented and skilled they may be. Senior management seems to be extremely protective of the current culture and view those with an alternate perspective as a threat to the status quo.

According to Gerber, Nel and van Dyk (1987), a challenge faced by leaders in organisations is to reassess existing organisational cultures and to acquire the skills needed to develop new workplace cultures as they become necessary. If workers regard the existing culture as outdated, organisational effectiveness as a whole can be affected. Management in the freight forwarding company has no regard for the opinions and views of the workforce and cannot seem to recognize that their perception of culture is not acceptable to the entire workforce. This inherent conflict has created a gap between management and their workforce. Certain key staff members are deliberately left out of conferences and social outings because they do not seem to identify with the culture that has been introduced into the organisation.

According to Robbins, Oodendaal and Roodt (2001), culture enhances organisational commitment and increases consistency of employee behaviour. The organisation's culture seems to alienate staff rather than to gain their favour and buy-in. The culture of the freight forwarding company does not support a participative approach where empowerment and employee involvement are key.

## **2.2.11 Incentive Schemes**

Dubin (1974) states that people work because they expect something out of it. Whatever incentives are important to the person may become the basis for his preference for his employer. Incentives are therefore important in keeping members satisfied in an organization.

According to Winfield (2000), money re-enforces motivation because the individual associates the receipt thereof with the accomplishment of other motivational needs such as a project completed or promotion achieved. Cowling and Arnold (1998) state that benefits are an important part of pay policy and reward management.

Although the freight forwarding company has an incentive 'programme' in place, management has not placed enough emphasis on the importance of such a programme. This has had a negative effect on the level of job satisfaction. The company feels that it has met with its obligation by paying its employees a salary but is not prepared to do much more by way of incentives.

According to Plunkett et al. (2005), to motivate behaviour, an organisation must provide an effective reward system. Given that people are individuals with different needs, values, expectations and goals, the reward system must accommodate many variables.

An effective reward is considered to have the following characteristics:

- Rewards must satisfy the basic needs of all employees.  
Pay for example must be adequate, benefits reasonable and vacations and holidays appropriate.
- Rewards must be comparable to those offered by competitive organisations in the same area.
- Benefit packages and other programmes should be equal to other organisations.
- Rewards must be equally available to people in the same position and be distributed fairly and equitably.
- The reward system must be multi-faceted.  
Managers must provide a range of rewards that focus on different aspects e.g. pay, time off, recognition and promotion.

According to Moorhead and Griffin (1995), the purpose of a reward and incentive system is to attract, retain and motivate qualified workers. The operative word being 'qualified'. The freight forwarding industry is characterized by a shortage of skilled and competent workers and there is a struggle to attract the right individual for the job. Those individuals who enter the folds of the organisation are, in most cases, disillusioned and don't seem to stay long enough to make a meaningful contribution to the organisation. This does not seem to perturb management who cannot seem to see the disruptive effect on the business. Management is slow to react to the potential of energetic, qualified, young black individuals who have the capability of impacting the organisation in a positive way.

In this day and age, there can be little argument that "people work because they expect something out of it". (Dubin, 1974: 99). Employees are placing more and more importance on benefits and incentives for the work that they perform. Incentives are considered an important element in retaining a company's members as well as keeping them productive while working.

Dubin (1974) lists two forms of incentives:

- Financial : Defined as any incentive that pays either directly or indirectly.
- Non-financial : Takes the form of being given greater responsibility, participating in work decisions and assuming greater authority.

Inevitably, 'non-financial' incentives ultimately have a financial aspect attached to them. In other words, when a worker assumes greater authority, it can be concluded that this was the result of some promotion. So, irrespective of what the needs of the individual might be, it does come down to satisfying the financial need of an individual. The same might not be true for professionals. Money and promotion may be low on their list of priorities as they tend to be well paid and they enjoy what they do. They might view job challenges as being more important to them like finding solutions to a problem. (Robbins et al. 2003). But for the ordinary worker who is trying desperately to make ends meet, what he takes home at the end of the week or month is what motivates him.

Reward and incentive programmes don't seem to be a consistent feature in the freight forwarding company. Even though the company claims to have a reward and incentive programme in place, it lacks purpose and the company is tight-fisted in respect of the incentives that are passed onto their workforce.

Employees who are motivated have an exceptional drive to achieve a goal. Motivated

people want to make something happen. They are not content to sit back and watch others pass them by and, therefore, there is a tremendous effort; striving and exertion on the part of the employee because they envision that once they achieve their goals, they will be better off than they are now. The goals, once achieved, will provide a new satisfaction usually called benefits. Benefits are defined as "rewards that come from achieving a goal" (Lefton and Buzzotta, 2004: 69).

Management would do well to ensure that staff are well incentivised to ensure staff retention and long term success of the organisation.

#### **2.2.12 Management Initiatives to Retain Staff**

Hiring and retaining top talent is considered to be one of the single greatest challenges in workforce management today, yet little attention is given to staff retention. Management seems to be focused on other issues that are perceived to be more important, yet their greatest asset is slowly slipping through their fingers.

Peter Drucker says that all organizations now say routinely that people are their greatest asset (Reichheld, 1996). However, most organisations still believe what nineteenth century employers believed: "People need us more than we need them." (Reichheld 1996: 92). This short-sightedness has done more harm than organisations care to admit.

According to Bolt, Dulworth and McGrath (2005), one of the most pressing problems confronting managers and organisations is attracting, developing and keeping good people. The perception of many companies in the South African context is that for every one person that leaves, there are ten waiting in line for that particular job. As much as this might be the case, the freight forwarding industry is faced with a large skills problem. In a recent article by Orlek (2006:10) in the Freight and Trading Weekly, Partick Ferderle, Managing Director of Birkart International is quoted as saying: "... there are two major obstacles to the country realising its full growth potential. The first is the shortage of skilled staff, and the second the crumbling infrastructure which has not kept pace with growth."

To find the right calibre individual who is going to come in and make a difference to the company and add value does not happen easily. This is a process that is cultivated over a period of time. The question that begs to be answered is: Can the freight forwarding

company afford to take the risk of letting its best workers go and if so, at what cost?

There are many reasons why workforce attrition has become a critical concern to most organisations:

- The high cost of recruiting, hiring and training a new employee.
- Corporate productivity is hurt by losing key players.
- Losing talent to competitors can lessen competitive advantage.
- High turnover can affect the morale of the remaining workforce.
- New, inexperienced employees can cause customer dissatisfaction.

According to Taormina (1999), employee commitment is a matter of concern to all organizations.

**a) Organisational Commitment:**

Organizational commitment is generally concerned with an individual's identification with his or her employing organisation, such as sharing the corporation's goals and values and a willingness to exert effort on behalf of that organization. The reason why commitment has long been a matter of concern to management is because low commitment has been regarded as a major cause of employee turnover. Employees who lack commitment are inclined to experience low levels of job satisfaction. Commitment is directly proportionate to job satisfaction. The greater the level of job satisfaction, the greater the commitment on the part of the employee. Employers have a major task on their hands to develop a sense of loyalty from their workforce which will ultimately have a positive impact on the organisation as a whole.

According to Reicheld (1996), loyalty must be a two way street. Many employees hold the belief that their loyalty depends on the loyalty of the employer towards them. This is a view that is somewhat difficult to challenge since very few organisations in South Africa have genuine loyalty and commitment to their workforce. This is tantamount to 'shooting oneself in the foot'. Employees spend a major portion of their lives at work and instead of developing brand loyalty out in the market place; organisations would do well to develop loyalty and commitment of its brand amongst its workforce as well by displaying fairness amongst its staff.

**b) Worker involvement and participation:**

Sisson and Storey (2000) state that worker involvement and participation in the workplace was found to have a proportionate effect on worker commitment.

Central to many of the new forms of organizational structures and processes is the importance of employee involvement and participation. Management of various companies has found that involving workers and getting them to participate at higher levels in the business, has had a significant effect on their commitment to the organisation. (Sisson and Storey, 2000).

Firms are constantly looking for competitive advantage over their rivals and with the availability of knowledge, technology and skills; companies are constantly restructuring which calls for adaptability, spontaneity and commitment. Organisations today still choose to ignore the merits of getting staff involved in the business beyond what they are employed to do and as such, the effect of this is a low level of commitment.

Staff who are committed to the organisation do not leave in a hurry. The onus is on the management to create and instil within the staff a high degree of commitment by using a strategic management approach and by ensuring that there is little or no imbalance in the workforce.

As much as it is important for staff to display a strong sense of commitment, the employer needs to demonstrate a greater sense of commitment. A sense of employer commitment is perceived to be the strongest influence on an employee's desire to stay with the organization. Just knowing that the employer has the well-being of the staff at heart is reason enough to be loyal.

Reichheld (1996) states that getting the right customers is a critical step in building a loyalty based business system, but it is only the first critical step. Once a company has loyal customers and the cash flow surplus they provide, it needs to re-invest a solid share of that cash into having and retaining superior employees. Employees who are not loyal are not likely to build an inventory of customers who are.

**c) Company's mission, vision and values:**

A company's mission, vision and values statement demonstrates real commitment to the employees over and above the organisation as a whole. According to Johnson and Scholes (2002: 239), one of the purposes of a mission statement is to "provide clarity on the main intentions and aspirations of the organisation". Hamel and Prahalad prefer to use the term

"strategic intent" which they believe encapsulates the future state or aspiration of the organisation that motivates managers and employees alike throughout the organisation. Staff must be made to understand that they feature in the overall strategy of the organisation as demonstrated in the mission statement.

According to Ceridian (2006), improving retention can be accomplished by improving the three key phases of the employee lifecycle:

- Improved hiring management

Finding the right employee to hire through better sourcing, screening and placement.

- Better employee management:

Aligning the company and employee performance objectives and providing training, advancement opportunities and improved benefits to ensure employees are challenged and content in their positions.

- Recognition of employee results:

In order for the freight forwarding company to retain its best workers, it needs to have a formalized retention programme in place that can avert any future possibility of its best workers resigning. The *modus operandi* is for management to deal with attrition as and when it arises and then to make counter offers to certain key personnel in the hope of keeping them. This type of management style is nothing short of weak. Instead, management is giving staff members every excuse to leave the company, than stay.

### **2.2.13 Transparency**

According to Baldoni (2004), transparency is not an act; it is a process, an outlook, or a state of mind. An organisation that strives for transparency does more than say there is nothing to hide. Baldoni (2004) further states that transparency is far more open and positive than that. It says that organisations are proud of the way they conduct their business, treat their employees, deal with their customers and enrich their shareholders.

Transparency is often promoted as an organisation-wide effort and it will never take hold unless both employees and managers embrace it. If managers and company leaders want to distinguish their businesses from the competition, it is incumbent on them to embark on the road of transparency.

With South Africa ten years into its democracy, non-white South Africans have still not fully recovered from the effects of apartheid and are still suspicious of the way in which white South Africans operate. In the South African context, a lack of transparency seems to be very prevalent. Nothing is taken at face value and transparency in all spheres of the business is critical to maintaining a workforce that is going to remain loyal and committed to the goals and aspirations of the company.

According to Robbins, Millett and Waters-Marsh (2004: 362), trust is defined as “a positive expectation that another will not, through words, actions or decisions, act opportunistically.” Transparency is not one-sided but it is an important ingredient for building trust between the workforce and management.

Robbins, Millett and Waters-Marsh (2004) outline five dimensions of trust:

- Integrity : Refers to honesty and truthfulness of a person.
- Competence : A person's technical and interpersonal knowledge and skills.
- Consistency : Relates to an individual's reliability, predictability and good judgment in handling situations.
- Loyalty : The willingness to protect another person.
- Openness : The ability to rely on a person to give you the full truth.

In order for the leadership of an organisation to ensure success, they have to obtain buy-in from their staff. According to Zand (1997), part of a leader's task has been, and continues to be, working with people to find and solve problems, but whether leaders gain access to the knowledge and creative thinking they need to solve problems depends on how much people trust them.

It is evident that organisational transparency translates into trust from the workforce. When management displays a lack of integrity, incompetence, inconsistency, lack of loyalty and an inability to be open, trust dissipates and is replaced by suspicion and resistance. When followers trust a leader, they are willing to be vulnerable to the leader's actions. People are unlikely to look up to or follow someone who they perceive as dishonest in their dealings. The lack of transparency in any organisation will ultimately lead to widespread dissatisfaction among workers.

The freight forwarding company, whilst appearing to be transparent in its dealings, actually lack in transparency. Management has on numerous occasions reneged and therefore has lost the trust of its workforce. Management has failed in their attempt to keep to their commitments to certain staff members concerning their career path, their remuneration and other key issues affecting their well being at the company. The appearance of concern is seen as nothing more than a facade and if management really wants to gain the full support of the entire workforce, they have to be genuine about transparency.

## **2.3 Conclusion**

This chapter explored issues pertinent to the company in an effort to show how these factors contribute to the issue of job satisfaction. The literature highlights various issues that contribute to the matter of job satisfaction.

Having shown the state of existing knowledge about the problem of job satisfaction, chapter 3 will present the methodology used to conduct the empirical or field research.

## **Chapter 3: Research Design**

### **3.1 Introduction**

The research centred on the issue of job satisfaction within the freight forwarding company and took into account factors that might have a bearing on the satisfaction rating of staff members. The research points out the various factors that contribute to job satisfaction and highlights the areas where more attention needs to be paid. The results derived from the research are an indication of the level of satisfaction within the company and can be used as a benchmark for research conducted by other companies.

This chapter will cover the following aspects:

- Quantitative Design of Research
- Population / Respondents
- Data collection / Questionnaire
- Data Analysis
- Reliability / Validity
- Conclusion

### **3.2 Design of research**

The research that was undertaken was cross sectional and descriptive in nature in that it attempted to describe the characteristics of job satisfaction specific to the Freight Forwarding Industry at a particular point in time.

The research project did not manipulate the variables but stated them as factually and accurately as possible.

The research design was based on a survey method that encompassed various elements affecting job satisfaction. The survey took the form of a simple to understand questionnaire that was intended to be completed within a relatively short period of time (approximately 10 minutes). The questionnaire was sent out to the workforce without targeting a specific group of workers and the information gathered was used to draw conclusions.

### **3.3 Population / Respondents**

It was expected that a 100% response rate was unlikely to be obtained and the resulting sample was self-selected. Questionnaires were sent out to the workforce of 300 employees comprising of males and females of Asian, Coloured, White and African descent and a response of 20 – 30% (approximately 60 – 100) was considered adequate to base assertions on (Diamantopoulos and Schlegelmilch, 1997). Thus a census was conducted. The response rate was 20% ie. 60 questionnaires. The low response rate means that the findings must be interpreted with care. A weakness was that only one mailing of the questionnaire was used. Second or third mailings might have gotten a better response but this was constrained by company and staff time and resources.

### **3.4 Data collection/questionnaire**

The method selected to collect data was in the form of a self-administered questionnaire. The questionnaire was self-developed and was based on information gathered from the literature review. The company factors that were examined were issues that affect not just the company under study, but industry in general. Factors that were relevant to the company were sifted and formed the basis of the questionnaire.

The key dimensions of the study cover satisfaction and the relevant issues were extracted from the literature review. Refer to the literature review.

The questionnaire was sent out to the workforce in the form of an e-mail to be completed and returned. To those workers who did not have access to e-mail, for example the lower level staff, questionnaires were hand delivered. The population is relatively fluent in English and the questionnaire was in English.

Reminders were sent out where the response was inadequate.

The questionnaire focussed on company factors as defined in the literature review.

According to Cooper and Emory (1995), the item analysis procedure evaluates an item based on how well it discriminates between those persons whose total score is high and those whose total score is low. The most popular type of response category for this approach is the summated scale. In this case, the respondent would be asked to express whether their satisfaction is high or low in respect of each statement on the questionnaire and each response would be given a score to reflect its degree of attitude favourableness

and the scores are totalled to measure the respondent's attitude. Each statement has a score range of 1 – 5 with 1 equalling low satisfaction and 5 equalling high satisfaction. The most frequently used form is the Likert Scale.

### **3.5 Data Analysis**

Data analysis was essential in order to determine the level of Job Satisfaction within the freight forwarding company. For the purpose of this research the Likert Scale was used to test staff attitudes and conclusions drawn from the results would be able to shed more light on the management question. SPSS Version 12 was used to analyse the data. Descriptive statistics were calculated and the applicable inferential analysis done. The Chronbach's alpha was used as a means to test the reliability of the results.

For each of the questions in the questionnaire the results were summarized both graphically and in the form of a frequency table. A satisfaction index was also done to calculate the average rating over all respondents. This index gives information about the satisfaction rating in each area of the company.

It is of interest to know the level of job satisfaction for the various areas of this freight forwarding company. In order to select a test that will produce valid results, each question was subjected to a Shapiro-Wilks test for normality in order to ascertain whether the responses follow a normal distribution. In each case normality was rejected. This lead the researcher to select a nonparametric procedure which did not require normality of the data.

Chi-square goodness-of-fit tests are carried out on each question to assess whether there is significant selection of specific satisfaction rates over others. This will highlight any significant satisfaction/dissatisfaction with the various aspects of Micor Shipping.

The null hypothesis was also tested, showing that there was no difference in the number of selections of the 5 satisfaction ratings.

### **3.6 Reliability / Validity**

The research was based on a questionnaire and the results gathered from this would provide management with vital information about the issues affecting job satisfaction. The questionnaire focused on relevant issues that concern the organisation as well as the staff and can therefore be accepted to be a reliable source of information.

The questionnaire that was sent out to the staff was a self-completion questionnaire.

Validity is the extent to which a question of scale is measuring the concept, attribute or

property it says it is. Face validity had been tested by an HR expert

Pilot studies had been conducted with a selected group of people to see if they have any difficulties with answering the questionnaire. The results of the pilot study showed that the respondents have a good understanding of the questions posed to them.

Reliability was tested using Cronbach's Alpha, with a value of 0.7.

According to Hill and Lewicki (2005), the definition of *reliability* is straightforward: a measurement is reliable if it reflects mostly true score, relative to the error. For example, an item such as "Red foreign cars are particularly ugly" would likely provide an unreliable measurement of prejudices against foreign-made cars. This is because there probably are ample individual differences concerning the likes and dislikes of colours. Thus, this item would "capture" not only a person's prejudice but also his or her colour preference. Therefore, the proportion of true score (for prejudice) in subjects' response to that item would be relatively small.

### 3.6.1 Measures of reliability

From the above discussion, one can easily infer a measure or statistic to describe the reliability of an item or scale. Specifically, an *index of reliability* may be defined in terms of the proportion of true score variability that is captured across subjects or respondents, relative to the total observed variability. In equation form, we can say:

$$\text{Reliability} = \sigma^2_{(\text{true score})} / \sigma^2_{(\text{total observed})}$$

All data collected by researchers contains a certain amount of error. According to classical test theory, an obtained data source is made up of two components: a true score which represents the actual knowledge or skill level of the respondent and some error which represents sources of variability unrelated to the intent of the instrument. If the instrument of data collection has little error, then it is reliable. The error can be measured by estimating how consistently a trait is assessed.

In this study, data scores reflect attitudes which always involve a certain amount of uncertainty, thus creating error in the measurement. Internal consistency, which is the most common type of reliability, is estimated using the Cronbach alpha method. This is the most appropriate type of reliability for survey research in which there is a range of possible answers for each item

Cronbach's  $\alpha$  (alpha) has an important use as a measure of the reliability of a psychometric instrument. It indicates the extent to which a set of test items can be treated as measuring a single latent variable. It was first named as alpha by Cronbach in 1951, although an earlier version is the Kuder-Richardson Formula 20 (often shortened to KR-20), which is the equivalent for dichotomous items, and Guttman in 1945 developed the same quantity under the name lambda-2.

Given that a sample was measured on a set of  $k$  items, Cronbach's  $\alpha$  is defined as the mean correlation across the items, adjusted upward by the Spearman-Brown prediction formula by  $k$ . It is related to the outcome of an analysis of variance of the item data into variance due to the individuals in the sample and variance due to the items. The higher the proportion of variance due to individuals, the higher Cronbach's  $\alpha$ .

Cronbach's  $\alpha$  can take values between minus infinity and 1 (although only positive values make sense). As a rule of thumb, a proposed psychometric instrument should only be used if an  $\alpha$  value of 0.70 or higher is obtained on a substantial sample. However the standard of reliability required varies between fields of psychology: cognitive tests (tests of intelligence or achievement) tend to be more reliable than tests of attitudes or personality. There is also variation within fields: it is easier to construct a reliable test of a specific attitude than of a general one, for example.

Alpha is most appropriately used when the items measure different substantive areas within a single construct (conversely, alpha can be artificially inflated by making superficial changes to the wording within a set of items). Although this description of the use of  $\alpha$  is given in terms of psychology, the statistic can be used in any discipline.

## Conclusion

The design of the research and the methodology that was used was sufficient to determine the level of satisfaction in respect of each of the company factors that were examined. All the relevant areas had been covered and the relevant tests that had been carried out were adequate in outlining, with a relatively fair amount of accuracy, the areas of concern.

In the next chapter, the findings emanating from the research design will be presented.

