IMPLEMENTING BBBEE: LEADER EXPERIENCES IN THE SOUTH AFRICAN BANKING INDUSTRY

Thembekile Myeni

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Supervisor: Professor Paul Singh

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Declaration of Authenticity

I declare that the research project, *"Implementing BBBEE: Leader Experiences in the South African Banking Industry"* is my own work and that each source of information used has been acknowledged by means of a complete reference. This dissertation has not been submitted before for any other research project, degree, or examination at any university.

JPMyeni

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THEMBEKILE MYENI

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Acknowledgements

Abstract

Diversity is inevitable in an increasingly globalised world. In the South African context, diversity and inclusion are a critical concern and is further complicated by the country's history of apartheid. The government's efforts focus on promoting social and economic equality through various legislative mandates including BBBEE. Leadership in Financial services organisations such as Banks, have a key role to play as large-scale employers to address key diversity and inclusion issues such as the lack of adequate representation in terms of race, gender, and disability at senior executive levels along with the gender pay gaps within the sector.

Despite the critical role of the leader in diversity and inclusion, limited research has been performed to gain an understanding of the perspectives and lived experiences of the leaders implementing BBBEE initiatives in corporate South Africa. This study intended to contribute to the reduction of this research gap by exploring the experiences of executive leadership tasked with the implementation of Affirmative Action as part of a BBBEE strategy within the South African banking industry. The focus was to examine how these leaders make sense of their experiences and how their experiences might add value to future BBBEE strategy implementations.

Guided by the objectives of this study, the researcher selected to apply a qualitative research approach with a phenomenological philosophy and interpretivist paradigm as it allowed for the gathering of a detailed, rich, and complex understanding of the phenomena under study. Semi-structured one on one interviews with the participants in senior leadership positions within the selected banking institution enabled the collection of meaningful data related to BBBEE related transformational change leadership. The findings of this study provide critical contributions to the study of transformational change leadership in South Africa by unearthing organisational barriers to effective transformational change leadership and the leadership skills required to navigate the required changes, providing a guide for organisations, existing and upcoming leaders as they lead diversity and inclusion within their organisations.

Keywords: Broad Based Black Economic Empowerment (B-BBEE); Affirmative Action; Leadership; Transformational Change.

TABLE OF CONTENTS

LIST OF ACRONYMS AND ABBREVIATIONS

BEE: Black Economic Empowerment
BBBEE: Broad Based Black Economic Empowerment
BBBEE Act: BBBEE Act 53 of 2003
EE: Employment Equity
EE Act: Employment Equity Act 55 of 1998
AA: Affirmative Action
5IR: Fifth Industrial Revolution
AI: Artificial Intelligence

LIST OF FIGURES

LIST OF TABLES

CHAPTER 1

INTRODUCTION AND BACKGROUND

1.1 Introduction

Broad Based Black Economic Empowerment (BBBEE) is a highly emotive subject within corporate South Africa (Petrus, 2011). The controversy around BBBEE is mainly centred on three elements: its ability to transform the lives of all previously disadvantaged individuals as intended; ownership agreements related to BBBEE being labelled window dressing for transactional purposes and management control targets that require accelerated implementation of Affirmative Action (Bharat, Hirsch, Kanbar & Ncube, 2014).

The views and opinions of BBBEE beneficiaries and non-beneficiaries have been researched in the past, albeit the views of BBBEE beneficiaries have been researched to a lesser extent (Archibong & Adejumo, 2013). The role of leadership in BBBEE transformation has been researched with the intent to understand transformational change models applied and implementation of best practices (Grobler, Van Wyk & Magau, 2019).

However, limited research has been performed to gain an understanding of the perspectives and lived experiences of the leaders spearheading and implementing BBBEE initiatives in corporate South Africa (Juggernath, 2019). This study explores the experiences of executive leadership tasked with the implementation of Affirmative Action as part of a BBBEE strategy within the South African banking industry, how the leaders make sense of these experiences and how these experiences may contribute to improved diversity management strategies within organisations.

1.2 Research Context: Background

South Africa's first democratically elected government was mandated to redress political, social, and economic inequalities resulting from the oppressive system of

apartheid and to utilise a comprehensive legislative framework to achieve its means (Pike, Puchert & Chinyamurindi, 2018). To achieve this, in 1994, the government introduced the concept of Black Economic Empowerment (BEE) and encouraged corporate South Africa to implement the initiative and increase Black economic participation (Nhemachena, Warikandwa & Amoo, 2018).

A BEE Commission was established in 1998 to research the success of the BEE initiatives that had been implemented to date. This commission submitted a report in 2001 to the then president, Thabo Mbeki outlining as part of its recommendations that BEE should be more encompassing than ownership to realise economic participation for a wider range of Black people and that an Act should govern the implementation of BEE (Moodley, 2005).

The BBBEE Act 53 of 2003 was introduced as a mechanism to advance economic transformation and enhance the participation of the Black majority in the South African economy ("BBBEE, n.d.). Black people, is defined in the BBBEE Act, includes all Africans, Coloureds, and Indians (Tshetu, 2014). The Department of Trade and Industry (DTI) in its codes of good practice extends the beneficiaries of BBBEE to include women, disabled persons, youth, and rural area residents (Pike *et al.*, 2018). BBBEE is a mechanism for socio-economic development in South Africa as the country has one of the highest levels of socio-economic inequality and a large income gap (Nyameza, 2013). BBBEE is not only an ethical imperative, but a rational strategy aimed at realising South Africa's full economic potential by ensuring that the Black majority have full access to the economic mainstream (Nhemachena *et al.*, 2018).

The BBBEE generic scorecard includes various components: ownership, management control, skills development, socio economic development, enterprise development and supplier development, as published in the Government gazette in October 2013 (Chidede, 2016). These are depicted in the table below.

Table 1: BBBEE Generic scorecard

Element	Weighting
Ownership	25 points
Management Control	15 points
Skills Development	20 points
Enterprise and Supplier Development	40 points
Socio-Economic Development	5 points

The Ownership element measures effective ownership of entities by Black people; the Management Control element measures the effective control of entities by Black people; the Skills Development element measures the extent to which employers carry out initiatives designed to develop the competencies of Black employees and Black people internally and externally; the Enterprise and Supplier Development element measures the extent to which entities buy goods and services from Empowering suppliers with strong BBBEE recognition levels; lastly, the Socio-Economic Development element measures the extent to which entities carry out initiatives that promote access to the economy for Black people (BBBEE Commission, 2013).

The study is conducted with the focus on the banking industry in South Africa and as such the generic scorecard does not apply and the scorecard under the Financial Sector Code would be applicable (The DTIC, 2017). The amended Financial Sector Code (2017) under the BBBEE Act 53 of 2003 as amended by Act 46 of 2013 indicate the following elements relevant to banks as depicted in the table below.

Table 2: Financial Sector Scorecard

Element	Weighting
Ownership	23
Management Control	20
Skills Development	20
Procurement and Enterprise Skills Development	15
Socio Economic Development and Consumer Education	5

Empowerment Financing and Enterprise Skills Development	25
Access to Financial Services	12

The study focuses on one element of BBBEE, management control which includes Employment Equity (EE) (Pike *et al.*, 2018). Management control is concerned with the representation of Black individuals from board, executive, senior, middle, and junior management levels through an analysis of payroll data (The DTIC, 2017). The weighting of this element is higher within the Financial Services sector scorecard by 5 points when compared to the generic scorecard and as such, can be regarded as a component of higher significance and critical focus within the sector. This element is relevant as the focus of the study is on the experiences of leaders tasked with increasing the levels of Black and female representation at different management levels within the organisation through an Affirmative Action mandate as part of a BBBEE strategy implementation.

1.3   Researcher's own Conceptual Framework

A worldview is a comprehensive framework of beliefs, values, assumptions, and perspectives through which individuals interpret and make sense of the world around them. It encompasses a wide range of aspects including metaphysical beliefs, epistemology, ethics and morality, cosmology, anthropology, and teleology. Worldviews are often shaped by a variety of factors including culture, religion, upbringing, education, personal experiences, and exposure to different ideas and philosophies. They provide a lens through which individuals interpret their experiences, understand the world, and navigate life's challenges and complexities.

The researcher's worldview is a Christian one, influenced significantly by a Christian upbringing centred on faith in God in spite of temporal circumstances of poverty and living a life that adds value to self, family, and community. This was coupled with the ingrained understanding that personal worth is not determined by social status. This Christian worldview includes living a life characterised by love, hope, compassion, social justice, and integrity. These beliefs about how a meaningful life is lived have greatly influenced the researcher's pursuit of personal purpose and meaning, directing

the researcher to a career where a positive difference can be made to the lives and livelihoods of individuals on a daily basis.

Worldviews are not static but can evolve and change over time as individuals encounter new information, experiences, and perspectives. The researcher's worldview has evolved over time and years of work experience, from one where one's personal beliefs are left at the proverbial workplace door to one where belief systems, even religious ones, are embraced and provide an expression of our authentic selves even in the workplace. This evolution encouraged the researcher to incorporate a Christian worldview into the leadership of self and teams through the interweaving of Spiritual wellbeing into daily life.

This evolution is expressed by the researcher's ability to:
- Demonstrate humility, compassion, and empathy in leading by actively listening to the concerns of others, supporting their growth and development, and fostering a culture of care and inclusivity within the organisation.

- Acknowledge the ethical responsibility of leadership to steward resources and apply ethical principles in decision-making processes.

- Inspire and motivate others within the organisation through authenticity, transparency, and vulnerability, sharing personal testimonies of faith, resilience, and transformation.

- Advocate for social justice, equality, and human rights in alignment with the principles of human dignity, using leadership influence to address systemic injustices and advocate for marginalised individuals and communities.

As a researcher and social scientist, the researcher continues to apply curiosity and a growth mindset in every situation and encounter, maintaining an open mind to all worldviews and perspectives. The researcher maintains that there is wisdom that can be learnt from individuals from all walks of life, and this is the basis from which the researcher seeks to establish empirical evidence regarding the lived experiences of senior leaders implementing BBBEE within a South African Bank.

1.4 Preliminary Literature Review

1.4.1 Leadership and its role in transformational change

Numerous descriptions, philosophies, representations, and styles of leadership exist. According to Algahtani (2014), leadership is concerned with driving performance through the motivation and inspiration of followers. Rowe and Guerrero (2015) define leadership as a relationship between leader and followers where leadership is not driving by position but by action. On the other hand, Northouse (2018) outlines leadership as a complex influence relationship between leader and follower aimed at achieving set goals while enabling followers to experience personal and professional growth.

The existing business setting is volatile, uncertain, complex, and ambiguous and each of these attributes require specifically directed responses from the leader (Bennett & Lemoine, 2014). Management and leadership have been used differently in various contexts in relation to leader responses (Algahtani, 2014). These two leader responses have at times been referred to as two completely different concepts, at other times as a range of leadership actions and while some have joined them into one concept of managerial leadership where the two are used synonymously. The fast -moving world requires leadership agility demonstrated as a balance of management and leadership for ideal organisational results, managerial leadership. This combination concept balances management which is present-focused, resource focused and controlling with leadership, which is future focused, people focused and inspiring.

Change is the only constant in our lives, it is unavoidable, at times not within our control but necessary for organisations to survive (Tasler, 2017). Transformational change at an organisational level is a complex and multifaceted process that influences the way in which business is conducted at various levels of the organisation (Ferlie,1997). Change is transformational when it is deep, important, and permanent, holistic, paradigm shifting, requiring present role modelling, focused on the positive, embracing change, embracing interconnectedness, engaging the heart, and occurring at all levels (Gass, 2010).

Leaders today have an incredible responsibility to successfully lead organisational change and within a South African context, this change does not only refer to technological advancements but the need for transformational change on racial and gender fronts (Issah, 2018). Within the context of change, the role of the leader is to efficiently seize opportunity, set a vision, empower people towards the achievement of that change vision (Foltin & Keller, 2012). In order to be effective in this role, the leader must be able to reflect on personal experiences, interpret cues from employees and stakeholders, overcome challenges and relate to followers (Goleman, 2004). Leaders however lack the skills required to lead change and communicate change initiatives in ways that create positive sentiment (Stickland, 2007).

1.4.2 Wellness and its role on leader effectiveness as organisational employees

Work is a financial requirement, where individuals invest a significant amount of time and energy making this component of life, critical to wellness (Bakar *et al.*, 2018). Extensive research exists pointing to the connection between work, employee wellness and the impact of these on employee workplace effectiveness (Schultz *et al.*, 2015).

Wellness is a multifaceted and developing area supporting individuals in their pursuit of purpose and meaning through positive relationships with self, others, the environment and a higher being (Stoewen, 2015). Workplace wellness links a commitment to an occupation *(the development and utilisation of an individual's skill sets and capabilities to purposeful work)* into a well-rounded, constructive lifestyle (*marked by an ability to form constructive experiences from the challenges faced in the workplace*) leading to job fulfilment, contentment, and personal growth (Chan, Berven & Thomas, 2015; Cooper & Leiter, 2017).

Wellness within the workplace allows employees to be authentic, autonomous, goal oriented, and purposeful while working well with others towards the achievement of organisational goals (Dodge *et al.*, 2012). From a health perspective, employees who are experiencing mental and emotional wellness have an increased probability of having an improved quality of life, higher productivity, fewer workplace injuries and

making a societal contribution than other employees (Adams, 2019). From a risk perspective on the other hand, workplace stress can lead to employee unhappiness, anxiety, and depression at a mental and emotional level along with absenteeism, presenteeism, increased rates of error and a negative effect on company profits (Liu, Siu & Shi, 2010). Leaders who have therefore not effectively reflected, processed, and overcome mental, and emotional strain from leading change, will find it difficult to effectively lead the tasked change initiative.

1.5 Research Philosophy

In line with the objectives and purpose of this study, the researcher favoured to apply qualitative research approach with a phenomenological philosophy. This allowed for the gathering of a detailed, rich, and complex understanding of the BBBEE experiences of senior leaders tasked with implementing Affirmative Action as a part of a BBBEE strategy. It further enabled the researcher to obtain meaningful insight into how these leaders make sense of their experiences and how their experiences could provide practical insights that add value to future BBBEE strategy implementations across organisational, individual leader and leadership development levels.

1.5.1 Ontology

Ontology is the study of the nature of reality and the nature of humans in the world (Lawson, Latsis & Martins, 2007). It is concerned with the question of "What exists in the world?" and focuses on the reality of and relationships between individuals, communities, and the world at large (Eriksson & Kovalainen, 2008). Within research, it is concerned with the researcher's perceptions and beliefs about reality within the world and including the phenomena under study (Mathafena, 2018). In this study, the researcher's ontology was based on the interpretive paradigm which suggests that an individual's reality is based on subjective experiences and subjective interpretation which differ between individuals and changes with context (Crotty, 1998). This ontology emphasises that an individual's reality is constructed from subjective

experiences and the meaning he/she attaches to the reality and as such can never be the same as another's reality (Ritchie, Lewis, McNaughton Nicholls & Ormston, 2014).

1.5.2 Epistemology

Epistemology outlines the way in which knowledge can be generated and reasoned within research (Saunders *et al.*, 2017). It is focused on responding to questions concerning knowledge, its sources, and limitations (Eriksson & Kovalainen, 2008). In this study, the researcher adopted the interpretivist position whose background lies in hermeneutics and phenomenology which focus on subjective and shared meaning (Ritchie *et al.*, 2014). Interpretivists need to understand the differences between people in their roles as social actors and interpret personal roles and those of others according to the meaning personally given to those roles (Gray, 2014). According to the interpretivist position, interpretation and understanding are critical in the research process and are an essential element in qualitative research (Eriksson & Kovalainen, 2008).

1.5.3 Axiology

The root words of Axiology are the Greek words axios and logos where axios means worth and logos means logic or theory giving axiology its meaning of a theory of value (Biedenbach & Jacobsson, 2016). It is engaged with an assessment of the role of the researcher's own values and the impact that these have on the research process (Saunders *et al.*, 2017). It aims to clarify the researchers aim in the study and what the researcher values in the research findings (Li, 2016). The axiological assumption of this study is that the researcher has prior experience of being a senior Black professional in a banking institution implementing Affirmative Action measures. As a result, the researcher has applied caution in acknowledging and ensuring that personal value judgements are suspended, and any held bias is not projected onto the participants (Carnaghan, 2013). Strict ethical principles of honesty, non-maleficence, responsibility, and integrity have therefore been emphasised and applied in the research process (Mouton, 2008; Creswell, 2014).

1.6   Research Problem

High level leadership structures within corporate South Africa make decisions on the representation of previously disadvantaged individuals at management and ownership level as part of BBBEE strategies. Affirmative action initiatives are commissioned to support these strategies. Senior leadership tasked with spearheading these initiatives are not necessarily equipped to drive these initiatives either through development (emotional, mental, knowledge and skill) or prior experience.

The pace of transformation has been slower than anticipated and corporate South Africa is still plagued with inequalities and inequities reflective of colonial and apartheid rule (Adonis, 2021). The assumption that corporate leaders are not appropriately capacitated, equipped and supported to effectively translate BBBEE policy into meaningful and lasting impact within their business may be a contributing factor to this slow rate of transformation (Hay & Monnapula-Mapesela, 2009). As such, the metrics that measure the success of BBBEE implementation refer to statistics on job placements, training spend, procurement spend, ownership based on race and gender, but careful attention is not paid to the role of the leader implementing the transformation and their experiences during the process which could have an impact on overall implementation success (Bharat *et al.*, 2014).

Numerous studies explore either the impact of Employment Equity or Affirmative Action on employees in general and include the voices of employees across different socio-economic, racial and gender backgrounds excluding the perspectives of the leaders implementing these transformation initiatives (Kruger, 2014; Oosthuizen, Tomelli & Mayer, 2018). Several studies explore the view of Black professionals in terms of BBBEE, EE, AA while a number focus on the experiences of white employees not benefiting from BBBEE (Magubane, 2019; Mula, 2014; Archibong & Adejumo, 2013).

A gap therefore exists in the exploration of the lived experience of senior leaders tasked with the implementation of transformational change initiatives relating to employment equity and affirmative action under a BBBEE strategy. The shortage of available literature documenting the perspectives and experiences of leaders or how

these perspectives and experiences can be meaningfully considered and integrated in the implementation of BBBEE, and leadership development presents an opportunity for further research.

1.7 Aim of the Study

The research aimed to explore and describe the experiences of senior leaders tasked with the implementation of Employment Equity and in particular, Affirmative Action as part of a BBBEE strategy. This exploration brings to bear the leader's perceptions of BBBEE and in particular Affirmative Action and the leader's sense making process of their leadership role given their particular stance on BBBEE and Affirmative Action from a principle and application perspective.

The outcome of this study is a leadership practice and development guideline for future BBBEE strategy implementations. It is intended to yield insightful practical implications for organisations and organisational leaders. It is intended to further provide insights that can be drawn from for future leadership development. This guideline will also contribute to the existing body of knowledge from a theoretical standpoint.

1.8 Research Objectives

The objectives of this study are to:

1. Unearth how senior leaders who are tasked to lead the implementation of Affirmative Action as part of an organisational BBBEE strategy perceive transformative change through Affirmative Action.

2. Explore the experiences and sense making processes of senior leaders as they implement Affirmative Action initiatives.

3. Articulate insightful and practical guidelines for organisations and leaders for effective transformational change leadership in future BBBEE initiatives.

1.9   Research Questions

The following primary question therefore arises:

"What are the experiences of senior leaders tasked with the implementation of Employment Equity and in particular Affirmative Action as part of a BBBEE strategy?"

The following secondary questions arise in support of the primary question:

1. *RQ1: "How do senior leaders tasked with leading and implementing Affirmative Action as part of a BBBEE strategy perceive Affirmative Action?"*

2. *RQ2: "How do senior leaders tasked with leading and implementing Affirmative Action as part of a BBBEE strategy make sense of their leadership role and experiences as they navigate the change implementation?"*

3. *RQ3: "How could the experiences of leaders leading and implementing Affirmative Action provide guidelines for future BBBEE strategy implementations?"*

The pursuit of the answer to these questions is intended to yield insightful practical implications for organisations and organisational leaders. It will also contribute to the existing body of knowledge from a theoretical standpoint.

1.10 Research Methodology

1.10.1 Research design

The research design for this study is a case study (Yin, 2009). The research population is the entire group about which phenomena information is to be established (Banerjee & Chaudhury, 2010). It is an identifiable and homogenous group of individuals possessing similar characteristics of interest which research is concerned with drawing generalised conclusions from (Knight, 2004). The population for this study includes both Black and white senior executive leaders tasked with the implementation of an affirmative action initiative within a South African Bank in the past 24 months.

To achieve data saturation in qualitative research and make evident a comprehensive appreciation of the phenomena under study, existing guidelines have been established in literature and considered in determining an ideal sample size for the study (Palinkas *et al.*, 2015). Boddy (2016) suggests a sample size of 12 for case study research where the population is relatively homogeneous. Mason (2010) contends that the smallest sample size for any qualitative research is 15. Moser and Korstjens (2018) argue that due to the depth of research in phenomenological studies, the sample size should not exceed 10. Taking the above guidelines, a practical sample of 10 was selected for the study.

Purposive sampling is a technique applied to intentionally select research participants who can provide rich data from personal knowledge and experience of the phenomenon under study (Saunders *et al.*, 2017). Purposive sampling was applied to this study to ensure that the leaders selected for the study meet the profile of the population.

1.10.2 Research methodology

The study employs the use of semi-structured interviews to obtain robust and descriptive accounts of the leader's experiences. A research interview is a valuable method to collect primary data as it is a conversational interaction between the researcher and a research participant in a one-one in-depth interview during which the researcher aims to solicit the detailed views, perspectives, beliefs, behaviours, and motives of the participant relative to the topic (Alshenqeeti, 2014). Semi-structured in-depth interviews are commonly utilised to conduct qualitative research as they are a prevailing method to extract extensive data on the views, experiences, reflections, considerations, and interpretations the research participants have towards the research topic (Morris, 2015). The semi-structured interview must result in insightful study and defendable conclusions (Arthur, Waring, Coe & Hedges, 2012).

The research interviews were be conducted in person where possible given the move towards the hybrid work model. This enabled rich data to be derived from gestures, body movements and facial expressions. Where face to face interviews were not

possible, these were conducted via Zoom or MS Teams with the video functionality to enable an experience that is closely aligned to face-to-face interviews.

1.10.3 Data collection and analysis

The research participants were informed of the motivation of the study and their role in the study to enable informed consent and voluntary participation (Pike *et al.*, 2018). An invitation e mail was sent to all participants, explaining the motivation of the study, the role of the research participant, anonymity, confidentiality, method of data collection and right of withdrawal. This e-mail was accompanied by a Microsoft Teams invitation for a research interview and acceptance of the invitation was deemed to be acceptance of voluntary participation in the study.

The researcher transcribed each interview and read through the transcriptions directly after each interview as well as in-depth within a week of the interview to get closer to the data and perform initial interpretations. Preliminary analysis was performed after each interview to reflect on any emerging themes that had not been previously anticipated and to confirm that the questions asked in the interview were leading to the formation of a response to the research question (Moser & Korstjens, 2017). The entire transcribed interview transcript was analysed as a source of non-numeric research data, themes were identified to explore relationships in the data i.e., identify similarities, differences, trends, and interdependencies enabling the identification of new themes (Bazeley, 2013). An inductive coding approach was followed based on the qualitative data arising in the interviews (Saldana, 2013). Further analysis was performed by linking the developed codes to constructs and codes in existing literature: developing theoretical categories (Glaser & Laudel, 2013).

Credibility of the study was ensured by the researcher documenting any personal bias which may influence any component of the research including sample selection, data analysis and the research findings (Noble & Smith, 2015). The researcher further accurately documented key decisions taken to ensure transparent data interpretation, allowed participants to respond in their mother tongue and freely express personal thoughts (Golafshani, 2003). Lastly, the researcher requested participants to examine

significant items of final analysis and confirm the researcher's interpretation (Mohajan, 2017). The research provides readers with sufficient evidence as to steps taken to ensure the applicability of the findings of this study in other contextual settings.

The research findings accurately reflect the participant's responses free from any personal bias that the researcher might hold as a fellow senior leader within the banking institution within which the study was performed. To ensure dependability, an external audit was performed by a researcher not involved in the data collection and the data analysis of this study. This process examined the data collection and data analysis aspects of this study to determine if similar interpretations and conclusions could be arrived at (Kothari, 2004).

1.11 Ethical Requirements

The researcher adhered to the institution's ethical requirements and standards while also adhering to the ethical research principles of honesty; carefulness; integrity; social responsibility and human subject's protection (Shamoo & Resnik, 2015). This was ensured by applying for ethical clearance with the institution's research ethics committee prior to the collection of data and the performance of any analysis. Further, as the study was conducted through the use of in-depth interviews, the following considerations have been made informed consent (how it will be obtained e.g., forms to be prepared), the right to withdraw and confidentiality (how it will be maintained) (Punch, 2013); the collection and protection of personal data such as ethnicity or political views (Pelle & Reber, 2016), anonymity and confidentiality (Shamoo & Resnik, 2015).

Informed consent and Right to Withdraw - The research participants were informed of the motivation of the study and their role in the study to enable informed consent and voluntary participation including the right to withdraw at any time without explanation prior to any interviews and at the beginning of each interview (Pike *et al.*, 2018).

Anonymity and Confidentiality - The researcher signed a confidentiality agreement with the organisation utilised in the case study and the biographical details of the participants were not presented in the research report (Mouton, 2001). All interview dialogue was transcribed into Microsoft Word to enable data analysis. All transcripts were saved in password-protected folders on an encrypted drive to ensure the safety of the information while also maintaining the confidentiality to the participants through codes and pseudonyms.

As a result of all of the above steps, the findings of the study represent the freely and openly provided perspectives, experiences and sense making of the participants.

1.12 Significance of the Study

1.12.1 Expected theoretical contribution

Limited research has been conducted to explore and gain an understanding of the views, observations and experiences of the leaders tasked with the implementation of BBBEE strategies (Prinsloo, 2017); (Grobler *et al.*, 2019). This study contributed to the expansion of theoretical research knowledge on BBBEE, through the experiences of executive leaders tasked with implementing affirmative action measures as part of an organisational BBBEE strategy and the implications of these experiences for future BBBEE implementations within the South African banking industry.

1.12.2 Expected practical contribution

This study contributes to the enhancement of organisational transformation implementation and leadership development practices through a transformational change leadership guideline. It achieves this by highlighting disparities between the organisation's transformation intentions and execution as well as indicate areas of development for leaders tasked with similar transformation initiatives. Further, the results of the study result in a re-consideration of organisational policies regarding BBBEE i.e., these are crafted differently to bridge the gap between intention and implementation.

1.12.3 Expected methodological contribution

This study applies in-depth qualitative discovery through phenomenological semi-structured interviews to provide solid accounts of the phenomena within a specific context. This approach is in line with current research approaches for the exploration of human experiences within a particular phenomenon. This study is not experimental, nor does it apply innovative research methodologies. As such, no new methodological contributions are made by this study.

1.13 Delimitation and Scope of the study

The study is only intended to explore the experiences of senior executive leaders tasked with the implementation of Affirmative Action as part of a BBBEE strategy within a South African retail banking institution. While the financial institution selected is a significant player in the market as one of the largest banks in Africa, it is only one bank.

The study was conducted with leaders within the Gauteng province in South Africa as this is the central hub of the retail banking institution where large working streams are primarily run from. This means that the perspectives, experiences and sense making processes of leaders currently working in other provinces within the country have not been taken into consideration within this study even though the selected participants may have prior experience working in other provinces or countries.

The study explores the experiences of both white and Black leaders, male and female, to be able to draw comparisons against the experiences of these groups in implementing affirmative action. The participants selected for the study are mostly South Africans citizens by birth (90%) and the remaining (10%) are South African citizens by naturalisation and originate from one of the neighbouring countries in Africa. This was purposefully done to identify if there was a difference between the perspectives of Black South Africans and Black Africans given that BBBEE legislation does not view them as the same providing for different experiential implications in the workplace.

Qualitative research typically involves in depth interactions with a limited number of participants to allow the researcher the opportunity to delve into detailed descriptive and explorative analysis (Creswell, 2016). This confines the results of this study to the group reflected in the case study and limits the extrapolation of the research results to other groups and generalisations to be made from the results (Kothari, 2015).

1.14 Brief Chapter Outline

The study consists of five chapters. The arrangement of the chapters presents a systematic flow of how the research was conducted, taking the reader through the researcher's thought process and eventual findings. These are presented as follows:

Chapter 1: Introduction

An introductory chapter providing contextual framing of the research topic. The chapter unpacks the problem statement, research objectives and research questions that the study will address along with the theoretical framework that the researcher will be applying as a basis. It further unpacks the research design and methodology for the study providing the reader with a structured guide as to what they can expect as they navigate the study.

Chapter 2: Literature Review

This chapter lays out the literature relevant to the study so as to position the study in existing literature and showcase where research gaps exist and the gap that the researcher is reducing through the performance of this study. The focus is on BBBEE and in particular Affirmative Action initiatives as part of Employment Equity. This is further in the context of leadership as the study is focused on the perceptions of leaders on this legislation, their experiences leading its implementation and how the leaders make sense of their experiences as inputs into a future focused guideline for future implementations.

Chapter 3: Research Design and Methodology

In this chapter, the research design and methodology are set out. This includes a description of the choices that the researcher made in terms of a research strategy and the rationale behind the choices given the research objectives and questions that need to be addressed. Areas such as data integrity, collection, processing, and analysis are discussed within the chapter.

Chapter 4: Research Findings and Discussion

This chapter presents the participant's views collected through their responses during the interviews conducted. The participant's responses are positioned against existing related literature and applied in context of the research questions presented in chapter 1 of the study utilising the themes that emerged throughout the analysis of the collected data.

Chapter 5: Conclusions and Recommendations

A conclusion chapter that presents a summary of the research findings positioned against the objectives of this research study. The chapter further sets out recommendations that emerged from the research findings for organisations and organisational leaders who are tasked with implementing Affirmative Action initiatives as part of a BBBEE strategy. The recommendations laid out in this chapter further extend to recommendations on future research that may extend the learnings derived from similarly focused research.

1.15 Conclusion

The implementation of BBBEE and the initiatives to support it are often performed with the exclusion an understanding of the experiences of the leaders tasked with spearheading these initiatives (Belluigi & Thondhlana, 2019). Emotive debate currently exists in the country around BBBEE, existing research largely and selectively portrays the views of beneficiaries and non-beneficiaries leading to a fuelling of

discourse around implementation only for the purposes of compliance and undue favouritism on BBBEE beneficiaries (Oosthuizen, Tomelli & Mayer, 2018). The exclusion of the views, perspectives and experiences of the leaders implementing these transformative changes within large institutions such as banks, leaves out a significant perspective to this debate.

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

This chapter lays out a comprehensive literature review, articulating the critical theoretical concepts and frameworks which underpin this study. It explores existing literature on B-BBEE including its successes and failures as an enabler for transformational change and the role of leadership in its implementation within the South African business environment. The chapter additionally explores leadership as a key enabler for true transformation of the workplace especially in terms of diversity and inclusion change leadership. This literature review supports the contextualisation of BBBEE and transformational change leadership as the critical components of this study. The key elements of this study are represented in the Management of People element of the Da Vinci Institute's TIPS framework.

2.2 The Da Vinci Institute's TIPS Managerial Leadership Framework

The TIPS framework is the embodiment of the Da Vinci Institute for Technology Management's strategic intent to develop engaged, aligned, and agile leaders who have the ability to co-create ground-breaking ecosystems and transformational realities (Da Vinci Institute, 2020). Its intent is to afford individuals with a systematic sense making process to reflect on the workplace as a system with multiple systems at play at any given moment along with existing mental models regarding work (Da Vinci Institute, 2020). The leaders who utilise this framework are able to solve unique problems through the application of systems thinking across the management of technology, the management of innovation, and the management of people (Anderson, 2018).
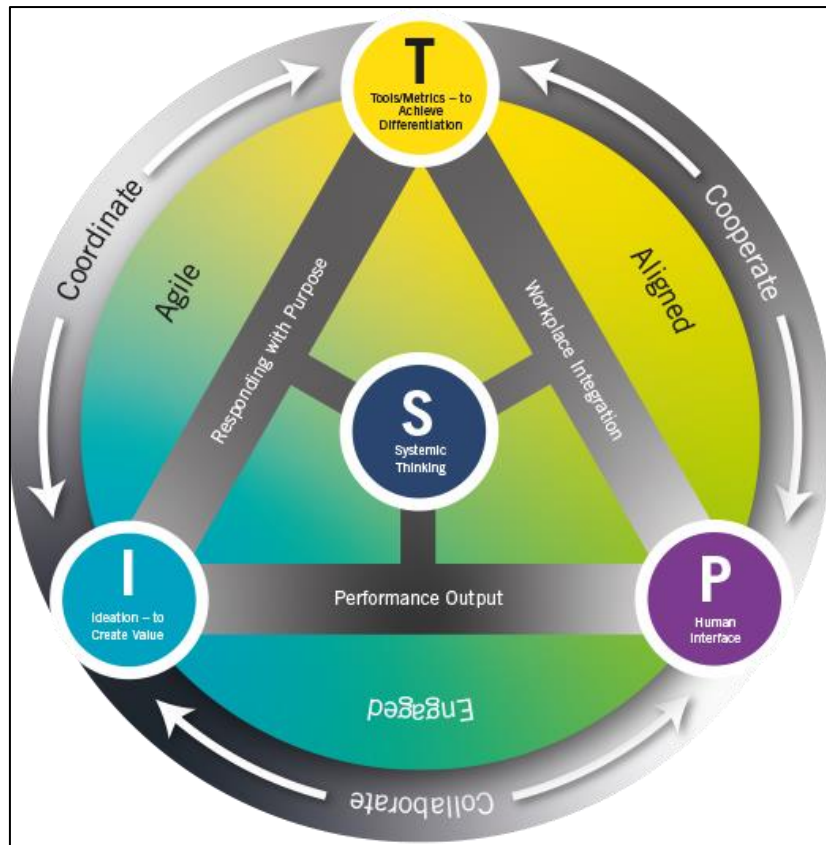
Figure 1: The Da Vinci Institute TIPS Framework, Source, (Da Vinci Institute, 2020).

The following critical definitions exist within this framework:

1. **Systems thinking:** A perspective, way of work and toolset aiding leaders to comprehend the process of influence between systems operating in an ecosystem (Arnold & Wade, 2015). This way of thinking empowers leaders to identify novel data patterns that lead to enhanced problem-solving in an increasingly complex and ambiguous world (Jackson, 2019).

2. **The management of technology**: The interlink between engineering, science, and management practices to strategise, develop, and implement technology aimed at accomplishing organisational objectives (White & Burton, 2011). It includes processes for an organisation to identify, select, purchase, or develop technology for application in the business along with monitoring mechanisms that facilitate feedback for learning purposes (Stickland, 2007).

3. **The management of innovation**: Involves the management of the environments required to enable innovation and the management of the innovation process (Bulturbayevich, 2021). Environments which enable innovation are characterised by learning, experimentation, and psychological safety regarding failure (Lukes & Stephan, 2017). The innovation process is managed through the application of instruments, tools, and practices to positively influence efficiency rates and intended organisational outcomes (Neese, 2015).

4. **The management of people**: Relates to the combination of manager and leader skills, styles, and behaviours to achieve organisational results through people (Kerns & Ko, 2014). It is concerned with the motivation and inspiration of employees towards the organisational vision, mission, and values such that organisational success and growth are sustained (Anderson, 2018).

The key concepts that form the foundation of this study being leadership and change leadership are represented in the Management of People element of the Da Vinci Institute's TIPS framework. The Systems thinking element of the Da Vinci Institute's TIPS framework is core to all other elements including the Management of People and is represented within this study as the leader who is championing a change initiative needs to apply systems thinking through the planning, execution, and review phases of the change management process to ensure success and avoid detrimental unintended consequences (Banerjee & Lowalekar, 2021).

2.3 Diversity and Inclusion

2.3.1 Diversity

Diversity refers to the differences between people based on various characteristics including colour, race, gender, sexual orientation, religion, ethnicity, nationality, language, and physical ability (Patrick & Kumar, 2012). Cultural diversity discusses the differences between individuals based on culture which may include language and religion but extends to the world views, beliefs, values, and mental models held by

different groups (Inegbedion, *et al.*, 2020). Diversity within the workplace involves actively increasing the number of individuals from diverse backgrounds across all categories of work through recruitment, development, and retention measures such that the workplace demographics are representative of the population demographics (Banks & Banks, 2010).

Embracing cultural diversity encompasses living the values of tolerance, equality, and humanism in interactions with colleagues on a daily basis (Banks & Banks, 2010). It enables individuals to positively embrace working with and learning from individuals from different backgrounds (Yilmaz & Boylan, 2016). Research on diversity within the workplace suggests that organisations who only focus on diversity i.e., only increasing the number of employees from diverse backgrounds but fail to purposefully include these individuals in the organisation (inclusion) limit the meaningful contribution that these individuals can make to the business (Mor Barak, *et al.*, 2016).

2.3.2 Inclusion

Inclusion refers to the extent to which employers connect, engage, and provide meaningful opportunities to learn, stretch and apply capabilities to all employees (Ferdman, 2013). It concerns an employee's experience of fairness, justice, equality, and acceptance in the ingroup within the workplace (Nair & Vohra, 2015). It relates to the degree to which employees from all backgrounds feel valued within an organisation and experience that their contributions are appropriately considered (O'Donovan, 2015). Inclusion ensures that all employees, with their diversities considered, have equal prospects to be in positions of power, exercise their unique capacities, share their viewpoints, and take part in decision making (Shore *et al.*, 2011).

Inclusion requires a mindset shift as it necessitates that workplace engagement reflect that each and every employee is respected as an individual and a professional within the business regardless of difference, and that this respect means that trust is extended (Korkmaz, et. al, 2022). Hays-Thomas, Bowen, and Bourdreaux (2012) add that inclusion fosters citizenship where the employee through access to information,

an ability to make decisions within their role, contribute and collaborate freely, experiences a deep sense of belonging and commitment to the organisation. This becomes an organisation's competitive advantage in the market as it retains top talent and is able to attract more people externally (Nishi, 2013).

2.3.3 Benefits of diversity and inclusion in the workplace

Diversity enhances learning and development as intentional interaction with individuals from backgrounds that differ from one's own background develops understanding (Alifuddin & Widodo, 2022). Chaudhry *et al.* (2021) suggest that engaging with individuals from diverse backgrounds develops an individual's world view, expands their outlook, reduces biases, and enables letting go of stereotypes. Diversity within the workplace expands the organisational knowledge repository available for creative problem solving, critical thinking, and client service (Steyn, 2010; Campbell *et al*., 2013). Organisations who embrace individuals from diverse backgrounds are able to remain competitive in the market by accessing various skills at the point of need (Greenberg, 2015).

Organisations that intend on benefitting from inclusion create safe platforms to engage openly about employee experiences of diversity, stereotypes, and inclusion such that the outcomes of these dialogues are utilised as a springboard for improved inclusion (Chorbot-Mason, Ruderman, & Nishii, 2013). Inclusion communicates to employees that they are valuable members of the organisation regardless of background and are empowered to contribute meaningfully to the organisation's outcomes (Brown *et al.*, 2021). It fosters a sense of community, belonging and organisational citizenship as acceptance and integration enables employees to form positive social identities (West, 2002). Organisational citizenship encourages employees to extend discretionary efforts that lead to engagement, high performance, and job satisfaction (Nair & Vohra, 2015).

Inclusive workplaces promote collaboration which enables knowledge, skills, and resource sharing with the intent to achieve organisational goals (Bryson, Crosby & Stone, 2015). These workplaces further foster psychological safety that increases an

employee's willingness to innovate processes, systems, and products without the fear of negative consequence from failure (Choi, Tran & Park, 2015; Edmondson, 2018).

2.4 Diversity and Inclusion in the South African Context

2.4.1 South African socio-economic history

The apartheid administration decisively excluded the majority of South Africans, Black people, from meaningful participation in the country's economy (Pike *et al*., 2018). These exclusions were significant, pervasive across all spheres of life (*voting rights, geography, ownership of land and property, education, employment, health, transportation*) and across age groups ensuring that the impact of these restrictions would have a generational impact (Horn, 2019).

The designation of remote and undeveloped areas of the country as reserved for Black people affected access to basic amenities, quality schooling and meaningful employment (Shackleton & Gwedla, 2021). The restrictions on education included the Bantu Education Act of 1953 which restricted the schools at which Black learners could attend, the curriculum covered within these schools and the language of instruction (Mzangwa, 2019). At a tertiary school level, this restricted the types of professions that Black people could pursue leading to large numbers being employed in low skilled labour markets as cleaners, gardeners, and seamstresses or in semi-skilled labour markets as miners, drivers, security guards and factory workers or professions such as teaching, nursing, and policing to exclusively provide services to the designated Black areas (Gradin, 2019; Gallo, 2020). Once in these restricted professions, the Apartheid government restricted the pay that Black people could earn through wage caps, restrictions on total number of work hours and higher tax rates (Von Fintel, Burger & Jafta, 2018).

2.4.2 South African legislation enabling socio economic transformation 1994 – 1998

On the 27th of April 1994, being the date of the first democratic elections in South Africa, an interim constitution for the country commenced eradicating the discriminations of the apartheid regime and establishing the start of a non-racial, non-sexist, and equality-based country (Bentley, Nathan & Calland, 2013). The constitution provided every South African the right to equality including equal opportunity and education, the right to vote, the freedom of movement, the freedom to choose their place of residence within the country and own property, the freedom to engage in economic activity to pursue a livelihood including fair labour practice (Smith, 2014). The constitution further afforded all person's protection against discrimination on any basis with mention of protection against discrimination based on race, ethnicity, colour, culture, language, gender, sexual orientation, age, disability, religion, or belief (Chaskalson, 2003).

When the African National Congress came into power as South Africa's first democratically elected government, it sought out to fulfil its campaign promise of "A better life for all" (Manyaka, 2018). It aimed to intentionally address poverty by ensuring that all South Africans can enjoy equal meaningful access and inclusion in the South African economy and realise their full potential (Masipa, 2018). In order to achieve this, the newly elected government set out to transform the South African labour market and the practices therein related to diversity and inclusion by enacting the Labour Relations Act 66 of 1995, the Basic Conditions of Employment Act 75 of 1997, the Employment Equity Act 55 of 1998, and the Skills Development Act 97 of 1998 (April & Govender, 2022). Collectively these pieces of legislation were intended to work together with the South African constitution to realise the government's goal of Black economic empowerment.

The purposes of the Labour Relations Act, 1995 and the Basic Conditions Act, 1997 were to progress economic development through the enablement of a democratised workplace where employees experience social justice and fair labour practices (Landman & O'Clery, 2020). They worked together to facilitate the listening of the voice

of the employee by providing a framework in which trade unions are enabled to represent member employees in grievance processes and at the collective bargaining table to fairly determine pay, and employment conditions with employers (Bhorat, Naidoo & Yu, 2014). The Basic Conditions of Employment Act,1997 further set the standard for fair labour practices and included considerations of working age, safe working hours, overtime, annual, sick, and maternity leave, mealtimes, dismissals, and related pay (Godfrey, 2014).

The Employment Equity (EE) Act was put into place as an acknowledgement that in order to undo the socio-economic damage caused by previous discriminatory laws and practices including employment, wage and opportunity disparities between races, the government could not just rely on only repealing past laws (Espi, Francis & Valodia, 2019). It had to actively create new laws that ensured employment equity such that workplace populations were representative of country demographics and that all employees regardless of any difference enjoyed equal opportunity and fair treatment (Dreyer, Viviers & Mans-Kemp, 2021).

The EE Act included the need for affirmation action measures which would ensure that appropriately qualified individuals from designated groups have equal opportunity for employment, are equitably represented in the workplace and developed through training interventions without the alienation of employees who do not belong to designated groups (Thomas, 2002). The EEA defines designated groups as Black people (a generic term which means Africans, Indians, and Coloured persons), and all women and people with disabilities (Department of Labour, 1998).

The Skills Development Act, 1998 on the other hand was intended to improve the education and skill level of the South African working age population such that the prospects of work and mobility are enhanced for these individuals and their quality of life is elevated (Moganedi & Sithole, 2020). This would be achieved by encouraging employers to provide employment opportunities to the youth to gain experience as new labour market entrants, train existing employees such that new skills are gained, productivity is enhanced and prospects for career growth are enabled (Republic of South Africa, 1998). These measures would further enable previously disadvantaged individuals to elevate themselves in the workplace (Mohlala, 2011).

2.4.3 Broad Based Black Economic Empowerment

A commission was established in 1998 to examine if all existing measures to achieve Black economic empowerment were effectively working towards their aim to increase meaningful Black participation in the economy (Moodley, 2005). The commission finalised a report in which it articulated that the measures put in place were working but not effectively enough to ensure that Black people are experiencing equality in terms of economic participation such that income is equally distributed and the economy flourishes (Juggernath, Rampersad & Reddy, 2011). The outcome was a broader and more comprehensive piece of legislation that would extend the socio-economic aims beyond employment to include the support of Black people in business by investing in Black businesses, increasing the number of Black people with ownership, management, and control of enterprises, and facilitating this through collective ownership models and preferential procurement (Shai, Molefinyana & Quinot, 2019).

The B-BBEE Act 53 of 2003 was introduced as this comprehensive legislation, ready to promote transformation and increase Black majority inclusion in the South African economy (Department of Trade and Industry, 2007). Black people within the Act are defined as Africans, Coloureds, and Indians (Tshetu, 2014). B-BBEE further specifically identifies Black youth, women, disabled persons, and residents of rural areas as designated groups within B-BBEE codes of good practice (Pike *et al*., 2018).

B-BBEE comprises of a number of elements namely, ownership, management control, skills development, socio-economic development, enterprise development and supplier development aimed at enabling racial, gender and ability equality (Perumal *et al*., 2012). The Employment Equity Act which includes affirmative action, and the Skills Development Act are therefore key components of B-BBEE in the Management Control and Skills Development components (Dreyer *et al*, 2021). This study focuses on the leadership of diversity and inclusion transformation in terms of employment equity and the practice of affirmative action within the South African banking sector.

2.4.4 Success of B-BBEE in driving workplace diversity and inclusion

B-BBEE has succeeded in achieving widespread and faster reforms in the recruitment and remuneration practices in the private sector further than would have been achieved if organisations were allowed to continue with voluntary transformation (Shai, *et al*, 2019). It has improved the employment of women from 38% in 1994 to 45% in 2015, with Black women comprising 40% of all Black individuals in top positions in the same year (Mosomi, 2019; Klasen & Minasyan, 2020). While the increase in female leadership has been lower than that of male counterparts, B-BBEE has increased the level of women in executive and board roles with 27% of director roles within JSE listed entities being held by women in 2021 compared to 5.9% in 2004 and even lower before that (Matiwane, 2008; BWASA, 2021; PWC, 2022).

B-BBEE has empowered previously disadvantaged individuals especially Black individuals to participate in the economy through improved education and employment opportunities (Tait, 2012). The increase in employment opportunities for Black individuals has positively impacted the economy by increasing the purchasing power of the individuals and the tax revenues which the state can obtain from these individuals (Kasuto, 2009).

In the Banking sector within which this study is undertaken and paying particular attention to the management control component of BBBEE as the focus of the study, progress has been made across all management levels. This has been consistent for the period detailed below from 2017 to 2020 (BASA, 2022). The highest increase in the management control component was seen in the top senior management category in the year 2020 indicating big strides in the work towards diversity and inclusion at the appropriate levels of seniority within banks in South Africa.
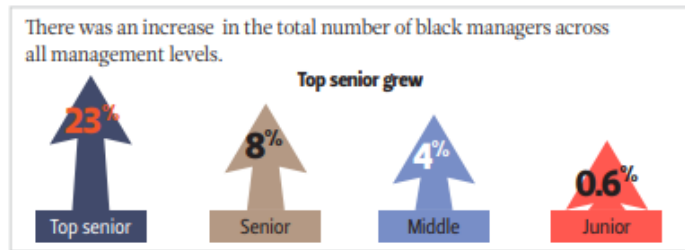
Figure 2: Management control level in South African Banks, Source, BASA (2022)

2.4.5   Failure of B-BBEE to drive workplace diversity and inclusion

B-BBEE has failed to empower the majority of Black people with opportunities to enter into the job market as high school and tertiary dropout rates continue to increase, especially in the Black community (Uppal, 2014; Weybright *et al.*, 2017). Unemployment rates in the country continue to soar however the unemployment rate for Black people is exponentially than that of white individuals and worse for Black women overall (Ranchhod & Daniels, 2021; STATSSA, 2021). Wachira (2020) adds that Employment Equity as a component of B-BBEE has failed to transform the highest levels of JSE listed entities in South Africa as white individuals remain the most represented in CEO and executive director roles while Black individuals occupy non-executive director roles with less execution power within organisations. This is supported by Syed and Ozbiligin (2015) when they state that in South Africa, white people make up roughly 11% of the economically active population but occupy approximately 73% of top management roles.

Employment Equity and Affirmative Action appear to have increased racial, gender and ability diversity mostly at the junior and middle levels of employment but have been slow in driving transformation at the senior levels which set the tone for inclusion in the workplace (Klasen & Minasyan, 2020).

34

Despite these statistics, some white South Africans perceive B-BBEE, EE and AA to be reverse discrimination leading to increased emigration and skills drain (Oosthuizen *et al.*, 2019). Several studies have indicated that some white employees feel that B-BBEE in the workplace has been implemented to punish white employees for sins of the past government by limiting career opportunities and advancement for white individuals especially males while promoting token underqualified and inexperienced Black individuals (Booysen, 2007; Valodia *et al.*, 2018).

From the perspective of Black employees, research suggests that B-BBEE has done little to ensure inclusion in the workplace as Black professionals continue to report facing daily stigmatisation by white employees regardless of their qualifications and experience leading to experiences of rejection and isolation within the workplace (Rothman, Van Zyl & Rautenbach, 2019). Further Black professionals have reported experiencing exclusion from the workplace through reduced decision-making power when compared to white colleagues in similar roles, a lack of mentorship and coaching from white leaders and inadequate development when transitioning to new roles (Booysen, 2007; Parumasur & Zulu, 2009). The consequence of this lack of inclusion is that numerous Black professionals job-hop in search for acceptance and recognition as valuable members of the organisation (Valodia *et al.*, 2018).

Booysen (2007) suggests that B-BBEE failures in terms of diversity and inclusion within the workplace results from poor leadership i.e., leaders who fail to adequately communicate the intentions and execution plans for B-BBEE initiatives to all employees with the due care it deserves. Issah (2018) concurs by emphasising that a commitment to diversity and inclusion is transformational change, requiring leaders who acknowledge and address the fear, anxiety, and apprehension it creates because without this acknowledgement from leaders, B-BBEE initiatives fail to deliver against intended outcomes. Pike *et al.* (2018) adds that leaders who solely treat B-BBEE as a regulatory mandate rather than a business imperative for diversity and inclusion, do it and the organisations they serve a disservice by employing, retaining, and promoting underserving Black people into roles resulting in a perpetuated stereotype about B-BBEE and individuals who benefit from it.

When investigating the management component of BBBEE for South African banks, it is evident that while consistent progress has been made in terms of transformation, all banks in South Africa remain behind sector transformation targets (BASA, 2022). The figure below illustrates that at junior management level, the target is 88% Black representation, and on average the 19 banks who responded to the Banking Association of South Africa transformation report information request for 2020, achieved 86.8%, at middle management the target was 75% Black representation and on average 67% was achieved, at senior management, the target was 60% Black representation and on average 45.2% was achieved and lastly at top senior management, the target was 60% and only 42.6% was achieved.

Management control: Levels

■ There were improvements across all management levels, with growth of 8.2 percentage points at top senior level.

■ However, banks remain behind targets on all levels.

60% Top senior   60% Senior   75% Middle   88% Junior

Proportion of managers who are black

Top senior: 30.1 / 33.9 / 34.4 / 42.6
Senior: 37.0 / 40.2 / 43.1 / 45.2
Middle: 60.8 / 63.1 / 65.1 / 67.0
Junior: 83.2 / 84.8 / 85.9 / 86.8

Percentage

2017 2018 2019 2020

Figure 3:Black representation across management levels in South African Banks, Source, BASA (2022)

Further, the BASA Transformation 2022 reports unveils that in South Africa, where white people remain a minority, they occupy a sizable portion of the top senior management roles within South African banks. While this is decreasing, it is not decreasing at an equivalent rate to the increase in Black top senior leaders leaving a significant gap. White top senior managers are almost twice the number of African peers.

Detailed breakdown of management

■ **Top senior:** The number of white managers has fallen in the past two years. Black African managers increased from 38 in 2019 to 48 in 2020 but are still below 2018's 55. Indian and Coloured top senior managers also increased over the past year.
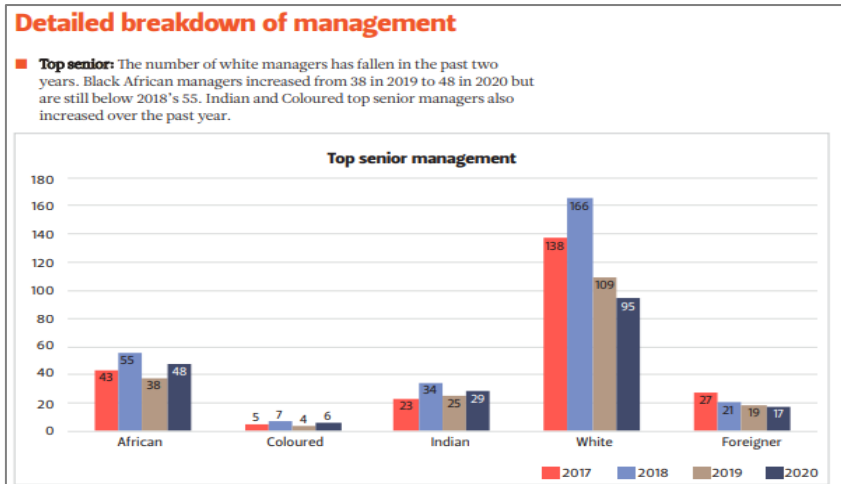
Figure 4: Breakdown of top senior managers in South African banks,
Source, BASA Transformation report, 2022.