## Chapter 4: Presentation of Results

### 4.1 Introduction

This chapter will focus on presenting the results derived from the survey. The following aspects will be examined:

- The Chronbach's Coefficient Alpha
- Descriptive Statistics
- Inferential Statistics

The results will be presented in a schematic form with diagrams and explanations following thereafter.

### 4.2 Quantitative Results: Questionnaire

To assess the internal consistency of the Micor Shipping survey, Cronbach's alpha was calculated for a number of groupings as seen in Table 4.1.

Table 4.1: Results of Cronbach's Alpha on different groupings

Question groupings	Group 'Topic'	Cronbach's Alpha
Q2; Q3; Q9.2	Career opportunities/promotions	0.8590
Q4.1 - Q4.4	Implementation of change	0.7517
Q1; Q6; Q7; Q12; Q13	Management in general	0.8567
Q8.1 - Q8.5	Benefits	0.7673
Q11.1 - Q11.3	Incentives	0.4741
Q5; Q9.1	Salaries	0.7559

From Table 4.1 it can be seen that Cronbach's alpha for the groups measuring Career opportunities/Promotions, Implementation of change, Management in general, Benefits and Salaries are all above 0.7 thus indicating a satisfactory level of internal consistency. The Alpha value obtained for Incentives (0.4741) is less than the acceptable level of 0.7 thus indicating that the responses for the questions from this grouping are not consistent. This should not be surprising as different employees are on a different incentive scheme and would therefore respond differently to the various incentives. If Q11.1 is excluded from the group the Alpha value rises to 0.6414 which is better but still not at the acceptable level of 0.7.

When all the questions are retained for the reliability analysis the value for Cronbach's Alpha is 0.9168. Thus there is internal consistency with the data and one can be confident that the significant results obtained are reliable.

#### 4.2.1 Descriptive Statistics

For each of the questions in the questionnaire the results are summarized both graphically and in the form of a frequency table.

##### 4.2.1.1 Personal and General Information

###### a) Age

Figure 4.1 shows that more than 60% of respondents fall into the 30 – 49 category, and only one respondent is over 60. Refer to Appendix I and Table 4.2 for details. This more or less matches the overall population of employees.

Figure 4.1: Age distribution of respondents

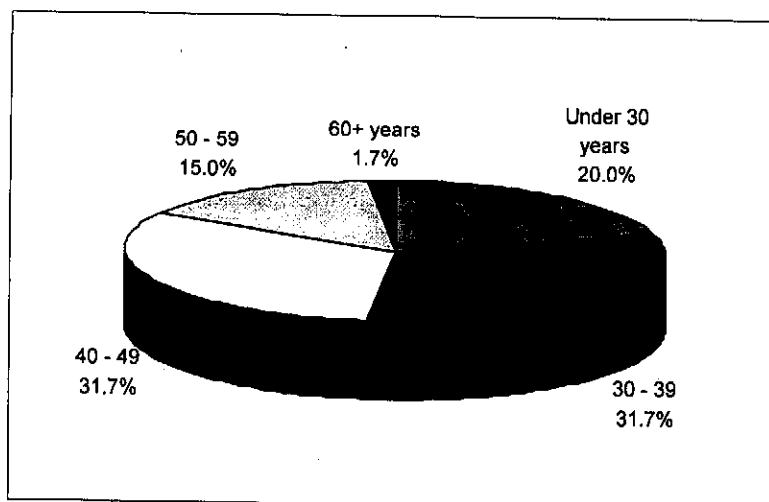


Table 4.2: Frequencies of Age distribution of respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Under 30 years	12	20.0	20.0	20.0
	30 - 39	19	31.7	31.7	51.7
	40 - 49	19	31.7	31.7	83.3
	50 - 59	9	15.0	15.0	98.3
	60+ years	1	1.7	1.7	100.0
	Total	60	100.0	100.0	

**b) Gender**

The majority (63%) of respondents are male. Refer to Appendix I, Table 4.3.

Figure 4.2: Gender of respondents

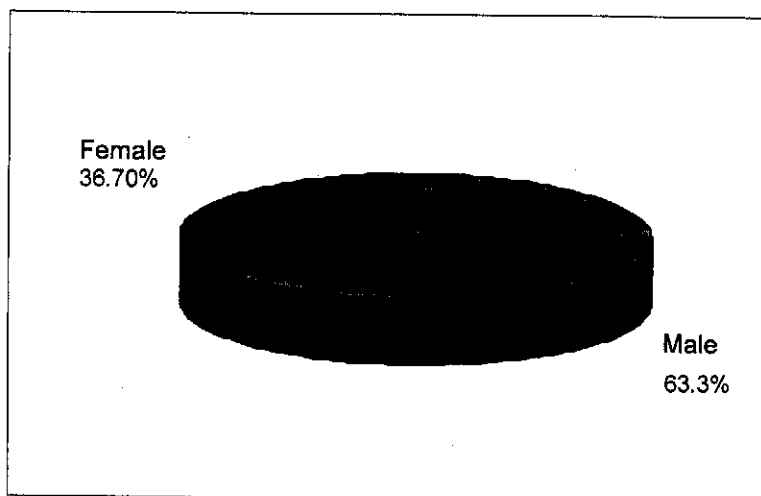


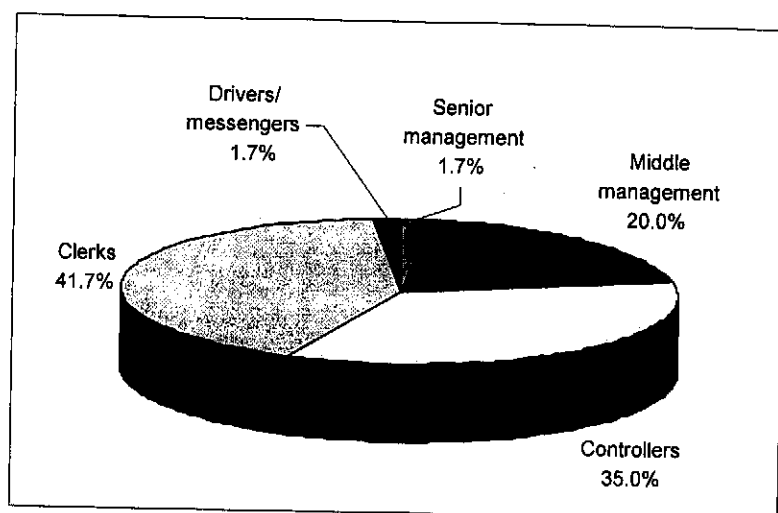
Table 4.3: Frequencies of Gender distribution of respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	38	63.3	63.3	63.3
	Female	22	36.7	36.7	100.0
	Total	60	100.0	100.0	

**c) Current position in the business**

Nearly 42% of respondents are clerks, 35% are controllers and 20% are middle management. Only 1 senior management and 1 driver/messenger completed the questionnaire. Refer to Appendix I and Table 4.4.

**Figure 4.3 Current position in the business**



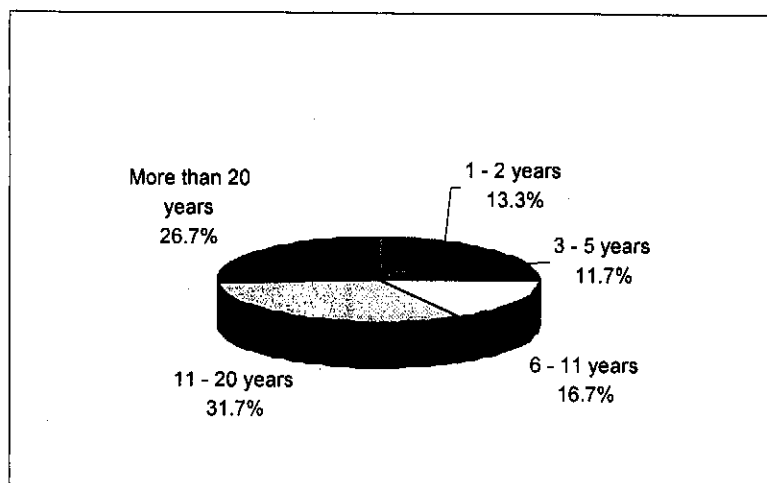
**Table 4.4: Frequencies of Current position in the business**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Senior management	1	1.7	1.7	1.7
	Middle management	12	20.0	20.0	21.7
	Controllers	21	35.0	35.0	56.7
	Clerks	25	41.7	41.7	98.3
	Other (Drivers/messengers)	1	1.7	1.7	100.0
	Total	60	100.0	100.0	

**d) Number of years in the profession**

Nearly 60% of the respondents have worked for more than 11 years in the profession while 25% have been in the profession for less than 6 years. Refer to Appendix I and Table 4.5.

**Figure 4.4: Number of years in the profession**



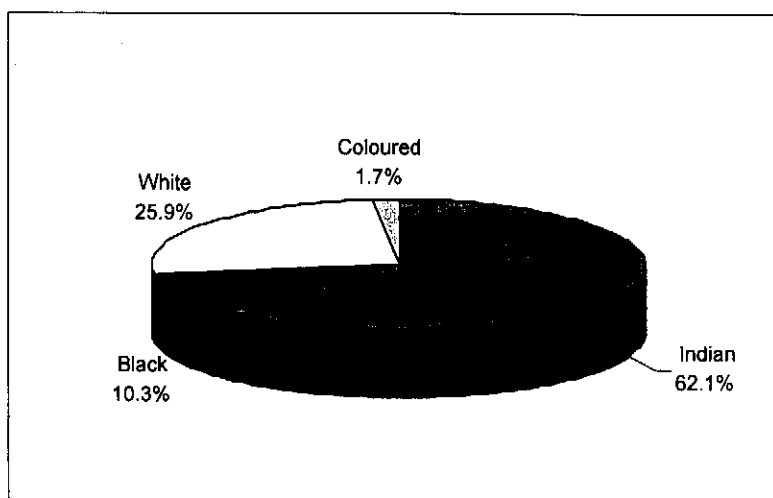
**Table 4.5: Frequencies of 'Years in the profession'**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1 - 2 years	8	13.3	13.3	13.3
	3 - 5 years	7	11.7	11.7	25.0
	6 - 11 years	10	16.7	16.7	41.7
	11 - 20 years	19	31.7	31.7	73.3
	More than 20 years	16	26.7	26.7	100.0
	Total	60	100.0	100.0	

**e) Race**

60% of the sample is Indian, 25% White, 10% Black and only 1 person is Coloured. Refer to Appendix I and Table 4.6 and figure 5.

**Figure 4.5: Race distribution of respondents**



**Table 4.6: Frequencies of race distribution of respondents**

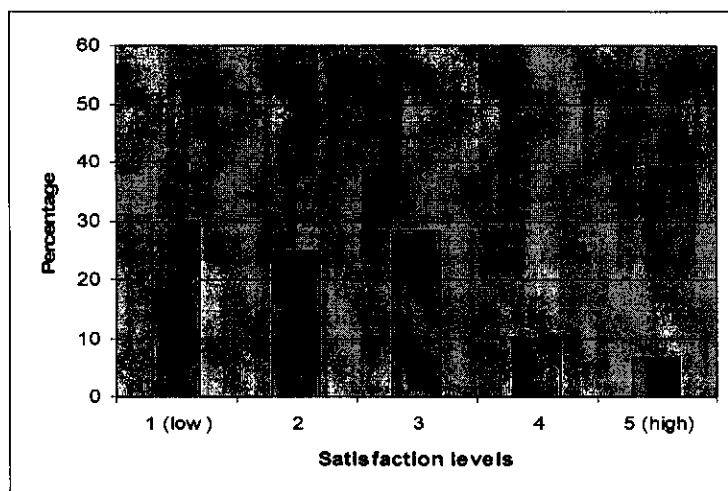
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Indian	36	60.0	62.1	62.1
	Black	6	10.0	10.3	72.4
	White	15	25.0	25.9	98.3
	Coloured	1	1.7	1.7	100.0
	Total	58	96.7	100.0	
Missing	System	2	3.3		
Total		60	100.0		

#### 4.2.1.2 Satisfaction ratings of various aspects of the business

##### a) Communication and Information flow within Micor

30% indicate a low satisfaction rate of 1, with 25% selecting a rating of 2 and 28% a rating of 3. Only 17% show a positive satisfaction rating of 4 or 5. Refer to Appendix I and Table 4.7.

**Figure 4.6: Satisfaction with Communication and information flow**



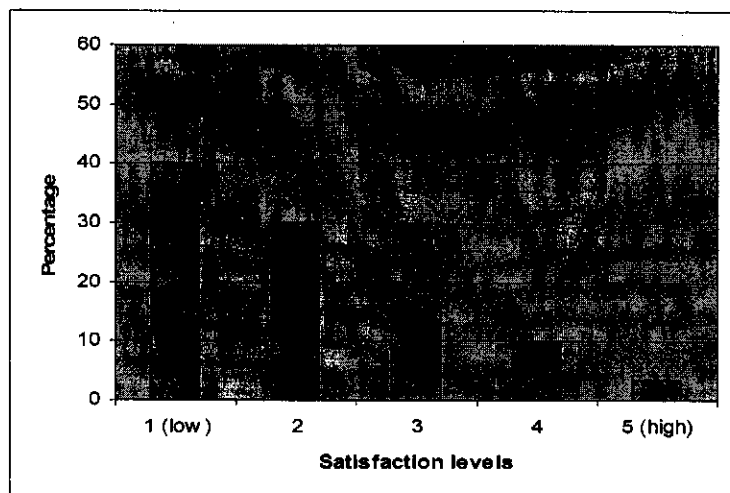
**Table 4.7: Frequency distribution of satisfaction with Communication and information flow**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Satisfaction rate 1 (low)	18	30.0	30.0	30.0
	Satisfaction rate 2	15	25.0	25.0	55.0
	Satisfaction rate 3	17	28.3	28.3	83.3
	Satisfaction rate 4	6	10.0	10.0	93.3
	Satisfaction rate 5 (high)	4	6.7	6.7	100.0
	Total	60	100.0	100.0	

**b) Current career opportunities within Micor.**

Low satisfaction ratings of 1 and 2 are recorded by 40% and 30% of the respondents respectively. Only 3% rate this aspect as 5(high satisfaction). Refer to Appendix I and Table 4.8.

**Figure 4.7: Satisfaction with Career opportunities within Micor**



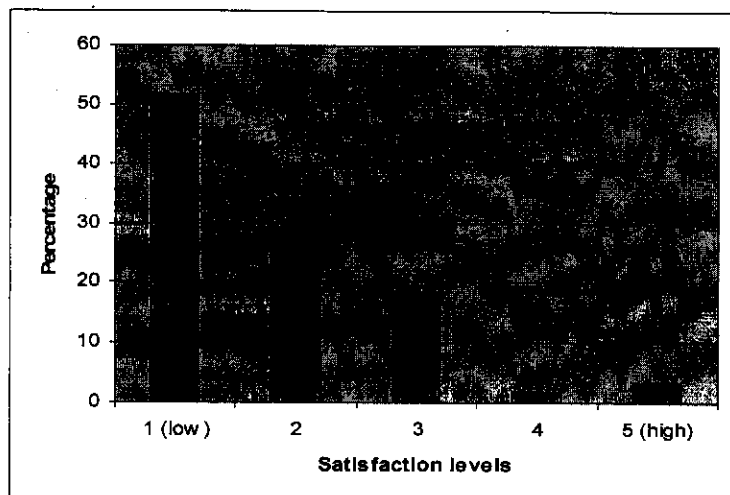
**Table 4.8: Frequency distribution of satisfaction with Career opportunities**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Satisfaction rate 1 (low)	24	40.0	40.0	40.0
	Satisfaction rate 2	18	30.0	30.0	70.0
	Satisfaction rate 3	10	16.7	16.7	86.7
	Satisfaction rate 4	6	10.0	10.0	96.7
	Satisfaction rate 5 (high)	2	3.3	3.3	100.0
	Total	60	100.0	100.0	

**c) Individual promotion criteria within Micor**

Nearly 52% of respondents rated promotion criteria as 1(low), and only 5% rated it an above average 4 or 5. 25% and 18% gave it a rating of 2 and 3 respectively. Refer to Appendix I and Table 4.9.

**Figure 4.8: Satisfaction with Individual promotion criteria**



**Table 4.9: Frequency distribution of satisfaction with Promotion criteria**

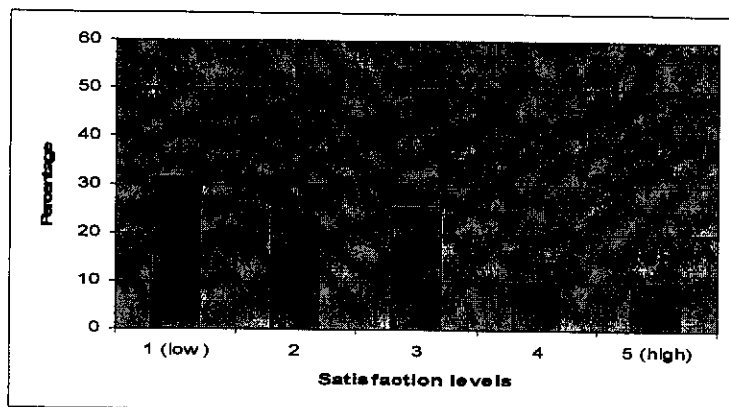
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Satisfaction rate 1 (low)	31	51.7	51.7	51.7
	Satisfaction rate 2	15	25.0	25.0	76.7
	Satisfaction rate 3	11	18.3	18.3	95.0
	Satisfaction rate 4	1	1.7	1.7	96.7
	Satisfaction rate 5 (high)	2	3.3	3.3	100.0
	Total	60	100.0	100.0	

**d) The implementation of change**

**Name change from Micor to DNA**

Only about 20% indicated satisfaction (4 or 5) with the name change. 31% rated their satisfaction as 1(low), and about 50% rated their satisfaction as 2 or 3. Refer to Appendix I and Table 4.10.

**Figure 4.9: Satisfaction with name change from Micor to DNA**



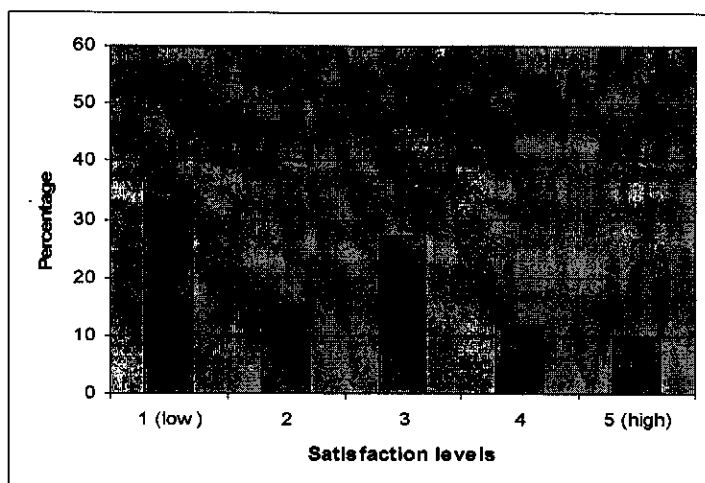
**Table 4.10: Frequency distribution of satisfaction with name change from Micor to DNA**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Satisfaction rate 1 (low)	16	26.7	31.4	31.4
	Satisfaction rate 2	12	20.0	23.5	54.9
	Satisfaction rate 3	13	21.7	25.5	80.4
	Satisfaction rate 4	5	8.3	9.8	90.2
	Satisfaction rate 5 (high)	5	8.3	9.8	100.0
	Total	51	85.0	100.0	
Missing	System	9	15.0		
Total		60	100.0		

**e) Change from Compu-Clear to Corefreight**

Nearly 10% of respondents rate satisfaction levels as 5(high), and more than 50% rate it as 1 or 2. An average 3 was scored by over 26%. Refer to Appendix I and Table 4.11.

**Figure 4.10: Satisfaction with change from Compu-Clear to Corefreight**



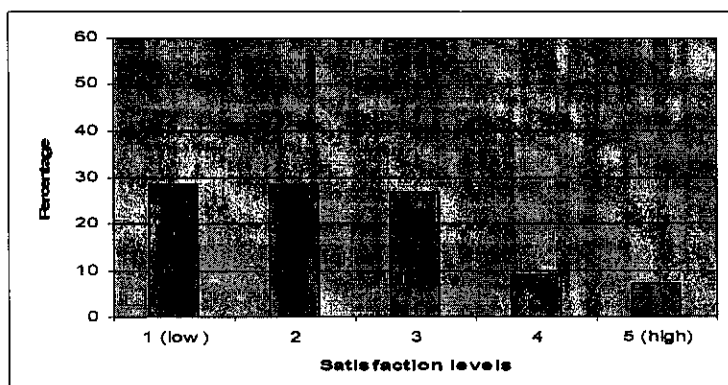
**Table 4.11: Frequency distribution of satisfaction with change from Compuclear to Corefreight**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Satisfaction rate 1 (low)	19	31.7	36.5	36.5
	Satisfaction rate 2	8	13.3	15.4	51.9
	Satisfaction rate 3	14	23.3	26.9	78.8
	Satisfaction rate 4	6	10.0	11.5	90.4
	Satisfaction rate 5 (high)	5	8.3	9.6	100.0
	Total	52	86.7	100.0	
Missing	System	8	13.3		
Total		60	100.0		

#### f) Change of Agents to Geo Logistics

Nearly 60% of respondents rate satisfaction with this change as a low 1 or 2. More than 25% rate it an average 3 and only 7% rate it a high 5. Refer to table Appendix I and Table 4.12.