The evidence of slow transformational progress is further entrenched when reviewing the statistics related to the representation of Black women in Director roles within the South African banking sector. The statistics reveal that in 2020, the sector remained significantly behind in terms of Black women in executive director roles, that is, in the day to day running of businesses and more strides were made in the increase of Black female representation in non-executive director roles.
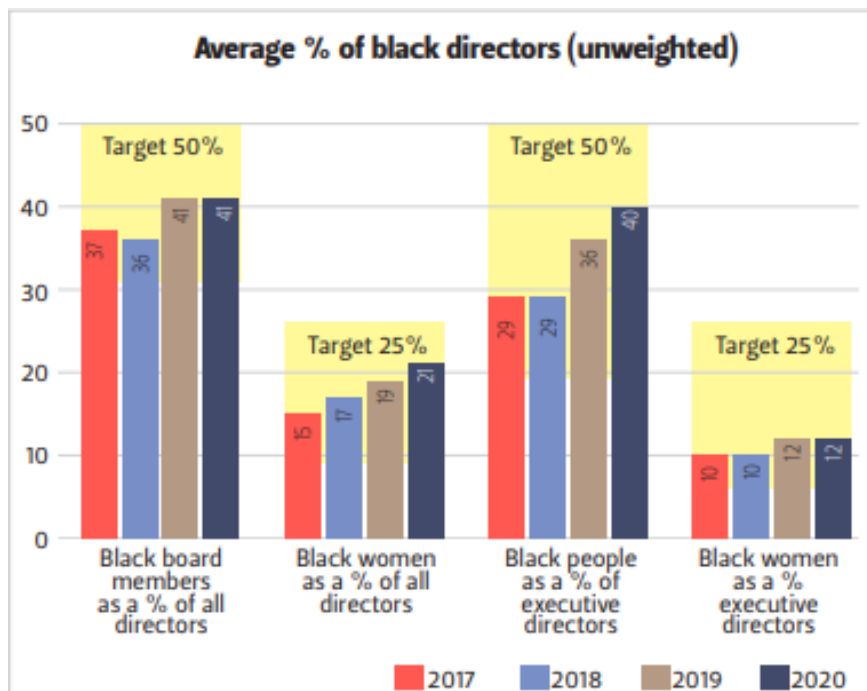
Figure 5: Black women representation at director level in South African Banks,
Source, BASA (2022)

2.5 Transformational Change Leadership as a requirement for successful B-BBEE implementation

2.5.1 Diversity and Inclusion as Transformational Change

Change can be complex and multi-faceted, resulting from various macro, meso, and micro factors, with a direct or indirect influence on organisational strategy (Lucey, 2008; Armstrong, 2009). Tasler (2017) adds that change is a constant occurrence in life and business, unavoidable especially when focused on remaining relevant and competitive. Change can be incremental and occurring in small quantities over time or it can be transformational in that it is deep seated, significant, and permanent (Jalagat, 2016).

The intentional recruitment, retainment, and development of individuals from various backgrounds transforms the organisation's demographics, breadth of thinking, problem solving ability and ultimately performance (Bryson, Crosby & Stone, 2015). Diversity and inclusion are complex and multifaceted, requiring transformational change across organisational structures, policies, procedures, processes, and culture (April & Blass, 2010). Over and above organisational structural changes, diversity and inclusion requires changes at a personal, interpersonal and leadership level which includes the development of positive values, attitudes, and behaviours that embrace differences as opportunities for organisational success (Daya, 2014; Itam & Bagali, 2019).

For the above reasons, successful diversity and inclusion initiatives are primarily driven through an organisational change plan which addresses multiple avenues and levels of change (Bourke, *et al*, 2014; Examples of these initiatives are listed in the table below as adapted from (Ndzwayiba & Ned, 2017 and de Aquino & Robertson, 2018).

Table 3: Examples of Diversity and Inclusion Initiatives

Diversity and Inclusion Aim	Change Initiative
Create inclusive workplaces	Unconscious bias and allyship learning programmes for all employees
Recruitment of individuals from diverse backgrounds	Bursary funding specifically for individuals from previously disadvantaged backgrounds
Recruitment of individuals from diverse backgrounds	Labelling of roles as Affirmative Action only roles.
Promotion of Black individuals into senior management roles	Accelerated leadership development programmes for Black individuals
Successful role transition for Black individuals	Mentoring programmes for Black and female employees
Inclusion of people with physical disabilities in the workplace	Physical workplace changes including access. Awareness sessions on disabilities and required support.

Most individuals especially non-beneficiaries perceive imposed change such as B-BBEE Employment Equity and Affirmative Action initiatives from a threat perspective i.e., a source for potential loss to them, and as such naturally resist change and change initiatives (Galli, 2018). This threat perspective can result from past personal or shared experiences where B-BBEE initiatives caused inconvenience or loss of opportunity leading to greater resistance (Booysen, 2007; *Oosthuizen et al.*, 2019). Individuals further fear the unknown which means that diversity and inclusion initiatives under the banner of B-BBEE have the potential to increase stress, uncertainty, and anxiety especially for non-beneficiaries which requires strong senior leadership at the helm of the change (Rafferty & Griffin, 2006; Parumasur & Zulu, 2009).

2.5.2 Leadership

Leadership is a dynamic process of influence between leader and follower within a given context, aimed at achieving common goals (Silva, 2016). Within this process, the

role of the leader is to inspire the follower to exert required and discretionary efforts towards these shared goals (Northouse, 2018). Leadership has been extensively researched to identify the leadership traits, behaviours and actions that positively influence employee engagement, wellness, and performance such that organisational performance is enhanced (Bosiok, 2013). While debate continues on what constitutes effective leadership, consensus is that leadership is vital and where it is negative or toxic, the effects on follower engagement, wellbeing, performance can be devastating (Gandolfi & Stone, 2018).

Leadership is contextual and may have differences across cultures and geographies as such leadership within South Africa which is the country within which this research is performed must be appropriate for the South African context and related challenges (Jayidan *et al.*, 2010). It further evolves over time as society and organisations change as such as South Africa is 28 years into democracy, the leadership required today differs from the leadership required at the advent of democracy (Benyera, Francis & Jazbhay, 2020).

The 5th industrial revolution is characterised by the merging of digital, physical, and biological technologies, leading to a transformative period of innovation and disruption (Mourtzis, 2021). At its core, the 5th industrial revolution is about leveraging the power of data and connectivity to drive innovation, efficiency, and sustainability across all sectors of society (Gauri & Van Eerden, 2019). This revolution blurs the lines between the physical, digital, and biological worlds, by leveraging technologies such as augmented reality, virtual reality, and the metaverse for the benefit of humanity (Petcu, *et al.*, 2020). The 5th industrial revolution is fundamentally reshaping work, life, and the human interaction with the world around by primarily shifting the conceptualisation and harnessing of technology beyond the automation of tasks to the development of smart systems that have the ability to learn, adapt, and interact with humans in a progressively advanced manner (Paschek, Mocan & Draghici, 2019).

The 5th industrial revolution epitomises a substantial change in leadership models, as traditional hierarchical structures are shifting to dynamic and collaborative models (Tetteh, 2022). This period of rapid technological advancement and interconnectedness, requires leaders to possess a diverse skill set that encompasses

not only technical expertise but also adaptability, emotional intelligence, and the ability to foster innovation and creativity within teams (Hutagalung *et al.*,2020). The rise of artificial intelligence and automation has led to a decentralisation of decision-making, with leaders needing to empower employees to take ownership of their work and contribute ideas in a rapidly changing world of work (Linksky & Darabya, 2019). Moreover, the increasing emphasis on sustainability and ethical considerations creates the necessity for leaders who have the ability to steer business around complex ethical dilemmas while maintaining organisational sustainability (Halvorsen *et al.*, 2022). As such, the shift in leadership in the 5th industrial revolution is represented by a change towards more inclusive, transparent, and values-driven approaches that prioritise collaboration, agility, and purpose-driven leadership (Heiss, 2023).

2.5.3 The role of leadership in change

2.5.3.1 Change Management

At an organisational level uncertainty regarding the impact of change can negatively affect employee wellbeing and impede the acceptance of the change (Rafferty & Griffin, 2006). The emotional anxiety and effects of change can be managed through effective change management (Terry & Jimmieson, 2003). Effective change management enables organisations to be alerted to change drivers and increase responsiveness to these changes (Al-Haddad & Kotnour, 2015). It allows for improved dexterity when the change occurs by establishing a set way in which decisions are made, resources are allocated, and leaders communicate with employees (Calder, 2013). This set way of handling change within the organisation provides opportunities for learning that enables the organisation to establish best practices and reduces the negative effects of change on employees, teams, and organisational performance (uncertainty, anxiety, stress, lack of alignment to goals, and so forth) (Cummings & Worley, 2008; Galli, 2018). Effective change management requires leaders who understand the importance of the change process and have the competence to successfully lead change (Coetzee, Visagie & Ukpere, 2014).

2.5.3.2 Open Communication

Open communication channels with leaders and the availability of resources to improve knowledge and preparedness for change can significantly reduce uncertainty and its related stresses (Cummings & Worley, 2008). The leader's willingness to openly discuss change and its related uncertainty with employees by sharing information, increases trust and confidence in the leader and the leader's ability to successfully carry the employee into the future (Gullickson, 2009). The honest dialogue between the leader and employee creates psychological safety, reducing the fear of the unknown (Johnsson, 2017).

2.5.3.3 Empowering Employee Resilience

The uncertainty regarding the future creates a fear of job safety for many South Africans (Du Toit, 2005). Empowering employees with resilience, agility and adaptability, and creative problem-solving skills through learning and development will enable employees to reduce uncertainty by enabling them to plan for a rainy day (Mc Donald, Jackson, Wilkes & Wickers, 2013). Resilience will further allow employees to embrace uncertainty through the adoption of adaptability and problem solving (Yilmaz, 2017). Resilience is an important concept in explaining the difference between people who recover from adversity while some experience enduring suffering as a result of adversity (Hoegl, 2020). Simply put, resilience is adapting positively to significant adversity (Luthar *et al.*, 2000).

Macedo *et al.* (2014) suggest that resilience is an individual's capacity to maintain stable mental health while encountering challenges or potentially life-threatening trauma. Southwick *et al.* (2014) add that resilience is the capacity to be flexible in adversity to bend, not break and possibly grow through these experiences. Pietrzak and Southwick (2011) stress that resilience is not linear or binary in that it is not something an individual has or not as individuals may have it in varying degrees and have it differently in different aspects of life.

2.5.4 Leadership skills to lead diversity and inclusion change

Leaders who want to be successful at diversity and inclusion leadership must possess key skills such as emotional, social, and cultural intelligence along with inclusive leadership and group facilitation skills. These are described below.

2.5.4.1 Emotional Intelligence

Emotional intelligence refers to the aptitude for the recognition of one's own emotions and managing these while identifying the emotions of others, such that this understanding may be utilised to foster effective relationships (Issah, 2018). It consists of emotional self -awareness, self-management, social awareness, and relationship management which are vital in organisational leadership especially in times of change (Goleman, 2021). It enables the effective utilisation of emotions for self-motivation, resilience, and impulse control (Morrison, 2007). It is an important leader intelligence as leaders who have it are able to utilise it to positive influence stakeholders to the benefit of the organisation (Foltin & Keller, 2012).

Emotional intelligence in leadership is the cornerstone of effective and empathetic guidance (Gomez-leal *et al*, 2022). A leader with high emotional intelligence possesses the ability to recognise and understand their own emotions, as well as those of others, within the context of the workplace (Lubaddeh, 2020). These leaders exhibit self-awareness, acknowledging their strengths and weaknesses, and harnessing their emotions to motivate and inspire their team (Goleman, 2021). Moreover, emotionally intelligent leaders demonstrate empathy, actively listening to their team members, understanding their perspectives, and responding with sensitivity and compassion (Gorgens- Ekermans & Roux,2021). Through the fostering of open communication and creating a supportive environment, emotionally intelligent leaders cultivate trust and collaboration, enabling their team to thrive and achieve collective goals (Al-Duhouri *et al.*, 2020). In essence, these leaders recognise that emotions play a crucial role in decision-making and conflict resolution, and they navigate these

situations with poise and integrity, ultimately fostering a culture of respect and resilience within their organisation.

2.5.4.2 *Social Intelligence*

Social intelligence is defined as is the ability to have positive social interactions with others, observe and appreciating the non-verbal signals, and emotions of others, and utilising this information to predict behaviours (Goleman, 2011). Individuals with social intelligence are able to effectively collaborate with others, working together towards shared goals (Mayer, Caruso & Salovey, 2004). It facilitates understanding, empathy, and reduces conflict enabling the fostering of quality relationships with others (Serrat, 2017). Social intelligence within teams fosters positive and collaborative work environments that result in individual and group success (Moon & Hur, 2011). It relates substantially with **Cultural Intelligence** which describes the capacity to work well in culturally diverse contexts, being aware of cultural diversities and using this awareness to act appropriately within this context (Akhal & Liu, 2019). These intelligences are critical in the leadership of diversity and inclusion especially in South Africa given its difficult racial past.

In the context of the Fifth Industrial Revolution, social intelligence is paramount for effective leadership. Leaders who possess social intelligence exhibit a keen understanding of social dynamics and interpersonal relationships within the rapidly evolving technological landscape (Katou, Budhwar & Patel, 2021). Socially intelligence leaders adeptly navigate diverse social networks, leveraging connections to foster innovation and drive organisational growth. Socially intelligent leaders recognise the importance of collaboration across disciplines and cultures, fostering inclusive environments that encourage the exchange of ideas and perspectives (Zhang, 2021). These leaders possess strong communication skills, adeptly utilising digital platforms, and emerging technologies to connect with stakeholders at all levels. Moreover, they demonstrate cultural competence, embracing diversity and adapting their leadership style to accommodate varied backgrounds and perspectives (Bakker *et al.*, 2023). By prioritising social intelligence, leaders not only navigate the complexities of the Fifth Industrial Revolution but also cultivate thriving communities

of collaboration and innovation, poised to tackle the challenges and opportunities of the digital age (Klein, 2020).

2.5.4.3 *Inclusive Leadership*

Inclusive leadership refers to the ability of the leader to create a workplace environment where employees feel that they can be their authentic selves, experience belonging and learn from the differences that they have with others (Boekhorst, 2015). It inspires all team members to participate in decision-making, leading to enhanced team cohesion, information sharing and speaking up, and ultimately enhancing team effectiveness and performance (Minehart *et al.*, 2019). It requires the leader to vocalise and action inclusion through the solicitation and appreciation of the views, perspectives, and feelings of all individuals in the group for consideration in the decision-making process (Mayo & Wooley, 2016). Inclusive leadership is focused on team development and relationship building by creating an environment where team members are able to know more about each other, the strengths and knowledge available such that the team is able to work together in an improved manner (Mitchell *et al.*, 2015). It is positively correlated with the ability of the leader to facilitate groups.

In this unprecedented era of rapid technological change and blurred lines between artificial and human intelligence, inclusive leadership plays a pivotal role in driving innovation, fostering resilience, and promoting sustainable growth (Roberson & Perry, 2022). Inclusive leaders recognise the diverse talents, perspectives, and experiences of their workforce, and they actively strive to create environments where every individual feels valued, respected, and empowered to contribute their unique insights (Ashikali, Groenewald & Kuipers, 2021). By embracing diversity in all its forms— whether it be gender, race, ethnicity, age, sexual orientation, or cognitive diversity— inclusive leaders cultivate teams that are more creative, adaptable, and resilient in the face of rapid technological change (Ahmed, Zhao & Faraz, 2020). These leaders prioritise equity and accessibility, ensuring that opportunities for advancement are available to all, regardless of background or circumstance. In essence, by championing inclusive leadership practices, organisations can harness the full

45

potential of their workforce, drive sustainable success, and make a positive impact in society.

2.5.4.4 Group Facilitation

Group Facilitation in the context of inclusion refers to the ability of the leader to encourage team members to share diverse perspectives, appreciate differences, take different perspectives, and communicate effectively to achieve common goals (Ashikali, Groeneveld & Kuipers, 2021). It creates a safe environment where team members feel comfortable to show up authentically as unique individuals and value the differences that others present such that team cohesion is increased and intergroup bias is decreased (Ashikali, Groeneveld & Kuipers, 2021). This critical skill supports each member's belonging within the team such that their feeling of belonging empowers them to contribute meaningfully to the group and that their contribution is valued and taken into consideration by the other team members (Randel *et al.*, 2018).

2.5.5 Leadership styles positively aligned to diversity and inclusion change

Leadership style is defined as a group of characteristics, practices, and competences that a leader utilises in a given situation, varying across followers and circumstances, in order to achieve desired results (Northouse, 2021). It represents the way in which the leader encourages follower task performance (Lussier & Achua, 2012). Research into these leadership styles led researchers to the conclusion that there is no single perfect leadership style that is applicable in all contexts, for all situations and equally effective in motivating all followers (Ghazzawi, El Soughari & El Osta, 2017). Beyond inclusive leadership as a skill and a style, diversity and inclusion change leadership has been positively associated with transformational leadership, servant leadership and in in the African context, Ubuntu leadership (Maylor, 2018; Teller, 2020). These are discussed below.

2.5.5.1 Transformational leadership

Transformational leadership concentrates on the leader's capacity to utilise magnetism to inspire and influence (Arda & Yildiz, 2019). Transformational leaders employ charisma to motivate, inspire and intellectually stimulate follower task performance towards the achievement of organisational goals in line with the set vision (Avolio, Walumbwa & Weber, 2009). The components of transformational leadership are idealised influence, inspirational motivation, intellectual stimulation, and individualised consideration (Long, Yusof, Kowang & Heng, 2014).

Idealised influence refers to the leader's ability to act as role models for followers in terms of working towards the organisational vision, living organisational values such as inclusion, and complying with organisational regulations and utilising this emotional role model attachment to inspire followers to emulate the leader's conduct (Steinmann, Klug & Maier, 2018). This leadership style fosters a workplace that is characterised by trust, collaboration, learning and growth (Khan, Rehmat, Butt, Farroqi & Asim, 2020). Research indicates that transformational leadership improves employee perceptions of empowerment to perform tasks, job satisfaction, and performance (Munir, Rahman, Malik & Ma'amor, 2012). Kılıç and Uludağ (2021) identified a positive correlation between transformational leadership and follower perspective taking, creative problem solving, adaptability and ability to successfully navigate change.

2.5.5.2 Servant Leadership

Servant leadership is character-based leadership where leaders are self-transcendent, prioritising stakeholder (follower, customer, shareholder) needs over their own (Ehrhart, 2004). It is a holistic and ethical perspective of leadership where leaders focus on the needs, learning, development and upliftment of followers and place these before personal needs (Liden, Wayne, Zhao & Henderson, 2008). It is characterised by conceptual thinking; follower emotional healing, empathy, follower development, empowerment, and growth (Canavesi & Minelli, 2021). Servant leaders are concerned their duty towards followers believing that intentional attention on

followers will result in organisational success (Ehrhart, 2004). This leadership is positively correlated with follower motivation, engagement, job satisfaction and positive organisational results (Muller, Smith & Lillah, 2019).

2.5.5.3 Ubuntu Leadership

African culture is founded on the reverence for community over self, with the understanding that an individual is not an island but an integral part of a community and as such, his life is dedicated to the success of that community (Lutz, 2009). In the Nguni languages, the age-old phrase "Umuntu ngumuntu ngabantu" is used to articulate this foundational principle and when loosely translated means "I am because we are" (Mbigi, 2007). This principle which is often associated with collectivism is referred to in African culture as the expression of being human, Ubuntu (Letseka, 2011). Behaviours associated with Ubuntu are based on the belief that quality social relationships exist when we hold the belief that we are equal, we are connected to each other, and we have a duty of goodwill towards each other (Wanasika, Howell, Littnell & Doffman, 2011).

These behaviours are altruïsm, tolerance, acceptance, forgiveness, care, and respect (Cameron, 2013). As such African leadership which is based on the principles of Ubuntu is focused on the emphasis on upholding human dignity, fostering interdependence, cohesion, harmony, participation and sharing within the group (Dalglish, Du Plessis, Lues, Pietersen, Ngujiri & Kablan, 2015). Without generalising leadership behaviours and practices over the vastness of the African continent and attempting to purport a singular leadership style that represents Africa, it is important to detail African leadership traits emerging from literature. Mbigi (2007) with reference to African Culture as the foundation, outlines the characteristics of African leadership as leading with a focus on the respect of human dignity, harmony, interdependence, group cohesion, participation and sharing. Leigh and Melwani (2019) suggest that the features of African leadership are inclusion, empathy, listening, support, and advocacy which give attention to the empowerment of others.

In essence, African leadership embodies a multifaceted concept that is deeply rooted in the continent's rich history, cultural diversity, and socio-political contexts. It encompasses a range of leadership styles, approaches, and ideologies shaped by historical legacies, colonial experiences, and contemporary challenges (Flotman & Grobler, 2020). African leadership often emphasizes communal values, inclusivity, and consensus-building, prioritising the welfare and development of the broader community over individual interests (Perezts, Russon & Painter, 2020). Moreover, it reflects a dynamic interplay between traditional governance structures and modern institutional frameworks, navigating complex socio-economic landscapes and aspirations for self-determination and sovereignty, emphasised in an era of significant technological change (Abebe, Tekleab & Lado, 2020). At its core, African leadership embodies resilience, adaptability, and a commitment to realising the continent's vast potential while confronting the complexities of its past and present realities.

2.5.6 Leader unconscious biases limiting the leader's effectiveness in leading diversity and inclusion

Unconscious biases are the brains ways to make fast judgment calls and survive and these are influenced by repeated experiences, conditioning, upbringing, social and mass media populist thinking (Marino *et al.*, 2021). These biases represent deeply ingrained stereotypes, attitudes, and prejudices that individuals hold about certain groups, often without conscious awareness. These learnt stereotypes become deeply entrenched in our belief and value systems, influencing behaviours and response actions within daily engagements (FitzGerald & Hurst, 2017). This is because unconscious biases may manifest in various forms, such as affinity bias, where individuals tend to favour those who resemble them in terms of background or experiences, or confirmation bias, where preconceived notions shape perceptions and interpretations of information. These unconscious biases play a critical role in diversity and inclusion within organisations as it impacts the recruitment, mentoring, coaching, development, and promotion decisions of leaders (Marcelin *et al.,* 2019). Racial, gender and sexual orientation discrimination therefore continue to exist in society and in the workplace as individuals fail to acknowledge the existence of these prejudices (Blanton *et al.*, 2015).

Unconscious biases can manifest in various ways within leadership contexts, impacting decision-making, team dynamics, and organisational culture (Evans & Maley, 2021). Biases may also influence performance evaluations, with leaders unconsciously attributing success or failure to factors such as gender, race, or age rather than objective criteria (Fassiotto & Girod, 2020). In team interactions, leaders may inadvertently give more weight to the opinions of certain individuals or overlook contributions from diverse team members due to affinity bias or stereotyping (Emberton, 2021). Furthermore, unconscious biases can affect the allocation of resources and opportunities, limiting the advancement and development of underrepresented groups within the organisation (Agarwal, 2020). Overall, these biases can undermine the effectiveness of leadership, erode trust, and impede efforts to foster diverse and inclusive work environments.

April and Myeza (2019) emphasise that unconscious biases do not only apply to white leaders in South Africa, but it exists across all groups and may lead Black senior leaders to over hire Black individuals within their organisations without realisation that this is being driven by existing stereotypes. Addressing unconscious biases requires leaders to cultivate self-awareness, engage in ongoing education and training, and implement processes and policies that promote fairness and equity in decision-making and interactions (Teller, 2020). Leaders who wish to be effective at leading diversity and inclusion change within South Africa need to acknowledge their biases, utilise unconscious bias training as a foundation on which they can do this and critically reflect on their behaviours and actions going forward (Maylor, 2018).

2.6 The experiences of senior leaders implementing Employment Equity as part of a BBBEE strategy

2.6.1 Leaders with positive perceptions of BBBEE

Imran and Shahzad (2019) describe empowerment as the upliftment of previously marginalised individuals into full participation in society especially economically. Linday (2015) suggests that Black economic empowerment, if led and implemented as intended, has the potential to truly catalyse the upliftment of impoverished Black

people and their communities through their inclusion in the mainstream economy. Organisations with leaders who believe in the moral imperative of empowerment and the economic opportunities that arise when all members of society are enabled to realise their full potential in life and work, create strategies, policies, and practices to support empowerment in the workplace (Shiwundlana, 2021). Moraka and van Rensburg (2015) add that organisations whose leaders have positive perceptions of BBBEE and its value are evidenced by a transformation strategy that is led from the highest levels of leadership with the Chief Executive Officer at the helm.

Implementation leaders who advocate for BBBEE state that it provides a legislative avenue through which organisations can to their benefit and the benefit of the nation, remove the barriers that limit the progression of women into senior leadership positions especially in male dominated industries (Smith & Gayles, 2018). Vilakazi and Bosiu (2021) suggest that organisations that implement BBBEE effectively, understand that in a country like South Africa where more than 90% of the population is Black yet economic participation and ownership rests largely with white people, BBBEE is necessary to achieve structural changes to the economy, stimulate competition and productivity. Implementation leaders who further embrace employment equity and affirmative action within the workplace, acknowledge that exclusion of any members of society on the basis of race, gender, or disability, undermines social cohesion and will have negative consequences for the stability and sustainability of the organisation and country (Atkins, 2015; Khan, 2017).

2.6.2 Leaders with negative perceptions of BBBEE

Effective leadership is essential to unlocking the promise of BBBEE to provide meaningful ways for Black South Africans, women, and people with disabilities to engage in and participate in the South African economy (Cargill, 2010). However, on both ends of the race divide exists organisational leaders who do not believe in BBBEE as a legislative policy nor see the merits of its implementation. Webster and Francis (2019) suggest that a cohort of Black organisational leaders believe that BBBEE undermines the very thing that it purports to aim for by providing white people with the bare minimum that they have to do to appear to support the inclusion of Black people

in the workplace leading to an increasing wealth gap along the racial divide. This is supported by research that indicates that South Africa has the world's highest Gini coefficient which is a measure of income distribution within a country (Statistica, 2022). Francis and Valodia (2021) add that the pay gap within South Africa suggests that in general, Black employees and females are paid less than white employees and males performing the same work in South Africa.

On the other hand, white organisational leaders have expressed their disapproval of BBBEE by explaining that through employment equity and affirmative action measures, work is being given to underqualified Black employees to meet quotas to the detriment of business outcomes (Kruger, 2011). Healing (2012) concurs by suggesting that the slow progress of racial transformation at senior levels within corporate South Africa is due to a lack of skills and experience on the part of employees from designated groups making it difficult for organisations to comply with employment equity principles of preferential recruitment of suitably qualified Black individuals. Further, in order to retain the few Black employees that organisations have at senior levels, organisations are forced to offer increasingly large remuneration packages which is not a sustainable business practice albeit necessary for BBBEE compliance (Moraka & van Rensburg, 2015).

The beliefs that a leader holds about BBBEE and its components, whether positive or negative, determine the level of commitment and the effort they are willing to exert in the implementation of BBBEE within the organisation (Schoeman, 2010). In this sense, management commitment can either be a driver for employment equity or a barrier to employment equity success where management commitment reflects the leader's perceptions of BBBEE and the true value of its implementation (Schoeman, 2010). The reality of South African corporate is that it is still highly dominated by white males who hold express reservations about BBBEE, and this has been cited as one of the reasons for the slow progress of racial, social, and economic transformation in South Africa (Moraka & van Rensburg, 2015).

2.6.3 The impact of implementing employment equity on leader wellness

2.6.3.1 Implications for Black leaders

As working adults spend a considerable amount of their time in the workplace, the work environment has been deemed to be a critical element of an individual's wellbeing (Bajrami *et al.*, 2022). Extensive research has been performed to confirm the negative impacts of bias, discrimination and exclusion based on race, gender, and disability in the workplace on employee mental health (Wilson, 2022). Research suggests that on going, racial and sexist micro-aggressions can lead to stress, depression, and anxiety, which are poor mental and emotional wellbeing outcomes (Williams *et al.*, 2013).

Organisational practice has lent itself to focusing on equipping the individual facing wellbeing challenges with coping mechanisms such as building resilience and help seeking without examining the workplace conditions that lead to the diminished wellbeing and adjusting these (Buruck *et al.*, 2016). Karatepe (2015) adds that where employees receive adequate organisational support, the employee's ability to deal with daily stressors increases, reducing negative mental and emotional impacts over time.

The above stated reflection is critical as senior Black leaders tasked with the implementation of employment equity within their organisations, continue to encounter discrimination, exclusion, and marginalisation within the workplace albeit at varying levels (Myeza, 2021). This continued experience of discrimination implies that these leaders potentially implement BBBEE from a place of poor mental and emotional wellbeing (Nkomo, 2015).

The response to this leadership dilemma is that the leader either internalises the discrimination, starts to doubt themselves and becomes part of the hinderances to Black advancement in the workplace or the leader utilises their personal experiences of discrimination as fuel to empathise more with upcoming Black leaders and be part of the solution to creating a more equitable workplace (Mzileni, 2017; Sandanis & Ozbilgin, 2020). The leaders who internalise their personal experiences of

discrimination, become a hinderance to effective BBBEE implementation by displaying negative behaviours associated with for example queen bee syndrome towards other Black employees, inadvertently legitimising and endorsing organisational inequality and bias (Sterk, Meeusen & van Laar, 2018). On the other hand, leaders who utilise their discrimination experiences as fuel to end organisational discrimination, lift other Black employees as they rise by ensuring that employment equity practices extend beyond recruitment to development and succession planning (Mohale, 2018).

2.6.3.2 Implications for white leaders

The picture of a disgruntled white leader whose mental and emotional state of wellbeing is negatively impacted by having to implement BBBEE is a common one as the loud rhetoric among white employees has been well documented to be that BBBEE takes opportunities from well deserving white employees and hands them to undeserving Black employees towards the eradication of especially the white male in the workplace (Booysens, 2007; Nkomo, 2015, Cranmer & Harris, 2015). The stress, anxiety and depression experienced by white employees within the workplace including senior leaders who have to be transformation ambassadors stems from fear: fear of an uncertain economic future as a result of job loss or limited career prospects as a result of BBBEE (Oosthuizen, 2010).

Senior white leaders further question the lawfulness of the practices that are promoted by BBBEE so many years after apartheid and the establishment of a democratic government in South Africa (Leonard & Grobler, 2006; Ng & Burke, 2004). These views which position BBBEE and especially employment equity as vehicles for reverse racism and discrimination against white people result in increased perceived experiences of oppression and feelings of hopelessness within white employees, leading to sluggish transformation statistics and a significant amount of the nation's capital remaining within the control of white business leaders (Peens & Dubbeld, 2013).

The above stated implications are not representative of the views of all white leaders in South Africa, as there exists a number of white leaders who embrace the intent on

BBBEE, Employment Equity and Affirmative Action yet ascribe its failures on a matrix of challenges such as poor implementation, skills shortages in Black employees, the need for appropriate succession planning and development to bridge performance gaps (Myeza & April, 2021). Ozier, Taylor and Murphy (2019) argue that individuals who are continuously exposed to the discrimination of others, can suffer cognitive impairments as the witnessed discrimination especially by a senior leader within an organisation sets the bar for respect within the organisation and morally implicates all observers. These stresses inducing observations of discrimination are positively associated with a decrease in organisational identity, employee wellbeing and an increase in intention to leave the organisation (Jaurique *et al.*, 2018). This means that white leaders tasked with implementing transformational change within the organisation may experience diminished wellbeing outcomes as a result of the overwhelming impact of the actions of other white leaders who do not support BBBEE.

2.7 Sense Making

Sense making is a theory, practice, framework, or social construct that explains that as humans navigate life, they encounter information and cues from their social environment, individuals then proceed to accept or reject these inputs and also use these inputs to make decisions about future behaviour or responses (Golob, 2018;). It is a dynamic cognitive process through which individuals attempt to understand, interpret, and make sense of complex, ambiguous, or novel situations (Gilson, 2021). Sensemaking involves actively constructing meaning from fragmented or contradictory information, often in the face of uncertainty or change.

It is an iterative process entails gathering data, identifying patterns, framing interpretations, and reconciling inconsistencies to create a coherent narrative or mental model of the situation (Barton & Kahn, 2019). It is influenced by various factors, including individual beliefs, prior experiences, cultural norms, and contextual cues which is critical in South Africa, which is the context of this study given the country's racial past. As such, sensemaking is not merely a cognitive endeavour but is deeply intertwined with emotions, motivations, and social interactions (Robert & Ola, 2021).

Effective sensemaking enables individuals and organisations to navigate complexity, anticipate challenges, and make informed decisions in dynamic environments, ultimately facilitating adaptation and learning (Pentilla *et al.*, 2020). It is aligned to social constructivist, interpretivist, and phenomenological research such as this study as it unearths the meaning participants place behind events that take place in their lives and how this affects how the individuals show up in the world going forward (Dervin & Naumer, 2017). It is a perspective that says individuals make their own reality through the choices they make in response to how they have taken in or absorbed their current context (Holt & Cornelissen, 2014).

Sensemaking is however not a linear process and is a multifaceted one that exists at various levels with different typologies (Sandberg & Tsoukas, 2020). The different types even though called by various names by different authors describe most commonly four typologies which are described in the table below.

Table 4: Types of Sensemaking
(Sandberg & Tsoukas, 2020)

Level	Type	Description
1	Inherent *(auto pilot)*	Notice that this is a routine event and automatically response in a typical fashion.
2	Involved-deliberate	Notice this is an interruption to the routine, act to restore the routine state. Make decisions on the skills and capacity required to return to routine.
3	Detached deliberate	Notice that this is a persistent and escalating interruption to the routine, step-back and out of routine to review the past and desired future so as to make decisions of next actions.
4	Representational *(spectator)*	Takes places in a secondary "practice" world where individuals are spectators of events that took place in another place and time. Decisions are theoretical actions.

Turner *et al.* (2023) adds, that in a world of constant change such as the one we currently live in, sense making is a necessary and continuous human effort to bridge knowledge gaps, processing what is happening contextually and form in the moment decisions about appropriate actions to take given these knowledge gaps. Christianson and Barton (2020) describe sense making a process through which individuals process their interactions with their environment, create meaning from these interactions and use this created meaning to act.

This process is complicated in a context that is volatile, unpredictable, complex, and ambiguous because the accelerated rate of change requires that the facets of sensemaking (noticing, meaning making and action) occur at a pace that is so fast, it becomes impossible for sense making to be achieved (Cornelissen, 2014). It is an important concept within this research as the leaders who are participants in this study, are required to not only make sense of their experiences of leading BBBEE initiatives as a significant change occurrence but they need to do so in the context of post pandemic employee fatigue and dwindling wellbeing, a flailing economy, internal cost cutting measures in a country with a vast racial history of injustice (Christianson & Barton, 2020; Peters, 2022; McPhail, 2023).

It is therefore critical to reflect on the notion that the experiences detailed above from the perspectives of white and Black leaders including how these leaders perceive these experiences to have impacted them reflects the leader's sense making of the situations they faced, that is, it does not accurately reflect the situation itself as it factually occurred but reflects how the leader responded to the mental question of "so what now" while going through the situation (Maitlis & Christianson, 2014).

2.8   Summary of Key Theoretical Frameworks

The key theoretical constructs referenced in this study are introduced below in order to provide a frame and understanding of the phenomena under study.
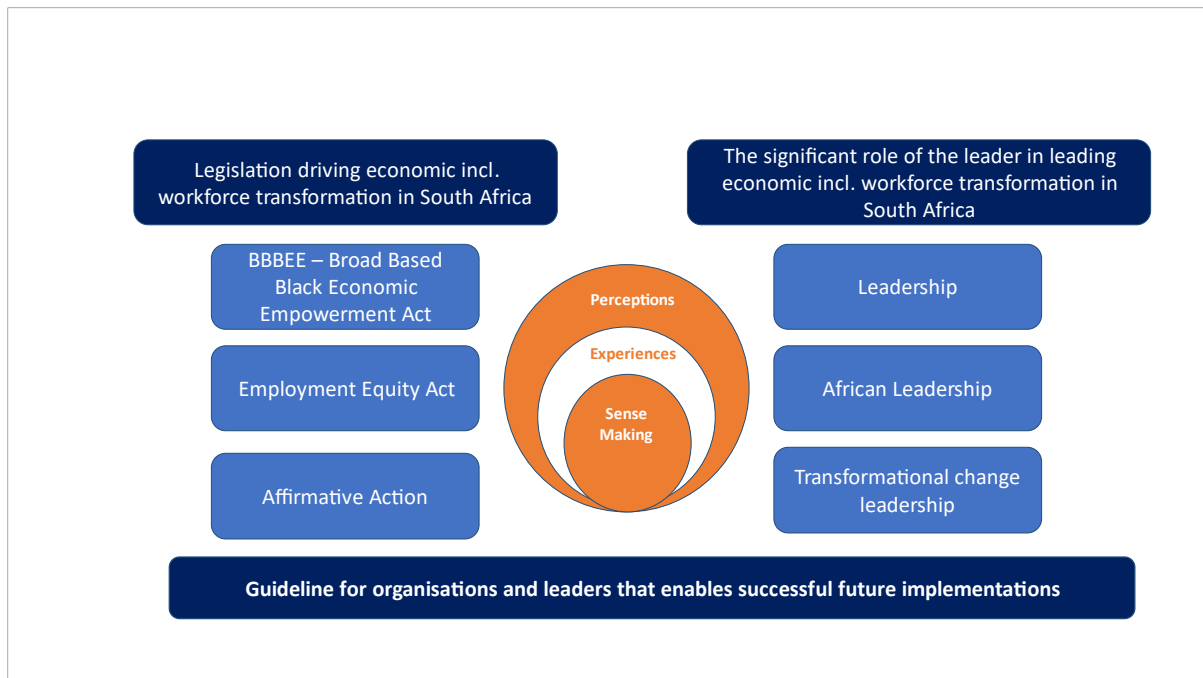
Figure 6: Theoretical framework, Researcher's own construct (2023)

The theoretical framework in figure 6 depicts the legislation driving economic and workforce transformation in South Africa in terms of race, gender, and ability on the lefthand side. This introduction provides descriptions of this legislation as critical and necessary enablers. On the right-hand side of the figure is a focus on the significant role of leadership in the implementation of these pieces of legislation, within the African context requiring a leadership style suited to African challenges and capabilities to lead transformational change. This introduction includes descriptions of African leadership as the desired end, change leadership as the vehicle for change and Black Economic Empowerment (BEE), Broad-Based Economic Empowerment (BBBEE), Employment Equity (EE) and Affirmative Action (AA) as enabling legislation for transformational change in the South African context.

The items in the centre of figure 6 position the focus of this study, that is, the exploration of the perceptions that leaders hold regarding the enabling pieces of legislation, the leader's experiences implementing a strategy based on the legislation and how the leaders make sense of their experiences. This exploration being performed with the ultimate aim of developing a guideline for organisations and leaders that will positively impact future transformational change implementations.

2.8.1 African Leadership

The vastness of the African continent is marked by its span across 54 countries with extraordinary differences in dialect, religious beliefs, politics, regulations, economic levels, and social structures. (Priest & Banne, 2017). The context of Africa differs from the contexts of America and Europe, as such, its leadership needs to be viewed and developed from this unique lens (Abebe, Tekleab & Lado, 2020). Jallow (2014) adds that African leadership develops from culture, is rooted in cultural principles and views, practiced in a cultural setting.

Transformation in the African context aims to change race and gender representation within organisations in the country such that the leadership values and behaviours reflect African values such as humanness, moving away from individualistic western influences from colonist history (van Breda, 2019). Leadership styles ad behaviours in Africa must reflect characteristically African values, beliefs, customs, and contexts such as Ubuntu (Dalglish *et al.*, 2015; Khoza, 2012). Ubuntu represents humanism, which is the core of African culture, valuing interdependence, collectivism, and compassion for others (Mugumbate & Chereni, 2019; Venter, 2004).

2.8.2 Transformational Change Leadership

Leadership is at the core of change (Latta, 2009). It is a vital enabler of organisational change success as leader's have the ability to positively influence employee views, attitudes and behaviours through exemplary actions, barrier elimination and authentic communication (Coetzee, Visagie & Ukpere, 2014; Burnes and Oswick,2012).
For the leader to successfully implement transformational change in terms of race and gender representation, the leader must be cognisant of the challenges implicit in this context, assume an open and collaborative leadership style while exercising emotional intelligence, communication, and creative problem-solving skills (Foltin & Keller, 2012; Goleman, 2004; Hayes, 2002). This is exceptionally difficult as the historic context of transformation, the history of BBBEE and its past implementation across the country create the possibility that leaders tasked with the implementation of this racial and gender transformation through a BBBEE strategy do not necessarily support the

change and through some of their actions display resistance which filters through to followers (Walk, 2022; Tshetu, 2014). These philosophical conflicts have the potential to impact leader's mental and emotional wellness and as a result their performance in this regard (Piderit, 2000).

2.8.3 Black Economic Empowerment

Black Economic Empowerment was implemented in South Africa in 1994 to redress apartheid inequalities and increase Black economic participation (Nhemachena *et al.*, 2018). It is a rational growth approach for realising the full potential of South Africa's economy by including its majority in meaningful economic activity (Juggernath *et al.*, 2011). This study assumes the intention of BEE as core and prevailing in all subsequent initiatives related to Black economic empowerment within the South African context.

2.8.4 Broad Based Black Economic Empowerment

The BBBEE Act 53 of 2003 was presented as a deliberate socio-economic instrument intended to advance economic transformation and further increase the meaningful participation of the Black majority in the South African economy (Tshetu, 2014). The Act was established with the intention to put into place a legislative framework that governs the promotion of Black economic empowerment while giving powers to the Minister of Trade and Industry to issue codes of good practice, transformation charters and establish the Black Economic Empowerment Advisory Council, which collectively provide guidance to the implementation of the Act (Patel, 2012).

The BBBEE Act 53 of 2003 was amended by the BBBEE Amendment Act 46 of 2013 with the aim of ensuring that further steps are taken to increase the effective participation of the majority of South Africans in the economy to ensure its long-term viability and prosperity for the benefit of all its people (Van de Rheede, 2022). This amendment further aimed to clarify implementation confusion in the market present at the time related to definitions and interpretation of the Act and it aimed to establish the

BBBEE Commission to monitor and manage compliance to the Act through penalties for business that misuses the Act and its provisions (Dreyer, 2021).

BBBEE includes various components: ownership; management control, skills development, socio economic development, enterprise development and supplier development (Prinsloo, 2017). This study is focused on the experiences of leaders who are tasked with the implementation of a BBBEE strategy particularly aimed at the management control component. The management control component is concerned with the number of Black people as defined in the Act as African, Indian, and Coloured, represented in the management structures of an organisation (Chekenya & Klingelhofer, 2022).

2.8.5 Employment Equity

Employment Equity extends from the Employment Equity Act 55 of 1998 and intends to promote equal opportunity, fair treatment in employment and ensure equitable representation in all occupational categories and levels in the workforce (EE Act, 1998). It is included in the Management Control component of the BBBEE Scorecard for measuring the BEE compliance of a business in terms of the BBBEE Codes of Good Practice ("BEE and Employment Equity: Birds of a Different Feather?", 2015).

This Act is amended by the Employment Equity Amendment Act 47 of 2013 which because of continued unfair employment practices aimed to further regulate the prohibition of unfair discrimination against employees and increase compliance with the Act by employers through fines and related penalties (Oosthuizen, 2019). The Act further aimed to prohibit the abuse of the Act by employees by establishing requirements relating to evidentiary proof on allegations of unfair discrimination (Olckers, 2016).

2.8.6 Affirmative Action

Affirmative Action stems from the South African Constitution (1996) and is formally established in the Employment Equity Act of 1998 (EE Act, 1998). It envisages the end of discriminatory employment and remuneration practices and promotes the taking of positive "affirmative" actions to attract, develop and retain individuals from previously disadvantaged backgrounds (Burger & Jafta, 2010). The focus of this study is on the experiences of executive leaders tasked with the implementation of affirmative active measures as part of an Employment Equity plan within a BBBEE strategy within the South African banking industry.

2.9 Conclusion

This chapter outlined a comprehensive literature review, articulating the critical theoretical concepts and frameworks which underpin this study. It explored B-BBEE and affirmative action and employment equity within B-BBEE coupled with critical anti-discrimination components of the South African constitution. The chapter further laid out the success and failures of B-BBEE in achieving diversity and inclusion within the South African workplace. This was supplemented with a consideration of the leadership skills and styles required for effective diversity and inclusion change and unconscious bias as a key factor driving leader ineffectiveness to truly create and lead inclusive workplaces. This was followed by a review of the experiences of leaders tasked with implementing transformational change and the impact of these experiences on the leader's state of wellbeing mentally and emotionally. All the above being contextualised within the Da Vinci Institute's TIPS framework.

CHAPTER 3

RESEARCH DESIGN AND METHODOLOGY

3.1 Introduction

This chapter lays out the research design, providing a rational flow and portrayal of the data collection, analysis, verification, and interpretation, aimed at addressing the research questions (Vogt, Gardner & Haeffele, 2012). The chapter further details the philosophical assumptions of the study with a consideration of the role of the researcher in the social phenomenon being studied (Grbich, 2013). Lastly, the chapter outlines the ethical considerations that applied in the study as guiding principles of the research process (Gerrish & Lacey, 2010).

3.2 Rationale for the study of leader experiences of BBBEE implementation in a South African bank

Limited research has been conducted to explore the perspectives and lived experiences of the leaders implementing BBBEE initiatives in corporate South Africa such that the understanding of these experiences can contribute to improved leadership development and diversity and inclusion experiences for leaders and employees alike (Jaggernath, 2019). On the other hand, extensive research has been conducted to solicit the experiences of employees as BBBEE beneficiaries and non-beneficiaries to the exclusion of organisational decision makers who have the power to transform organisational practices and policies regarding diversity and inclusion from the perspective of BBBEE and beyond (Booysen, 2008; Petrus, 2011; Archibong & Adejumo, 2013).

Research on the role of leadership in BBBEE and BBBEE aligned transformative change research in South Africa has been largely focused on the role of the leader in driving diversity and inclusion, transformational change models applied as well as tools and techniques for diversity and inclusion practices (Booysen, 2013; Daya, 2014; Grobler, van Wyk & Magau, 2019). This study provided the researcher with the

opportunity to explore the experiences of leaders driving BBBEE especially Employment Equity and Affirmative Action with the aim to uncover unconscious biases, challenges and opportunities which have the potential to elevate BBBEE implementation beyond diversity compliance to the development of inclusive organisational cultures.

The COVID 19 pandemic and the Great Resignation that followed highlighted that employees are actively leaving organisations that do not provide experiences of an equitable culture where diversity goes beyond compliance but is a value driven leadership priority that focuses on inclusion (Linzer, Griffiths & Feldman, 2022). This has elevated employee centricity and cultures where employees feel seen, heard, and valued across the globe including the banking sector (Boagert, Leider, Castrucci *et al.*, 2019; Believe in Banking, 2021; Kuzior, Kettler & Rab, 2022). These shifts require organisations who wish to attract and retain top talent to evaluate its efforts in driving quantitative diversity in alignment with legislation such as BBBEE but of even more importance, evaluate if it is investing adequately in developing meaningfully inclusive work cultures and the requisite leadership to sustain this culture (Ruggunan, Pillay & Dayaram, 2022).

These required shifts are against the backdrop of large racial and gender transformation at junior manager levels which stood at 87% of junior manager roles across the surveyed banks in South Africa being filled by Black (African, Indian, and Coloured) employees (Banking Institute of South Africa (BASA), 2022). This in comparison to only 40% of executive director roles in surveyed South African banks being occupied by Black employees with only 12% of those being filled by Black women in the year 2020 (BASA, 2022). This indicates slow race and gender in senior positions of power within South African banks especially when focusing on the percentage of Black women in director level roles (Van der Schyff, 2017).

This is further within the context of expressions of continued accounts of inequality, discrimination, and prejudice against employees of colour within the South African banking industry (Canham, 2019). This research afforded the researcher the opportunity to act as a reflection mechanism for organisations and leaders within the banking industry in South Africa by contributing to the limited body of knowledge on

leader experiences in implementing BBBEE initiatives especially in relation to Employment Equity and Affirmative Action for contribution to improved leadership development and diversity and inclusion practices.

3.3 Research Questions

The primary research question for this study is as follows:

"What are the experiences of senior leaders tasked with the implementation of Employment Equity and in particular Affirmative Action as part of a BBBEE strategy?"

The following secondary questions arise in support of the primary question:

RQ1: "How do senior leaders tasked with leading and implementing Affirmative Action as part of a BBBEE strategy perceive Affirmative Action?"

RQ2: "How do senior leaders tasked with leading and implementing Affirmative Action as part of a BBBEE strategy make sense of their leadership role and experiences as they navigate the change implementation?"

RQ3: "How could the experiences of leaders leading and implementing Affirmative Action provide guidelines for future BBBEE strategy implementations?"

3.4 Research Design

The aim of the design is to clearly illustrate the structure of the research and the methods employed to conduct the research in a manner that ensures the research problem is addressed and the research questions are responded to (Kilani & Kobziev, 2016). The research design illustrates a strategy for data collection and analysis and is detailed below (Mouton, 2008).

Figure 3 below provides a graphical representation of the research design utilising the research onion to illustrate the research process undertaken (Saunders, Lewis & Thornhill, 2016). The research onion illustrates the research philosophy by outlining the research philosophy, research approach, methodological choice, research strategy, time horizon and data collection methods, all of which are discussed in detail thereafter (Sahay, 2016).
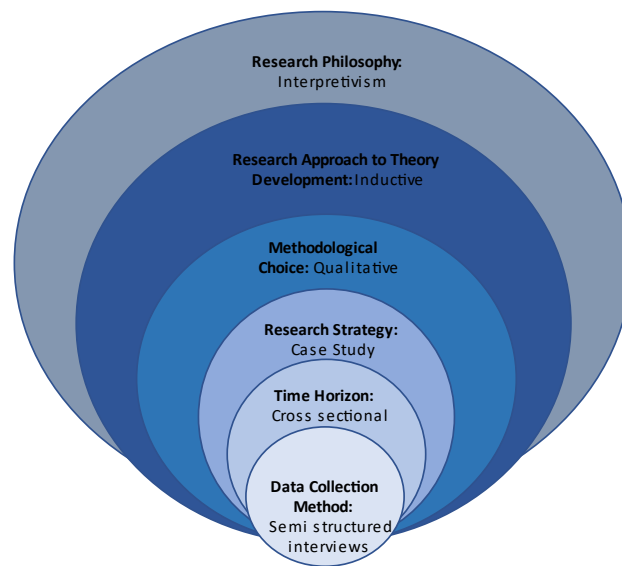
Figure 7: Graphical representation of the Research Design (Adapted from Saunders, Lewis & Thornhill, 2016)

3.4.1 Research Philosophy

Research philosophy includes a consideration of ontology, epistemology, and axiology (Melnikovas, 2018). In this regard, ontology refers to our beliefs about the nature of the world and what we perceive to be reality. In this study, as the researcher focuses on the experiences of leaders spearheading BBBEE implementation, the researcher's ontology was based on the interpretive paradigm which suggests that an individual's reality is based on personal experiences and subjective interpretation which differ between individuals and changes with context (Raithatha, 2017). On the other hand, epistemology refers to the assumptions one makes about the nature and form of

knowledge i.e., it is either tangible and objective or abstract and subjective (Bryman, 2008). Within this study, the researcher explored and aimed to understand the subjective experiences and interpretations of those experiences related to leading BBBEE implementation alluding to an interpretivism approach (Ormston *et al.*, 2014).

According to the interpretivist stance, understanding and interpretation are essential to the research process and vital in qualitative research (Eriksson & Kovalainen, 2015). Lastly, axiology refers to the aims of the research based on what the researcher values i.e., does the researcher aim to explain, predict, or understand the world or the phenomenon being researched (Killam, 2013). Within this study, the researcher adopted interpretivism as the research is value bond, and the researcher is part of the senior leadership of the banking institution within which the research was conducted and is further also responsible for leading transformation within their area of influence (Carnaghan, 2013). As a result, the researcher has applied caution in recognising and safeguarding that personal value judgements are suspended, and any held bias are not projected onto the research participants (Singh, 2014). Firm ethical values of honesty, non-maleficence, responsibility, and integrity have therefore been emphasised and applied in the research process (Creswell, 2014).

This study is focused on describing the personal experiences and meaning making processes of leaders spearheading BBBEE implementation within a South African retail banking institution to identify the underlying patterns in these experiences (Padilla-Diaz, 2015). As such, the researcher further adopted a phenomenological philosophical approach to gain a full understanding of the lived experiences of the participants as expressed through their descriptions of leading BBBEE implementation (Creswell & Creswell, 2018).

3.4.2 Research Approach to theory development

The approach to theory development adopted within the research or the reasoning processes in research can be implied from the research philosophy and in general includes either a deductive or inductive approach (Khaldi, 2017). The deductive approach is a top-down approach starting with an existing theory and formulating a

hypothesis based on the theory, then designing and conducting the research in a manner that enables the researcher to test the initial theory and lends itself to quantitative research (Soiferman, 2010). On the other hand, inductive reasoning, which was adopted for this study, is a bottom-up approach where the researcher makes specific observations, analyses these for patterns to arrive at a conclusion (Yilmaz, 2013). The inductive approach typically lends itself to qualitative research therefore qualitative research was selected as the methodological choice for this study and this choice is discussed briefly below (Gay, Mills & Airasian, 2009).

3.4.3 Methodological Choice

The aim of qualitative research is to discover answers to questions with a view to either shape a new theory, support, or contest an existing one by identifying patterns from non-numerical data and their interpretation (Leung, 2015). Qualitative research aims to provide an in-depth and interpreted understanding of the participant's reality through learning about how participants make sense of their experiences and reality (Ritchie *et al.*, 2014). It focuses on the exploration of phenomena to gain an understanding of its nature within the context it exists and from the perspectives of specific characters experiencing the phenomena (Busetto, Wick & Gumbinger, 2020). Due to the rich and exploratory nature of qualitative research, data collected within qualitative research will most often take the form of words rather than numbers (Punch, 2013).