**Figure 4.11: Satisfaction with Change of Agents to Geo Logistics**



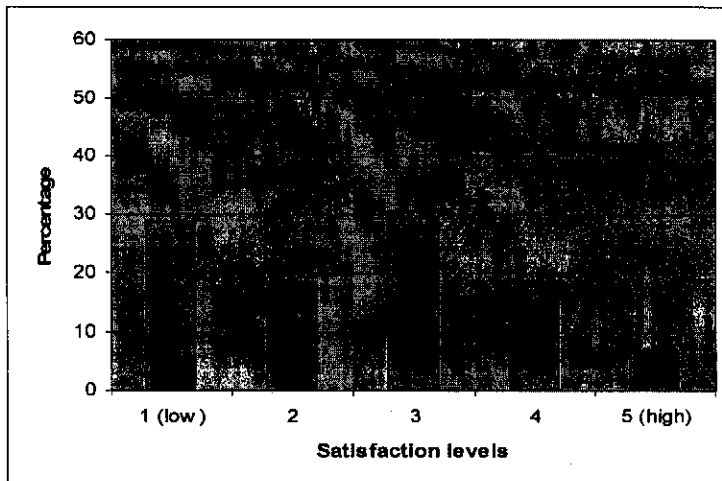
**Table 4.12: Frequency distribution of satisfaction with change of Agents to Geo Logistics**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Satisfaction rate 1 (low)	16	26.7	28.6	28.6
	Satisfaction rate 2	16	26.7	28.6	57.1
	Satisfaction rate 3	15	25.0	26.8	83.9
	Satisfaction rate 4	5	8.3	8.9	92.9
	Satisfaction rate 5 (high)	4	6.7	7.1	100.0
	Total	56	93.3	100.0	
Missing	System	4	6.7		
Total		60	100.0		

**g) Apollo structure**

Only 6.8% of respondents' rate satisfaction with the Apollo structure as a high 5, while nearly 30% rate it a low 1 and over 30% rate it an average 3. Refer to Appendix I and Table 4.13.

**Figure 4.12: Satisfaction with Apollo Structure**



**Table 4.13: Frequency distribution of satisfaction with Apollo Structure**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Satisfaction rate 1 (low)	17	28.3	28.8	28.8
	Satisfaction rate 2	11	18.3	18.6	47.5
	Satisfaction rate 3	18	30.0	30.5	78.0
	Satisfaction rate 4	9	15.0	15.3	93.2
	Satisfaction rate 5 (high)	4	6.7	6.8	100.0
	Total	59	98.3	100.0	
Missing	System	1	1.7		
Total		60	100.0		

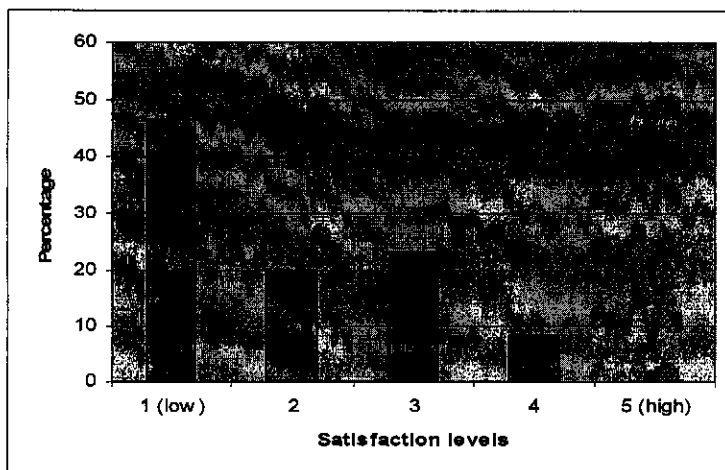
#### **h) Level of salary with respect to expertise**

About 47% of respondents indicate that their level of satisfaction with their salary with respect to their expertise is a low 1 and a further 20% rate their satisfaction as 2.

Only one respondent (1.7%) gave a rating of 5 to this issue and a further 5(8.3%) rated it 4.

Refer to Appendix I and Table 4.14.

**Figure 4.13: Satisfaction with Level of salary with respect to expertise**



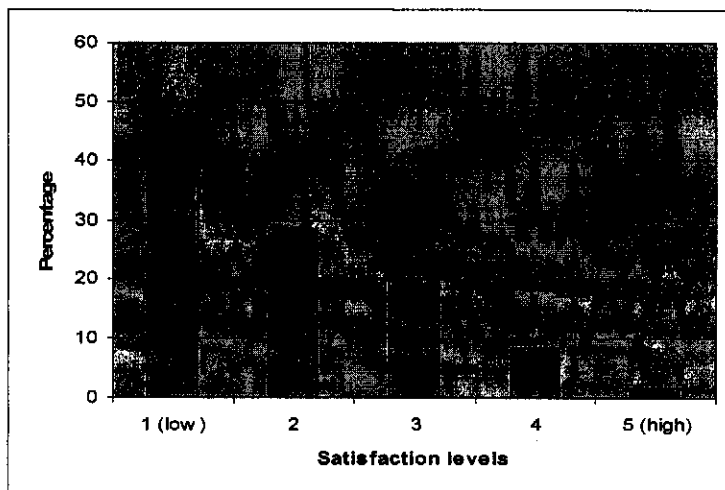
**Table 4.14: Frequency distribution of satisfaction with Level of salary with respect to expertise**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Satisfaction rate 1 (low)	28	46.7	46.7	46.7
	Satisfaction rate 2	12	20.0	20.0	66.7
	Satisfaction rate 3	14	23.3	23.3	90.0
	Satisfaction rate 4	5	8.3	8.3	98.3
	Satisfaction rate 5 (high)	1	1.7	1.7	100.0
	Total	60	100.0	100.0	

**i) Succession planning with Micor**

Over 40% of respondents rate their satisfaction with this issue as a low 1, a further 28.3% rate it 2 and 20% rate it an average 3. Only 1.7% gave it a high rating of 5. Refer to Appendix I and Table 4.15.

**Figure 4.14: Satisfaction with Succession planning at Micor**



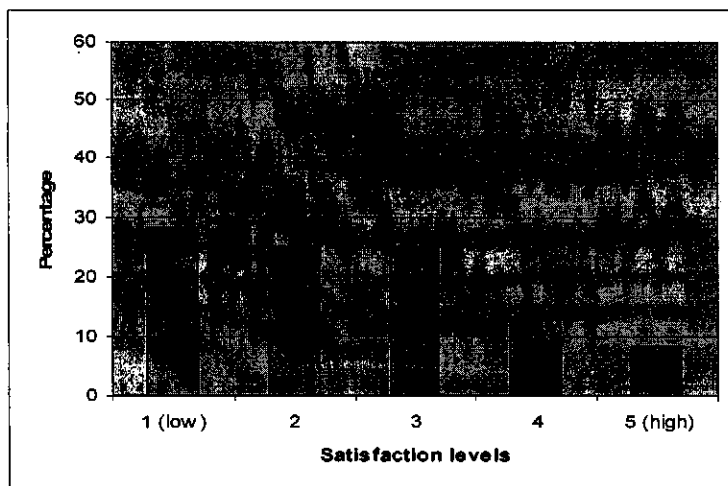
**Table 4.15: Frequency distribution of satisfaction with Succession planning at Micor**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Satisfaction rate 1 (low)	25	41.7	41.7	41.7
	Satisfaction rate 2	17	28.3	28.3	70.0
	Satisfaction rate 3	12	20.0	20.0	90.0
	Satisfaction rate 4	5	8.3	8.3	98.3
	Satisfaction rate 5 (high)	1	1.7	1.7	100.0
	Total	60	100.0	100.0	

**j) Skills and competence of management in Micor**

A more evenly distributed selection of ratings was evident for this issue. 28.3% rated satisfaction with the competence of management as 1, 25% rated it 2 and a further 25% rated it 3. Only 8.3% rated it a high 5. Refer to Appendix I and Table 4.16.

**Figure 4.15: Satisfaction with Skills and competence of management in Micor**



**Table 4.16: Frequency distribution of satisfaction with Skills and competence of management in Micor**

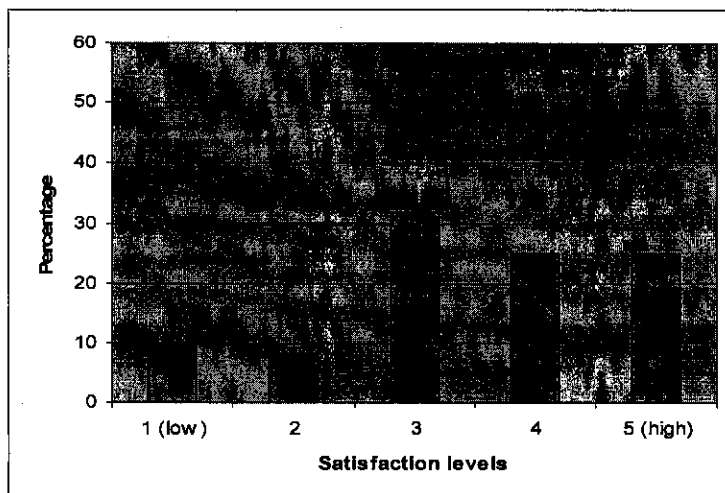
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Satisfaction rate 1 (low)	17	28.3	28.3	28.3
	Satisfaction rate 2	15	25.0	25.0	53.3
	Satisfaction rate 3	15	25.0	25.0	78.3
	Satisfaction rate 4	8	13.3	13.3	91.7
	Satisfaction rate 5 (high)	5	8.3	8.3	100.0
	Total	60	100.0	100.0	

**k) Company benefits**

**Sick leave benefits**

25% of the respondents indicate their satisfaction with sick leave benefits in each of the ratings 4 and 5, while 31.7% indicate an average satisfaction of 3. Only 18% rated their satisfaction as 1 or 2. Refer to Appendix I and Table 4.17.

**Figure 4.16: Satisfaction with Sick leave benefits**



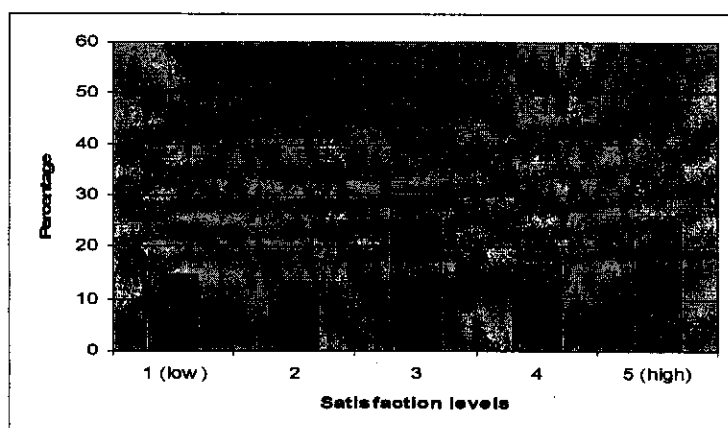
**Table 4.17: Frequency distribution of satisfaction with Sick leave benefits**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Satisfaction rate 1 (low)	6	10.0	10.0	10.0
Satisfaction rate 2	5	8.3	8.3	18.3
Satisfaction rate 3	19	31.7	31.7	50.0
Satisfaction rate 4	15	25.0	25.0	75.0
Satisfaction rate 5 (high)	15	25.0	25.0	100.0
Total	60	100.0	100.0	

### **Study leave benefits**

The largest group of respondents (30%) rated satisfaction with study leave benefits as an average 3, while a further 41,7% voted above average at 4 or 5 and the remaining 28,3% voted below average at 1 or 2. Refer to Appendix I and Table 4.18.

**Figure 4.17: Satisfaction with Study leave benefits**



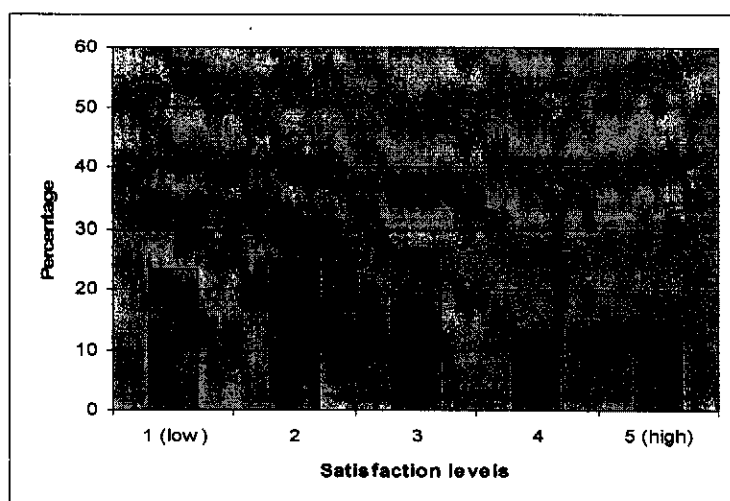
**Table 4.18: Frequency distribution of satisfaction with Study leave benefits**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Satisfaction rate 1 (low)	9	15.0	15.0	15.0
Satisfaction rate 2	8	13.3	13.3	28.3
Satisfaction rate 3	18	30.0	30.0	58.3
Satisfaction rate 4	10	16.7	16.7	75.0
Satisfaction rate 5 (high)	15	25.0	25.0	100.0
Total	60	100.0	100.0	

### **Pension/Provident fund benefits**

A fairly even spread of ratings is evident as seen in Table 2.8.3. Ratings 1, 2 and 3 received a nearly equal selection of about 25% and the remainder of the respondents rated satisfaction with Pension fund benefits as 4 or 5. Refer to Appendix I and Table 4.19.

**Figure 4.18: Satisfaction with Pension/Provident fund benefits**



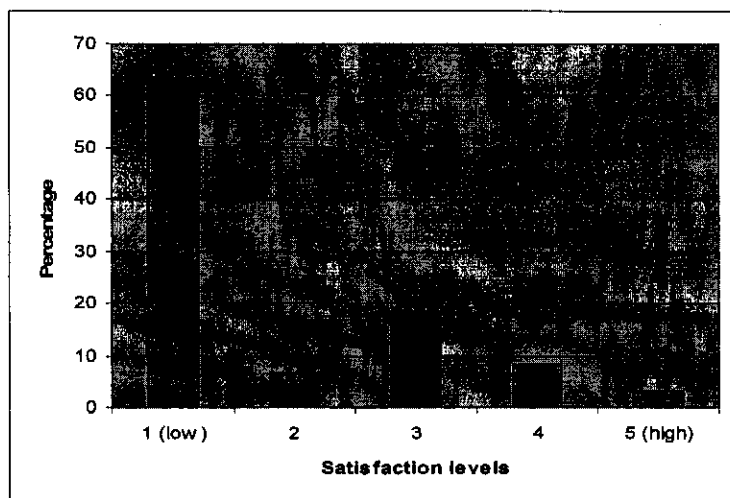
**Table 4.19: Frequency distribution of satisfaction with Pension/Provident fund benefits**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Satisfaction rate 1 (low)	14	23.3	23.3	23.3
Satisfaction rate 2	15	25.0	25.0	48.3
Satisfaction rate 3	16	26.7	26.7	75.0
Satisfaction rate 4	8	13.3	13.3	88.3
Satisfaction rate 5 (high)	7	11.7	11.7	100.0
Total	60	100.0	100.0	

### Travel allowance benefits

Over 60% of respondents rate satisfaction with travel allowance benefits as a low 1, while only 2 respondents (3,3%) rated it a high 5. Refer to Appendix I and Table 4.20.

**Figure 4.19: Satisfaction with Travel allowance benefits**



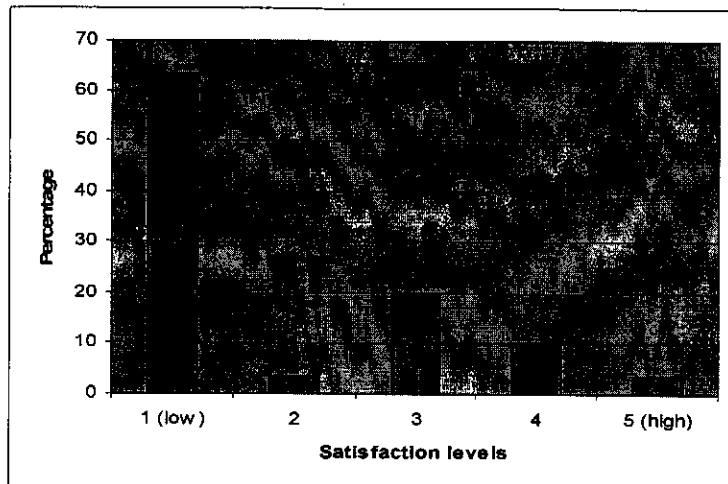
**Table 4.20: Frequency distribution of satisfaction with Travel allowance benefit**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Satisfaction rate 1 (low)	9	15.0	15.0	15.0
	Satisfaction rate 2	8	13.3	13.3	28.3
	Satisfaction rate 3	18	30.0	30.0	58.3
	Satisfaction rate 4	10	16.7	16.7	75.0
	Satisfaction rate 5 (high)	15	25.0	25.0	100.0

### Car allowance/Company car benefits

Again a large proportion of the sample (63,3) rate their satisfaction with car allowance benefits as a low 1 and a few (3,3%) rate it a high 5. Refer to Appendix I and Table 4.21.

**Figure 4.20: Satisfaction with Car allowance/Company car benefits**



**Table 4.21: Frequency distribution of satisfaction with Car allowance/Company car benefits**

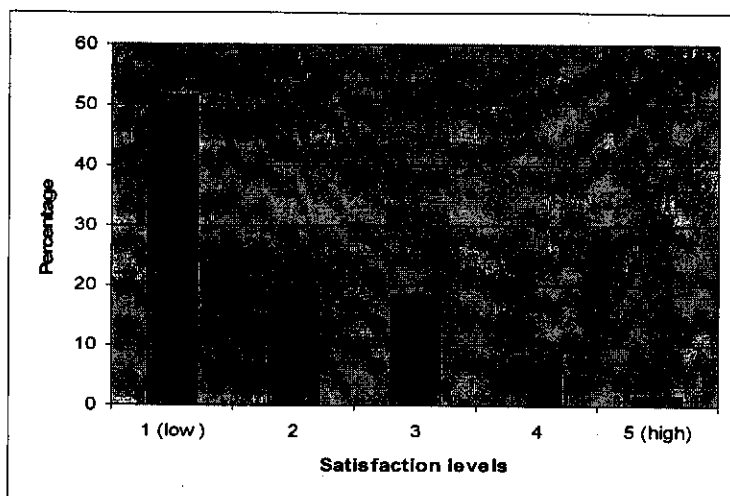
	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Satisfaction rate 1 (low)	38	63.3	63.3	63.3
Satisfaction rate 2	2	3.3	3.3	66.7
Satisfaction rate 3	12	20.0	20.0	86.7
Satisfaction rate 4	6	10.0	10.0	96.7
Satisfaction rate 5 (high)	2	3.3	3.3	100.0
Total	60	100.0	100.0	

#### **I) Equality and Fairness within Micor**

##### **Equality and fairness with regard to salaries**

More than 50% rated satisfaction with satisfaction with regard to salaries as a low 1 and a further 20% rated it as 2. Only 1 respondent (1,7%) gave this area a high 5 rating. Refer to Appendix I and Table 4.22.

**Figure 4.21: Satisfaction with Equality and fairness of salaries**



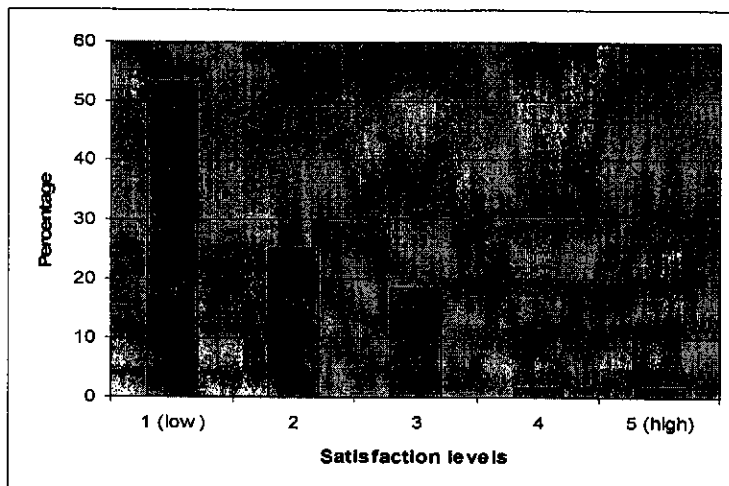
**Table 4.22: Frequency distribution of satisfaction with Equality and fairness of salaries**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Satisfaction rate 1 (low)	31	51.7	51.7	51.7
Satisfaction rate 2	12	20.0	20.0	71.7
Satisfaction rate 3	11	18.3	18.3	90.0
Satisfaction rate 4	5	8.3	8.3	98.3
Satisfaction rate 5 (high)	1	1.7	1.7	100.0
Total	60	100.0	100.0	

**m) Equality and fairness with regard to promotions**

More than 50% rate satisfaction with promotions as a low 1 and a further 25% rate it a 2. Only 2 respondents (3,4%) rate it an above average 4 or 5. Refer to Appendix I and Table 4.23.