3.4.3.1 Rationale for Qualitative Strategy

A qualitative research approach was selected for this study as it provides the opportunity for the generation of a deep and nuanced understanding of the leader's experience of leading Employment Equity and Affirmative Action as part of a BBBEE strategy within a South African retail bank (Yin, 2011). A qualitative research approach allows for the gathering of a detailed, rich, and complex understanding of the impact of these experiences of the leaders mental and emotional wellbeing and the resultant effectiveness of the leader (Hancock, Algozzine & Hoon Lim, 2021). Qualitative research has further been successfully employed in various studies concerning

diversity and inclusion within corporate South Africa (Ngidi-Brown, 2015; Masuku, 2017; Matotoka & Odeku, 2022). As this study produces a guideline for future BBBEE strategy implementation and leadership development, qualitative research enabled the provision of a detailed description of existing leadership practice in terms of Employment Equity and Affirmative Action implementation within the banking industry in South Africa along with the generation of findings that have the potential to inform future implementation (Lochmiller, 2016).

3.4.3.2 Advantages of Qualitative Research

The flexible and context driven nature of qualitative research provides an opportunity for research exploration to go beyond identifiable patterns of behaviour or occurrence to uncover the unseen or unidentified reasons behind the observable patterns (Eakin, 2016). It enables richer insights into social occurrences as it enables the researcher to not only identify that a tool, technique, model, or practice is working well but to further identify which tool, technique, model, or practice is most suitable for which individual or group of individuals, in which context and for what reasons (Chambers, Glasgow & Stange, 2013). These deeper insights are an outcome of the iterative link between data collection, analysis and interpretation within qualitative researcher which allows the researcher to make decisions in terms of the direction of the research as research is conducted and new insights are uncovered (Barrett, Kajamaa & Johnston, 2020).

3.4.3.3 Disadvantages of Qualitative Research

Qualitative research approaches have been criticised for their deep focus on participant experiences of a phenomenon, at times, to the exclusion of critical contextual realities (Rahman, 2017). Haradhan (2018) suggests various weakness of a qualitative research approach, these are detailed as follows:

a. Qualitative research is mostly performed by a single individual leading to a lengthy, labour intensive and time-consuming data collection process which can result in increased research costs.

b. The nature of qualitative research prevents its exact replication limiting the ability to objectively verify its results. This further increases the difficulty in demonstrating the scientific rigor of qualitative research, limiting its ability to significantly influence organisational policy.

c. The influence of researcher and participant views, experiences and knowledge on data collection, analysis, and conclusions, requires qualitative research to be undertaken by highly skilled researchers who can identify, account for, and adjust for these influences.

Despite these limitations, qualitative research remains a valuable tool for exploring complex social phenomena and generating rich, nuanced insights into complex human behaviours, attitudes, and experiences.

3.4.4 Research Design

Research strategy refers to the plan of action for data collection that will enable the addressing of the research problem and responses to the research questions (Saunders *et al.*, 2016). The aim of this study is to explore and describe the experiences of senior leaders tasked with the implementation of Employment Equity and in particular Affirmative Action as part of a BBBEE strategy and how these leaders make sense of their experiences while navigating implementation. This section is concerned with the strategy to collect and analyse data and includes a consideration of strategies aligned to the qualitative research methodological choice: mainly ethnography, grounded theory, and case study research (Chu, 2015).

Ethnography was excluded as a consideration within this research as it is focused on an understanding of participant experiences within the context of culture which is not in line with the objectives of this study (Aldiabat & Le Navenec, 2011). Grounded theory was also excluded as a consideration within this study as it is focused on describing change within a social group and establishing an understanding of that social group which is not aligned with the objectives of this study (Urquhart, 2022).

Case study research seeks to gather extensive, richly descriptive data relating to a specific phenomenon in its natural context, within the confines of space and time (Hancock, Algozzine & Hoon Lim, 2021). This research was conducted within the bounds of a single banking institution in Gauteng, South Africa, focusing on exploring and describing the experiences of leaders who have lived the phenomena under study, implementing BBBEE (Employment Equity and Affirmative Action). As such, case study research design was most suited to this study and adopted (Takahashi & Araujo, 2019).

3.4.5 Time Horizon

This section relates to the period under study and mainly considers cross sectional or point in time studies and longitudinal studies (Melnikovas, 2018). Cross sectional studies refer to studies where, dependent on the research question, a time frame for the research is not provided as it is assumed that the research data refers to events and experiences around the data collection period (Kesmodel, 2018). These studies may be descriptive or analytical where descriptive studies describe events, experiences, attitudes related to the phenomenon under study and analytical studies test links between variables (Spector, 2019). Longitudinal studies on the other hand refer to studies that are carried out over an extended period where the participants are observed over the entire period or engaged repeatedly at various intervals over this extended period (Wei & Moyer, 2008). This qualitative and descriptive case study is a cross sectional study that engaged leaders who have been tasked with the implementation of BBBEE in the past two years within the selected banking institution.

3.4.6 Data Collection Method

Data for this study was collected through of semi-structured interviews and the details of these are noted below.

3.4.6.1 Semi-Structured Interviews

The study employed the use of semi-structured interviews to obtain robust and descriptive accounts of the leader's experiences. A research interview is a valuable method to collect primary data as it is a conversational interaction between the researcher and a research participant in a one-one in-depth interview during which the researcher aims to solicit the detailed views, perspectives, beliefs, behaviours, and motives of the participant relative to the topic (Alshenqeeti, 2014). Semi-structured in-depth interviews are commonly utilised to conduct qualitative research as they are a prevailing method to extract extensive data on the views, experiences, reflections, considerations, and interpretations the research participants have towards the research topic (Morris, 2015). The semi-structured interview must result in insightful study and defendable conclusions (Arthur *et al.*, 2012).

For purposes of the study, a semi-structured interview guide (Annexure E) was developed to ensure that the research questions were fully addressed, and research objectives are met. The questions to be asked during the interviews included the following topics:

1. Leader perceptions of BBBEE with specific focus on Employment Equity and Affirmative Action.
2. Experiences of leading and implementing Employment Equity and Affirmative Action initiatives as part of a BBBEE strategy.
3. Lessons that can be learnt from these leader experiences to serve as guidelines for future transformation initiatives.

The research interviews were conducted in person where possible given the move towards the hybrid work model. This enabled rich data to be derived from gestures, body movements and facial expressions. Where face to face interviews were not possible, these were conducted via Zoom or MS Teams with the video functionality to enable an experience that is closely aligned to face-to-face interviews.

3.5 Population and Sampling

The research population is the group about which phenomena information is to be established (Banerjee & Chaudhury, 2010). It is an identifiable and homogenous group of individuals possessing similar characteristics of interest which research is concerned with drawing generalised conclusions from (Knight, 2004). The population for this study included both Black and white senior executive leaders working in Gauteng who have been tasked with the implementation of an affirmative action initiative within a South African retail Bank in the past 24 months.

To achieve data saturation in qualitative research and make evident a comprehensive appreciation of the phenomena under study, existing guidelines have been established in literature and considered in determining an ideal sample size for the study (Palinkas *et al.*, 2015). Boddy (2016) suggests a sample size of 12 for case study research where the population is relatively homogeneous. Mason (2010) contends that the smallest sample size for any qualitative research is 15. Moser and Korstjens (2018) argue that due to the depth of research in phenomenological studies, the sample size should not exceed 10. Taking the above guidelines, a practical sample of 10 was selected for the intended study.

Purposive sampling is a technique applied to intentionally select research participants who can provide rich data from personal knowledge and experience of the phenomenon under study (Saunder *et al.*, 2017). Purposive sampling was applied to this study to ensure that the leaders selected for the study meet the profile of the population and had the knowledge to co-construct meaning and contribute to their engagement in the interviews.

3.6 Data Analysis

The goal of interpretative phenomenological analysis is to discover how participants make sense of their reality and understand the meaning participants apply to specific situations and experiences (Lopez & Willis, 2004). This analysis occurs as the researcher seeks to interpret participants' mental and emotional state from

communication to gain an appreciation of the participants' sense-making process (Smith *et al.*, 2009).

Preliminary analysis was performed after each interview to reflect on any emerging themes that had not been previously anticipated and to confirm that the questions asked in the interview were leading to the formation of a response to the research question (Moser & Korstjens, 2017). Thematic analysis is a methodology for the identification, analysis, and interpretation of patterns of meaning ('themes') around a shared integral idea within qualitative data and provides steps for the generation of codes and themes from qualitative data (Braun & Clarke, 2014).

The researcher transcribed each interview and read through the transcriptions directly after each interview as well as in-depth within a week of the interview to get closer to the data and perform initial interpretations. Themes were identified to explore relationships in the data i.e., identify similarities, differences, trends, and interdependencies enabling the identification of new themes (Bazeley, 2013). Further analysis was performed by linking the developed codes to constructs and codes in existing literature: developing theoretical categories (Glaser & Laudel, 2013). An inductive coding approach was followed (Saldana, 2013). Inductive coding encompasses the converting of raw, qualitative data into more meaningful quantitative data allowing the theory to emerge from the content of the raw data (Paltridge, 2006). Throughout the examination of interview transcripts and analysis of the data, the researcher considered: Do I sense something happening here of which participants are potentially less aware? (Smith & Osborn, 2003).

3.7 Data Verification

The purpose of data verification is to ensure data integrity through the documentation of valid, accurate and complete research data (Mohamad *et al.*, 2015). It is vital to evaluate the quality of the research for the research findings to have practical and implementation value in practice (Noble & Smith, 2015). Qualitative research must exhibit credibility, transferability, dependability, and confirmability in order to be

deemed to be of good quality (Mohajan, 2017). These elements of qualitative data quality are addressed below.

3.7.1 Credibility

Credibility is the extent to which a concept is accurately measured including the integrity in the use of methods and the close relationship between the data collected and the findings reflected (Heale & Twycross, 2015). Qualitative data analysis is subjective and influenced by the researcher's own perspectives. This tests the credibility and trustworthiness of qualitative research (Leung, 2015). As the researcher in this study is an employee of the retail bank utilised as a case study in this research, the credibility of the research findings are important considerations.

In order to safeguard data credibility, the researcher documented any personal bias which may influence any component of the research including sample selection, data analysis and the research findings (Noble & Smith, 2015). The researcher further accurately documented key decisions taken to ensure transparent data interpretation, allowed participants to respond in their mother tongue and freely express personal thoughts (Golafshani, 2003). Lastly, the researcher requested participants to examine significant items of final analysis and confirm the researcher's interpretation (Mohajan, 2017).

3.7.2 Transferability

Transferability relates to the extent to which the findings and inferences of one study can be transferred to another (Lapan *et al.*, 2012). It was achieved through the provision of detailed descriptions of the phenomena under study, and thorough accounts of participants' experiences as obtained during the research interviews (Saunders *et al.*, 2012). These steps allowed the reader or user of this research to execute judgements as to the likelihood of transferability (Seale, 1999).

3.7.3 Dependability

Dependability is concerned with the transparency of the researcher's data collection, analysis, findings, and conclusions as an audit trail that creates confirmability (Seale, 1999). This audit trail is a systematic account of the research process followed and may include triangulation exercises (Creswell, 2014). To ensure dependability, an external audit was performed by a researcher not involved in the data collection and the data analysis of this study. This process examined the data collection and data analysis aspects of this study to determine if similar interpretations and conclusions could be arrived at (Kothari, 2004).

3.7.4 Confirmability

Confirmability refers to the connection between the data collected and analysed with the research findings (Lapan *et al.*, 2012). It aids the researcher to confirm that the research findings are a true reflection of participants' views and not influenced by the researcher's personal bias (Creswell, 2014). The researcher firmly ensured that the codes, categories, and themes identified are identified directly from the data collected. The researcher further applied reflexivity to reflect on the researcher's personal perceptions and views to establish any possibility that these may have influenced the research process (O'Reilly & Parker, 2013).

3.8 Ethical Considerations

The definition of ethics is a system of expected behaviour advocated by an individual or group based on their belief of what is moral: considered to be right or wrong as influenced by personal culture and experiences (Clement, 2013). Research ethics is concerned with ethical or moral behaviour in the context of research activity (Wiles, 2013). The researcher adhered to the institution's ethical requirements and standards while also adhering to the ethical research principles of honesty; carefulness; integrity; social responsibility and human subject's protection (Shamoo & Resnik, 2015). This

was ensured by applying for ethical clearance with the institution's research ethics committee prior to the collection of data and the performance of any analysis.

As the study was conducted through the use of in-depth interviews, the following considerations have been made: informed consent (how it will be obtained e.g., forms to be prepared), the right to withdraw and confidentiality (how it will be maintained) (Punch, 2013); the collection and protection of personal data such as ethnicity or political views (Pelle & Reber, 2016), along with anonymity and confidentiality (Shamoo & Resnik, 2015).

3.8.1 Informed Consent

The research participants were informed of the motivation of the study and their role in the study to enable informed consent and voluntary participation (Pike *et al.*, 2018). Voluntary participation refers to a research participant's free will in determining participation in research activity as a legal right protected by several laws and codes of behavioural conduct (Lavrakas, 2008). The onus is on the researcher to remove any real or perceive pressure on participants (Kilinc & Firat, 2017). An invitation e-mail was sent to all participants, explaining the motivation of the study, the role of the research participant, anonymity, confidentiality, method of data collection and right of withdrawal. This e-mail was accompanied by a Microsoft Teams invitation for a research interview and acceptance of the invitation was deemed to be acceptance of voluntary participation in the study.

3.8.2 Confidentiality and Anonymity

Research participants have a right to the protection of dignity, confidentiality, privacy, and anonymity (Shamoo & Resnik, 2015). In a research context, confidentiality relates to (1) not discussing information provided by an individual with others, and (2) presenting findings in ways that ensure individuals cannot be identified, anonymity (Wiles, 2013). To ensure these protections, the researcher signed a confidentiality agreement with the organisation utilised in the case study and the biographical details

of the participants were not presented in the research report (Mouton, 2001). All interview dialogue was transcribed into Microsoft Word to enable data analysis. All transcripts were saved in password-protected folders on an encrypted drive to ensure the safety of the information while also maintaining the confidentiality to the participants through codes and pseudonyms.

3.8.3 Beneficence

Beneficence necessitates that the researcher safeguards the well-being of participants and includes the principle of non-maleficence, referring to the obligation to defend participants from harm (Greaney *et al.*, 2012). As a principle, beneficence involves the researcher maximising any possible research benefits and minimising any research harms (Rhodes, 2010). The researcher adhered to the institution's ethical requirements and standards while also adhering to the ethical research principles of honesty, carefulness, integrity, social responsibility, and the protection of human subjects.

3.9 Conclusion

This chapter detailed a discussion of the research design and methodology to be applied within the study illustrating the philosophical considerations and the way the study was undertaken. Ethical considerations and considerations to ensure the quality and rigor of the study and its findings were also discussed. The following chapter outlines the research data and the findings obtained through the data analysis performed.

CHAPTER 4

RESEARCH FINDINGS AND DISCUSSION

4.1 Introduction

This chapter details the data collected from the semi structured one-on-one interviews conducted with ten Gauteng based senior leaders tasked with the implementation of an affirmative action initiative within a retail banking institution in the past twenty-four months. This is performed by firstly detailing the demographics of the interviewed research participants thereafter detailing the findings gathered from the analysis of the collected data in response to the research questions as stated in Chapter 3. These findings aid in the addressing of the research objectives as stated in Chapter 1.

4.2 Research participant demographic information

The study employed the use of semi-structured interviews to obtain robust and descriptive accounts of the experiences of leader's tasked with the implementation of an affirmative action initiative as part of a BBBEE strategy within a retail banking institution (McIntosh & Morse, 2015). In alignment with the ontological, epistemological, and axiological perspectives of the study as well as the objectives of the study, purposive sampling was applied to this study to ensure that the leaders selected for the study meet the profile of the population relevant to this study (Robinson, 2014). Purposive sampling is a technique applied to intentionally select research participants who can provide rich data from personal knowledge and experience of the phenomenon under study (Saunders *et al.*, 2017). It is the application of judgement to the question of who research data will be collected from based on the qualities of the research participant in relation to the phenomenon of interest (Oppong, 2013).

In order to establish rapport at the beginning of each interview and create a safe space that will enable the research participant to freely express personal thoughts and views,

the interviewer began each interview with a repetition of the intent of the study and a confirmation of the participant's willingness to continue participating in the study through the interview (Kilinc & Firat, 2017). The researcher further provided assurance regarding the participants' confidentiality and anonymity by detailing the measures put in place for this (Creswell & Creswell, 2017). The above enabled rich data to be collected from the interviews.

In line with the ethical considerations of this study, pseudonyms were applied to conceal and protect the personal identities of the research participants (Allen & Wiles, 2016). The applied pseudo names are indicated in the Table 4 below which details the demographic details of the participants interviewed within this study.

Table 5: Research participant demographic details

Pseudo name RP = Research participant	Business Area	Level of Role	Nationality SA = South African FN= Foreign National		Race A= African I= Indian C= Coloured W= White				Gender M= Male F= Female		Years of working experience
			SA	FN	A	I	C	W	M	F	
RP 1	Insurance	Executive	X		X				X		>15
RP 2	Finance	Executive	X			X			X		>25
RP 3	Human Resources	Executive	X					X		X	>25
RP 4	Finance	Executive	X					X	X		>20
RP 5	Marketing	Executive	X		X					X	>15
RP 6	Business Banking	Executive	X				X			X	>20
RP 7	Technology	Executive	X					X	X		>25
RP 8	Investment Banking	Executive	X					X	X		>15
RP 9	Personal Banking	Executive		X	X					X	>20
RP 10	Human Resources	Executive	X			X				X	>20
Totals			9	1	3	2	1	4	5	5	
Percentages			90%	10%	60%			40%	50%	50%	

An analysis of the research participant demographics detailed above shows that all of the ten participants interviewed operate in executive roles across different business areas within the bank. The majority of the participants (9 out of 10) are South African born and only one participant is a foreign national however all have been selected purposefully as all have lived and worked in South Africa for almost two decades each and have a perspective to provide on the phenomena under study. The foreign national participant was further selected to provide views on being an African but not being considered African for the purposes of BBBEE in South Africa.

Six out of the ten participants work in support functions such as Marketing, Human Resources, Technology and Finance while the rest work in client facing business areas (Insurance, Investment, Personal and Business Banking). This was a deliberate consideration to gain a perspective of the leadership views across the various areas of business.

In terms of race, the majority of the participants (6 out of 10) 60% are Black according to the Employment Equity Act in that they are African, Indian, or Coloured and the remaining 40% being White, this is in line with racial demographics in Johannesburg, where the study is situated (World Population Review, 2023). The above table further shows a purposeful and balanced 50:50 gender split in ensuring balanced views and experiences are obtained across both genders within the executive leadership body.

The examination of the years of working experience of the participants confirmed the vast experience of the individuals interviewed. All of these senior leaders had over 15 years of working experience, with 40% having more than 20 years of experience and 30% having more than 25 years of working experience. The selection of these individuals was performed purposefully to ensure that the experiences solicited during the interviews come from individuals with deep experiences, whose sense making processes would also reflect the wisdom of many years within a corporate setting. The mix with senior executives who are younger, that is, with only over 15 years of working experience was performed to establish if views, experiences, and reflections differ across generations within the workplace.

4.3 Presentation of research findings

The data collected from the semi-structured interviews conducted was subjected to specific coding by following an inductive coding approach that enabled the transformation of raw qualitative interview data into meaningful data that enables the key constructs to emerge (Saldana, 2014). The research findings presented below are presented in line with the research questions outlined in Chapter 3.

The primary research question for this study is as follows:

"What are the experiences of senior leaders tasked with the implementation of Employment Equity and in particular Affirmative Action as part of a BBBEE strategy?"

The following secondary questions arise in support of the primary question:

RQ1: "How do senior leaders tasked with leading and implementing Affirmative Action as part of a BBBEE strategy perceive Affirmative Action?"

RQ2: "How do senior leaders tasked with leading and implementing Affirmative Action as part of a BBBEE strategy make sense of their leadership role and experiences as they navigate the change implementation?"

RQ3: "How could the experiences of leaders leading and implementing Affirmative Action provide guidelines for future BBBEE strategy implementations?"

4.3.1 Findings related to Research Question 1

RQ1: "How do senior leaders tasked with leading and implementing Affirmative Action as part of a BBBEE strategy perceive Affirmative Action?"

Table 6: Perceptions of Affirmative Action.

Source, researcher's own construct

Item	Response	Frequency
1	Diversity and Inclusion has business value	10
2	Affirmative Action is still necessary in South Africa	10
3	Affirmative Action is poorly implemented	10

Participants shared the perception that in the South African context, when people, consider Affirmative Action, the largest component that comes to mind is racial inclusion. This is followed by gender as the secondary consideration with disability as the last consideration, that is, if it is considered at all. Other types of diversities mentioned in the Employment Equity Act 51 of 1998 are rarely considered. Participants viewed this as a disservice to the intent of the Act of economic inclusion for all and diminishes the value of diversity in the workplace. Participants further expressed a need for Affirmative Action to cast a wider net and include a consideration for the diversity of skills required in the workplace today as the world of work moves away from jobs and roles to skills and their transferability across areas of work.

Participants regardless of race and gender, related various and at times conflicting perceptions of Affirmative Action, however participants indicated a common appreciation of the value of diversity in teams and its ability to enhance business performance through diverse thoughts, views, and ways of work.

"My perception of Affirmation Action is mixed. We need more diversity in teams, that's a no brainer. It makes great business sense to have divergent thinking when making decisions. When you build a team, you want people with different backgrounds and experiences so you can leverage a broad spectrum of strengths. However, my perception is mixed because I have seen that the way we implement Affirmative Action

is not right. We focus on numbers and do not always hire the best person for the role." *(RP8)*

"The focus on legislation when we talk about creating inclusive work environments can distract people from the necessity to have teams that are representative of everyone in our country in terms of race, gender, disability, sexual orientation, and all other points of difference. If the moral imperative for diversity does not appeal to a leader, the bottom-line view should: It's good for business to have people around the decision-making table who think differently and see the world differently." *(RP7)*

In the research of Galisky *et al.* (2015) on maximising the gains and minimising the pains of diversity, the results of the study aligned to this study in that diversity improves complex thinking, innovation, decision-making, and productivity within a group especially in the workplace. In line with the findings of this study, Banks (2012) states that embracing diversity in the workplace and valuing the benefits that diversity brings to a team, involves expressing tolerance, equality, and humanism exhibited in the behaviours of individuals in their interactions with colleagues on a daily basis. Yilmaz and Boylan (2016) add that the acknowledgement of the value and need for diversity in teams, empowers individuals to positively work towards creating a safe space for people from different backgrounds to speak and contribute freely and without fear in a team, enhancing the contributions that all team members make, ultimately improving business outcomes.

A leader's beliefs about diversity, its value and benefit, further has an impact on organisational performance in that positive leader beliefs about diversity, positively impact organisational performance (Turi et al., 2022). This is further supported by the perspective that employees take lead from their leaders when it comes to beliefs about diversity in the workplace and positive employee views on the way in which diversity is managed within an organisation, have a positive impact on organisational performance (Downey, Van Der Werff, Thomas & Plautt, 2015); Duchek, Raetze & Scheuch, 2020). A leader's beliefs about diversity are a key determinant for their commitment to promoting a work environment characterised by respect, understanding and tolerance as part of diversity management (Jin, Lee & Lee, 2017).

This emphasises the criticality of the role of the leader and their perceptions of diversity and diversity management as employees take their lead from the leaders within the organisation as the role models for tolerated behaviour.

Further, all participants reflected that while they value diversity in teams and can vouch for its benefits in a team, in a country with a deep racial history such as South Africa, there remains a need for legislation to govern humanism and fairness in the workplace across races as the natural inclination remains as the promotion and advancement of those who are most like us even at senior leadership levels. This is because of the personal biases that everyone within the country carries based on their experiences of injustice and the indoctrination of their upbringing which still affects their leadership today.

"Legislation like Affirmative Action remains critical in South Africa because despite the many years it has been since the advent of democracy, leaders in the country still lack the maturity to lead diversity and that can be seen through the many transformational targets that are not met year on year in the business. This is because our unconscious biases from our upbringing, experiences, and exposures as leaders, make us seek out people who look like, think like, and speak like us especially in the workplace where we have performance targets to meet." (RP9)

"We need to honest as individuals and leaders, we need legislation like Employment Equity and Affirmative Action because we carry so much bias with us, some so ingrained through our upbringing and experiences that we don't see it until someone points it out. We want to work with people who make us feel comfortable, who also make us feel like we belong and that affects who we hire, who we develop and who we promote. For example, when we see an application from someone who does not hold a formal qualification, we question their intelligence and when we interview a young mother, we question their commitment." (RP3)

Affirmative Action is focused on the fair recruitment, selection, development, promotion, and retention of skilled Black people in the workplace (Roman & Mason, 2015). According to Booysen (2007), the successful implementation of Affirmative Action in the workplace as a mechanism to drive diversity and inclusion requires

commitment from senior management to put purposeful actions behind transformation rhetoric. The leader's worldviews, biases and stereotypes have a profound impact on the leader's perceptions on affirmative action and the resultant pace of transformation (Magubane, 2019).

Moreover, participants shared that the slow pace of transformation in the banking sector indicates lip service to the value of diversity and inclusion. A number of participants shared that the existence of excessive transformation within insignificant levels of leadership in the organisation reflect that there is no real intent on the most senior leaders of the organisation to bring diversity and inclusion into the decision-making table therefore there is no intent for real, meaningful change.

"Affirmative Action is necessary as it is forcing organisations to do the right thing. If you just look at the statistics across the banking industry in South Africa, you can see that banks like most companies are filling the bottom rungs of the organisation with Black people, in roles that don't make any significant decisions. Where the real things happen at executive level, you can count the Black leaders on your hand." (RP1)

"Legislated diversity is crucial in a country like ours where most private companies are still led by white males. What is scary that when we see a Black leader in a senior position these days, we question who is really pulling the strings and making the decisions in the background. That means while we know the intent of BBBEE and its related legislation, we know that how its applied in practice is for show." (RP10)

The pace of transformation within organisations can be directly linked to leader views on transformation i.e., where decision making, and execution leaders have a negative perception of Affirmative Action, the pace of transformational change is slow (April & Govender, 2022). This has been found to be particularly true in the South African financial sector where this study is situated, as studies have indicated that leaders within this sector do not perceive Affirmative Action to be value adding legislation, disingenuously setting transformation targets without the required action to achieve these targets (Mayiya *et al*., 2018). On the other hand, where leaders perceive Affirmation Action to be an organisation's ethical and moral imperative and is implemented as such, they are found to be motivated to initiate and sustain effective

Affirmative Action strategies thus more inclined to meet transformation targets (Ashikali & Groenewald, 2015; Raghu, 2018).

Participants further shared a common view that Affirmative Action is not always applied correctly across corporate South Africa and in particular the banking industry within which they operate, leading to diversity measures being linked to corrupt behaviour or jobs being given to undeserving individuals at a high organisational cost. This raised an outcry for Affirmative Action to be applied correctly and consistently in balancing diversity with qualifications and experience so that Affirmative Action is mentally and emotionally connected to high organisational performance instead of corruption, failure to perform and inevitable organisational failure.

"It is critical that when we look at the legislation around diversity in the country, we look at it wholistically so that we don't lose the essence of what the country leaders are working towards with the legislation. In the country, we focus a lot on diversity in terms of quotas in our hiring, development, and promotions but we forget the inclusion bit in that we don't always hold our leaders accountable to whether those individuals brought in through Affirmative Action feel their knowledge, skills, and expertise matter. We further don't ensure that these individuals have the appropriate powers for critical decision making. This is why we have senior female leaders with a seat at the proverbial table without the voice that is meant to come with the seat." (RP5)

"Affirmative Action has its place in directing business behaviour however more needs to be done to hold organisations accountable to see people as individuals with ambitions and aspirations and not just a means to a BBBEE end. A person is valuable just because they help you meet a quota." (RP6)

"Legislation like Affirmative Action has its place however in the workplace, we are dealing with real issues of constant change, employee burnout and high attrition. When succession plans are heavily focused on colour as opposed to a heavy focus on skills, we run the risk of eroding shareholder value. The application of Affirmative Action must be true to its words and ensure that individuals promoted through such initiatives don't only have diversity to offer but also bring high performance and an alignment to organisational values to the table." (RP2)

Lee (2016), similar to this study, articulates a conflict between what leaders view as the intention of diversity and inclusion legislation in South Africa, and the perception that the legislation is in fact a barrier to organisational performance. These studies reveal that the intent of BBBEE legislation to promote organisational performance through the removal of unfair and discriminatory employment practices that prohibit organisational populations to be reflective of societal populations is not always the lived experience of individuals in corporate South Africa.

While there seems to be consensus on the value and the positive impact of diversity on organisational success, there seems to be conflicting views on the implementation of legislation such as Affirmative Action aimed at enforcing diversity and inclusion in the workplace resulting in a lack of trust in organisational diversity and inclusion efforts and initiatives. The findings highlight a distinct need for the ethos of Affirmative Action to return to business operations, that is, to steer away from Affirmative Action as a tick box exercise but to return to it as a means for the creation of equal opportunity in the workplace such that every South African is afforded an opportunity to participate meaningfully in the country's economy. This conflict between intention and application even in leader's minds, appears from the research to have an impact on the leader's eagerness or lack thereof in working towards employment equity targets within the organisation.

4.3.2 Findings related to Research Question 2

RQ2: "How do senior leaders tasked with leading and implementing Affirmative Action as part of a BBBEE strategy make sense of their leadership role and experiences as they navigate the change implementation?"

From the participants responses to this question, emerged three themes that reflected the thought and sense making processes of the leaders as they lead Affirmative action initiatives:

a. **Theme 1:** The role of personal conscious and unconscious bias in leadership
b. **Theme 2:** The perceived tension between transformation and performance
c. **Theme 3:** The obligation to challenge the status quo.

4.3.2.1 Theme 1: The role of personal conscious and unconscious bias in leadership

Participants shared how their experiences have led them to the acknowledgement that as a leader you need to acknowledge and challenge personal biases. This is a critical step before being able to positively influence other leaders on diversity and inclusion within the workplace. Participants further shared how conscious and unconscious biases play a pivotal role in leading diversity management because if a leader is unwilling to confront their own biases, they continue to hire people who look and speak like them, and diminishing the potential of those who don't by denying them access to opportunities. This then leads to over representation in many teams and a lack of accountability for this practice.

"In the workplace we hire for comfort first. We want to hire the people who will be less difficult for us to manage. We want people that we can trust quickly, get along with quickly and in our minds, produce great results with quickly too. So, we remove barriers caused by differences which predominantly include race, gender, language, and culture because we don't want to have to watch what we say and how we say it. I have come to learn that as a leader, I am an imperfect human and want this comfort, so I have been intentional about building the skills that for me are foundational for true diversity and inclusion: self-awareness, empathy, patience, tolerance, understanding, and acceptance. I further encourage my team including the leaders who report into me to do the same. With these skills, as a team we are able to challenge ourselves and each other on our biases when they show up in our people practices especially where diversity and inclusion are concerned." (RP3)

"I have seen our organisation, and many other organisations hire disabled people to meet targets but keep those disabled individuals in the same roles for decades. There was no concern for the aspirations of these individuals and no regard for the skills that these individuals could bring given the opportunity. It is so hard for some leaders to see beyond someone's disability and more needs to be done to ensure organisations don't pay lip service to transformation." (RP6)

In line with this study, Mayer, Oosthuizen and Tonelli (2019) highlight that in order for diversity management to move beyond the superficial and address core issues of

unconscious bias in hiring, development, and promotion practices especially at senior leadership, leaders require the skills to challenge their own biases first and then the skill to speak up and challenge the status quo. Nomadolo (2021) adds to the discourse by stating that leaders have a duty to responsibly apply the Employment Equity Act within the confines of the South African constitution and avoid internal organisational practices that create discrimination against other groups in the workplace. The opportunity for positive leadership experiences in the leadership of Affirmative Action therefore lies a common understanding of the intent and principles of Employment Equity across the leadership body and accountability for the consistent implementation of this legislation (Fleischmann & Burgmer, 2020).

"I learnt the biggest leadership lesson during COVID as I got to know each of my team members on very personal levels. I got to meet their families, be in their homes and share in their losses. This gave me a new perspective into the reasons behind my team's personal aspirations. I had not seen my own biases before this. With this new understanding of my people, I was able to better focus my attention beyond diversity (the right people in the right roles) to inclusion (people feeling like they matter), while we are not perfect, it significantly shifted how we engaged with each other. We were able to be more respectful of each other's differences and for example, make it safe for people to seek out better work life balance so that they can spend meaningful time with their families." (RP7)

The challenges of leaders implementing Affirmative Action can be personal in nature because of personal biases and experiences relating to diversity management in the workplace (Fleischmann & Burgmer, 2020). In the fast paced, disruptive VUCA world, we live in today, the call on leadership to step up diversity and inclusion efforts and ensure enhanced collaboration within teams is high, requiring leaders to place their egos and personal attitudes on diversity aside and do what is required for the success of the organisation which is to foster positive relationships within teams (Kornelsen, 2018).

4.3.2.2 Theme 2: The perceived tension between transformation and performance

As part of unpacking how these leaders make sense of their experiences leading BBBEE initiatives, participants shared that the challenge of high attrition within the organisation led them as leaders to a place where they felt they had to make impossible choices that seemed to go against the pursuit of transformation in terms of race, gender, and disability so that immediate team performance and goal attainment can be achieved. This unearthed the perception that in the short term, the goals of transformation and performance are not aligned and that one had to be chosen over the other, however, in the long run, transformation benefits have the potential to lead to performance benefits for the organisation.

"The rate of churn is so high now that our succession plans cannot keep up. It takes time to develop someone, and our challenge is that we cannot risk placing a successor in a role when they are not ready because they will perform at 60% for example and burden the rest of the team with the 40% they cannot perform, its counter-intuitive. In these instances, I have to look at talent more broadly focusing on skill and ability to hit the ground running with race and gender being secondary to this. Having an individual with the right behavioural, technical and technology skills, becomes my ultimate concern as we must deliver value to shareholders." (RP2)

"I am all for diversity and inclusion, and having teams where everyone in the team feels acknowledged and accepted, and where the team can benefit from our varying experiences and expertise because we openly share these with each other. However, I also know that my senior leadership team is not diverse at all, it is all white. We are losing emerging talent of colour because when they look at us at the top, they don't see a single face that looks like theirs and they feel they don't belong. It is something we want to change over time, but it has been extremely difficult with the many structure changes, big projects, and tough deadlines. Our area is extremely technical so to become more diverse at the top, we need to develop a strong pipeline but with everything we are facing, development has taken a back seat to delivery, and we have suffered as a result. It's a very difficult thing to navigate right now." (RP4)

The perceived conflict between diversity and performance arises from a misconception that homogeneity within a group leads to greater cohesion and effectiveness (Fernandez-Temprano & Terejina-Gaite, 2020). However, research suggests that diverse teams often outperform homogeneous ones due to their ability to leverage a broader range of perspectives, experiences, and skills (Wang, 2023). While diversity may introduce challenges such as communication barriers or conflicting viewpoints, effectively managed diverse teams can over time capitalise on these differences to foster creativity, innovation, and problem-solving (Song, Yoon & Kang, 2020). By embracing diversity, organisations can enhance their adaptability and resilience in an increasingly complex and interconnected world, ultimately leading to improved performance and competitiveness (Kim & Lee, 2023). Thus, the perceived conflict between diversity and performance can be reframed as an opportunity for growth and success when diversity is embraced and leveraged effectively.

"The restructures we have undergone in the past while have led me to take a decision to hold back on filling vacancies, it's a very unstable environment and it did not feel right to bring new people into that level of uncertainty. I worked with the team to ruthlessly reduce wasteful work and with the pause on recruitment, we reduced our team from 110 to 70 individuals. I utilised this exercise to provide the team with opportunities for stretch and development including the growth of Black talent. It has been a fine balance between empowerment and accountability because as people made mistakes in their stretch roles, I had to ensure that it is taken as part of growth and harsh punitive measures are not taken against these individuals. I have had to take ultimate accountability for this as the executive leader and it has not been an easy journey." (RP7)

"My perception of Affirmative Action is mixed because I have seen that the way we implement Affirmative Action is not right. We focus on numbers and do not always hire the best person for the role. I once lost a role to someone of colour after I was told I was the best candidate. I then had to sit back and watch that person of colour struggle to perform and not be supported within that role, it made no sense at all." (RP8)

In this study, it was interesting to note that the views related to the negative tension between transformation and performance emerged from interviews with male

participants with the majority being white males. Female participants did not appear to factor this into their sense making process.

Affirmative Action remains a key necessity especially in the South African private sector where Black, female, and disabled employees remain under-represented especially in positions of material influence and power (Nkomo *et al.*, 2015). However, attitudes towards Affirmative Action are often negative even at the level of leaders who are tasked with implementing these policies as

I.   White leaders tend to feel that Affirmative Action is designed to unfairly reward people of colour in the workplace without consideration of merit and achievement and

II.   Black leaders tend to feel that Affirmative Action perpetuates the stereotype that Black employees are of inferior quality and did not work hard for their achievements (Booysen, 2007; Myeza & April, 2021).

4.3.2.3 Theme 3: The obligation to challenge the status quo.

Participants within this study detailed that while the leadership of diversity and inclusion through the implementation of Affirmative Action in recruitment, development and promotion practices was not an easy one, however, despite the challenges, it was a rewarding one. The reward was articulated by participants as moments where they could prove the value of true diversity and inclusion and use their leadership voice to call out behaviour that is in not in line with the organisation's intent around diversity and inclusion.

"In my experience, I have found that leading Affirmative Action or race, gender and disability transformation with a team did not feel positive at the time but when I look back, I think positively on those experiences. I had a vacancy in one of my teams, where the role required future focused digital skills, and the best candidate I found was a white female. At the time, there was a mandate out to fill roles with Black talent and this candidate obviously did not meet this criterion. I had to complete forms to justify why this candidate and explain what efforts I had made to look for talent within the set parameters. It wasn't a great experience, but I knew I had found the "one". I was given

the approval, and my candidate joined the team. I then faced backlash from the Black community on why I didn't look out for own people and hire one of us. Despite all of this, my hire proved to be the best thing for the team, she worked extremely hard, excelled in all she did and even helped other team members elevate their work." (RP1)

"As a senior leader, my leadership duty includes ensuring that the leaders within my team, also understand the value of diversity and demonstrate this understanding in who they hire, develop, and promote. My responsibility is to call out bias when I see it and guide my team towards recruitment decisions that will benefit the team and organisation. I have had many instances where I have had to challenge my team when we have vacancies, and they say they cannot find anyone in the market with the right skills, experiences, and exposures. I have come to learn that this is code for "I cannot find anyone in the market (who looks like me, has a similar background to mine and qualified in the same (level of) firm as me)". This has delayed a number of recruitment efforts while the team carries the load for the open vacancy, but I truly believe that these hard times were worthwhile when I look at the talent across the team." (RP9)

In the context of the 5th Industrial Revolution, the need for leaders who persistently advocate for diversity and inclusion remains paramount. In a rapidly changing global landscape, diverse perspectives are crucial for driving innovation and addressing complex challenges effectively (Kumar, et al., 2023). Moreover, leaders who prioritise diversity and inclusion ensure that the benefits of innovation are equitably distributed across diverse populations. In line with the findings of this study, leaders who champion diversity foster a culture of openness, respect, and collaboration, which not only attracts top talent but also enhances organisational adaptability and resilience (Barber, 2023). By standing firm in their commitment to diversity and inclusion, leaders not only promote social justice and equality but also position their organisations for long-term success in the dynamic and competitive landscape of the 5th Industrial Revolution.

"Diversity and Inclusion must be practical in that we need to focus on what happens once people are in the role – do they have the same pay; do they have the same decision-making rights and are they heard in the same way as their counterparts. Leadership quality becomes critical to having Diversity and Inclusion that actually

works because it requires taking unpopular decisions and doing the right thing despite the views of others. I have made it my mission to focus on the gender pay gap in the bank, utilising my influence to correct discrepancies in the pay between men and women in our space where individuals have the same education, experience, and exposures. I am proud of the difference I have been able to make for the individuals and the organisation as well." (RP5)

"The experiences that have positively shaped my views on leading diversity and inclusion within the bank have been when I have managed to shift the views of my peer senior leaders in three things:

1. *We need to stop looking for unicorns (perfect people when we hire). We should hire people who have 70% of the things we need and have the willingness and ability to learn the rest.*
2. *We need to stop centering development efforts and career progression around extroverts and embrace the quiet wisdom of introverts. We lose out on the potential of so many people because of this.*
3. *We must challenge the status quo and not be afraid of the brand perception around challenging other senior leaders when they misuse diversity legislation." (RP8)*

Affirmative action aims to achieve equality in both qualitative and quantitative diversity and inclusion measures in that while it drives representation targets and measures, it also pursues longer lasting inclusive practices (Carrim, Scheepers & Moolman, 2022). Positive leader experiences of driving diversity and inclusion are associated with the ability to steer these transformational processes with a balance of the qualitative and quantitative aspects taking into cognisance the business and people implications (Golele & Rachidi, 2017). This means the effective use of Employment Equity to tap into the potential performance of a diverse workforce for now and in the future through effective succession planning (Mayer, Oosthuizen & Tonelli, 2019). In line with this study, the above studies indicate a significant leadership challenge to ensure that affirmative action measures are followed up by appropriate learning, development, and talent management measures so as to not set Black employees up for failure in the workplace.

4.3.3 Findings related to Research Question 3

***RQ3**: "How could the experiences of leaders leading and implementing Affirmative Action provide guidelines for future BBBEE strategy implementations?"*

It is imperative to highlight that the participant's responses to this question began with an articulation of the fact that the experience of having a senior leadership seat and especially a large team leadership seat within a multinational banking institution in South Africa can be extremely demanding and daunting. From the participants responses to this question, emerged two themes that indicated how the experiences of leaders implementing Affirmative Action as part of an organisatiional Employment Equity plan could provide guidelines for future BBBEE implementations:

a. **Theme 1:** Organisational system obstacles to successful implementation of transformational change
b. **Theme 2:** Key Skills required by leaders to successfully implement transformational change

These themes are described and detailed below.

4.3.3.1 Theme 1: Organisational system obstacles to successful implementation of transformational change should be removed

Participants relayed obstacles to successful leadership of BBBEE initiatives. Key sub-themes relating to the organisational system obstacles faced by the participants as they reflected on past and present leadership experiences began to emerge. These obstacles varied from individual to individual however collectively provide an outline of key considerations for leaders and organisations undergoing BBBEE strategy implementations. These have been detailed in the table below.

Table 7: Obstacles encountered leading a BBBEE initiative.
Source, researchers own construct

The table below provides a summary of the obstacles encountered by senior leaders within a multi-national bank in South Africa while leading a BBBEE initiative.

Item	Obstacles	Frequency
1	Endless operating model changes leading to organisational restructures which negatively affect employee numbers, the ability to recruit, team performance, and morale.	7
2	Lack of accountability for leaders who do not meet transformation targets.	8
3	Lack of accountability for leaders who are abusing legislation by oversubscribing teams with Black or white team members.	7
4	Lack of recognition and reward for leaders who do the right thing, meet transformation targets, and move towards building inclusive team environments.	6

The above summarised obstacle themes from the participants highlight that there are organisational system related obstacles that leaders face when leading transformative change. The research participants referenced critical organisational considerations such as operational stability, accountability, reward, and recognition, as pivotal. These items are foundational items that according to the participants create an environment conducive to transformational change, transparency, and effective communication with employees as the change occurs. These further set the tone at an organisational level for accepted behaviour and actions that will not be tolerated as they go against the organisation's stated purpose and values. Without these, participants were of the view that the organisation needs to acknowledge that it is paying lip service to transformation.

Endless operating model changes

"The restructures we have undergone in the past while have led me to take a decision to hold back on filling vacancies. We reduced our team from 110 to 70 individuals. Morale has been low as individuals are feeling the stretch in their portfolios and wellbeing has become a significant concern. People are feeling unsafe in their roles as they do not know when the next restructure is coming so we are losing people rapidly." (RP7)

"Our people are battling burnout, exhaustion and poor mental health because of the never-ending restructures that increase anxiety and increase team load as vacancies are generally put on hold and teams must make do with reduced resources. This has led to high employee churn, and as a result, we are constantly dealing with resignations, retirements, and international relocations. It is hard to deal with that and still be concerned with transformation numbers." (RP2)

"We are losing emerging talent of colour because when they look at us at the top, they don't see a single face that looks like theirs and they feel they don't belong. It is something we want to change over time, but it has been extremely difficult with the many structure changes, big projects, and tough deadlines." (RP4)

Leadership is an important key to the successful implementation of Affirmation Action as decision makers and the bar against which employees base what is deemed to be appropriate and rewarded organisational behaviour (Mayer, Oosthuizen & Tonelli, 2019). Gatcher and Renner (2018) add that leaders act as role models for appropriate beliefs and behaviours and as a result may influence the beliefs and behaviours of followers therefore it is crucial for senior leaders to role model a commitment to transformation over and above being a collective coalition driving transformative efforts. When leaders are perceived to use operational structure changes as a reason to not be deliberate about diversity and inclusion, this becomes the language used within the organisation and as a result, younger leaders adopt what they see from senior leaders and change does not occur.

Lack of leadership accountability and reward

"As an organisation, we are taking steps towards realising the true value of diversity, but we still have a way to go. As a senior leader, I have a leadership goal to meet race and gender targets in my team for BBBEE purposes, but disability is not a metric against which I have been measured or held accountable for. If I meet the diversity targets or even go beyond the transactional and actively drive diversity and inclusion in my space, I am not recognised or rewarded for this, it becomes something I am simply expected to do. However, in the same breath, there is no consequence management for leaders who do not meet their transformation targets year on year, this seems to be something that can be explained away." (RP6)

"While diversity and inclusion boil down to ubuntu (humanness) and should be ingrained in our everyday interactions, for it work in a corporate environment, it requires collective leadership action aligned to our organisational values, leadership ethos, performance management and reward. My biggest challenge in leading transformational change in my space as a senior leader is that there aren't enough people assigned to this task in the organisation. I sometimes feel like I am fighting alone against old leaders stuck in old mindsets. In an organisation of over 40 000 people, there are only 6 people in the Diversity and Inclusion team. These 6 people, work with smaller forums within business however these forums do not have a seat, voice, or power at executive decision-making tables and as a result fail to hold executives accountable for sluggish progress towards transformation and adequately support the leaders to make the required leaps." (RP5)

"I do my best to create teams where there is adequate diversity and an inclusive culture, but I feel like it seems diversity and inclusion are a concern for some leaders and not all in the organisation. We typically focus on under representation and not consider over-representation. As a senior leader, I can easily hold leaders who report into me accountable for either under or over race or gender representation but there does not seem to be appetite for robust discussions about this at the executive table I sit at. Among my peers, we "gently" call out teams who are under-represented because they have the potential to significantly affect our targets and therefore our pay, but we do not call out the teams that have no white people or no males because

we use their over-representation to balance our failures in other teams. However, in an environment where we are saying we are fostering belonging for all our employees, we should equally call out reverse discrimination when we see it." (RP9)

As an increasing number of organisations realise the increasing complexity of diversity management and the transition towards inclusion, leaders have a significant role to play in the success of this transition and should thus be held accountable for their impact (Kuknor and Bhattacharya, 2021). Molinaro (2015) describes leadership accountability as the leader's commitment to delivery on agreed outputs including taking complete personal ownership for their behaviour while driving delivery. Leadership accountability can be directly linked to the leader's and organisation's values and beliefs (Chua, Sun & Sinha, 2023). This means that leaders who believe in the value of diversity feel internally accountable to organisational transformation efforts and in turn, organisations who believe in the business rationale for a diverse workforce put in measures to ensure leaders are acting in accordance with that belief (Ng & Wyrick, 2011; Wang *et al.*, 2019).

Grobler, van Wyk and Magau (2019) concur with the findings in this study when they suggest that the leadership of BBBEE implementation is complex and challenging but can be successful when there is:

a. leadership buy in based on aligned values and beliefs.
b. leadership willingness and commitment to the hard work that must be done for the benefit of organisational sustainability.
c. and a spirit of continuous learning and improvement in the way in which transformation is carried out.

Meaningful transformation across all organisational levels especially senior leadership will only take place with recognition of those who transform and accountability for those who do not (Wachira, 2020).

The experiences shared by the participants further indicated honest reflections on the state of transformation within their teams and the bank, providing the participants with a sobering realisation that every leader's actions count in the journey towards true diversity and inclusion. Based on the interviews conducted, it appeared that the challenges experienced related to leading a BBBEE initiative were raised by both white

and Black leaders as well as male and female leaders albeit in varying degrees. The responses of the leaders to these challenges also differed in that while some leaders felt disempowered by these challenges, others viewed the challenges as opportunities to think differently and think outside of the proverbial box to drive diversity and inclusion in the midst of endless organisational change.

4.3.3.2 Theme 2: Key Skills required by leaders to successfully implement transformational change should be developed

As participants shared their reflections on how they make sense of their experiences, what emerged are the lessons that the leaders have taken out of each experience for themselves as individuals and for the leadership of their teams going forward. This was shared with increased engagement by moving closer to the screen and a sense of optimism for the future. This indicated that the pursuit of a lesson or takeaway from a difficult experience related to what the leader could improve in the future may be a critical component of a leader's sense making process for growth to occur. The key skills that emerged from the discussions with the leaders have been summarised in the table below and provide insight into leadership development requirements for a successful BBBEE implementation.

Table 8: Skills Required to lead a BBBEE Initiative.

Source, Researchers own construct

Item	Key Skills / Leadership Models	Definition
1	Self-awareness in terms of personal biases	Individual alertness to implicit biases and their contribution to attitudes and behaviours in a racial context (Ricks, Abbyad & Polinard, 2021).
2	Integrity – rooted in a value system	Personal character fuelled by formal (documented) and informal (observed) values (Roszkowska & Mele, 2021)

3	Cultural intelligence	An individual's capacity to function effectively in a socially and culturally diverse setting (Wang & Goh, 2020).
4	Emotional intelligence	An individual's ability to recognise, express, comprehend, and manage own and other's emotions (Bru-Luna *et al.*, 2021).
5	Grit	An individual's tendency to diligently pursue long term goals despite challenges (Datu, 2021).
6	Transformational leadership	A leadership style in which the leader focuses on the follower's strengths and uses this focus to inspire and motivate the follower to show personal initiative and self -lead (Bakker *et al.*, 2023).

"The thing we really need to change is how we develop leaders in the organisation. If we want upcoming or growing leaders within the organisation to do things differently, we need to encourage transformational leadership from the get-go. We need to expose young leaders to diverse environments through secondments early on in their careers so they can speak about the value of diversity from experience." (RP10)

From a leadership style perspective, Ashikali and Groenewald (2015) posit that where leaders adopt a transformational leadership style, employee develop attitudes and display behaviours that positively contribute towards a diversity culture that decreased intolerance and encourages openness to others. This is supported by Boyatsiz, Rochford and Taylor (2015) stating that transformational leadership increases the value derived from diversity at an individual and team level through positive role model behaviour, a focus on the greater good of the group instead of individual pursuits and an imparting a sense of pride for being a member of the organisation. The behaviours

or antecedents of transformational leadership are self-efficacy, emotional intelligence, social intelligence, cultural intelligence, and openness (Lisak & Harush, 2021).

We need to role model the right behaviours as senior leaders so that younger leaders do not face the challenges we face of wanting to do the right thing but find push back at the executive table for wanting to act with integrity on matters of diversity and inclusion. We need to demonstrate speaking up, holding each other accountable without the fear of career suicide." (RP5)

"Our training covers how to hire, that is, how to go through CVs, run interviews, the process…it does not adequately cover diversity and inclusion considerations, conscious and unconscious biases as well as ethical dilemmas. As leaders, we also don't tell young leaders the truth, we don't openly share our own experiences. Nothing is going to change if these things don't change." (RP1)

Senior leaders serve as crucial role models within organisations, embodying the values, behaviours, and principles that shape the organisational culture (Keith, 2023). As such, it is imperative for senior leaders to actively invest in the growth and development of junior leaders. By providing mentorship, guidance, and opportunities for skill-building and leadership experience, senior leaders cultivate a pipeline of talent that can drive future success and innovation (Irby *et al*., 2023).

Additionally, senior leaders have the unique ability to create a supportive and inclusive environment where junior leaders feel empowered to take on new challenges, voice their ideas, and contribute to the organisation's vision (van Doorn, Heyden & Reimer, 2023). Through their own continuous learning and personal growth, senior leaders demonstrate the importance of lifelong development and inspire junior leaders to strive for excellence. Ultimately, by nurturing and empowering junior leaders, senior leaders not only ensure the sustainability of their organisations but also leave a lasting legacy of leadership excellence.

"We have to be intentional about building the skills that for me are foundational for true diversity and inclusion: self-awareness, empathy, patience, tolerance, understanding,

and acceptance. We need to include these in our programmes when young leaders join and reinforce them in the way we do things within our teams." (RP3)

In their research on the competencies required for successful diversity management, Visagie, Linde, and Havenga (2011) align to the findings of this study by detailing that leaders need to the following skills for successful diversity management:

a) **Introspection and self-management**

I. ***Introspection***: Introspection refers to the process of examining one's own thoughts, feelings, and experiences. It involves self-reflection and internal observation to gain insight into one's motivations, beliefs, and behaviors. Introspection can be a valuable tool for personal growth, self-awareness, and understanding oneself in relation to others and the world (Hewawasam, 2022).