**Figure 4.22: Satisfaction with Equality and fairness of promotions**



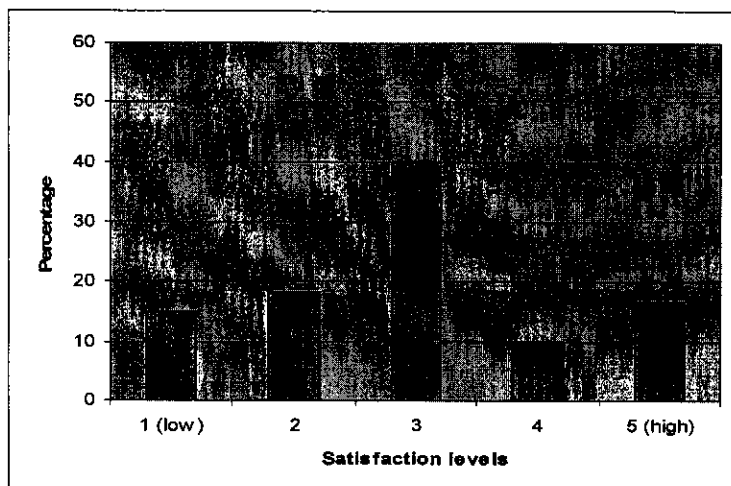
**Table 4.23: Frequency distribution of satisfaction with Equality and fairness of promotions**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Satisfaction rate 1 (low)	32	53.3	53.3	53.3
	Satisfaction rate 2	15	25.0	25.0	78.3
	Satisfaction rate 3	11	18.3	18.3	96.7
	Satisfaction rate 4	1	1.7	1.7	98.3
	Satisfaction rate 5 (high)	1	1.7	1.7	100.0
	Total	60	100.0	100.0	

**n) The culture of the business**

The most common rating for satisfaction with culture is an average 3 with 40% support. The remaining ratings are relatively evenly supported. Refer to Appendix I and Table 4.24.

**Figure 4.23: Satisfaction with the culture of the business**



**Table 4.24: Frequency distribution of satisfaction with the culture of the business**

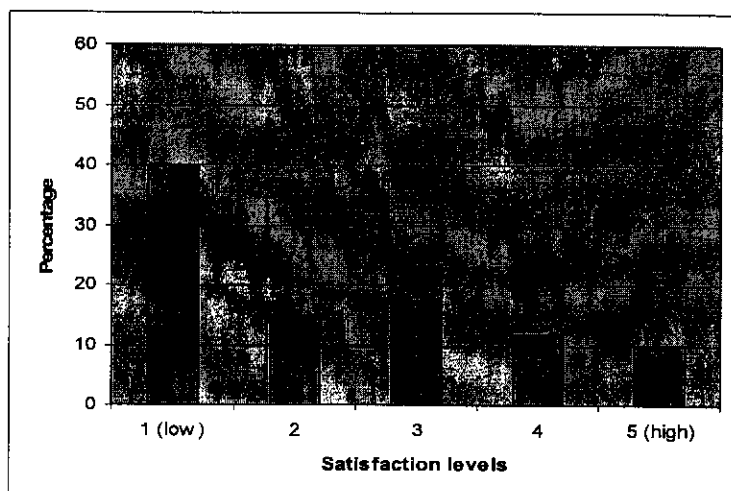
	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Satisfaction rate 1 (low)	9	15.0	15.0	15.0
Satisfaction rate 2	11	18.3	18.3	33.3
Satisfaction rate 3	24	40.0	40.0	73.3
Satisfaction rate 4	6	10.0	10.0	83.3
Satisfaction rate 5 (high)	10	16.7	16.7	100.0
Total	60	100.0	100.0	

**o) Incentive schemes**

**Bonus incentive**

40% rate their satisfaction with the incentive bonus as a low 1 and 23.3% rate it an average 3. Only 10% give this area a high 5 rating. Refer to Appendix I and Table 4.25.

**Figure 4.24: Satisfaction with the bonus incentive**



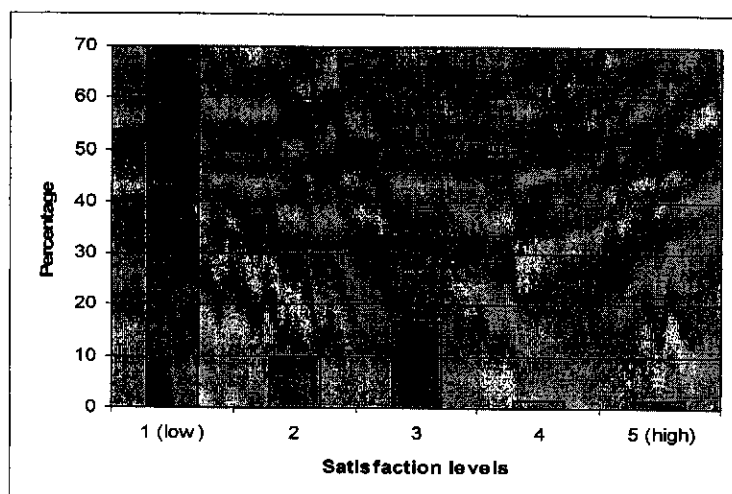
**Table 4.25: Frequency distribution of satisfaction with the bonus incentive**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Satisfaction rate 1 (low)	24	40.0	40.0	40.0
	Satisfaction rate 2	9	15.0	15.0	55.0
	Satisfaction rate 3	14	23.3	23.3	78.3
	Satisfaction rate 4	7	11.7	11.7	90.0
	Satisfaction rate 5 (high)	6	10.0	10.0	100.0
	Total	60	100.0	100.0	

### **Profit share incentive**

70% rate their satisfaction with the profit share incentive as 1(low) and only 2 respondents (3.4%) give this area an above average rating. Refer to Appendix I and Table 4.26.

**Figure 4.25: Satisfaction with the profit share incentive**



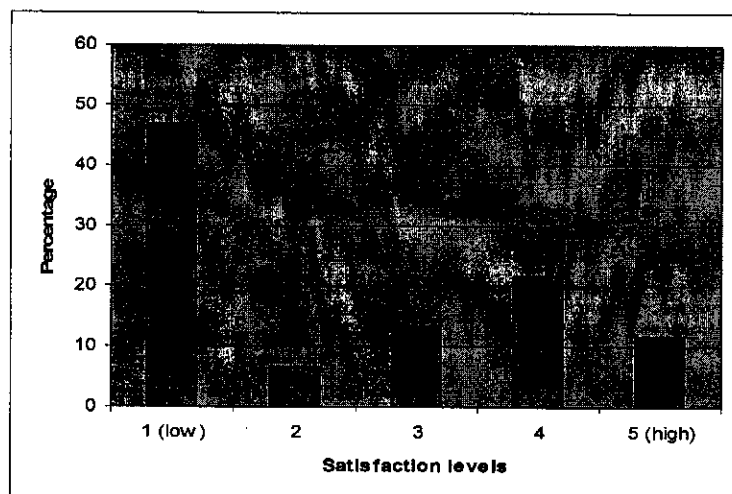
**Table 4.26: Frequency distribution of satisfaction with the profit share incentive**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Satisfaction rate 1 (low)	42	70.0	70.0	70.0
	Satisfaction rate 2	6	10.0	10.0	80.0
	Satisfaction rate 3	10	16.7	16.7	96.7
	Satisfaction rate 4	1	1.7	1.7	98.3
	Satisfaction rate 5 (high)	1	1.7	1.7	100.0
	Total	60	100.0	100.0	

### 13<sup>th</sup> cheque incentive

Satisfaction with the 13<sup>th</sup> cheque incentive was rated a low 1 by 46,7%, while 21,7% voted it above average at 4. Refer to Appendix I and Table 4.27.

**Figure 4.26: Satisfaction with the 13<sup>th</sup> cheque incentive**



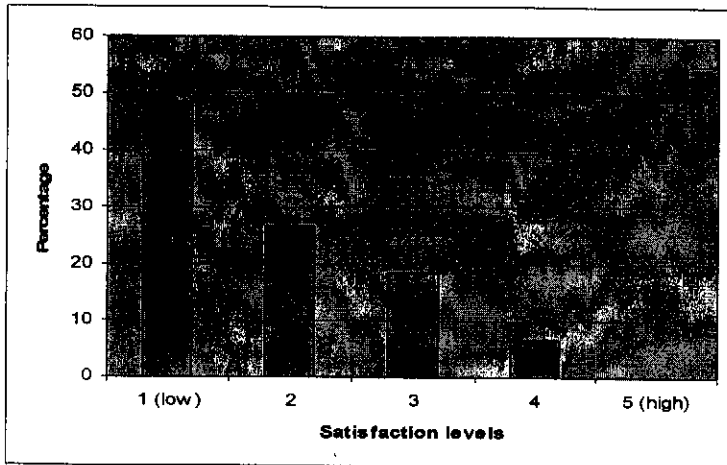
**Table 4.27: Frequency distribution of satisfaction with the 13<sup>th</sup> cheque incentive**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Satisfaction rate 1 (low)	28	46.7	46.7	46.7
Satisfaction rate 2	4	6.7	6.7	53.3
Satisfaction rate 3	8	13.3	13.3	66.7
Satisfaction rate 4	13	21.7	21.7	88.3
Satisfaction rate 5 (high)	7	11.7	11.7	100.0
Total	60	100.0	100.0	

**p) Initiatives by management to retain staff members**

Satisfaction with this area was given a low 1 by 48.3%, while 26.7% rated it a 2. An average rating of 3 was given by 18.3% and there were no high ratings of 5 given at all. Refer to Appendix I and Table 4.28.

**Figure 4.27: Satisfaction with Management initiative to retain staff**



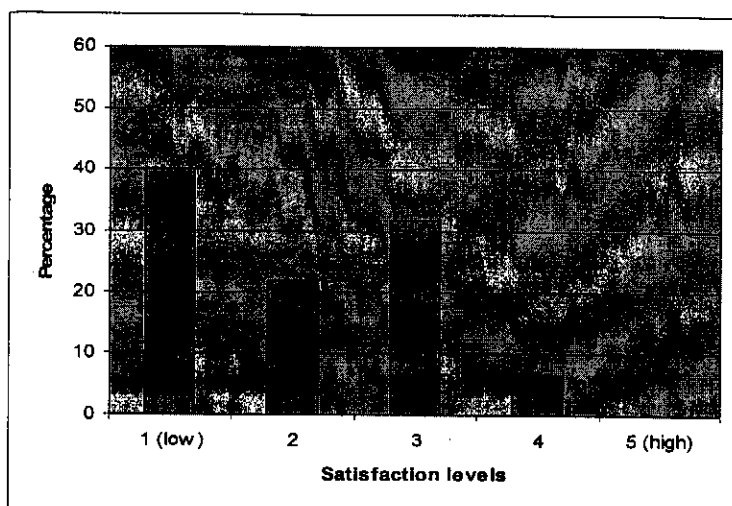
**Table 4.28: Frequency distribution of satisfaction with Management initiative to retain staff**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Satisfaction rate 1 (low)	29	48.3	48.3	48.3
Satisfaction rate 2	16	26.7	26.7	75.0
Satisfaction rate 3	11	18.3	18.3	93.3
Satisfaction rate 4	4	6.7	6.7	100.0
Total	60	100.0	100.0	

**q) Transparency within Micor**

A low rating of 1 was given by 40% for satisfaction with transparency within Micor. A little over 30% rated it an average 3 and no one gave it a high 5 rating. Refer to Appendix I and Table 4.29.

**Figure 4.28: Satisfaction with transparency within Micor**



**Table 4.29: Frequency distribution of satisfaction with transparency within Micor**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Satisfaction rate 1 (low)	24	40.0	40.0	40.0
Satisfaction rate 2	13	21.7	21.7	61.7
Satisfaction rate 3	19	31.7	31.7	93.3
Satisfaction rate 4	4	6.7	6.7	100.0
Total	60	100.0	100.0	

#### 4.2.1.3 Satisfaction Indices

A satisfaction index, calculated as the average rating over all respondents, is defined for each question. This index gives information about the satisfaction rating in each area of the company. The satisfaction rating is out of 5, with 5 being the highest and 1 being the lowest. The higher the rating, the higher is the satisfaction in that area and vice versa.

Table 4.30: Satisfaction indices for each area

Incentive profit share	1.55
Equity and fairness	1.73
Promotion criteria	1.80
Travel allowance	1.82
Management initiative to retain staff	1.83
Car allowance / Company car	1.87
Equity and fairness of salaries	1.88
Level of salary with respect to expertise	1.98
Succession planning	2.00
Transparency	2.05
Career opportunities	2.07
Incentive bonus	2.37
Change of Agents to Geo Logistics	2.38
Communication and information flow	2.38
Change from Compuclear to Corefreight	2.42
Name change from Micor to DNA	2.43
Incentive 13th cheque	2.45
Skills and competence of management	2.48
Apollo structure	2.53
Pension/Provident fund	2.65
Culture of the business	2.95
Study leave	3.23
Sick leave	3.47

It is interesting to note that no areas scored an above average rating (4 or more) and only the areas of 'study leave' and 'sick' leave' scored about an average rating (3). From the results tabulated above, it is evident that job satisfaction in respect of the areas investigated within the company is low.

Satisfaction indices are further broken down by the demographic factors of age, gender, current position, years in the profession and race.

**a) Satisfaction Indices for each area by Age**

According to Table 31, the satisfaction indices for each area by age are as follows:

Under 30 years:

- Dissatisfaction lies with profit share and satisfaction lies with the culture of the business. This is evidenced by a rating of 1.83 and 3.33 respectively.

Age 30 – 39:

- Dissatisfaction lies with profit share and satisfaction lies with sick leave benefits as evidenced by a rating of 1.42 and 3.42 respectively.

Age 40 – 49:

- Dissatisfaction lies with profit share and satisfaction lies with sick leave and study leave benefits as evidenced by a rating of 1.21 and 3.47 respectively.

Age 50 – 59:

- Dissatisfaction lies with 13<sup>th</sup> cheque incentives and satisfaction lies with sick leave and study leave benefits as evidenced by a rating of 1.67 and 3.67 respectively.

Over 60:

- High satisfaction rating for sick leave benefits, culture of the business and 13<sup>th</sup> cheque benefits and general dissatisfaction for everything else as evidenced by a rating of 5, 5 and 4 respectively.

Table 4.31: Satisfaction indices for each area by Age

	Under 30 years	30 - 39	40 - 49	50 - 59	60+ years
Communication and information flow	2.67	2.32	1.89	3.11	3.00
Career opportunities	2.42	1.95	1.63	2.78	2.00
Promotion criteria	2.58	1.74	1.21	2.22	1.00
Name change from Micor to DNA	2.42	2.21	1.68	2.22	1.00
Change from Compuclear to Corefreight	2.75	1.84	2.00	2.11	1.00
Change of Agents to Geo Logistics	2.83	1.95	1.89	2.78	1.00
Apollo structure	2.92	2.53	2.26	2.44	1.00
Level of salary with respect to expertise	2.00	2.11	1.68	2.44	1.00
Succession planning	2.50	2.05	1.53	2.33	1.00
Skills and competence of management	3.25	2.53	1.79	3.00	1.00
Sick leave	3.25	3.42	3.47	3.67	5.00
Study leave	3.17	2.95	3.47	3.67	1.00
Pension/Provident fund	2.92	2.95	2.47	2.22	1.00
Travel allowance	2.17	2.05	1.37	1.89	1.00
Car allowance/Company car	2.33	2.00	1.47	1.89	1.00
Equality and fairness of salaries	1.92	1.89	1.63	2.44	1.00
Equality and fairness of promotions	2.17	1.79	1.42	1.78	1.00
Culture of the business	3.33	2.74	2.58	3.44	5.00
Incentive bonus	2.67	2.32	2.37	2.22	1.00
Incentive profit share	1.83	1.42	1.21	2.22	1.00
Incentive 13th cheque	2.75	2.42	2.58	1.67	4.00
Management initiative to retain staff	2.25	1.74	1.63	2.00	1.00
Transparency	2.58	1.79	1.79	2.56	1.00

**b) Satisfaction indices for each area by Gender**

The satisfaction indices for each area by gender are as follows:

**Males:**

- The males are generally unhappy with the profit share incentives as shown by a low rating of 1.47 in Table 32 but they show a higher satisfaction rate towards sick leave benefits, with a rating of 3.39.
- Satisfaction in general from the male staff is very low.

**Females:**

- The female sector of the workforce display greater dissatisfaction towards car allowance benefits as shown by a low rating of 1.86 in Table 54 and they display a higher satisfaction towards study leave benefits of 3.68.
- Satisfaction in general from the females is very low, averaging a rating of 2.

**Table 4.32: Satisfaction indices for each area by Gender**

	Male	Female
Communication and information flow	2.39	2.36
Career opportunities	1.95	2.27
Promotion criteria	1.76	1.86
Name change from Micor to DNA	2.53	2.26
Change from Compuclear to Corefreight	2.45	2.37
Change of Agents to Geo Logistics	2.28	2.55
Apollo structure	2.58	2.43
Level of salary with respect to expertise	1.97	2.00
Succession planning	2.00	2.00
Skills and competence of management	2.39	2.64
Sick leave	3.39	3.59
Study leave	2.97	3.68
Pension/Provident fund	2.76	2.45
Travel allowance	1.79	1.86
Car allowance	1.97	1.68
Equality and fairness of salaries	1.79	2.05
Equality and fairness of promotions	1.68	1.82
Culture of the business	2.82	3.18
Incentive bonus	2.50	2.14
Incentive profit share	1.47	1.68
Incentive 13th cheque	2.58	2.23
Management initiative to retain staff	1.76	1.95
Transparency	2.08	2.00

**c) Satisfaction indices for each area by Current Position**

Satisfaction rating in general amongst the Senior Management, Middle Management, Controllers, Clerks and other members of the workforce is very low. Senior Management seems to be the most dissatisfied amongst the workforce. As can be seen from Table 4.33, Senior Managers have an average rating of 1.87 which ranks amongst the lowest.

**Table 4.33: Satisfaction indices for each area by Current position**

	Senior management	Middle management	Controllers	Clerks	Drivers/Messengers
Communication and information flow	1.00	2.50	2.33	2.44	2.00
Career opportunities	1.00	2.17	1.95	2.20	1.00
Promotion criteria	1.00	1.83	1.67	1.92	2.00
Name change from Micor to DNA		2.45	2.15	2.70	
Change from Compuclear to Corefreight		2.55	2.45	2.35	2.00
Change of Agents to Geo Logistics	3.00	2.58	2.15	2.45	2.00
Apollo structure	5.00	2.83	2.30	2.44	3.00
Level of salary with respect to expertise	3.00	2.42	1.95	1.76	2.00
Succession planning	1.00	2.25	1.95	2.00	1.00
Skills and competence of management	3.00	2.42	2.24	2.72	2.00
Sick leave	3.00	3.83	3.14	3.60	3.00
Study leave	3.00	3.50	3.10	3.24	3.00
Pension/Provident fund	3.00	2.92	2.33	2.80	2.00
Travel allowance	3.00	2.67	1.81	1.36	2.00
Car allowance/Company car	3.00	2.75	1.71	1.44	4.00
Equality and fairness of salaries	1.00	2.17	1.62	2.00	2.00
Equality and fairness of promotions	1.00	2.00	1.57	1.76	2.00
Culture of the business	1.00	3.08	2.71	3.20	2.00
Incentive bonus	1.00	2.67	2.24	2.32	4.00
Incentive profit share	1.00	1.58	1.33	1.72	2.00
Incentive 13th cheque	3.00	2.42	2.10	2.68	4.00
Management initiative to retain staff	1.00	2.17	1.71	1.80	2.00
Transparency	1.00	2.17	1.81	2.28	1.00
Average	1.87	2.52	2.10	2.31	2.17

**d) Satisfaction indices for each area by Number of years in the profession**

According to Table 4.34, job satisfaction appears to be lowest amongst staff that fall within the 11 – 20 years service with a rating of 2.03 and highest amongst staff that has 3 – 5 years of service with a rating of 2.51. It must be noted however, that the difference is highly negligible and that there is a general dissatisfaction among the workforce irrespective of which category they fall into.

**Table 4.34: Satisfaction indices for each area by Number of years in the profession**

	1-2 years	3-5 years	6-11 years	11-20 years	20+ years
Communication and information flow	2.25	2.71	2.40	2.21	2.50
Career opportunities	2.13	2.00	2.40	1.79	2.19
Promotion criteria	1.88	2.57	2.20	1.53	1.50
Name change from Micor to DNA	2.13	2.71	2.20	1.68	2.13
Change from Compuclear to Corefreight	2.38	2.86	1.60	1.53	2.63
Change of Agents to Geo Logistics	2.00	3.00	2.20	1.84	2.44
Apollo structure	2.38	3.14	3.00	2.21	2.25
Level of salary with respect to expertise	1.75	2.29	2.00	2.00	1.94
Succession planning	2.50	2.43	1.90	1.63	2.06
Skills and competence of management	3.00	2.86	2.90	2.11	2.25
Sick leave	3.50	2.86	4.00	3.47	3.38
Study leave	3.13	2.86	4.20	3.16	2.94
Pension/Provident fund	3.00	3.00	3.00	2.53	2.25
Travel allowance	1.88	2.00	2.10	1.63	1.75
Car allowance/Company car	1.88	1.71	2.30	1.79	1.75
Equality and fairness of salaries	2.00	1.86	1.80	1.84	1.94
Equality and fairness of promotions	1.75	2.00	2.20	1.47	1.63
Culture of the business	3.13	2.86	3.10	2.89	2.88
Incentive bonus	2.88	2.43	2.80	2.05	2.19
Incentive profit share	2.00	1.71	1.70	1.26	1.50
Incentive 13th cheque	1.88	3.14	2.70	2.89	1.75
Management initiative to retain staff	1.75	2.29	2.20	1.53	1.81
Transparency	2.50	2.43	1.90	1.74	2.13
Average	2.33	2.51	2.47	2.03	2.17

**e) Satisfaction indices for each area by Race**

According to Table 4.35, satisfaction levels amongst the White segment of the workforce is highest with an average rating of 2.41 with the black segment of the workforce displaying the least satisfaction with an average rating of 1.99. Again, it is noted that satisfaction levels among the general workforce, irrespective of race is low.

**Table 4.35: Satisfaction indices for each area by Race**

	Indian	Black	White	Coloured
Communication and information flow	2.56	2.33	2.07	1.00
Career opportunities	2.11	2.17	2.07	1.00
Promotion criteria	1.86	1.67	1.80	1.00
Name change from Micor to DNA	2.45	1.50	3.20	1.00
Change from Compuclear to Corefreight	2.61	1.83	2.30	3.00
Change of Agents to Geo Logistics	2.47	2.17	2.23	4.00
Apollo structure	2.50	2.00	2.79	4.00
Level of salary with respect to expertise	2.00	1.83	2.13	1.00
Succession planning	2.14	1.50	2.07	1.00
Skills and competence of management	2.50	2.17	2.80	1.00
Sick leave	3.42	2.83	3.73	4.00
Study leave	3.08	2.67	3.93	4.00
Pension/Provident fund	2.56	2.50	3.00	4.00
Travel allowance	1.75	1.00	2.20	4.00
Car allowance/Company car	1.83	1.00	2.07	4.00
Equality and fairness of salaries	1.97	2.00	1.73	1.00
Equality and fairness of promotions	1.81	1.50	1.73	1.00
Culture of the business	3.03	2.83	2.73	3.00
Incentive bonus	2.31	2.17	2.67	1.00
Incentive profit share	1.53	1.17	1.80	1.00
Incentive 13th cheque	2.14	3.17	2.53	5.00
Management initiative to retain staff	1.89	1.83	1.80	1.00
Transparency	2.14	2.00	2.07	1.00
Average	2.29	1.99	2.41	2.27

### 4.3 Inferential Statistics

Inferential statistics refer to the use of current information regarding a sample of subjects in order to make assumptions about the population at large and/or to make predictions about what might happen in the future. The mean of a known sample of subjects can be determined by adding up all of their scores and dividing by the number of subjects. The mean of a sample is therefore a known variable. To determine the mean of the population that has not been tested or to predict the mean of a test that has not yet been taken requires that assumptions be made because these variables are not known. The goal of inferential statistics is to do just that - to take what is known and make assumptions or inferences about what is not known.

This section will cover the following:

- Chi-Square goodness-of-fit tests
- Chi-Square test of independence

#### **4.3.1 Chi-Square goodness-of-fit tests**

It is of interest to know the level of job satisfaction for the various areas of this freight forwarding company. In order to select a test that will produce valid results, each question was subjected to a Shapiro-Wilks test for normality in order to ascertain whether the responses follow a normal distribution. In each case normality was rejected. This lead the researcher to select a nonparametric procedure which does not require normality of the data. Chi-square goodness-of-fit tests are carried out on each question to assess whether there is significant selection of specific satisfaction rates over others. This will highlight any significant satisfaction/dissatisfaction with the various aspects of Micor Shipping.

The null hypothesis that is tested showed that there is no difference in the number of selections of the 5 satisfaction ratings.

From the results of this analysis, summarized in Table 4.36, it can be seen that the only areas which do not yield significant results are 'Skills and Competence of Management', 'Study Leave' and 'Pension/Provident Fund'. This means that no significant satisfaction/dissatisfaction in these areas is evident.

Significantly low satisfaction ratings are given for the areas of 'Communication and Information flow'; 'Career opportunities'; 'Promotion Criteria'; changes to DNA, Corefreight and the Apollo Structure; 'Salary levels with respect to expertise'; 'Succession planning'; benefits of Travel and Car allowances; equality and fairness of Salaries and promotions; incentives of a bonus, profit share and 13<sup>th</sup> cheque and 'Management's initiative to retain staff'.

There are significantly fewer than expected low ratings to 'Sick Leave'.

Table 4.36: Results of Chi-square Goodness-of-fit tests

Table 4.36: Results of Chi-square Goodness-of-fit tests									More than expected rate...	Fewer than expected rate...
Aspect of Micor		Counts of Satisfaction ratings					df	Asymp. Sig.		
		1	2	3	4	5				
Communication and information flow	Obs	18	15	17	6	4				
	Exp	12	12	12	12	12	4	0.007	1	4; 5
Career opportunities	Obs	24	18	10	6	2				
	Exp	12	12	12	12	12	4	<.0005	1	5
Promotion criteria	Obs	31	15	11	1	2				
	Exp	12	12	12	12	12	4	<.0005	1	
Name change from Micor to DNA	Obs	16	12	13	5	5				
	Exp	10.2	10.2	10.2	10.2	10.2	4	0.046	1	
Change from Compuclear to Corefreight	Obs	19	8	14	6	5				
	Exp	10.4	10.4	10.4	10.4	10.4	4	0.009	1	
Change of Agents to Geo Logistics	Obs	16	16	15	5	4				
	Exp	11.2	11.2	11.2	11.2	11.2	4	0.009		4; 5
Apollo structure	Obs	17	11	18	9	4				
	Exp	11.8	11.8	11.8	11.8	11.8	4	0.022	1; 3	5
Level of salary with respect to expertise	Obs	28	12	14	5	1				
	Exp	12	12	12	12	12	4	<.0005	1	
Succession planning	Obs	25	17	12	5	1				
	Exp	12	12	12	12	12	4	<.0005	1	5
Skills and competence of management	Obs	17	15	15	8	5				
	Exp	12	12	12	12	12	4	0.061	Not significant	
Sick leave	Obs	6	5	19	15	15				
	Exp	12	12	12	12	12	4	0.013	3	1; 2
Study leave	Obs	9	8	18	10	15				
	Exp	12	12	12	12	12	4	0.187	Not significant	
Pension/ Provident fund	Obs	14	15	16	8	7				
	Exp	12	12	12	12	12	4	0.212	Not significant	
Travel allowance	Obs	38	4	11	5	2				
	Exp	12	12	12	12	12	4	<.0005	1	
Car allowance/ Company car	Obs	38	2	12	6	2				
	Exp	12	12	12	12	12	4	<.0005	1	
Equity and fairness of salaries	Obs	31	12	11	5	1				
	Exp	12	12	12	12	12	4	<.0005	1	
Equity and fairness of promotions	Obs	32	15	11	1	1				
	Exp	12	12	12	12	12	4	<.0005	1	
Culture of the business	Obs	9	11	24	6	10				
	Exp	12	12	12	12	12	4	0.003	3	
Incentive bonus	Obs	24	9	14	7	6				
	Exp	12	12	12	12	12	4	0.001	1	
Incentive profit share	Obs	42	6	10	1	1				
	Exp	12	12	12	12	12	4	<.0005	1	
Incentive 13th cheque	Obs	28	4	8	13	7				
	Exp	12	12	12	12	12	4	<.0005	1	
Management initiative to retain staff	Obs	29	16	11	4					
	Exp	15	15	15	15		3	<.0005	1	
Transparency	Obs	24	13	19	4					
	Exp	15	15	15	15		3	0.002		4; 5

### 4.3.2 Chi-square test of Independence

In order to ascertain whether or not an association exists between the satisfaction and dissatisfaction in each area of the business and specific demographic factors, each question cross-tabulated with each demographic classification underwent a Chi-square test of independence.

For Chi-square results to be valid, the expected frequencies in the cells have to conform to certain conditions. No expected frequency can be less than 1 and at most 20% can be less than 5.

Since the sample size for this study is not that large, the expected frequencies are frequently small and therefore the results of the chi-squared tests are not necessarily valid. To overcome this problem a Fisher's exact test is carried out.

Exact tests provide a means of obtaining accurate results when the data fails to meet any of the underlying assumptions necessary for reliable results using the standard asymptotic method. The exact significance is always reliable, regardless of size, distribution, sparseness or balance of the data.

The hypothesis being measured in this section is that satisfaction or dissatisfaction of a specific area in the business is independent of age/gender/current position/years in the business and race.

The results of this analysis summarized in Table 4.37 and found in Appendix B, show that there is very little significant association between demographic classifications and satisfaction with the various areas of the business. The only significant results are:

Promotion criteria:	Significantly more 'under 30's' than expected gave this a high 5 rating
Change of agents to Geo Logistics:	Significantly more 'under 30's' than expected rated this a high 5 while significantly fewer '40-49's' than expected gave it a low rating of 1
Implementation of the Apollo structure:	Significantly more middle management than expected gave this a satisfaction rating of 4
Succession planning:	Significantly more Blacks than expected gave this a low satisfaction rating of 1 and significantly more Indians that expected gave it a satisfaction rating of 2
Travel allowance benefits:	Significantly more than expected middle

management rated their satisfaction as a 4 or 5 and significantly more than expected clerks rated it as a low 1

Car allowance/ Company car benefits: Significantly more than expected middle management rated their satisfaction as a 4 or 5 and significantly more than expected controllers rated it as a below average 2

**Table 4.37: Results of Chi-square tests of independence**

Aspect of Micor		by Age	by Gender	by Current position	by years in profession	by Race
Communication and information flow	Asymp. Sig.					
	Exact Sig.	0.427	0.832	0.338	0.986	0.076
Career opportunities	Asymp. Sig.					
	Exact Sig.	0.113	0.666	0.991	0.963	0.442
Promotion criteria	Asymp. Sig.					
	Exact Sig.	0.011*	0.84	0.823	0.257	0.685
Name change from Micor to DNA	Asymp. Sig.					
	Exact Sig.	0.385	0.909	0.677	0.488	0.249
Change from Compuclear to Corefreight	Asymp. Sig.					
	Exact Sig.	0.79	0.849	0.591	0.231	0.941
Change of Agents to Geo Logistics	Asymp. Sig.					
	Exact Sig.	.025*	0.349	0.418	0.107	0.397
Apollo structure	Asymp. Sig.					
	Exact Sig.	0.937	0.534	0.028*	0.204	0.886
Level of salary with respect to expertise	Asymp. Sig.					
	Exact Sig.	0.485	0.189	0.633	0.524	0.599
Succession planning	Asymp. Sig.					
	Exact Sig.	0.345	0.207	0.064	0.076	0.031*
Skills and competence of management	Asymp. Sig.					
	Exact Sig.	0.176	0.529	0.69	0.267	0.178
Sick leave	Asymp. Sig.					
	Exact Sig.	0.737	0.433	0.194	0.681	0.12
Study leave	Asymp. Sig.					
	Exact Sig.	0.27	0.068	0.097	0.483	0.144
Pension/ Provident fund	Asymp. Sig.					
	Exact Sig.	0.144	0.539	0.256	0.078	0.618
Travel allowance	Asymp. Sig.					
	Exact Sig.	0.183	0.345	0.003*	0.586	0.335
Car allowance/ Company car	Asymp. Sig.					
	Exact Sig.	0.463	0.512	0.013*	0.72	0.306
Equity and fairness of salaries	Asymp. Sig.					
	Exact Sig.	0.478	0.692	0.196	0.273	0.434
Equity and fairness of promotions	Asymp. Sig.					
	Exact Sig.	0.41	0.786	0.585	0.533	0.39
Culture of the business	Asymp. Sig.					
	Exact Sig.	0.302	0.387	0.237	0.694	0.603
Incentive bonus	Asymp. Sig.					
	Exact Sig.	0.765	0.835	0.587	0.64	0.984
Incentive profit share	Asymp. Sig.					
	Exact Sig.	0.262	0.396	0.616	0.353	0.654
Incentive 13th cheque	Asymp. Sig.					
	Exact Sig.	0.269	0.204	0.313	0.27	0.494
Management initiative to retain staff	Asymp. Sig.					
	Exact Sig.	0.595	0.234	0.707	0.341	0.897
Transparency	Asymp. Sig.					
	Exact Sig.	0.221	0.438	0.208	0.155	0.861

#### **4.4 Conclusion**

This chapter explained the concept of Chronbach's Alpha as a measure of the reliability of a psychometric instrument. Furthermore, the chapter also covered descriptive statistics focussing on personal and general information, satisfaction ratings of various aspects of the business and inferential statistics covering Chi-square goodness-of-fit tests and Chi-square test of independence.

The general trend derived from the results is that there is little significant association between the demographics and the various areas of the business.

These findings and their implications will be discussed in more depth in the next chapter.

## **Chapter 5: Discussion of Results**

### **5.1 Introduction**

This chapter will focus on an in depth discussion of the results derived from the descriptive and inferential statistics in chapter 4. The presentation of the results will cover the following areas of study:

- Communication and information flow
- Career opportunities
- Promotional opportunities
- Implementation of change
- Salary / Compensation
- Succession planning
- Skills and competencies of managers
- Company benefits
- Equality and fairness within the workplace
- Culture of the business
- Incentives
- Management initiatives to retain staff
- Transparency

#### **5.2.1 Communication and information flow within Micor**

From Table 4.7, the frequency distribution of satisfaction with communication and information flow reveals that 30% indicate a low satisfaction rate of 1 with 25% selecting a rating of 2 and 28% a rating of 3. Only 17% show a positive satisfaction rating of 4 or 5.

From Figure 29, the following observations can be made.

- |           |  |
|-----------|--|
| by Age    | Satisfaction rates are lowest in the 40 – 49 age group with 73% recording a 1 or 2.  |
| by Gender | Satisfaction rates for male and female are similar with nearly 60% in each case recording a below average satisfaction rating. |

by Current position	The one senior manager in the sample rated communication and information a low 1, while the only driver/messenger gave it a rating of 2. More than 50% of the other categories of workers rated this aspect below average and only a small percentage (16%) of the clerks gave it a high 5 rating.
by Years in profession	Similar rating patterns are evident for all categories with at least 80% of all categories rating communication and information flow as an average 3 or below.
by Race	The single Coloured respondent and 67% of the Black respondents rated communication and information flow as a low 1, while only small proportions of the Indians, Blacks and Whites gave an above average rating.

In summary these figures show that satisfaction with communication and information flow is generally very low, this finding being true regardless of demographic category. This implies that staff may feel that they are not advised about what is happening in the company and are kept in the dark. This could affect their confidence in the company to meet its goals and thus have an equal effect on morale at large. If morale was to decline, staff would inevitably start to look outside the company for job satisfaction and job security.

The above figures also imply that staff do not receive the information they need to do their jobs adequately. If staff are expected to know what to do without proper information being available by way of job specifications, it creates a sense of frustration and could possibly affect their work performance.

Satisfaction amongst the senior members of the workforce (40 – 49 age group) is very low. It is possible that they understand the value of ongoing communication to the workforce and with this lacking; it is a sign of no confidence in the company.

### **5.2.2 Career opportunities within Micor**

From Table 4.8, the frequency distribution of satisfaction with career opportunities reveals that low satisfaction rating of 1 and 2 are recorded by 40% and 30% of the respondents respectively. Only 3% rate this aspect as 5 (high satisfaction).

From Figure 4.30 the following observations can be made.

by Age	Nearly 80% of all the age categories rate satisfaction with career opportunities as average or below average. The 50-59 age group displays the most optimistic view with respect to this aspect of the business with less than 40% rating their satisfaction as a low 1 or 2.
by Gender	Satisfactory ratings are similar for males and females with females indicating a slightly more positive satisfaction with career opportunities.
by Current position	There is a general feeling of low satisfaction with career opportunities with only a small percentage of middle management, controllers and clerks recording a satisfaction rating of 4 or 5.
by Years in profession	At least 60% of all the categories recorded satisfaction as a low 1 or 2.
by Race	The most positive race group is Black where 33% indicate an above average satisfaction rating of 4 or 5 with career opportunities. The one Coloured respondent indicated a low satisfaction level or 1 and the Whites and Indians responded in a similar way to each other.

In summary, these figures show that satisfaction with career opportunities within Micor is generally very low, this finding being true of all employees except the black workers within the company. They reflect an above average satisfaction rating of 4 or 5. This implies that the initiatives by the company to provide career opportunities to the black segment of the workforce is viewed and received favourably. There is a general dissatisfaction from the members of the other population groups and it is possible that they are being marginalized by the company. The company does not seem to be creating a balance and stands the risk of losing its skilled members from the other race groups who will not wait indefinitely for career opportunities.

### **5.2.3 Individual promotion criteria within Micor**

From Table 4.9, the frequency distribution of satisfaction with promotion criteria revealed that nearly 52% of respondents rated promotion criteria as 1 (low) and only 5% rated it an above

average 4 or 5. 25% and 18% gave it a rating of 2 and 3 respectively.

From Figure 4.31 the following observations can be made.

by Age	Only the Under 30 age group show any support (25%) for an above average satisfaction with promotion criteria. Over 50% of all the categories rate this area as a low 1 or 2.
by Gender	There is no marked difference between responses of males and females. Nearly 80% of both groups give their satisfaction with promotion criteria as a low 1 or 2.
by Current position	Only 8% of clerks and 8% of middle management rate satisfaction with promotion criteria as above average. The majority of all categories give it a low satisfaction rating of 1 or 2.
by Years in profession	The least dissatisfied group in this area of the business is the '3 – 5 years' group of whom 14% indicate a satisfaction rating of 5.
by Race	Very small representations from the Indians (6%) and Whites (7%) rate their satisfaction with promotion criteria as 4 or 5.

In summary, these figures show that satisfaction with individual promotion criteria within Micor is generally very low with the exception of 25% of the workforce who fall in the under 30 age group. These figures imply that the company is eager to promote the younger generation to higher positions at the expense of the older members. The younger workforce is possibly workers who are eager to get ahead and have studied and have suitable qualifications to function at a higher level. The company therefore has no choice but to provide opportunities to these staff members. Furthermore, the company would have invested large sums of money in the education of these members and failure to utilize their expertise would not be in the best interest of the company.

#### **5.2.4 The implementation of change**

##### **5.2.4.1 Name change from Micor to DNA**

From Table 4.10, the frequency distribution of satisfaction with name change from Micor to DNA showed that only about 20% indicated satisfaction (4 or 5) with the name change. 31% rated their satisfaction as 1 (low) and about 50% rated their satisfaction as 2 or 3.

From Figure 4.32 the following observations can be made.

by Age	About 20% of the 'under 30' and '30 – 39' age groups rate their satisfaction with this name change as a high 5. The '40 – 49' and '60+' groups indicate low satisfaction rates with only 6% giving this area a rating of 4.
by Gender	There is no great difference between responses of males and females. Over 50% of both groups give their satisfaction with the name change as a low 1 or 2.
by Current position	Only 25% of clerks, 18% of middle management and 15 % of controllers rate satisfaction with the name change as above average. The majority of all categories give it a low satisfaction rating of 1 or 2.
by Years in profession	60% of those with 3 – 5 years in the profession rated their satisfaction with the name change as an above average 4 or 5, while only 13% of those with more than 20 years in the profession gave this area an above average rating of 4. It is clear that the longer you work in the profession, the least happy you are with change.
by Race	A small representation from the Indians (12%) and Whites (10%) rate their satisfaction with promotion criteria as a high 5 and a further 30% of Whites gave this a rating of 4. The Blacks and Coloureds did not show any positive support for the name change

In summary, these figures show that satisfaction with the name change from Micor to DNA is generally

very low. These figures imply that the majority of the staff preferred things the way they were, indicating a lack of enthusiasm towards the change. Or it could just be that they saw no value in the whole exercise and hence were not satisfied with the change. It is also possible that staff were not consulted on the process.

#### **5.2.4.2 Change from Compuclear to Corefreight**

From Table 4.11, the frequency distribution of satisfaction with change from Compuclear to Corefreight revealed that nearly 10% of respondents' rate satisfaction levels as 5 (high) and more that 50% rate it as 1 or 2. An average 3 was scored by over 26%.

From Figure 4.33 the following observations can be made.

by Age	40% of the Under 30's rate their satisfaction with this change as 4 or 5, a small support is evident in the 30 – 39, 40 – 49 and 50 – 59 age groups.
by Gender	There is no great difference between responses of males and females. Over 50% of both groups give their satisfaction with this change as a low 1 or 2.
by Current position	Only 15% of clerks, 27% of middle management and 25 % of controllers rate satisfaction with the name change as above average. The majority of all categories give it a below average satisfaction rating of 1, 2 or 3.
by Years in profession	67% of those with 3 – 5 years in the profession rated their satisfaction with this change as an above average 4 or 5, while the least support was seen by the '6 – 11' and '11 – 20' categories.
by Race	A small representation from the Indians (15%) rate their satisfaction with this change as a high 5 and a further 12% rated it 4 while 20% of Whites gave this a rating of 4. The Blacks and Coloureds did not show any positive support for this change.