II. ***Self-management:*** Self-management involves the ability to regulate and control one's emotions, impulses, and behaviors in various situations. It encompasses skills such as self-control, resilience, goal setting, and time management. Effective self-management enables individuals to navigate challenges, maintain focus and motivation, and achieve desired outcomes while also promoting overall well-being and success (Wheeler *et al.*, 2020).

b) **Integrity**

Integrity, particularly in the context of leadership, refers to the adherence to moral and ethical principles, consistency in actions and decisions, and the alignment of behavior with stated values and beliefs (Ahsan, Zia-ur-Rehman & Ramay, 2022). Leaders with integrity demonstrate honesty, transparency, and accountability in their interactions with others, fostering trust and credibility within their teams and organisations (Wei, O'Neil & Zhau, 2020).

c) **Cultural empathy**

Leaders with cultural empathy demonstrate sensitivity, curiosity, and openness towards different cultural norms, customs, and communication styles (Garcia, Lu & Maurer, 2012). These leaders strive to bridge cultural divides, foster inclusivity, and create environments where all team members feel valued and

respected (Pedersen & Pope, 2010). When leaders demonstrate cultural empathy, they are able to effectively navigate cross-cultural interactions, build meaningful relationships, and leverage the diverse talents and perspectives within their teams or organisations to achieve shared goals (Kapikiran, 2023).

d) Communication that fosters collaboration, and conflict resolution

Communication that fosters collaboration and conflict resolution, particularly in the context of leadership, refers to the skilful exchange of information, ideas, and feedback aimed at promoting cooperation, consensus-building, and the effective resolution of disputes or disagreements within teams (Klaic, Burtscher & Jonas, 2020). Leaders who excel in this type of communication demonstrate active listening, clarity in expression, and empathy towards differing viewpoints (van de Voet & Steijn, 2021).

e) Emotional intelligence

Emotional intelligence in leaders involves recognising and managing both personal and follower emotions effectively. It encompasses self-awareness, empathy, and emotional regulation, enabling leaders to build strong relationships, communicate persuasively, and navigate conflicts with tact (Lubbadeh, 2020).

f) Hardiness and a tolerance for ambiguity

I. Hardiness

Leaders who exhibit hardiness are characterised by their capacity to maintain a positive attitude, persevere through difficult circumstances, and bounce back from setbacks with determination and resilience (Judkins, Moore & Colette, 2020).

Tolerance for ambiguity

Leaders with a high tolerance for ambiguity demonstrate comfort with ambiguity, flexibility in decision-making, and the ability to thrive in environments where outcomes are uncertain or unpredictable and make decisions despite this context (DuBrin, 2022).

The above skills and definitions are in line with Genkova and Schreiber (2022) who suggest that for successful diversity management, leaders must display skills of self and contextual awareness, openness to diversity, fairness, and adaptability. Saberi (2012) adds that emotional intelligence as a competence that leaders possess or develop has a positive impact on the leader's ability to manage diversity within an organisation and should thus be a focus for organisations wanting to be successful at diversity management.

The participants further emphasised that while there is a role that the organisation needs to play in creating a conducive environment for transformational change, the leader needs to be ready for the responsibility of leading this change through mental and emotional preparedness found by equipping themselves with the continuous learning and development required to successfully deliver diverse and inclusive workplaces for employees.

4.4 Discussion through the lens of the TIPS Managerial Framework

Figure 8: The TIPS Managerial Framework, Da Vinci Institute (2020)

The framework aims to provide an awareness to the integration of Technology, Innovation and People from a systems thinking perspective in organisations towards the realisation of an aligned, engaged and agile workforce (Da Vinci, 2020). The management of technology is concerned with the ways in which an organisation is able to leverage technology to improve its operations, products, or services for competitive advantage. The management of innovation is focused on the ability of an organisation to harness the power of the innovation process to improve products or services for commercial advantage. The management of people on the other hand is concerned with the sustainability of the organisation through employee engagement. The Da Vinci Institute's TIPS Managerial Framework intends to contribute to the field of Business Leadership and as such is a critical anchoring for this study, particularly the People and Systems Thinking components as this study is focused on exploring transformational leadership in a banking context.

The study's alignment to the TIPS framework can be described as follows:

Systems thinking involves exploring component parts of a system, their interconnectedness, and interactions so as to gain an understanding of how the interconnections affect overall system performance (Mcnab *et al*., 2020). The examination of the links between the parts of the system and the system's performance produces an understanding of where synergies could be realised, and value maximised through synergies for the benefit of the whole (Arnold & Wade, 2015). This study focuses deeply on the inter-relation between leaders with diverse backgrounds and their leadership of followers who come from races, cultures and differ in terms of gender within an organisation, all of this while balancing transformative legislation such as BBBEE. A systems approach is necessary in this regard and is aligned with the perspectives raised by the participants of the study in their responses in that these internal transformation related interactions between leaders and followers during the implementation of BBBEE initiatives, affects individual, team and organisational performance which has implications for shareholder value.

At an ecosystem level; The study of BBBEE is a critical one for the country as a whole as the South African government is continuously reviewing how it can promote diversity and inclusion in workplaces, in the pursuit of social justice and economic inclusion. The findings of the study point out that while many researchers and authors have questioned the continued need for BBBEE given that the country has been in democracy for over 30 years and transformation has occurred, participants in this study provided the view that BBBEE is still required, especially the components that were focused on within this study being Employment Equity and Affirmative Action as transformation has been slow and inclusion has not been fully realised (Ntingi, 2020; Nonyukela, 2023; Nwosimiri, 2021). Participants in this study, hold the perspective that a number of large banking institutions in South Africa are headed up by white males and white females to a lesser extent, who whether acknowledged or not, carry personal biases against other races and genders that remain unaddressed.

Those who oppose the continuation of BBBEE further explain that BBBEE creates opportunities for corruption while promoting tick-box exercises of equality that have failed to yield anticipated results of economic inclusion for all (Bishop, 2023; Mbolekwa, 2024). The individuals opposed to the continuation of BBBEE do align with the participants of this study when they articulate that organisations including banks in South Africa should focus more on the measurement of meaningful inclusion and inclusive work environments within organisations including the contribution of inclusion on business performance and sustainability in times of rapid change and technological transformation (Vilakazi & Bosiu, 2021; Cawe, Sachs & Valodia,2022).

The findings of this study have the potential to impact banking in South Africa and society at large when these findings are viewed from an ecosystem perspective where banks are significant players in the South African economy and through its millions of customers, can impact society. The following are the envisioned impacts of this study based on the findings:

1. **Promoting Social Equity**: By focusing on diversity and inclusion, the study highlights the importance of creating opportunities for historically marginalised groups, particularly black individuals, within the banking sector. This can contribute to greater social equity by levelling the playing field and reducing

disparities in access to employment, advancement, and economic opportunities.

2. **Fostering Inclusive Workplace Cultures**: The research findings emphasise that an increased focus on moving beyond diversity towards inclusion can help banking institutions cultivate more inclusive workplace cultures where employees feel valued, respected, and empowered to contribute their unique perspectives. This not only has the potential to enhance employee morale and job satisfaction but can also fosters innovation, collaboration, and productivity within the organisation.

3. **Enhancing Trust and Confidence**: Through the prioritisation of diversity and inclusion, banking institutions can demonstrate their commitment to social justice and ethical business practices. This can enhance trust and confidence among consumers, investors, and the broader community, ultimately strengthening the reputation and credibility of the banking sector.

4. **Economic Empowerment**: The study's findings shed light on the role of diversity and inclusion in driving organisational innovation and performance in a rapidly changing 5th industrial revolution era where business competition is rife. By promoting inclusive hiring, promotion and development practices, banking institutions can increase their success and contribute positively to the wider economy as well. This further provides economic empowerment to the individual employees who can make meaningful contributions in the families and communities they come from.

5. **Addressing Systemic Inequities**: As the study focuses on diversity and inclusion within the context of BBBEE, its findings on organisational barriers to BBBEE success have the potential to contribute to broader conversations about systemic inhibitors and structural barriers facing marginalised groups in South African society. The study adds to the existing voices raising awareness of these issues and advocating for change, challenging the bank and other

organisations to review organisational practices that work against transformational endeavours.

6. **Inspiring Change**: The findings from the study and the resultant changes made by the bank under study can serve as a catalyst for industry-wide change, inspiring other banking institutions and businesses to not only prioritise diversity but also focus on inclusion in their operations. This ripple effect can lead to a more inclusive and equitable business environment, benefiting society as a whole. This could further positively influence BBBEE policy reforms to introduce more inclusion measures that promote the right organisational behaviours that build a more equitable and competitive South Africa in the global market.

The management of innovation emerged in the findings of the study. Participants raised that the world has shifted towards volatility, uncertainty, increased complexity, and ambiguity requiring organisations to think outside the box in terms of how to compete and remain relevant. Participants shared that in order for organisations to compete in this changing world, they need to think outside the box about building high performing teams. Organisations need to pay more attention to cognitive diversity alongside the legislative mandate to consider physical diversity. Cognitive diversity is explained as differences in individual's knowledge, skills, and capabilities based on experiences and sense making processes (Pandolfo, 2017). Cognitive diversity is necessary for organisational teams to produce more innovative ideas and improve processes through innovation (Nguyen *et al*., 2022). Dongrey and Rokade (2020) add that within an organisation, cognitive diversity improves decision making, problem solving, creativity, innovation and ultimately team performance.

The findings of the study indicate a need to include cognitive diversity as part of the diversities included in BBBEE thereby extending the pool of people who could benefit from BBBEE. The inclusion of cognitive diversity as a measured form of diversity included in Employment Equity and Affirmative Action measures within BBBEE has the potential to impact the bank under study and society at large as follows:

1. **Fostering Innovation**: The findings of the study have the potential to inspire organisations to prioritise diversity of thought in their teams. By embracing a

wide range of perspectives, problem-solving approaches, and creative ideas, businesses can unlock new opportunities for technological advancement and societal progress in the Fifth Industrial Revolution.

2. **Enhancing Competitiveness**: Insights from the study on the value of cognitive diversity for business performance, can inform businesses about the strategic advantages of leveraging cognitive diversity to enhance their competitiveness in the 5IR landscape. Organisations that actively cultivate diverse teams are better positioned to anticipate market trends, adapt to changing consumer preferences, and develop innovative solutions that meet the evolving needs of society. This can further have a significant societal impact in that these diverse teams can apply their differences to the development of sustainable solutions for societal challenges as well such as water and food security and climate change as these findings have the potential to impact other industries as well.

3. **Promoting Inclusive Growth**: Recognising the value of cognitive diversity can lead to more inclusive hiring practices and talent management strategies. This can create opportunities for individuals from underrepresented groups in some organisational levels such as white males in middle management levels where black employees are overrepresented, including women, minorities, and individuals with diverse backgrounds or perspectives, to participate in and contribute to the 5IR economy.

The management of people was foundational to this study. The study focused on the experiences of the leaders as people in their own right, exploring their perceptions of BBBEE and in particular Affirmative Action, gaining an understanding of experiences taking this legislation and implementing it within teams of diverse individuals and thereafter having to make sense of difficult decisions made along the way. The leaders tasked with implementing transformative legislation have a critical role in how followers (employees) view the legislation, experience its implementation, and embrace diversity and inclusion including related workplace practices. The skills of the leader to successfully implement transformational change is a critical finding of this study. Leaders require personal skills such as emotional intelligence, communication, grit, and resilience to navigate leading this change while also requiring them to adopt

inclusive and transformational leadership styles that are more suited for the African context such Ubuntu leadership.

Ubuntu leadership, deeply rooted in African philosophy, prioritises empathy, compassion, and respect for others' perspectives and experiences (Asiimwe, 2023). As a continuation of African culture, this inclusive leadership style emphasises collective well-being, interconnectedness, and collaboration as the foundation for fostering inclusive workplace cultures where all individuals feel that they are contributing towards the benefit of the whole team, and experience being valued and respected (Laloo, 2022). By embracing Ubuntu values such as inclusivity, fairness, and collective responsibility, organisations can develop strategies to address systemic barriers to diversity and inclusion, including biases in hiring and promotion processes (Aliye, 2020).

As reflected in the findings of the study, the inclusion of ubuntu leadership in leadership development programs, brings focus to the importance of relational leadership styles that prioritise building authentic relationships, fostering trust, and promoting the participation of all employees, regardless of background or identity – while connecting to the African leader's personal value system of ubuntu (inclusiveness and respect) (Ubalijoro & Lee, 2022). The permeation of Ubuntu leadership within the organisation as an inclusive leadership style has the potential to positively influence organisational culture, positioning inclusiveness as a natural extension of who we are as Africans, even in the workplace.

4.5   Conclusion

This chapter detailed the data collected from the semi structured one-on-one interviews conducted with the various participants, ten Gauteng based senior leaders tasked with the implementation of an affirmative action initiative within a retail banking institution in the past twenty-four months. This was performed by detailing the demographics of the interviewed research participants and the findings gathered from the analysis of the collected data in response to the research questions as stated in Chapter 3.

The responses of the research participants were quoted directly in this chapter in order to accurately depict the views of the participants and give voice to their experiences as intended through this study. The roles, seniority in the organisation and years of experience of the participants proved significant in that the participants had the experiences required to be able to appropriately respond to the questions posed to them during the interviews. The findings of this study were further aligned and referenced to literature to provide a robust view of the setting of this research within existing literature and establish emerging insights.

In the following chapter, the researcher provides a reflection of the findings in this study which have provided insight into the views and experiences of senior leaders in a bank within South Africa of Affirmative Action as part of a BBBEE strategy, as individuals tasked with spearheading such initiatives in their teams. The chapter further discusses the limitations of the study and provides guidance for future research on the phenomena under study.

CHAPTER 5

CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

The aim of the study was to gain practical and actionable business and leadership development insights from the lived experiences of senior leaders who have led Affirmative Action initiatives within an organisation's BBBEE strategy. In line with this aim, three objectives were identified to determine the significance of the past lived experiences of senior leaders in the context of future BBBEE strategy implementations. The identified objectives were:

I.   Unearth how senior leaders who are tasked to lead the implementation of Affirmative Action as part of an organisational BBBEE strategy perceive transformative change through Affirmative Action.

II. Explore the experiences and sense making processes of senior leaders as they implement Affirmative Action initiatives.

III. Articulate insightful and practical guidelines for organisations and leaders for effective transformational change leadership in future BBBEE initiatives.

The interpretations and conclusions presented were elicited from ten semi-structured interviews performed with senior leaders within a South African bank. In selecting participants for the interviews, an attempt was made to select individuals of different races, an equal representation in terms of gender, and individuals with more than 15 years of experiences. This was performed in order to gain rich and valuable insights from which recommendations for the future could be extracted. This was achieved by the researcher. This chapter is concluded with recommendations, limitations, and significance of this study.

5.2   Summary of Main Findings

The main findings from this study assisted the researcher contextualise and interpret the research findings in relation to the literature reviewed in Chapter 2. This enabled the researcher to place the main findings of the study within the context of existing literature and respond to the main research question. The main findings have been summarised in the table below and described in the paragraphs that follow.

Table 9: Summary of main research findings

Research Objective	Research Question	Theme/s
RO1: Unearth how senior leaders who are tasked to lead the implementation of Affirmative Action as part of an organisational BBBEE strategy perceive transformative change through Affirmative Action.	RQ1: "How do senior leaders tasked with leading and implementing Affirmative Action as part of a BBBEE strategy perceive Affirmative Action?"	1. Diversity and Inclusion has business value. 2. Affirmative Action is still necessary in South Africa. 3. Affirmative Action is poorly implemented.
RO2: Explore the experiences and sense making processes of senior leaders as they implement Affirmative Action initiatives.	RQ2: "How do senior leaders tasked with leading and implementing Affirmative Action as part of a BBBEE strategy make sense of their leadership role and experiences as they navigate the change implementation?"	1. The role of personal conscious and unconscious bias in leadership. 2. The perceived tension between transformation and performance. 3. The obligation to challenge the status quo.

RO3: Articulate insightful and practical guidelines for organisations and leaders for effective transformational change leadership in future BBBEE initiatives.	RQ3: "How could the experiences of leaders leading and implementing Affirmative Action provide guidelines for future BBBEE strategy implementations?"	1. The organisational environment must be conducive for successful BBBEE strategy implementation. 2. Leaders at all levels of the organisation require key skills and knowledge to successfully implement transformational change and these skills should be developed with structured intent.

5.3 Research objectives

The research objectives provided a guide for the research towards the achievement of the research aim. The research aimed to explore and describe the experiences of senior leaders tasked with the implementation of Employment Equity and in particular Affirmative Action as part of a BBBEE strategy. This exploration brings to bear the leader's perceptions of BBBEE and in particular Affirmative Action and the leader's sense making process of their leadership role given their particular stance on BBBEE and Affirmative Action from a principle and application perspective. The research findings stated below reflect how the research aim has been achieved through its objectives.

5.3.1 Research Objective 1

RO1: Unearth how senior leaders who are tasked to lead the implementation of Affirmative Action as part of an organisational BBBEE strategy perceive transformative change through Affirmative Action.

RQ1: "How do senior leaders tasked with leading and implementing Affirmative Action as part of a BBBEE strategy perceive Affirmative Action?"

It is evident from the literature review that a number of studies exist relating to the leadership of BBBEE and the implementation of its various components in corporate South Africa. Evidence obtained from the literature indicates that organisations derive significant value from transformative legislation such as BBBEE, Employment Equity and Affirmative Action when creating fair and equitable workplaces with leadership who buy into the necessity of the change and deem themselves accountable for making a change at the helm.

Various authors have cited transformational change leadership as the critical value unlock for employee engagement, high performing diverse teams, healthy financial outcomes, and sustainable businesses (Bagga, Gera & Haque, 2023). Emphasis has been placed on the role of the leader as the role model for fair and just behaviour in the organisation as other employees look to the leader to set the tone for acceptable behaviour in the workplace (Shore & Chung, 2023). Various authors have enhanced this view by giving credence to the increased likelihood of transformative change success when leaders actively and visibly accept, participate, and commit to the change, as this gives the change initiative credibility in the eyes of employees (Grobler, 2019; Prosci, 2020; Richard & Cookie, 2022).

The ability to lead diverse teams has become increasingly important in an increasingly globalised society with the rise of digital, nomad or remote workers, where the location of work is constantly expanding (Hermann, 2020). Globalisation has led to increased interconnectedness and collaboration across borders, resulting in teams that span different geographical locations, cultures, and time zones (Felix *et al.*, 2023). As organisations expand their operations globally to enter into new markets and talent pools, new teams composed of individuals from diverse backgrounds are assembled to offer a better understanding and service to customers and stakeholders around the world (Siripipatthanakul, Sitthipon & Jaipong, 2023). Further, the rapid adoption of digital technologies has accelerated remote work and virtual collaboration, necessitating teams to work together seamlessly regardless of physical location (Tongo *et al.*, 2023). Digital transformation has further made it easier for organisations

to recruit and manage diverse teams, as individuals can contribute their expertise and collaborate with colleagues around the world (Ahamad, 2022).

The increasing complexity and pace of change in the digital age require diverse teams with a wide range of skills, knowledge, and perspectives to tackle complex problems and drive innovation (Felix *et al.*, 2023). Diverse teams are better equipped to navigate uncertainty and adapt to rapidly evolving market conditions, as they can draw upon a broader range of experiences and expertise to generate creative solutions and make informed decisions. The rapid rate of change in team demographics, dynamics, cognitive and physical ability is evolving rapidly in this volatile, uncertain, complex, and ambiguous world requiring leaders to play a significant role if change is to be managed successfully (Errida & Lofti, 2021).

Effective leadership of diverse teams is essential for harnessing the full potential of diversity and driving innovation, creativity, and productivity (Ahamad, 2022). The leadership of diverse teams is crucial for organisations to stay competitive in today's global marketplace, where understanding and responding to the needs and preferences of diverse customer bases is essential for success. Inclusive leadership practices that values and respects the contributions of all team members fosters a sense of belonging and engagement, leading to higher levels of employee satisfaction, retention, and performance (Baykal, 2018).

From a South African perspective, the announcement of higher sector specific BBBEE Employment Equity targets and penalties for a lack of achievement of those targets has catapulted diversity and transformational change leadership to the top of leadership development focuses for many organisations (DTIC, 2023; Lezar, 2023). Further, the increasing availability of empirical evidence showing the link between diversity, leadership and innovation for increased competitiveness and business growth has shone a bigger spotlight on the increased role of leadership as an intermediating factor between diversity and organisational success (Madikizela & Mitchell, 2022).

The researcher noted that the research relating to the lived experiences of senior and executive leaders in relation to leading BBBEE, in particular Employment Equity and Affirmative Action is scant. This is in contrast to the high number of studies undertaken

on the lived experiences of employees affected by BBBEE, Employment Equity and Affirmative Action. Studies such as the one performed by Mazibuko and Govender (2017) on workplace diversity and organisational effectiveness in South Africa emphasise the importance of leadership buy-in and commitment to transformation for the successful driving of transformative change initiatives in the South African corporate scene. This buy-in and commitment is a factor of the leader's views on the value of diversity in teams, their perception of how much transformation really matters within the business, and their perspective on the impact of transformation on organisational success (Booysen & Nkomo, 2014; Kleynhans, 2014; Richard & Cookie, 2022).

From the interviews, the researcher noted that senior and executive leaders have a resounding appreciation for diversity, physical (gender, race, ethnicity, able bodied and differently abled) and cognitive (skills, competence, beliefs, values) as paramount for business innovation, creative and high performance especially in a time where organisations need all strengths to remain competitive. The interviews further revealed that organisational culture towards diversity plays a crucial role in shaping the level of diversity within an organisation. That is, a positive and inclusive culture that values diversity can attract and retain a diverse workforce, while a negative or discriminatory culture may lead to underrepresentation and turnover among minority groups. When an organisation prioritises diversity and inclusion in its culture, it sends a clear message that all employees are valued and respected regardless of their background, identity, or characteristics. This fosters a sense of belonging and psychological safety among employees, encouraging them to bring their authentic selves to work and contribute their unique perspectives and talents to the organisation. Inclusive cultures further promote collaboration, creativity, and innovation by leveraging the diverse experiences and viewpoints of team members to generate new ideas and approaches.

The interviews further indicated that senior and executive leaders are aware of their personal biases. This meant that the participants have an awareness of how their personal biases influence recruitment, development and succession decision making. This awareness is important as leader personal biases can have a significant impact on diversity within a company in various ways (Onyeadou & Hudson, 2021). Firstly, leaders may unintentionally perpetuate biases in hiring and promotion decisions,

resulting in the under or over representation of certain groups within the organisation (Petsko & Rosette, 2023). Further, leader biases have the ability to influence how leaders allocate resources, opportunities, and recognition within the organisation (Bourke, Titus & Espedido, 2020). This means that employees from under-represented groups may be overlooked for high-profile projects, developmental opportunities, or promotions due to biased perceptions of their abilities or potential (Martins, 2020). Moreover, leader biases can become apparent in the form of microaggressions or discriminatory behaviour towards certain employee groups. This can lead to a hostile or work environment, leading to lower morale, engagement, and retention of those marginalised employee groups (Ng & Sears, 2020). This pointed to the continued need for legislation such as BBBEE, Employment Equity and Affirmation Action to monitor or serve as a reminder for personal biases to be set aside.

As this was the beginning of the interview process, what emerged was that despite the leader's belief in the value of diversity and an ownership of personal biases that need monitoring, the interviewed leaders did not view themselves as the barriers to further transformational progress in their organisation but viewed the behaviour and practices of certain of their peers to be the issue. This was further visible in the body language and gestures of the research participants during this time. As it was the beginning of the interview, the researcher had expected leaders to be more reserved and cautious of their responses however, participants were sitting forward in their seats, confident and readily responding to their external view of BBBEE, its value, successes, or failures. While this may have been a natural stance for senior executive leaders, the sensitivity of the topic perhaps required more pause.

The above indicated the possibility of a lack of self-awareness in the leaders along with blame shifting and a lack of accountability in the leadership body. Lozano and Laurent (2019) state that this behaviour is commonplace in leadership as senior individuals attempt to obscure their role in unsuccessful endeavours or failures as they perceive the consequence of admitting guilt or fault to be loss of image, reputation, and status. The behaviours related to blame shifting and lack of accountability can manifest in various ways including failure to address systematic issues, lack of transparency in decision making, dismissive or defensive responses to feedback and an inconsistent application of organisational policies (De Ruiter, 2019). All of these

send a signal to employees that discriminatory behaviours are tolerated within the organisation as employees use leadership behaviour as the benchmark of behaviours that lead to success in the company (Offergelt *et al.*, 2018).

Failure to address systemic issues is characterised by leaders who instead of acknowledging and addressing systemic barriers to diversity and inclusion, blame individual employees or external factors for diversity-related challenges (El-Amin, 2022). This deflects attention away from the need for structural changes that perpetuate inequality within the organisation, deepening the diversity gap further. Lack of transparency in decision-making speaks to leaders failing to hold themselves accountable for diversity-related decisions, such as hiring, promotion, or resource allocation (Dixon-Fyle *et al.*, 2020). This can lead to a lack of transparency and fairness in these processes. Employees may perceive decisions as arbitrary or biased, eroding trust in leadership and contributing to a sense of injustice (Mor Barak, Luria & Brimhall, 2022). Dismissive or defensive responses to feedback is seen when employees raise concerns or provide feedback about diversity-related issues and leaders refuse to acknowledge the validity of the feedback or take action to address it (Shore & Chung, 2022). This can create a culture where employees feel discouraged from speaking up about diversity concerns, further exacerbating the problem.

Within leadership blame-shifting and lack of accountability, inconsistent enforcement of policies is characterised by an environment where leaders are not held accountable for diversity matters (Wilson, Guthrie & Bopp, 2020). This can create confusion and resentment among employees, as they perceive a lack of fairness and equity in how policies are applied. When leaders fail to act against discriminatory behaviour or harassment in the workplace, it sends a message that such behaviour is tolerated or even condoned (Offergelt *et al.*, 2018). This has the potential to create a hostile work environment characterised by a lack of trust in organisational values and the ability of the leadership group to live those values.

It was interesting to note this occurrence as the interviewed leaders seemed to judge themselves on their potential to do good in terms of transformation implementation while judging their peers on actual performance when it comes to transformation targets. This further indicated that it is not always the perception that the leader holds

about diversity, its value or the legislation created to drive employment equity that determines the leader's commitment to successfully driving transformation in their area of influence, but the leader's perception of the action of peer and other senior leaders has an impact as well. That is, if a leader perceives that peer senior or executive leaders are not meeting transformation targets and are not being made to account for this, it can gradually decrease another leader's eagerness to work towards meeting transformation targets.

5.3.2 Research Objective 2

RO2: Explore the experiences and sense making processes of senior leaders as they implement Affirmative Action initiatives.

RQ2: "How do senior leaders tasked with leading and implementing Affirmative Action as part of a BBBEE strategy make sense of their leadership role and experiences as they navigate the change implementation?"

The literature reviewed in Chapter 2 highlighted that numerous definitions of sense making exist from various authors, which at the core confirm that:

a. It is a social construct because humans exist within a social environment.
b. It is a continuous process that takes place when an information gap exists or things do not make sense based on existing neural pathways (experiences, knowledge, etc.)
c. Sense making involves actions in response to the environment which in turn create the reality of the environment for the individual.

It is further clarified that sense making can occur when an individual is immersed or detached from their environment. In the immersed perspective, the sensemaking can occur to a routine event such that the individual responds with what seems like little to no sense making as responses are "automatic", or it can occur in response to a disruptive event that requires contextualisation and deliberate action to restore balance. In the detached view, the sense making can occur when the individual pauses the routine work to temporarily detach themselves from normal life to review

the situation much like at an offsite organisational strategy session or it can occur in a simulated training environment where a case study is presented, and the individual is just a spectator to someone else's reality. The above highlighted that whether a leader was immersed in their work environment, deliberately wanting to restore order, that is also dealing with contextual reality, the decisions that the leader will make may differ to those that the leader would cognitively make if the pressures of the real-world environment were not present (Kudesia, 2017; Brown *et al.*, 2015).