In summary, these figures show that satisfaction with the change from Compuclear to Corefreight is generally very low with the exception of those falling in the under 30 age category. This possibly indicates that the older workforce have a fear of technological changes and have therefore expressed resistance to these change initiatives. Management probably has not done enough to educate and equip its workforce to be fully *au fait* with the computerized aspects governing their business.

It is also possible that the majority of the staff saw no merit in making these changes and has not embraced them favourably. It is also possible that staff was not adequately consulted on the process and therefore expressed dissatisfaction. Management did not adopt a consultative approach and the feelings of staff were one of gross dissatisfaction.

#### **5.2.4.3 Change of Agents to Geo Logistics**

From Table 4.12, the frequency distribution of satisfaction with change of agents to Geo Logistics showed that nearly 60% of respondents rate satisfaction with this change as a low 1 or 2. More than 25% rate it an average 3 and only 7% rate it a high 5.

From Figure 4.34 the following observations can be made.

by Age	36% of the Under 30's rate their satisfaction with this change as 4 or 5 and a small support is evident in the 30 – 39, 40 – 49 and 50 – 59 age groups.
by Gender	Over 50% of both groups give their satisfaction with this change as a low 1 or 2 but more females give a higher rating of 4 or 5 for this change.
by Current position	Only 19% of clerks, 25% of middle management and 10% of controllers rate satisfaction with the name change as above average. The majority of all categories give it a below average satisfaction rating of 1, 2 or 3.
by Years in profession	43% of those with 3 – 5 years in the profession rated their satisfaction with this change as an above average 4 or 5 but the other categories also showed a small support for this change.
by Race	A small representation from the Indians (12%) rate their satisfaction with this change as a high 5 and a further 6% rated it 4 while 17% of Blacks, 8% of Whites and 100% of Coloureds gave this a rating of 4.

In summary, these figures show that satisfaction with the name change of agents to Geo Logistics is generally very low. These figures imply that the majority of the staff preferred things the way they were, indicating a lack of enthusiasm towards the change. The agents that the company had were perhaps considered adequate to sustain the profitability of the company, and the change over to Geo was seen as a very expensive and unnecessary route to go and staff saw no value in this process.

#### **5.2.4.4 Apollo Structure**

From Table 4.13, the frequency distribution of satisfaction with Apollo Structure, only 6.8% of respondents rate satisfaction with the Apollo Structure as a high 5 while nearly 30% rate it a low 1 and over 30% rate it an average 3.

From Figure 4.35 the following observations can be made.

by Age	A small support for the implementation of the Apollo structure is evident in all the age groups up to 60 Years of age.
by Gender	Over 40% of both groups give their satisfaction with this implementation as a low 1 or 2 but more males give a higher

	rating of 4 or 5 for this area of the business.
by Current position	The most support for this implementation comes from the one senior management respondent and middle management (50%).
by Years in profession	Only 14% of those with 3 – 5 years in the profession rated their satisfaction with this change as low 1 and the remaining 86% give it an average or above average rating. All the categories showed a small support for this change.
by Race	A small representation from the Indians (6%) and 14% of the Whites rate their satisfaction with this implementation as a high 5. At least 14% of all the categories gave a satisfaction rating of 4.

The summary figures show that satisfaction with the Apollo project is generally very low. These figures imply that the majority of the staff were happy with the old system and did not want to embrace a new and probably improved way of doing things. Again, it is possible that they saw no value in the whole exercise and hence were not satisfied with the change. It is also possible that staff were not consulted on the process and asked for their input in terms of whether they saw any merits in the process and what ideas they might possess.

#### **5.2.5 Level of salary with respect to expertise**

From Table 4.14, the frequency distribution of satisfaction with level of salary with respect to expertise showed that about 47% of respondents indicated that their level of satisfaction with respect to their expertise is a low 1 and a further 20% rate their satisfaction as 2.

From Figure 4.36 the following observations can be made.

by Age	All categories show a low satisfaction rate with regard to this aspect of the business. There is, however, a small group (11%) of '50 – 59' respondents who gave it a high 5 rating and a further 22% who rated it 4.
by Gender	More females (18%) than males (6%) rate this as 4 or 5.
by Current position	A small percentage of middle management, controllers and clerks gave this a positive rating but generally the satisfaction ratings were low.
by Years in profession	A small percentage of those with more than 5 years experience gave above average ratings but the majority of respondent from each category indicated that their satisfaction ratings are low.

by Race

Small percentages of Indians, Blacks and Whites indicated above average satisfaction ratings but most of the respondents rated this a below average 1 or 2.

In summary these figures show that satisfaction with staff salaries in relation to their expertise is generally very low, this finding being true regardless of demographic category. This implies that the company does not have a suitable remuneration system that rewards their personnel in terms of what the market dictates which has caused a lot of dissatisfaction. The low levels of satisfaction with remuneration indicate that the company does not value its workforce for the efforts and contribution towards its success.

Females seem to be slightly happier with their compensation. This is possibly due to the historic imbalance in salaries between males and females that existed. The company is now adjusting that imbalance.

Staff members who fall in the 50 – 59 age category seem to be satisfied with their remuneration possibly due to the fact that they are longer with the company and their salary would have increased over the years.

#### **5.2.6 Succession planning within Micor**

From Table 4.14, the frequency distribution of satisfaction with succession planning at Micor, over 40% of respondents rate their satisfaction with this issue as a low 1, a further 28.3% rate it 2 and 20% rate it an average 3. Only 1.7% gave it a high rating of 5.

From Figure 4.37 the following observations can be made.

by Age

On the whole, satisfaction levels regarding succession planning are rated average or below average by all age groups.

by Gender

Only 13% male and 5% female indicate an above average satisfaction with succession planning.

by Current position

A small percentage of middle management (8%) and clerks (20%) rate succession planning above average.

by Years in profession

13% of the '1 – 2 years' group give this a high 5 rating while small percentages of the '3-5 years', '11-20 years' and 'more than 20 years' categories rate their satisfaction as 4.

by Race

More than 80% of the Blacks rated succession planning as a low 1, while 7% of the Whites gave it a high 5 rating.

In summary these figures show that satisfaction with succession planning is generally very low. This implies that staff may feel that there is little interest from management to upgrade the skills and qualifications of staff members and to groom them to occupy senior positions within the company. Staff may be aggrieved that there is little scope within the company for future growth and development and may want to look outside the company for growth opportunities. The lack of interest by the company in this area could well be perceived as the company not being interested in the welfare of the staff in terms of providing the opportunities that they desire. The inference that the company is not interested in retaining their staff, especially their skilled ones, can also be made.

Females feel more dissatisfied with the issue of succession planning and the implication is that there are limited opportunities for them to function in higher positions within the company. The company could possibly be creating the perception that woman don't feature in the future plans of the company as far as senior involvement is concerned and want to maintain their male dominated status.

Blacks seem to be most unhappy with the lack of succession planning. This implies that they see themselves as not being given a chance to be a part of the company's long term plans when things should be changing. The black workforce could see the company as being very unprogressive in its thinking and not in keeping with changes in the political environment as well as the business sector.

#### **5.2.7 Skills and competence of management in Micor**

From Table 4.16, the frequency distribution of satisfaction with skills and competence of management at Micor, a more evenly distributed selection of ratings was evident for this issue. 28.3% rated satisfaction with the competence of management as 1, 25% rated it 2 and a further 25% rated it 3. Only 8.3% rated it a high 5.

From Figure 4.38 the following observations can be made.

by Age	42% of 'under 30's', 16% of '30-39' group, 11% of '40-49' group and 33% of /50-59' group rate their satisfaction with skills and competence of management as above average.
by Gender	There is only a small difference between males and females in their support for this aspect of the business; the females tend to give a slightly higher satisfaction rating.
by Current position	Small sections of Middle management (25%), Controllers (10%) and Clerks (32%) indicate an above average satisfaction rating.

by Years in profession	20% of the '6-11 years' group, 13% of the '1-2 years' group, 6% of the 'more than 20 years' group and 5% of the '11-20 years' group give their satisfaction of skills and competence of management as a high 5. More than 40% of the '3-5 years' group rate it an above average 4.
by Race	The whites show an above average satisfaction in this area with 40% giving it an above average rating. 17% each of Indians and Blacks rate their satisfaction above average.

In summary, these figures show that satisfaction with the skills and competence of management within Micor is not entirely low but also at the same time, it is not very high. There seems to be an evenly distributed selection of ratings, which imply that staff are not entirely unhappy with their superiors who have been placed in charge of them. Management is considered to have made the right decisions in appointing these managers irrespective of the demographics.

## **5.2.8 Company Benefits**

### **5.2.8.1 Sick leave benefits**

From Table 4.17, the frequency distribution of satisfaction with sick leave benefits, 25% of the respondents indicate their satisfaction with sick leave benefits in each of the ratings 4 and 5 while 31.7% indicate an average satisfaction of 3. Only 18% rated their satisfaction as 1 or 2.

From Figure 4.39 the following observations can be made.

by Age	All age groups show a degree of satisfaction for sick leave benefits.
by Gender	About 50% of males and females rate their satisfaction with sick leave benefits above average.
by Current position	There is a general support for sick leave benefits with only about 20% each of Middle management, Controllers and Clerks rating it below average.
by Years in profession	Support is shown for this benefit across all categories.
by Race	The most dissatisfaction for sick leave benefits is shown by Blacks where 50% rated it a low 1.

In summary, these figures show that satisfaction with sick leave benefits is generally very good. This implies that the company's offering is in line with the benefits offered by other companies. It is interesting to note that the black segment of the workforce is most dissatisfied with the sick leave benefits. It is probable that they are most dissatisfied due to the high rate of HIV and Aids, TB and other forms of illnesses which requires longer periods for recuperation.

#### 5.2.8.2 Study leave benefits

From Table 4.18, the frequency distribution of satisfaction with study leave benefits, the largest group of respondents (30%) rated satisfaction with study benefits as an average 3, while a further 41.7% voted above average at 4 or 5 and the remaining 28.3% voted below average at 1 or 2.

From Figure 4.40 the following observations can be made.

by Age	All age groups except the '60+ years' group show a degree of satisfaction for Study leave benefits.
by Gender	Over 60% of males and over 80% females rate their satisfaction with Study leave benefits above average. Females tend to show a greater satisfaction with this benefit.
by Current position	There is a general support for Study leave benefits with only about 30% each of Middle management, Controllers and Clerks rating it below average.
by Years in profession	The greatest support for this benefit is shown by the '6 – 11 years' category where 50% gave it a high 5 rating. Good support is shown by the other categories as well.
by Race	The most dissatisfaction for Study leave benefits is shown by Blacks where 50% rated it a low 1. A large percentage of Whites (40%), Blacks (33%) and Indians (19%) rate their satisfaction as a high 5.

In summary, these figures show that satisfaction with the study leave benefits is very good. The inference is that management has made resources available for those staff members who are interested in enhancing their skills. Females seem to be most happy with the study leave benefits. It is perhaps that they make up a large percentage of the workforce who are engaged in some form of studies as compared to their male counterparts. The study leave benefits offered by the company are seen as pleasing to them as it allows them time to

prepare for examinations.

### **5.2.8.3 Pension / Provident fund benefits**

From Table 4.19, the frequency distribution of satisfaction with pension / provident fund benefits, a fairly even spread of ratings is evident as seen in table 2.8.3. Ratings 1, 2 and 3 received a nearly equal selection of about 25% and the remainder of the respondents rated satisfaction with pension fund benefits as 4 or 5.

From Figure 4.41 the following observations can be made.

by Age	The '30 – 39' group shows a spread of satisfaction for Pension/Provident fund benefits across all ratings. The 'Under 30's' rate it highest with more than 20% giving it a high 5.
by Gender	Females appear to be less satisfied with this benefit than males.
by Current position	There is some support for Pension/Provident fund benefits with 50% of Middle management rating their satisfaction above average.
by Years in profession	The support for this benefit is divided within each category with the least positive response from the 'more than 20 years' category.
by Race	About 20% of Blacks, Whites and Indians rate their satisfaction as above average.

In summary, these figures show that there is a fairly even spread as far as the pension fund benefits satisfaction rating is concerned. Those falling in the over 20 year service category are unhappy with the poor performance of the pension fund benefits. Perhaps they are nearer to retirement age and the performance of the fund does not leave them with much at the time of retirement. It is also probable that they were victims of the apartheid regime who underpaid them and as such the minimum amounts that were contributed to the fund did little to help their cause after many years of service.

### **5.2.8.4 Travel allowance benefits**

From Table 4.20, the frequency distribution of satisfaction with travel allowance benefits showed that over 60% of respondents' rate satisfaction with travel allowance benefits as a low 1 while only 2 respondents (3.3%) rate it a high 5.

From Figure 4.42 the following observations can be made.

by Age	Satisfaction ratings for the travel allowance are generally low across all categories.
by Gender	Satisfaction ratings are similar for males and females with ratings being on the low side.
by Current position	The only evident support for Travel allowance benefits is that of Middle management with over 40% rating their satisfaction above average.
by Years in profession	The majority of each category gives this benefit a low 1 rating.
by Race	The one coloured respondent rated this benefit an above average 4 but the majority of the respondents rated it below average.

In summary, these figures show that satisfaction with travel allowance benefits is generally very low with the exception of the middle management. This implies that the company supports travel allowances based on the position that the person occupies and provided it is for company purpose. If the rest of the staff are unhappy, it is probable that they expect the company to compensate them for travelling to work.

#### **5.2.8.5 Car allowance / Company car benefits**

From Table 4.21, the frequency distribution of satisfaction with car allowance / company car benefits revealed that a large proportion of the sample (63.3%) rate their satisfaction with car allowance benefits as a low 1 and a few (3.3%) rate it a high 5.

From Figure 4.43 the following observations can be made.

by Age	Satisfaction ratings for the Car allowance/ Company car are generally low across all categories.
by Gender	Satisfaction ratings are similar for males and females with ratings being on the low side.
by Current position	There is evident support for Car allowance/ Company car benefits from the Middle management with over 40% rating their satisfaction above average and the one driver/messenger rated his satisfaction as 4.
by Years in profession	The majority of each category gives this benefit a low 1 rating.
by Race	The one coloured respondent rated this benefit an above average 4 but the majority of the respondents rated it below average.

In summary, these figures show that satisfaction with car allowance benefits is generally very

low with the exception of the middle management. It is understandable that satisfaction would be low due to the fact that not all levels of staff would qualify for a car allowance and understandably so. By implication, the company is following the trends of the industry. Due to the satisfaction levels of the middle management, it seems as if the company is compensating them with a market related car allowance. This should bode well for the future as benefits like a car allowance attracts the calibre of staff that might prove valuable to the company.

## **5.2.9 Equality and fairness within Micor**

### **5.2.9.1 Equality and fairness with regards to salaries**

From Table 4.22, the frequency distribution of satisfaction with equality and fairness of salaries revealed that more than 50% rated satisfaction with regards to salaries as a low 1 and a further 20% rated it as 2. Only 1 respondent (1.7%) gave this area a high 5 rating.

From Figure 4.44 the following observations can be made.

by Age	All age groups show a low degree of satisfaction for salaries benefits.
by Gender	Only about 10% males and 15% females rate their satisfaction with salaries benefits above average with the females showing less satisfaction in general.
by Current position	There is a general dissatisfaction with salary benefits with less than 20% each of Middle management, Controllers and Clerks rating it above average by Years in profession The majority of each category gives this benefit a low 1 rating.
by Years in profession	Low support is shown for this benefit across all categories.
by Race	General dissatisfaction for salary benefits is shown by all Race groups.

In summary, these figures show that satisfaction with the equality and fairness of salary is extremely low. Satisfaction is not limited to race but dissatisfaction is expressed across the race spectrum. This implies that the company's pay policy is not in keeping with the trends in the market and is not compensating their staff adequately. It is possible that the company is performing poorly and is using salary to make up for loss of revenue. It is also possible that the expectation of staff members could be unrealistic and the company is doing its best to compensate its staff according to what they perceive to be fair compensation.

### **5.2.9.2 Equality and fairness with regards to promotions**

From Table 4.23, the frequency distribution of satisfaction with equality and fairness of promotions, more than 50% rate satisfaction with promotions as a low 1 and a further 25% rate it a 2. Only 2 respondents (3.4%) rate it an average 4 or 5.

From Figure 4.45 the following observations can be made.

by Age	All age groups show a degree of dissatisfaction for Promotions.
by Gender	Both males and females generally rate their satisfaction with Promotions below average. 5% of females, however, indicate a satisfaction rate of 5 with this aspect of the business.
by Current position	There is a general dissatisfaction with Promotions with only about 10% of Clerks rating it above average.
by Years in profession	The only support for this benefit is shown by the '6 – 11 years' category where 10% gave it a high 5 rating and the 'more than 20 year' category where 6% rate it 4.
by Race	There is a general dissatisfaction for promotions across all races.

In summary, these figures show that satisfaction with the equality and fairness in respect to promotions is generally very low. It seems that the company places little value on promoting its staff members and would recruit workers from the outside to fill strategic positions within the company. The company has probably embarked on this course due to the fact that there are no suitable candidates within the company. Certain senior positions would call for staff to possess tertiary qualifications and it is unlikely that many of the staff within the company are in possession of a post-matric qualification.

### **5.2.10 The culture of the business**

From Table 4.24, the frequency distribution of satisfaction with the culture of the business, the most common rating for satisfaction with culture is an average 3 with 40% support. The remaining ratings are relatively evenly supported.

From Figure 4.46 the following observations can be made.

by Age	41% of 'under 30's', 27% of '30-39' group, 5% of '40-49' group, 44% of '50-59' group and the single respondent in the '60+ years' group rate their satisfaction with The culture of the business as above average.
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by Gender	There is only a small difference between males and females in their support for this aspect of the business; the females tend to give a slightly higher satisfaction rating.
by Current position	Only minority sections of Middle management (34%), Controllers (10%) and Clerks (40%) indicate an above average satisfaction rating.
by Years in profession	30% of the '6-11 years' group, 25% of the '1-2 years' group, 19% of the 'more than 20 years' group and 11% of the '11-20 years' group give their satisfaction with the culture of the business as a high 5. Nearly 30% of the '3-5 years' group rate it an above average 4.
by Race	The Blacks show the highest satisfaction rates with the culture of the business with 33% recording a high 5 rating. 14% Indians and 13% Whites recorded satisfaction ratings of 5. The one Coloured respondent rated this aspect as a below average 4.

In summary, these figures show that satisfaction with the culture of the business is average. Staff don't seem to be too unhappy with the culture of the business but also at the same time, there is not a large amount of enthusiasm for the culture of the company. The company is probably not doing enough to entrench the culture of the business in the minds of the workers and as such, there seems to be little acceptance for the culture of the company. The reason for the dissatisfaction in the culture could also stem from the fact that the values of staff are not in keeping with the core values of the company.

## **5.2.11 Incentive schemes**

### **5.2.11.1 Bonus incentive**

From Table 4.25, the frequency distribution of satisfaction with the bonus incentive, 40% rate their satisfaction with the incentive bonus as a low 1 and 23.3% rate it an average 3. Only 10% give this area a high 5 rating.

From Figure 4.47 the following observations can be made.

by Age	The majority of all age groups show dissatisfaction with the bonus incentives.
by Gender	Only 26% of the males and 14% of the females rate their satisfaction with the bonus incentives above average.

by Current position	While the one respondent in the driver/messenger category rates his satisfaction with the bonus incentive as a 4, the majority of the sample irrespective of current position – do not appear satisfied with the bonus incentive.
by Years in profession	Not much support is shown for this incentive across all categories.
by Race	Apart from the one Coloured respondent who rated his satisfaction as a low 1, the most dissatisfaction for the bonus incentive is shown by Blacks where 50% rated it a low 1; 42% of the Indians rated it a low 1 as well.

In summary, these figures show that satisfaction with the bonus incentives is generally very low. This implies that management is not doing enough to incentivise the staff to perform over and above the norm. Incentives generally take the form of monetary reward and this could be seen as an expense to the company rather than a means to get staff to perform better and in so doing, improve profitability. The lack of financial incentives or other forms of incentives will have a negative impact on productivity and the company will stand to lose a lot more than what it would cost to have incentives in place. Further to this, staff would be inclined to look for jobs where they were made to feel appreciated for their efforts.

#### **5.2.11.2 Profit share incentive**

From Table 4.26, the frequency distribution of satisfaction with profit share incentives, 70% rate their satisfaction with the profit share incentive as 1 (low) and only 2 respondents (3.4%) give this area an above average rating.

From Figure 4.48 the following observations can be made.

by Age	Only 22% of the '50-59' age group rated this incentive above average; thus the majority of the respondents show dissatisfaction for the profit share incentives.
by Gender	Both males and females show a very low satisfaction with the profit share incentives.
by Current position	There is a general dissatisfaction with the profit share incentives with only 8% of Clerks rating it above average.
by Years in profession	Only the '1 – 2 year' and 'more than 20 years' categories show a small satisfaction with the profit share incentive.

by Race                      Only the Whites and Indians indicate some satisfaction with the profit incentive.

In summary, these figures show that satisfaction with profit share is generally very low. This is not altogether surprising, as most companies do not offer profit share to the entire workforce but mainly to senior management. By virtue of the fact that mainly Whites and Indians show some satisfaction with the profit incentives implies that there are very few blacks in senior positions to participate in profit share incentives.

#### **5.2.11.3      13<sup>th</sup> cheque incentive**

From Table 4.27, the frequency distribution of satisfaction with the 13<sup>th</sup> cheque incentive, satisfaction with the 13<sup>th</sup> cheque incentive was rated a low 1 by 46.7% while 21.7% voted it above average at 4.

From Figure 4.49 the following observations can be made.

by Age	A percentage of each of the age groups shows some satisfaction with 13th cheque incentives. The '40-49' group rate it highest with more than 20% giving it a high 5.
by Gender	Females appear to be less satisfied with this incentive than males.
by Current position	There is some support for 13th cheque incentives with 25% of Middle management, 24% of Controllers and 44% of Clerks rating their satisfaction above average. The one driver/messenger also gave this a rating of 4.
by Years in profession	Some degree of satisfaction is shown with this incentive across all categories.
by Race	30% of Blacks, 50% of Whites, 34% of Indians and 100% (1 respondent) of Coloureds rate their satisfaction with the 13 <sup>th</sup> check incentive as above average.

In summary, these figures show that satisfaction with the 13<sup>th</sup> cheque is generally very low. It is possible that staff are not receiving their full benefit in respect to the 13<sup>th</sup> cheque as this could be performance linked. The satisfaction rate amongst the whites is very high and this could be attributed to the high salaries that they are generally paid.

### **5.2.12 Initiatives by management to retain staff members**

From Table 4.28, the frequency distribution of satisfaction with management initiative to retain staff showed that satisfaction with this area was given a low 1 by 48.3% while 26.7% rated it a 2. An above average rating was given by 18.3% and there were no high ratings of 5 given at all.

From Figure 4.50 the following observations can be made.

by Age	On the whole, satisfaction levels regarding initiatives by management to retain staff are rated average or below average by all age groups.
by Gender	Only 5% male and 9% female indicate an above average satisfaction with initiatives by management to retain staff.
by Current position	A small percentage of middle management (17%) and clerks (8%) rate initiatives by management to retain staff above average.
by Years in profession.	There is a general low satisfaction with initiatives by management to retain staff across categories.
by Race	The majority of all race groups rate their satisfaction with the initiatives of management to retain staff as below average.

In summary, these figures show that satisfaction with the initiatives by management to retain staff is generally very low irrespective of the demographics. This implies that staff perceive management as having no concern for their skills as well as for the contribution that they are making to the business. They are viewed as being dispensable and replaceable. The drain of human resources creates doubt in the minds of the staff who view their future as being very uncertain.

### **5.2.13 Transparency within Micor**

From Table 4.29, the frequency distribution of satisfaction with transparency within Micor, a low rating of 1 was given by 40% for satisfaction with transparency within Micor. A little lower 30% rated it an average 3 and no one gave it a high 5.

From Figure 4.51 the following observations can be made.

by Age	Only 8% of 'under 30's', 5% of '30-39' group, 5% of '40-49' group and 11% of '50-59' group rate their satisfaction with transparency within Micor as above average.
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by Gender	There is only a small difference between males and females in their support for this aspect of the business; the males tend to give a slightly higher satisfaction rating.
by Current position	Small sections of Middle management (8%), Controllers (5%) and Clerks (8%) indicate an above average satisfaction rating.
by Years in profession.	Only 14% of the '3 - 5 years' group, 5% of the '11-20 years' group and 13% of the 'more than 20 years' group give their satisfaction of transparency within Micor as an above average 4
by Race	8% of Indians and 17% of Blacks rate their satisfaction an above average 4.

In summary, these figures show that transparency within Micor is generally very low. This implies that staff are kept in the dark concerning important issues affecting the company. Staff are perceived as being too unimportant to be informed of changes within the company and as such a sense of distrust is created. The perceived lack of trust in the company would cause the staff to have doubts concerning their future in the company and possibly look elsewhere for employment. The lack of transparency to the various levels of staff further implies that they do not have a contribution to make to the benefit of the business.

### 5.3 Conclusion

There is a definite pattern in the results that seems to emanate from the areas under study. The pattern is very clear: gross dissatisfaction. The dissatisfaction is not confined to age, gender, position, number of years in the profession or even race, but it is prevalent across the spectrum of the workforce.

It is interesting to note that no areas scored an above average rating (4 or more) and only the areas of 'study leave' and 'sick' leave' scored about an average rating. From the results obtained, it is evident that job satisfaction in respect of the areas investigated within the company is extremely low.

Chapter 6 will provide recommendations to management in respect to the critical issues affecting the company. These recommendations will be based on the company factors that were investigated.

## **Chapter 6: Conclusions and Recommendations**

### **6.1 Introduction**

This chapter will focus on providing recommendations to the company on the issues that have been investigated in an effort to help management retain their most valuable assets: their workforce, create a stable work environment as well as to reduce staff turnover within the company.

Recommendations will be outlined individually on each of the company factors on which the research was conducted.

### **6.2 Conclusion**

This section will provide concluding comments on the issues that have been discussed in this study and they will be presented according to the company factors that have been identified.

#### **6.2.1 Communication and information flow**

The summary results show that satisfaction with communication and information flow is generally very low regardless of the demographic category. Refer to figure 4.29. The literature reveals that ineffective communication has been found to be the cause of much dissatisfaction which therefore supports the findings. Ineffective communication can be translated into intimidating communication which creates a gap between management and the workforce. Effective communication will draw the staff to the side of management, reduce staff turnover and increase satisfaction levels.

#### **6.2.2 Career opportunities**

The summary results show that satisfaction with career opportunities within Micor is generally very low for all employees except the black workers within the company. Refer to figure 4.30.

The general dissatisfaction among the workforce is supported by the findings in the literature. If there are no long term career prospects within the company, it will impact on whether employees leave or stay. Issues like equal opportunities especially for people of colour are important for retaining these skills. Mentorship programmes like the one that the company has embarked on does help in bringing a sense of hope that the company is interested in

uplifting the lot all of its workers.

### **6.2.3 Promotional opportunities**

The summary results show that satisfaction with promotional criteria within Micor is generally very low except for 25% of the workforce who fall in the under 30 age group. The literature is clear that one of the many contributing factors to the issue of job satisfaction is promotional opportunities.

The perception that there is little scope for promotion does not give staff much hope for future advancement within the company. Clearly defined criteria as well as the fairness of the process is important in presenting an unbiased picture of where the company stands in so far as providing equal opportunities to all staff members.

### **6.2.4 Implementation of change**

The summary results show that satisfaction with the name change of the company, the change of operating systems, change of agents and the working structure is generally very low. Refer to figure 4.32, 33, 34 and 35. The adage that organisational change efforts often run into some form of human resistance is evidenced by the results of the survey. In order for staff to buy into change initiatives, these changes must be effectively communicated to the staff in order for them understand how they would impact on them and the company. Further to this worker participation in change decisions will lead to less resistance. Change initiatives need a specialised and structured approach and if not properly conducted, they will not have the desired effect.

### **6.2.5 Salary / Compensation**

The summary results show that satisfaction with salaries in relation to expertise is generally very low regardless of the demographics. Refer to figure 4.36. Pay is considered to be one of the important factors in determining job satisfaction. There is an expectation from the workforce that they will be adequately compensated for their efforts. This compensation is expected to be fair, equitable and free of bias. The non-white segment of the workforce rates their satisfaction lower than their white counterparts and there is a feeling of prejudice by the company's unwillingness to offer them the same benefits. The findings of the study is in keeping with the existing body of literature.

### **6.2.6 Succession planning**

The summary results show that satisfaction with succession planning is generally very low except for those who fall in the under 30 year age group. Refer to figure 4.37. Succession planning must be viewed as a medium to long term approach that will ensure the longevity of the company. Succession planning ideally should involve identifying talent, especially from the younger sector of the workforce where they are groomed and developed for growth within the organisation. The idea is to identify potential leaders and give them the opportunity to lead. The fact that the under 30 year age group are relatively satisfied, (all be it not entirely), it shows that they see opportunities for development within the company. The results therefore correlate with the literature on this matter.

### **6.2.7 Skills and competencies of managers**

The summary results show that satisfaction with the skills and competence of management within Micor is not entirely low, but also at the same time, it is not very high either. Refer to figure 4.38. There is an expectation from the workforce that those who hold senior positions within the company should be able to function with a high level of skill and competence. The literature suggests that one of the reasons for dissatisfaction amongst staff is to be found in the leadership. The ability to effectively communicate pertinent information to the workforce is critical to the buy-in of the staff. The perceptions of the workforce concerning the competencies of management extend beyond just being able to produce a satisfactory result, but it encompasses other dynamics of leadership that is able to embrace staff at the same time. Hence, the balanced result of the study is supported by the literature.

### **6.2.8 Company benefits**

The summary results show that satisfaction with sick leave benefits and study leave benefits is generally very good. There is a general dissatisfaction with the pension / provident fund benefits especially those who fall in the over 20 years service. Benefits are viewed as an important component of an employee's package. If the company benefits have no inherent benefits to the workforce, then dissatisfaction is to be expected. The case in point reveals that where the benefits add to the well being of the workforce, then satisfaction ratings will be higher than expected. Benefits are not proportionate to productivity and as such employees should not expect this to be a motivator.

### **6.2.9 Equality and fairness within the workplace**

The summary results show that satisfaction with the equality and fairness of salaries as well as promotions is extremely low. Refer to figure 4.44 and 4.45. The expectant theory supports the cry from the masses for equality and fairness within the workplace. Companies need to win staff over by demonstrating a willingness to make genuine changes across all spheres. Equality and fairness in respect of salaries and promotion has proven to be a thorn in the flesh of management. These elements appear to be of great importance to staff and given the right attention, they can affect the mindsets of the masses.

### **6.2.10 Culture of the business**

The summary results show that satisfaction with the culture of the business is average. Staff don't seem to be too happy with the culture but at the same time, there is not a lot of enthusiasm for the culture of the company either. The culture of any business is the "silent" driving force behind that business. It's what drives that business to achieve success. Culture needs to be clearly defined and cannot operate in a vacuum of confusion and uncertainty. Culture cannot be the beliefs or value systems of individuals, but the company as a whole. Promoting the right culture is essential to skills retention and high levels of job satisfaction.

### **6.2.11 Incentive schemes**

The summary results show that satisfaction with the bonus incentive, profit share as well as 13<sup>th</sup> cheque is generally very low. Incentives have the ability to influence behaviour patterns of people. They form part of the reason why employees leave or stay. Incentives go beyond paying an employee a salary. It needs to be visible and driven from top down so that staff can see that management are genuine about offering incentives. Incentives for the freight forwarding company are not unique to other sectors and they derive the same effect in respect of increased performance. Furthermore, incentives have a broader impact on the business as it retains existing skills and attracts the right calibre of people to add value to the business.

### **6.2.12 Management initiatives to retain staff**

The summary results show that satisfaction with the initiative by management to retain their staff is generally very low. Refer to figure 4.50. Although people are viewed as a valuable component in company's today, this view is not shared at large. The low satisfaction levels that is evident is in keeping with the views expressed in the literature. The inability of

organisations to attract, develop and retain good people appears to be a common problem. Worker involvement and participation helps in bridging the gap between management and the staff that is evident across the business spectrum.

### **6.2.13 Transparency**

The summary results show that satisfaction with transparency is generally very low. Refer to figure 4.51. Transparency is a process that positions the company in a positive light in the mind of the employee. The ability to gain the trust and confidence of the workforce is by no means an overnight fix but it's something that stems from a genuine concern for the well-being of the staff. The satisfaction rating illustrates that the components required for staff to be in favour of the company is missing. This component is the element of trust.

## **6.3 Recommendations**

### **6.3.1 Communication and information flow within the company**

From Table 4.7, the frequency distribution of satisfaction with communication and information flow reveals that 30% indicate a low satisfaction rate of 1 with 25% selecting a rating of 2 and 28% a rating of 3. Only 17% show a positive satisfaction rating of 4 or 5.

It is clear that the majority of staff has low satisfaction levels as far as communication and information flow within the organisation is concerned.

The following is recommended to improve the communication problems at Micor:

- Communication from superiors must be regular and communicate the progress of the organisation, branch or section. Workers are directly concerned with the results, whether positive or negative of their efforts in their immediate job environment and they are concerned with the organisation as a whole.
- Communication from management must convey information that is pertinent to the staff as well as the company and not major on issues that have no bearing staff.
- Management must move away from communication that is seen to be confrontational that is going to put the staff on the defensive.
- Management must encourage feedback from the staff. Feedback will alert management to what may be going wrong, to discrepancies to how staff see their jobs, to inadequate work flow, to deficiencies in supervision, to low morale and to other emotional staff issues. In encouraging feedback, management must be prepared to accept criticism in a constructive light and not be vindictive towards those staff members.

- Communication must not come across as "talking down" to staff especially when one considers the diversity of the South African workforce.
- Management must not use their superiority in respect of their position and race to try and get staff to tow the line.
- Intimidating communication must be eradicated as it has no place in the new work environment.

### **6.3.2 Career opportunities within Micor**

From Table 4.8, the frequency distribution of satisfaction with career opportunities reveals that low satisfaction rating of 1 and 2 are recorded by 40% and 30% of the respondents respectively. Only 3% rate this aspect as 5 (high satisfaction).

The following is recommended to improve career opportunities at Micor:

- A career path needs to be developed for staff who display the necessary qualities and who have the drive and passion to function at a higher level in the company.
- Staff from historically disadvantaged background who fit the profile, should be given opportunities to occupy higher management positions within the company.
- Non-whites should not be marginalized but rather their skills should be harnessed to the benefit of the company.
- The number of whites occupying senior management positions should be reviewed.
- Management must have the same confidence in their non-white workforce as they do in their white staff.
- Women should also not be sidelined but they should be given the same opportunities to contribute to the business in a much more meaningful way.
- Programmes like the Mentorship Programme must not just be a farce but they need to become more meaningful and seen as a genuine effort by the company in addressing the imbalance that exists and level the playing field.

### **6.3.3 Individual promotion criteria within Micor**

From Table 4.9, the frequency distribution of satisfaction with promotion criteria revealed that nearly 52% of respondents rated promotion criteria as 1 (low) and only 5% rated it an above average 4 or 5. 25% and 18% gave it a rating of 2 and 3 respectively.

The following is recommended to address individual promotion criteria at Micor:

- Management must adopt a fair approach to promoting staff and not

create the impression that all the labour requirements are being adhered to.

- White staff must not only be given preference when it comes to strategic positions within the company.
- People of colour who are adequately qualified and experienced should not be placed on Mentorship Programmes before they are promoted while their inexperienced white counterparts are considered automatic candidates for promotion.
- Management must move away from the notion that the best person for the job is a white person.
- Plausible reasons must be given to candidates who are not considered for promotion and not weak excuses.

#### **6.3.4 The implementation of change**

##### **6.3.4.1 Name change from Micor to DNA**

From Table 4.10, the frequency distribution of satisfaction with name change from Micor to DNA showed that only about 20% indicated satisfaction (4 or 5) with the name change. 31% rated their satisfaction as 1 (low) and about 50% rated their satisfaction as 2 or 3.

Satisfaction in this area is clearly low. The following suggestions are recommended:

- Management look at abandoning the DNA brand and go back to the old Micor brand.
- Management look at promoting and strengthening the Micor brand.

##### **6.3.4.2 Change from Compuclear to Corefreight**

From Table 4.11, the frequency distribution of satisfaction with change from Compuclear to Corefreight revealed that nearly 10% of respondents' rate satisfaction levels as 5 (high) and more that 50% rate it as 1 or 2. An average 3 was scored by over 26%.

Staff seem to be dissatisfied with this change. The following is recommended to management:

- A full investigation is carried out to determine why there is dissatisfaction with this change.
- Staff be interviewed either section by section or one on one to find out what the reasons are for dissatisfaction with the changeover.

#### **6.3.4.3 Change of Agents to Geo Logistics**

From Table 4.12, the frequency distribution of satisfaction with change of agents to Geo Logistics showed that nearly 60% of respondents rate satisfaction with this change as a low 1 or 2. More than 25% rate it an average 3 and only 7% rate it a high 5.

Staff seems to be dissatisfied with this move by the company. In view of the huge impact that this has on our business, suggestions cannot be made as it is not an area that can be remedied or changed. The company will have to live with the consequences of this decision, whether good or bad as it is contractually bound. However, what can be suggested is that for future references, management embarks on a due diligence before making changes of this magnitude that can either make or break a company.

#### **6.3.4.4 Apollo Structure**

From Table 4.13, the frequency distribution of satisfaction with Apollo Structure, only 6.8% of respondents rate satisfaction with the Apollo Structure as a high 5 while nearly 30% rate it a low 1 and over 30% rate it an average 3.

Satisfaction in this area is not entirely flattering and the following is offered as a solution to the problem:

- Management must review this system and determine if there are any merits to this structure.

#### **6.3.5 Level of salary with respect to expertise**

From Table 4.14, the frequency distribution of satisfaction with level of salary with respect to expertise showed that about 47% of respondents indicated that their level of satisfaction with respect to their expertise is a low 1 and a further 20% rate their satisfaction as 2.

The following is recommended to improve the issue of salary with respect to expertise at Micor:

- Management should re-evaluate the salaries paid to staff, especially those of colour.
- Management should adopt a fair system of compensation and not favour white workers over their other counter parts.
- Management should consider the qualifications of staff as a criterion to offering lucrative salaries and not consider skin colour only.
- Staff of colour who occupy senior management positions must be paid a salary in line with market trends as well as the perks and benefits that go with the position.
- Management must consider compensating staff who work overtime and not adopt a

policy of no pay.

- Management should consider a grading system to determine equity in salaries.

### **6.3.6 Succession planning within Micor**

From Table 4.14, the frequency distribution of satisfaction with succession planning at Micor, over 40% of respondents rate their satisfaction with this issue as a low 1, a further 28.3% rate it 2 and 20% rate it an average 3. Only 1.7% gave it a high rating of 5. Clearly staff are dissatisfied with the issue of succession planning within Micor.

The following is recommended to improve the issue of succession planning at Micor:

- The company should start to develop a long term plan that is going to ensure that staff who are loyal to the company and who possess the potential to go places should be part of that plan.
- Management should not overlook their own staff and give top positions to outsiders.
- Management should create opportunities and make positions available to deserving individuals for staff as part of their succession planning process.
- PDI's should feature very highly on the list of candidates for succession planning.
- Management should be actively engaged in developing talent within the company and not allow that talent to leave their employ.
- Management should embark on a programme to fast track certain individuals who have proven themselves to the company thereby bringing them on par in respect of position as well as salary.

### **6.3.7 Skills and competence of management in Micor**

From Table 4.16, the frequency distribution of satisfaction with skills ad competence of management at Micor, a more evenly distributed selection of ratings was evident for this issue. 28.3% rated satisfaction with the competence of management as 1, 25% rated it 2 and a further 25% rated it 3. Only 8.3% rated it a high 5.

The ratings however lean towards dissatisfaction with the competence levels of management.

The following is recommended to improve the competence of management at Micor:

- The leadership needs to look at programmes to upgrade the skills of the management in order for them to function more effectively.
- These programmes must assume the shape of formal studies in management.
- Managers who do not hold suitable qualifications must be forced to upgrade their skills and not just rely on charisma.

- The company needs to develop talent from within the workforce and provide more intensive training programmes to ensure that the company has a gene pool to draw from should positions become available.
- The company must move away from employing senior managers on the basis of their skin colour but they need to recognize staff of colour who possess suitable qualifications to hold these positions.

### **6.3.8 Company Benefits**

#### **6.3.8.1 Sick leave benefits**

From Table 4.17, the frequency distribution of satisfaction with sick leave benefits, 25% of the respondents indicate their satisfaction with sick leave benefits in each of the ratings 4 and 5 while 31.7% indicate an average satisfaction of 3. Only 18% rated their satisfaction as 1 or 2.

There does not appear to be too much of dissatisfaction in this area. Sick leave benefits seem to be in line with trends in other companies.

#### **6.3.8.2 Study leave benefits**

From Table 4.18, the frequency distribution of satisfaction with study leave benefits, the largest group of respondents (30%) rated satisfaction with study benefits as an average 3, while a further 41.7% voted above average at 4 or 5 and the remaining 28.3% voted below average at 1 or 2.

Here again, staff do not appear to be too dissatisfied with study leave benefits granted by the company. The concession of giving the staff paid leave on the day before the examination as well as on the day of the examination appears to be fair and staff should not be unsatisfied with this benefit.

#### **6.3.8.3 Pension / Provident fund benefits**

From Table 4.19, the frequency distribution of satisfaction with pension / provident fund benefits, a fairly even spread of ratings is evident as seen in table 2.8.3. Ratings 1, 2 and 3 received a nearly equal selection of about 25% and the remainder of the respondents rated satisfaction with pension fund benefits as 4 or 5.

Staff appear to be fairly satisfied with the pension and provident fund benefits. However, the concerns of some of the staff must not go unnoticed and the following is offered as suggestions to the company:

- The contributions of the staff must be invested with a company that is going to yield a higher return.
- The company must be more transparent with the returns yielded.
- Regular feedback must be provided to the staff on how the fund is performing.
- Staff must be given the option on where they want their monies invested if they can obtain better returns on their monies.

#### **6.3.8.4 Travel allowance benefits**

From Table 4.20, the frequency distribution of satisfaction with travel allowance benefits showed that over 60% of respondents rate satisfaction with travel allowance benefits as a low 1 while only 2 respondents (3.3%) rate it a high 5.

This result is not surprising as not all staff would qualify for a travel allowance. However, management should consider the following:

- Staff who live long distances away from the company should be given a travel allowance to make up for the high cost of travelling.
- Management should offer staff who qualify for an allowance, an allowance that is in keeping with the increasing fuel price.

#### **6.3.8.5 Car allowance / Company car benefits**

From Table 4.21, the frequency distribution of satisfaction with car allowance / company car benefits revealed that a large proportion of the sample (63.3%) rate their satisfaction with car allowance benefits as a low 1 and a few (3.3%) rate it a high 5.

Again, it must be stated that this result is not surprising as only management would qualify for car allowance benefits. The other ordinary" staff member will not get a car allowance.

### **6.3.9 Equality and fairness within Micor**

#### **6.3.9.1 Equality and fairness with regards to salaries**

From Table 4.22, the frequency distribution of satisfaction with equality and fairness of salaries revealed that more than 50% rated satisfaction with regards to salaries as a low 1 and a further 20% rated it as 2. Only 1 respondent (1.7%) gave this area a high 5 rating.

The issue of equality in salaries seems to be a huge one. The following is recommended to improve the issue of equality and fairness with regards to salaries at Micor:

- Management embarks on a programme to address salaries of staff across the board.
- Staff, especially those of colour, who have been subject to the inequality and injustices of the past, be compensated for being paid such a low salary over the years.

- Management must adopt a transparent policy with regards to salaries.
- Management must be seen to be adhering to affirmative action policies and not just pay lip service to these essential changes in business.
- Management need to develop an equal opportunity statement supported by top management and backed by training and development.
- Management must incentivise staff with increase in their salaries should they obtain degrees, diplomas or any other suitable qualifications.
- Management should offer skilled staff retainers to stay instead of losing them to the competition.

#### **6.3.9.2 Equality and fairness with regards to promotions**

From Table 4.23, the frequency distribution of satisfaction with equality and fairness of promotions, more than 50% rate satisfaction with promotions as a low 1 and a further 25% rate it a 2. Only 2 respondents (3.4%) rate it an average 4 or 5.

The following is recommended to improve the issue of equity fairness with respect to promotions at Micor:

- Management must address the imbalance especially at directorship and senior management level.
- It must be mandatory and company policy that staff of colour occupy directorship positions and senior management positions.
- Preference must be given to staff from within the company first before outside candidates are considered.
- Staff of colour who possess the necessary skills, expertise and qualifications must be considered very strongly for senior positions.
- Promotions must not be made on the basis of skin colour.
- Females, especially black females must feature more prominently within the management structures of the company.
- The "white blonde in a mini-skirt" syndrome must be a thing of the past.
- Management must develop a clear affirmative action policy which is going to address the injustices and the imbalances of the past.

#### **6.3.10 The culture of the business**

From Table 4.24, the frequency distribution of satisfaction with the culture of the business, the most common rating for satisfaction with culture is an average 3 with 40% support. The

remaining ratings are relatively evenly supported.

There does not seem to be much dissatisfaction in this area but at the same time, the results are not entirely convincing. The following suggestions are provided to improve this result:

- The culture of the business must be clearly defined to the workforce.
- Staff must understand the culture of the business.
- Management must get buy in from the staff in respect to the culture of the business.
- Staff must feel comfortable with the culture of the business.
- The culture of the business must encompass all race groups and not be seen to be one dimensional.

### **6.3.11 Incentive schemes**

#### **6.3.11.1 Bonus incentive**

From Table 4.25, the frequency distribution of satisfaction with the bonus incentive, 40% rate their satisfaction with the incentive bonus as a low 1 and 23.3% rate it an average 3. Only 10% give this area a high 5 rating.

The following is offered as a recommendation to improve this problem:

- This must be seen as an incentive over and above the 13<sup>th</sup> cheque.
- Where the company sets exceptional targets and the staff put in the extra effort to achieve these targets, they should be rewarded adequately.

#### **6.3.11.2 Profit share incentive**

From Table 4.26, the frequency distribution of satisfaction with profit share incentives, 70% rate their satisfaction with the profit share incentive as 1 (low) and only 2 respondents (3.4%) give this area an above average rating.

Due to the low satisfaction of the workforce in this area, the following is recommended:

- Management must consider distributing a percentage of the company's profits to all employees at a pre-determined rate.
- Senior managers must not be the only beneficiaries of profit share incentives but this should also filter down to the staff.
- Staff in the various departments should be given a percentage of the profits should they make their targets.

#### **6.3.11.3 13<sup>th</sup> cheque incentive**

From Table 4.27, the frequency distribution of satisfaction with the 13<sup>th</sup> cheque incentive, satisfaction with the 13<sup>th</sup> cheque incentive was rated a low 1 by 46.7% while 21.7% voted it above average at 4.

Clearly, the 13<sup>th</sup> cheque incentive offered by management has not sparked satisfaction amongst its workforce. The following is recommended to management to improve the situation:

- Management must move away from the 13<sup>th</sup> cheque being optional to it being guaranteed.
- Many other companies are offering their staff a 14<sup>th</sup> cheque incentive and the management must consider this as a means to motivate their workforce to go the extra mile to produce better results than normal.

#### **6.3.12 Initiatives by management to retain staff members**

From Table 4.28, the frequency distribution of satisfaction with management initiative to retain staff showed that satisfaction with this area was given a low 1 by 48.3% while 26.7% rated it a 2. An above average rating was given by 18.3% and there were no high ratings of 5 given at all.

This area obviously is a point of huge contention within the workforce and the following is offered as suggestions to address this issue:

- Management must develop a clear strategy for attracting, developing and retaining good staff.
- Management must promote the company's vision, mission and values and obtain buy-in from the staff thereby developing organizational commitment.
- Staff must be made to participate at strategic levels within the company, thereby giving them a sense of purpose and self recognition.
- Staff of colour who adequately fit the profile must be placed on career development programmes with the intention for future involvement at the highest level.
- Management must invest in the education of its workforce who in turn will contribute to the success of the company.
- Management must address salary issues which is one of the reasons that affects staff turnover.
- Management must institute share holder options by way of giving staff shares in the company at discounted prices.
- Staff who are seen to be pivotal to the success of the company must be given retention packages over and above their normal salaries.
- Management must adopt a more worker-friendly attitude towards their workforce.

### **6.3.13 Transparency within Micor**

From Table 4.29, the frequency distribution of satisfaction with transparency within Micor, a low rating of 1 was given by 40% for satisfaction with transparency within Micor. A little lower 30% rated it an average 3 and no one gave it a high 5.

Transparency within the company clearly is viewed in a very negative light. The following is offered as solutions to the problem of transparency within Micor.

- Management must initiate the break down of barriers that existed prior to the new government.
- Staff must be made to feel part of the team and not excluded from certain events.
- Management must obtain buy-in from their staff when it comes to changes affecting the company.
- Management must foster open communication with the workforce.
- Staff must be privy to the financial results of their departments, the branch as well as the company as a whole.
- Management must develop a policy of honesty between them and the workforce.
- The goals and the vision of the company must be clearly spelt out to the workforce and the company must be seen to be moving towards those goals.

### **6.4 Further research**

Due to the importance of the shipping sector to the economy, this research into job satisfaction in the freight forwarding sector cannot be concluded and not be followed up at some future date. Research opportunities exist whereby the company factors could be further explored and more in-depth analysis produced. This research was conducted on just one company. Research could be carried out amongst different companies in this field to see if similarities exist or if the issues encountered at Micor are unique only to Micor. This will assist not only Micor but the industry at large and will help create a sense of stability. In the interest of the company, a longitudinal study is recommended in a year's time to track changes within the company and also to see if the recommendations that have been made have actually improved satisfaction within the company.

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## APPENDICES

### APPENDIX A:

#### JOB SATISFACTION SURVEY

##### SECTION A

Note to completing this questionnaire:

Example 1: If you feel that Communication and information flow within the company is good then place a cross in the box numbered 5. If you disagree, then you would be inclined to place a cross in the box numbered 1. If you neither agree nor disagree, then you would place a cross in box numbered 3.

	Low Satisfaction				High Satisfaction
	1	2	3	4	5
1. Communication and information flow within Micor.					
2. Current career opportunities within Micor.					
3. Criteria used to promote individuals within Micor.					
4. The implementation of change:					
• Name change from Micor to DNA					
• Change from Compuclear to Corefreight.					
• Change of agent to Geo					
• Apollo structure					
5. Level of salary with respect to your expertise.					
6. Succession planning within Micor.					
7. Skills and competence of management in Micor.					
8. Company benefits offered by Micor:					
• Sick Leave					
• Study Leave					
• Pension / Provident fund					
• Travel allowance					
• Car allowance / Company car					
9. Equality and fairness within Micor:					
• Salaries					
• Promotions					
10. The culture of the business in Micor.					
11. Incentive Scheme:					
• Bonus					
• Profit Share					
• 13 <sup>th</sup> cheque					

12. Initiatives by management to retain staff.					
13. Transparency within Micor.					

## **SECTION B:**

### **PERSONAL AND GENERAL INFORMATION:**

Note to completing this section: For each of the aspects numbered 1 – 4, please place a tick in the appropriate column that applies.

Example:

Question1: Age – If you fall in the age category 30 – 39, please place a tick / cross in the extreme right hand side column next to the applicable category.

1.	Age	a.	Less than 30 years	
		b.	30 - 39	
		c.	40 - 49	
		d.	50 - 59	
		e.	60+	
2.	Gender	a.	Male	
		b.	Female	
3.	Current Position	a.	Senior Management	
		b.	Middle Management	
		c.	Controllers	
		d.	Clerks (Operations / Admin)	
		e.	Other (Drivers / messengers)	
4.	NO. of years in the profession	a.	1 - 2 years	
		b.	3 - 5	
		c.	6 - 11	
		d.	11 - 20	
		e.	20+	

## **LETTER OF INFORMATION AND CONSENT**

**Title of study:** Internal factors influencing job satisfaction in a freight forwarding company.

Dear Participant,

I am currently undertaking a research project that aims to investigate internal factors influencing job satisfaction in a freight forwarding company.

Would you agree to participate in the study? The research will be conducted via a questionnaire which you would need to complete and forward back to me. Participation is voluntary and you are free to withdraw from the study at any time. The information that you give will only be used for research purposes, and your identity and individual answers will be kept totally confidential. Should you wish to discuss this further, please feel free to contact me or my supervisor Dr. Roger Mason on 031 – 3055 385.

Your assistance will be much appreciated.

Yours faithfully,

David Joshua  
083 443 2637

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Please complete the following as confirmation of your willingness to participate in this research project.

I, .....have adequately discussed the study with the researcher, understand that I may withdraw from it at any time without giving reasons, and voluntarily agree to participate by being interviewed.

**Signature** : .....

**Date** : .....

## Appendix B:

### Results of Chi-square goodness-of-fit tests on Section A: Satisfaction ratings

	Communication and information flow	Career opportunities	Promotion criteria	Name change from Micor to DNA	Change from Compuclear to Corefreight	Change of Agents to Geo Logistics	Apollo structure
Chi-Square(a,b,c,d,e,f)	14.167	26.667	49.333	9.686	13.577	13.464	11.424
df	4	4	4	4	4	4	4
Asymp. Sig.	.007	.000	.000	.046	.009	.009	.022

	Level of salary with respect to expertise	Succession planning	Skills and competence of management	Sick leave	Study leave	Pension/ Provident fund	Travel allowance
Chi-Square(a,b,c,d,e,f)	35.833	30.333	9.000	12.667	6.167	5.833	74.167
df	4	4	4	4	4	4	4
Asymp. Sig.	.000	.000	.061	.013	.187	.212	.000

	Car allowance/ Company car	Equity and fairness of salaries	Equity and fairness of promotions	Culture of the business	Incentive bonus	Incentive profit share
Chi-Square(a,b,c,d,e,f)	76.000	44.333	54.333	16.167	18.167	98.500
df	4	4	4	4	4	4
Asymp. Sig.	.000	.000	.000	.003	.001	.000

	Incentive 13th cheque	Management initiative to retain staff	Transparency
Chi-Square(a,b,c,d,e,f)	30.167	22.267	14.800
df	4	3	3
Asymp. Sig.	.000	.000	.002

- a 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 12.0.  
b 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 10.2.  
c 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 10.4.  
d 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 11.2.  
e 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 11.8.  
f 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 15.0.

Table 1 Results of Chi-square goodness-of-fit tests on ratings questions

Tables of output from the chi-square tests with information about the individual cells

**Communication and information flow**

	Observed N	Expected N	Residual
Satisfaction rate 1 (low)	18	12.0	6.0
Satisfaction rate 2	15	12.0	3.0
Satisfaction rate 3	17	12.0	5.0
Satisfaction rate 4	6	12.0	-6.0
Satisfaction rate 5 (high)	4	12.0	-8.0
Total	60		

**Career opportunities**

	Observed N	Expected N	Residual
Satisfaction rate 1 (low)	24	12.0	12.0
Satisfaction rate 2	18	12.0	6.0
Satisfaction rate 3	10	12.0	-2.0
Satisfaction rate 4	6	12.0	-6.0
Satisfaction rate 5 (high)	2	12.0	-10.0
Total	60		

**Promotion criteria**

	Observed N	Expected N	Residual
Satisfaction rate 1 (low)	31	12.0	19.0
Satisfaction rate 2	15	12.0	3.0
Satisfaction rate 3	11	12.0	-1.0
Satisfaction rate 4	1	12.0	-11.0
Satisfaction rate 5 (high)	2	12.0	-10.0
Total	60		

**Name change from Micor to DNA**

	Observed N	Expected N	Residual
Satisfaction rate 1 (low)	16	10.2	5.8
Satisfaction rate 2	12	10.2	1.8
Satisfaction rate 3	13	10.2	2.8
Satisfaction rate 4	5	10.2	-5.2
Satisfaction rate 5 (high)	5	10.2	-5.2
Total	51		

**Change from Compuclear to Corefreight**

	Observed N	Expected N	Residual
Satisfaction rate 1 (low)	19	10.4	8.6
Satisfaction rate 2	8	10.4	-2.4
Satisfaction rate 3	14	10.4	3.6
Satisfaction rate 4	6	10.4	-4.4
Satisfaction rate 5 (high)	5	10.4	-5.4
Total	52		

### Change of Agents to Geo Logistics

	Observed N	Expected N	Residual
Satisfaction rate 1 (low)	16	11.2	4.8
Satisfaction rate 2	16	11.2	4.8
Satisfaction rate 3	15	11.2	3.8
Satisfaction rate 4	5	11.2	-6.2
Satisfaction rate 5 (high)	4	11.2	-7.2
Total	56		

### Apollo structure

	Observed N	Expected N	Residual
Satisfaction rate 1 (low)	17	11.8	5.2
Satisfaction rate 2	11	11.8	-.8
Satisfaction rate 3	18	11.8	6.2
Satisfaction rate 4	9	11.8	-2.8
Satisfaction rate 5 (high)	4	11.8	-7.8
Total	59		

### Level of salary with respect to expertise

	Observed N	Expected N	Residual
Satisfaction rate 1 (low)	28	12.0	16.0
Satisfaction rate 2	12	12.0	.0
Satisfaction rate 3	14	12.0	2.0
Satisfaction rate 4	5	12.0	-7.0
Satisfaction rate 5 (high)	1	12.0	-11.0
Total	60		

### Succession planning

	Observed N	Expected N	Residual
Satisfaction rate 1 (low)	25	12.0	13.0
Satisfaction rate 2	17	12.0	5.0
Satisfaction rate 3	12	12.0	.0
Satisfaction rate 4	5	12.0	-7.0
Satisfaction rate 5 (high)	1	12.0	-11.0
Total	60		

### Skills and competence of management

	Observed N	Expected N	Residual
Satisfaction rate 1 (low)	17	12.0	5.0
Satisfaction rate 2	15	12.0	3.0
Satisfaction rate 3	15	12.0	3.0
Satisfaction rate 4	8	12.0	-4.0
Satisfaction rate 5 (high)	5	12.0	-7.0
Total	60		

#### Sick leave

	Observed N	Expected N	Residual
Satisfaction rate 1 (low)	6	12.0	-6.0
Satisfaction rate 2	5	12.0	-7.0
Satisfaction rate 3	19	12.0	7.0
Satisfaction rate 4	15	12.0	3.0
Satisfaction rate 5 (high)	15	12.0	3.0
Total	60		

#### Study leave

	Observed N	Expected N	Residual
Satisfaction rate 1 (low)	9	12.0	-3.0
Satisfaction rate 2	8	12.0	-4.0
Satisfaction rate 3	18	12.0	6.0
Satisfaction rate 4	10	12.0	-2.0
Satisfaction rate 5 (high)	15	12.0	3.0
Total	60		

#### Pension/Provident fund

	Observed N	Expected N	Residual
Satisfaction rate 1 (low)	14	12.0	2.0
Satisfaction rate 2	15	12.0	3.0
Satisfaction rate 3	16	12.0	4.0
Satisfaction rate 4	8	12.0	-4.0
Satisfaction rate 5 (high)	7	12.0	-5.0
Total	60		

#### Travel allowance

	Observed N	Expected N	Residual
Satisfaction rate 1 (low)	38	12.0	26.0
Satisfaction rate 2	4	12.0	-8.0
Satisfaction rate 3	11	12.0	-1.0
Satisfaction rate 4	5	12.0	-7.0
Satisfaction rate 5 (high)	2	12.0	-10.0
Total	60		

#### Car allowance/Company car

	Observed N	Expected N	Residual
Satisfaction rate 1 (low)	38	12.0	26.0
Satisfaction rate 2	2	12.0	-10.0
Satisfaction rate 3	12	12.0	.0
Satisfaction rate 4	6	12.0	-6.0
Satisfaction rate 5 (high)	2	12.0	-10.0
Total	60		

**Equity and fairness of salaries**

	Observed N	Expected N	Residual
Satisfaction rate 1 (low)	31	12.0	19.0
Satisfaction rate 2	12	12.0	.0
Satisfaction rate 3	11	12.0	-1.0
Satisfaction rate 4	5	12.0	-7.0
Satisfaction rate 5 (high)	1	12.0	-11.0
Total	60		

**Equity and fairness of promotions**

	Observed N	Expected N	Residual
Satisfaction rate 1 (low)	32	12.0	20.0
Satisfaction rate 2	15	12.0	3.0
Satisfaction rate 3	11	12.0	-1.0
Satisfaction rate 4	1	12.0	-11.0
Satisfaction rate 5 (high)	1	12.0	-11.0
Total	60		

**Culture of the business**

	Observed N	Expected N	Residual
Satisfaction rate 1 (low)	9	12.0	-3.0
Satisfaction rate 2	11	12.0	-1.0
Satisfaction rate 3	24	12.0	12.0
Satisfaction rate 4	6	12.0	-6.0
Satisfaction rate 5 (high)	10	12.0	-2.0
Total	60		

**Incentive bonus**

	Observed N	Expected N	Residual
Satisfaction rate 1 (low)	24	12.0	12.0
Satisfaction rate 2	9	12.0	-3.0
Satisfaction rate 3	14	12.0	2.0
Satisfaction rate 4	7	12.0	-5.0
Satisfaction rate 5 (high)	6	12.0	-6.0
Total	60		

**Incentive profit share**

	Observed N	Expected N	Residual
Satisfaction rate 1 (low)	42	12.0	30.0
Satisfaction rate 2	6	12.0	-6.0
Satisfaction rate 3	10	12.0	-2.0
Satisfaction rate 4	1	12.0	-11.0
Satisfaction rate 5 (high)	1	12.0	-11.0
Total	60		

**Incentive 13th cheque**

	Observed N	Expected N	Residual
Satisfaction rate 1 (low)	28	12.0	16.0
Satisfaction rate 2	4	12.0	-8.0
Satisfaction rate 3	8	12.0	-4.0
Satisfaction rate 4	13	12.0	1.0
Satisfaction rate 5 (high)	7	12.0	-5.0
Total	60		

**Management initiative to retain staff**

	Observed N	Expected N	Residual
Satisfaction rate 1 (low)	29	15.0	14.0
Satisfaction rate 2	16	15.0	1.0
Satisfaction rate 3	11	15.0	-4.0
Satisfaction rate 4	4	15.0	-11.0
Total	60		

**Transparency**

	Observed N	Expected N	Residual
Satisfaction rate 1 (low)	24	15.0	9.0
Satisfaction rate 2	13	15.0	-2.0
Satisfaction rate 3	19	15.0	4.0
Satisfaction rate 4	4	15.0	-11.0
Total	60		