Turner *et al.* (2023) emphasises that sense making is complicated by uncertainty and ambiguity, but it is when it is most essential as that is when an individual's world is most confusing, requiring a process through which the individual can absorb what has taken place, reflect on their context and make the best possible decisions with the information at hand. Increased globalisation fast paced technological advancements, the corona virus pandemic and the subsequent disruptions to business, work and where work takes place are indicators that South African leaders are operating in a volatile, uncertain, complex, and ambiguous environment requiring the capacity to apply reasoning skills and make sense of what is happening around them. The need for sense making in the South African corporate context is that while globalisation has brought diversity, social and cultural intelligence to the forefront for the entire business world, this is intensified in South Africa by ongoing significant changes to diversity (Affirmative Action) targets within the BBBEE legislative umbrella (DTIC, 2023; Zulu & Saad, 2023). All this while leaders have to achieve operational excellence, improve employee morale post pandemic, develop high performing teams, and ensure their organisations can compete on a global stage (Jengwa & Pellissier, 2022).

In this study, the researcher purposively selected experienced senior leaders who had intimate lived experiences of leading BBBEE initiative implementations within a banking institution in South Africa. The researcher further ensured, through the deliberate selection of participants, that these interviewed leaders had been involved in leading Affirmative Action initiatives with a BBBEE strategy in the past 24 months so as to guarantee that the participants would have immersive real-life experiences that they could easily recall, reflect on, and use these as a basis to provide recommendations to the organisation on future BBBEE strategy implementations.

The researcher identified that as a result of the deliberate selection of participants, the participant's in response to the question on how they make sense of their experiences as leaders spearheading Affirmative Action as part of a BBBEE strategy implementation initiative, revealed that the participants viewed the BBBEE implementation as a change that they had to manage over and above their routine work. This meant that while immersed and involved in their day-to-day work, participants needed to make sense of the Affirmative Action decision required and take intentional steps to make it happen either themselves or through the influence of others. From the interviews, the researcher further identified that South Africa's racial past and long history of the BBBEE legislative mandate, Affirmative Action decisions have now become an integral part of how business needs to be done in South Africa. While it is a pervasive challenge that has recently escalated due to the increases of the sectoral diversity targets for 2028, that has required leaders to step out of their environment and plan courses of action to meet these targets, the past 24 months that the participants within this study were reflecting on, were not affected by this change.

From the interviews, it was further identified that while the participants were immersed in their work environment when leading BBBEE implementation as a transformational change event and as such adopted an involved-deliberate sense making process, the sense making processes of the participants in response to the call to lead the BBBEE strategy implementation further occurred at different social levels.

The key areas of reflection were **at a personal level** in that the participants felt that as they reflected on their experiences, they had to come to terms with the fact that they are human and carry personal biases. These personal biases include preferences related to race, gender, language, cultural background, family orientation, disability, and the like. At this personal level, it appeared that the participants sense making led them to question the kind of leaders they were, the leaders they wanted to become and the legacy they wanted to leave behind at the end of their careers. The body language of the participants at this stage of the interview was an evaluative one where it was evident from the longer pauses between responses and distant eye gazes, that participants are engaged in deep thinking and contemplation. This was critical as the deliberate actions that the participants noted as taking as a result of their sensemaking at a personal level, included facing their biases, bringing them to the open, challenging

their own psyches that led to the formation of these biases and then working towards supporting others to own up to their own biases as well. This reflected a personal accountability to making transformational change take place.

Critical within this discussion was that while it is commendable for the leaders to sense make their personal role in leading diversity and inclusion by engaging in introspection: reflecting on their own identities, biases, and privileges, considering how these factors influence their leadership approach and impact on diversity and inclusion efforts, this was only a part of the transformative journey. Self-awareness and reflection enabled leaders to identify areas for growth and development and acknowledging their own limitations however, the participants acknowledged a need to engage in feedback from others to explore unknown areas and unconscious biases that exist at a deeper level.

Feedback from employees, stakeholders, and diversity experts is invaluable for leaders to understand their impact on diversity and inclusion within the organisation (Megheirkouni & Megheirkouni, 2020). Leaders who actively seek input from diverse perspectives and listen with an open mind demonstrate a willingness to learn from others' experiences and incorporate these insights into the leadership of diversity and inclusion (Bernstein *et al.*, 2019). This feedback helps leaders gain insights into how their actions and decisions affect different groups within the organisation, allowing them to make more informed choices and adjustments as needed.

Further insights arising from the interviews was that the leaders may be incapable of facing their personal biases on their own or further yet, ensuring that these do not materially affect their decision making, developmental activities are needed (Carter, Onyeador & Lewis, 2020). Through activities such as empathy building exercises, inclusive leadership training, coaching and cross-cultural exchanges are critical developmental activities that can further equip leaders with the practical skills necessary to foster inclusive environments and drive meaningful change in organisations and society as a whole (Corsino & Fuller, 2021).

At a social level, participants reflected on their experiences in context of the behaviours and actions of their peers. At this level, the participants' experiences included an absorption of the cues from the actions of peers where recruitment, promotion and development decisions were against the transformative mandate of

BBBEE. This further included an interpretation of these actions as a disregard for transformation, including its value for the benefit of the organisation. Moreover, this included two further observations at a social level. Firstly, some peers and junior leaders were simply not aware that their non-transformative decisions stemmed from a lack of personal awareness of inherent biases that lead to hiring people of similar backgrounds. In response to this, participants shared that the deliberate actions they took were to challenge the status quo by calling out such behaviour, making these leaders aware of what they are doing and educating them differently.

Leaders who effectively challenge their peers to improve their efforts in terms of diversity and inclusion demonstrate courage, lead by example, and clearly demonstrate the importance of the value of inclusive leadership (Martins, 2020). Participants reflected that this courage to speak out required them to collaborate with other leaders, holding them accountable for their actions and behaviours, while also providing education and raising awareness about diversity and inclusion issues. The challenging of the status quo necessitated empowering their colleagues to take ownership of diversity initiatives within their own teams, in order to foster a culture of continuous learning and growth; recognising the complexity of these issues and encouraging ongoing development (Mor Barak & Luria, 2022). By embodying inclusive leadership practices themselves and inspiring others to follow suit, participants responses indicated a movement towards meaningful change in terms of a more inclusive and equitable organisation.

On the other hand, the other observation that participants revealed was that there appeared to be a lack of accountability for the leaders who made recruitment, promotion, and development decisions against the BBBEE mandate provided. The actions mentioned that went against employment equity mandates and targets encompassed a range of discriminatory practices that undermine fairness and equal opportunities in the workplace. These included biased hiring practices against white males, young mothers and applicants who did not possess exceedingly high academic qualifications. The inequitable work practices mentioned by the participants further included unequal pay scales between males and females and white and people of colour without any difference in education or experience. Moreover, participants shared incidents of limited training and development opportunities for certain groups,

promotion bias based on non-merit factors, fostering hostile work environments through harassment or discrimination, failure to accommodate disabilities, inflexible work policies disadvantaging specific groups and underrepresentation of certain demographics in leadership roles.

The participants interpreted this observation as the lack of a true commitment to transformation at the very senior levels of the organisation, leading to the production of meaning that in certain parts of the organisation, lip service was being paid to transformation at a cost to the organisation and its future sustainability. The actions that the participants took in this regard, seemed to vary depending on seniority; highly senior leaders were willing to be unpopular, risk careers for the sake of the truth and took the action to challenge non-transformative behaviours in all relevant forums. Younger senior leaders on the other hand, took actions to change roles, move business areas to escape the non-transformative behaviours without risking their careers by speaking out.

At an organisational level, as part of the interviews, the researcher recognised participants revealed that the constantly changing and highly competitive banking environment had become untenable in that it increased organisational restructures, employee retrenchments and anxiety while decreasing morale and putting pressure for the achievement of high-performance results. This tumultuous business environment complicated the participant's sense making processes as participants revealed that their interpretation of the events around them was that the business objective of achieving high business performance results out-weighed the desire for transformation. This interpretation in turn, led to participants creating the meaning that the BBBEE strategy and Affirmative Action targets could be placed as a second priority. The actions that followed from the participants were to hire an increased number of white people who they believed could "hit the ground running" and deliver exceptional business results quicker than their African counterparts.

This revealed that unbeknown to the leaders was an unconscious bias that investing in African talent is a time-consuming investment that will not yield immediate business results and that if you want fast business results, you need to hire white people. From this, the researcher identified the repeated emphasis on the role of the leader and the leader's actions and the resulting impact these have on followers. While the

participants whose sense making was at this level, may not have publicly announced their biases, it is was being communicated to all other employees as the employees will go into their own sense making processes and make sense of the increased hiring, promotion, and development of white people despite transformative targets and create their own reality from this.

The existence of sensemaking at a micro, meso and macro level is consistent with research undertaken by Brown, Colville, and Pye in their 2014 study on sense making in organisational studies. Within the study, the researchers found that at a personal level, sensemaking refers to the mind maps or individual cognitive schema that an individual accesses to interpret and act on social cues; at a social level, it refers to the shared understanding of a group of individuals bound together through work and collective goals and at an organisational level, sensemaking is emphasised as occurring within a contextual environment which cannot be separated from the individual or the group. The macro level conditioning factors from the environment (business organisation in this instance) within which the leaders are performing their leadership of BBBEE influence the perceptions, sensemaking and insights of the leaders at a group (social) and individual level, making a notable contribution to their resultant actions to either deliver on the Affirmative Action mandate or not despite external pressures (Pentilla *et al.,* 2020).

5.3.3 Research Objective 3

RO3: Articulate insightful and practical guidelines for organisations and leaders for effective transformational change leadership in future BBBEE initiatives.

RQ3: "How could the experiences of leaders leading and implementing Affirmative Action provide guidelines for future BBBEE strategy implementations?"

The Zulu proverb "Indlela ibuzwa kwabaphambili" is fitting within the context of this research objective as loosely translated it means that if you want to know the path to walk, ask those who have gone or walked it before. This third and last research objective sought to derive insightful and practical guidelines for organisations and

leaders who wish to embark on a transformational change journey through soliciting wisdom from the reflections of the senior leaders who have walked this journey of leading and implementing Affirmative Action as part of an organisational BBBEE strategy. Upon analysis of research interview transcripts, it became clear that two critical aspects stood out for the participants concerning future BBBEE implementations, firstly, the organisational environment must be conducive for successful BBBEE strategy implementation and that all leaders from a junior level must be equipped with the skills and knowledge required for successful transformational change implementation.

The critical aspects highlighted above are of higher importance in the era of the 5th industrial revolution (5IR) which requires future leaders to look at diversity and inclusion from a wider lens. The advent of this revolution represents a transformative shift in the way technology integrates with human life and society. Unlike its predecessors, this revolution is characterised by the fusion of technologies such as artificial intelligence, robotics, the Internet of Things, nanotechnology, quantum computing, biotechnology, and others with how humans live, work, and thrive (Coelho *et al.*, 2023). Organisations have to adapt their business strategies and operations to thrive in this new era.

This entails embracing digital transformation across all aspects of their operations to meet rapidly shifting customer and employee needs while prioritising agility and innovation to keep pace with fast evolving technologies (Nair, Pillai & Senthil Kumar, 2024). This 5IR era requires collaboration and partnership with other organisations, including startups and Fintechs to leverage expertise and resources, further broadening the diversity and inclusion agenda. Furthermore, it is paramount that organisations focus on the development of a lifelong learning mindset in employees in order to empower employees to navigate the complexities of the Fifth Industrial Revolution with relevant skills (Fenwick, Molnar & Frangos, 2023).

Main Finding 1: The organisational environment must be conducive for successful BBBEE strategy implementation

The research's findings highlighted the criticality of the organisational environment and business context when working on driving diversity and inclusion through Affirmative Action as part of a BBBEE strategy. Participants emphasised that at an organisational level it is critical that executive leadership sets clear direction on what matters and is valued within the organisation. The things that matter and are valued must remain as such even in times of significant operational model changes and restructures. Participants further stressed that if things matter or are valued within the organisation, they should be supported with business practices that physically show the value placed on these, for example, through inclusion in performance contracts, accountability for non-performance and rewards for excellence. Participants included that while diversity and inclusion, along with the driving of the implementation of the BBBEE strategy, was shared as something that mattered within the organisation, the organisation's business practices and executive leadership actions regarding performance contracts, accountability and reward did not align to this.

Conclusion related to Main Finding 1

When it comes to diversity and inclusion and in particular the implementation of Affirmative Action within an organisational BBBEE strategy, the business adage, and John E. Jones quote of "what gets measured, gets done, what gets measured and fed back, gets done well and what gets rewarded is repeated" is critical to consider. The portion of measurement and feedback is only a portion of the solution: BBBEE targets are measured within the organisation and progress against the targets is fed back on a regular basis to leadership and employees, this has not yielded desirable results across all levels of management as BBBEE Affirmative Action targets are often met at junior levels and not at senior management levels and above. The missing portion is the element of reward. These rewards can include recognition and reward for leaders

who foster inclusive environments and demonstrate human-centred leadership in line with the organisational leadership philosophy. These rewards can also be such that the effective implementation of diversity and inclusion in part through the achievement of Affirmative Action targets is monitored through performance contracts that hold leaders accountable at a monetary level for their part in the delivery against the strategy. This would include an impact on bonuses and promotions.

Recommendation based on Main Finding 1

Human-centred leadership philosophy

At its core, human-centred leadership recognises that people are the most valuable asset of any organisation and focuses on creating environments where employees feel valued, supported, and empowered to reach their full potential (Leclerc, Kennedy & Campis, 2021). Human-centred leaders prioritise empathy, compassion, and inclusivity in their interactions with team members, striving to understand their needs, concerns, and aspirations (Tran, Hardie & Cunningham, 2020). These leaders foster a culture of trust, transparency, and collaboration, where open communication and feedback are encouraged, and where diversity and inclusion are celebrated and embraced (Hølge-Hazelton *et al.*, 2021). Human-centred leaders also lead by example, demonstrating integrity, authenticity, and humility in their actions, and inspiring others to do the same. Ultimately, human-centred leadership aims to create organisations that are not only successful and high-performing but also caring, compassionate, and socially responsible.

The organisational leadership philosophy is aligned to human-centred leadership however, there exists an opportunity to clearly articulate the measurable and observable behaviours of leaders who lead teams utilising this philosophy. Beyond this articulation, there exists an opportunity to profile and celebrate leaders who through feedback from peers and followers, exhibit human-centred leadership behaviours that foster inclusive work environments and as a result enhance team cohesion and performance. This could include acknowledging leaders who go above and beyond to accommodate employees' needs, advocate for diversity and inclusion initiatives, or demonstrate compassion, understanding, and fairness in their decision-

making processes. The public recognition and reward of such behaviours can serve as powerful reinforcement mechanisms, encouraging leaders at all levels to emulate human-centred leadership practices. Further, the alignment of rewards with human-centred leadership principles, organisations are able to send a clear message about the importance of these values in driving organisational success and creating a positive work environment where employees feel valued, supported, and motivated to excel.

Performance Management

The current policies and business practices around performance contracts and reward for driving Affirmative Action within an organisational BBBEE strategy need to be reviewed:

1. Every leader within the organisation must have the driving of diversity and inclusion in line with the organisation's BBBEE strategy and organisational values included as a leadership goal in their annual performance contract.

2. The goal should be two-fold, to drive the desired outcome of diversity and inclusion. Firstly, the goal of diversity should be measured through contribution to the achievement of employment equity targets as reflected in the organisation's BBBEE strategy. Secondly, the goal of inclusion should be measured through a question on the annual employee climate survey that asks the question "My direct leader's behaviour fosters an inclusive team and work environment."

3. The above goal and measurement should account for a reasonable percentage of each leader's performance contract such that it will have an impact on the leader's final performance rating when viewed along with other goals. A percentage of 10 - 15% of the scorecard is recommended to indicate this as a strategic organisational priority.

4. All leaders must be held accountable for their performance against the above stated goal through feedback on their measured results.

5. Consequence management must be put in place for leaders who fail to meet targets, leaders who exceed employment equity targets (oversubscribe teams with a particular race group) and leaders who score low on the inclusive environment question.

6. Leaders who meet employment equity targets and score well on the employee climate survey on fostering inclusive environments should be recognised and rewarded for their contributions according to the organisation's reward policies.

The above steps will set an organisational tone for the leadership and overall employee behaviours that are desired and rewarded within the organisation while providing clarity on the behaviours that will not be tolerated.

Main Finding 2: Leaders at all levels of the organisation require key skills and knowledge to successfully implement transformational change and these should be developed with structured organisational intent.

In Table 8, most participants voiced that an intentional and dedicated leadership development plan would be a valuable organisational lever to communicate and instil the desired leadership behaviours in terms of diversity and inclusion beyond the legislative obligations of employment equity. The leadership development would be one that ensures a singular conversation around diversity and inclusion within the organisation along with the leader's role and responsibility in this regard, across all levels of the organisational leadership. This plan would further be aligned to the organisational values and be a guide to the practical embodiment of these values such that diversity and inclusion are a lived experience of all employees within the organisation regardless of business segment.

Critical to the above is that the leadership development envisioned is reflective of the context of the 5th industrial revolution and empowers employees and leaders to seize the opportunities presented by this revolution. Seizing the opportunities presented by this revolution demands a multifaceted skill set that blends technological expertise with essential human abilities. Firstly, it requires, proficiency in emerging technologies such as artificial intelligence, machine learning, data analytics, and blockchain as indispensable skills for navigating the digital landscape effectively (Saniuk, Grabowska & Grebski, 2022). Alongside technical prowess, strong critical thinking, problem-solving, and adaptability skills are crucial for leveraging these technologies to innovate and solve complex challenges coupled with effective communication and collaboration skills, are essential for fostering interdisciplinary teamwork and building partnerships in an increasingly interconnected world (Bikse *et al.*, 2022).

Additionally, creativity and an entrepreneurial mindset are vital for identifying new opportunities and envisioning innovative solutions with an emphasis on reskilling and upskilling are imperative to stay abreast of rapidly evolving technologies and industry trends (Ayandibu *et al.*, 2021). Lastly, a strong ethical foundation and a commitment to sustainability are essential for responsible innovation and long-term success in the Fifth Industrial Revolution. Overall, a blend of technical expertise, soft skills, creativity, and ethical principles are essential for individuals to capitalise on the vast opportunities presented by this transformative era (Petcu *et al.*,2020).

From a leadership perspective, effective leadership is essential for guiding organisations through the complexities of rapid technological change while fostering a culture of innovation and agility. Leaders must possess strong communication and interpersonal skills to articulate a compelling vision for the future and inspire teams to embrace change (Uys & Webber-Youngman, 2020). They must also demonstrate adaptability and resilience, guiding their organisations through uncertainty and disruption (Signe, 2023). Furthermore, leaders require visionary leadership that involves strategic thinking and the ability to anticipate and capitalise on emerging trends and opportunities so as to steer organisations through increased competition and remain relevant (Raja Santhi & Muthuswamy, 2023). Moreover, ethical leadership is paramount for ensuring that organisations navigate the ethical and societal implications of technological advancements responsibly (Burnes & Hughes, 2023). In

essence, leadership skills are fundamental for driving organisational success and realising the potential of the Fifth Industrial Revolution and are therefore a key feature in the recommendations of this study.

Conclusion related to Main Finding 2

In order for the leadership of diversity and inclusion to be included in performance contracts, measured, included in performance feedback, and rewarded as is the recommendation in main finding 1, leaders must be equipped and empowered with the skills and knowledge they require to adequately fulfil their leadership roles. The research's findings highlight that the knowledge and the skills that the leaders across all organisational levels will require must be agreed on to instil confidence in the leaders that they have all the requisite tools at their disposal to deliver on this mandate. The findings further add that the knowledge and skills required must be clear, simple, and easy to understand in order for leaders at all levels to be able to identify the link between their development and goals as set out in their performance contracts.

Recommendation based on Main Finding 2

The establishment of a leadership development plan that is focused on diversity and inclusion. The proposed plan should be focused on providing leaders at all levels, that is, from the most junior team leader level to the most executive levels at a board level with the knowledge and skills needed to successfully drive diversity and inclusion and lead transformational change initiatives related to diversity and inclusion successfully. The proposed plan should include that this learning component would be an integral part of the induction of new leaders into the organisation such that all leaders whether new or existing are fully empowered to lead in line with the organisational values and strategic priorities.

The proposed leadership development plan in Figure 9 is based on the research findings. It contains a high-level leadership development plan that links organisational values, the organisational leadership philosophy, the value of diversity and inclusion within the organisation along with the knowledge and skills that all leaders need to play their part in ensuring the successful implementation of transformative change.

Diversity and Inclusion Leadership Development Plan

Strategic Intent

Acknowledging the value of diversity as a competitive advantage and recognising the significant role of leadership in organisational culture and performance, this guiding plan aims to empower all leaders regardless of level with the knowledge and skills needed to successfully drive diversity and inclusion and lead transformational change initiatives related to diversity and inclusion successfully within the organisation.

Anchors at an organisational level

Purpose and Strategic Priorities	Values	Leadership Philosophy

Moments that matter

This plan should be viewed as a living guide that is weaved into the fabric of the organisation and leadership conversations. At the launch of the development plan, specific intentional interventions should be performed to take all existing leaders through the development plan. The plan should further be part of the induction of new leaders. Thereafter, key components of this plan should be intertwined in all leadership dialogues, connects, meetings, and conferences such that diversity and inclusion are not seen as a separate box to tick but a key component of the daily lived experience of a leader within the organisation.

Delivery Mode

The delivery mode should be functional in line with the moments that matter. Given existing hybrid work models, digital learning experiences should be maximised through the Learning Experience Platform (LXP) and Microsoft Teams call sessions. The delivery mode should further factor in coaching and mentoring opportunities in both directions, that is, for senior leaders to share experiences of leading transformational change and junior leaders, sharing experiences of being part of transformational change.

Knowledge Required

- BBBEE legislation incl. Employment Equity and Affirmative Action
- Sectoral Employment Equity targets
- Organisational Employment Equity targets
- The value of diversity and inclusion in a VUCA world
- Roles and responsibilities of a leader in driving diversity and inclusion
- The challenges that a leader might face while implementing transformational change and how to navigate the challenges.

Skills Required

- Self -awareness especially in terms of personal biases
- Integrity grounded in organisational values
- Social and cultural intelligence
- Emotional intelligence
- Grit
- Transformational leadership style

Supporting Policies and Practices

| Performance Management	Employee Rewards and Benefits	Employee Climate Surveys	Continuous Feedback

Figure 9: Proposed Diversity and Inclusion Leadership Development Plan

Source, Researcher's own construct (2024)

Interpreting and discussing the observations from the provided plan within the context of the South African banking environment entails understanding the unique challenges and opportunities present in the industry. South African banks operate in a highly competitive market where differentiation can be critical as competition is high, pricing is fairly inflexible, and customers are quite price sensitive (Ntimane, 2020). The industry is further facing increased competition from Financial Technology (Fintechs) companies and digital banks that are unencumbered by legacy systems providing them with an opportunity for rapid innovation implementation (Liu, 2021). Embracing diversity as a competitive advantage aligns with this context, as it can lead to innovative solutions and better customer experiences, providing for that differentiation (Rubaca, 2023; Chaudry, Paquibut & Tunio, 2021).

Banking institutions in South Africa such as the one under study often have well-defined values and a strong organisational culture anchored on a societal impact purpose and a people centric leadership philosophy. By anchoring Diversity and Inclusion (D&I) efforts to the organisational purpose, values and leadership philosophy, banks can ensure alignment with their overall strategic direction (Redd, Sims & Weekes, 2021). This will ensure consistent messaging across the organisation that embeds diversity and inclusion matters into the fabric of the organisational culture rather than a task to be completed in isolation (Manoharan, Madera & Singal, 2021).

Leadership inductions, transitions, dialogues and connect sessions are integrated components of a tapestry of leadership development engagements that embed the leadership philosophy in context of the organisation's purpose, values, and strategy (Wallace, Torres & Zaccaro, 2021). Interventions during these meaningful moments where leaders are already convened can help maintain continuity in D&I efforts and prevent setbacks due to misaligned messaging. Discussions on diversity and inclusion matters should become common place in the workplace, not feared or shied away from to build psychological safety around bold conversations on the topic. Weaving these into the daily lived experience of leaders has the potential to set the tone across all levels of leadership that diversity and inclusion is not something we go and do in the dark and come back to business, but it is part of how we do business.

Many South African banks like the bank under study, have embraced digital transformation and hybrid work models, making digital learning experiences and

platforms like self-led learning on platforms such as LinkedIn Learning paired with Microsoft Teams sessions, well-suited for diversity and inclusion peer dialogues and training (Vallo-Hult & Bystrom, 2022). Coaching and mentoring can facilitate knowledge sharing among leaders across different levels and branches of the organisation, further solidifying a culture of bold diversity and inclusion dialogue amongst leaders (Liu *et al.*, 2021). The mentoring provided as part of these learning experiences can be both senior leaders to junior leader and reverse in that junior leaders mentor senior leaders, creating a safe space for all leaders to share their experiences with each other.

Understanding BBBEE legislation, employment equity targets, and the value of diversity and inclusion in a VUCA world is crucial in the South African context (Mudau, 2022). Compliance with legal requirements and alignment with national transformation goals are paramount balanced against a need to revive a struggling economy, remain globally competitive and leverage technology for exponential innovation. It is therefore critical that the knowledge of this base legislation be used to support leaders in understanding the challenges they may face in implementing transformational change with these legislations in mind. This will ensure that leaders recognise the continuing need for BBBEE legislation, remain focused on the intent of this legislation and recognise that the implementation of strategies aligned to BBBEE are not designed to hinder performance but accelerate it through effective diversity and inclusion within teams (Kilambo, 2021).

Given the diverse demographics of South Africa, leaders in banking and all other industries, need strong social and cultural intelligence to effectively engage with clients and employees from different backgrounds. Emotional intelligence and a transformational leadership style can foster inclusive environments where all employees feel valued and empowered (Khaola & Rhambe, 2021). Performance management, rewards, and benefits are areas where South African banks can reinforce D&I initiatives by holding leaders accountable for their role in creating inclusive work environments and rewarding the leaders who are most effective in this regard. Employee climate surveys and continuous feedback mechanisms can help identify areas for improvement for leaders and through meaningful and impactful

metrics, measuring progress in fostering an inclusive workplace culture (Khattak, Zolin & Muhammad, 2020).

In summary, the Leadership Development Plan presented in Figure 9, for Diversity and Inclusion is highly relevant to the South African banking environment. By aligning with the country's legislative framework, cultural diversity, and strategic imperatives, banks can leverage diversity and inclusion as a driver of innovation, employee engagement, and ultimately, competitive advantage. Implementing this plan requires a concerted effort from leadership at all levels, supported by robust policies, ongoing training, and a commitment to embedding diversity and inclusion into the organisational DNA.

5.4   Reflections on the research objectives

The three stated research objectives were achieved as indicated above. Based on the findings, conclusions and recommendations, the research questions have been answered and the primary aim of the study has been achieved. The participants responses to the research questions enabled the researcher to provide concrete recommendations for the implementation of transformational diversity and inclusion related change within an organisation, starting with the leader as an influencer of employee behaviour. Adoption of the proposed organisational practices and the proposed leadership development plan could facilitate significant gains through meaningful diversity and inclusion within teams leading to enhanced organisational performance. The researcher finally contends that the study has resulted in meaningful insights that address the challenge of leadership effectiveness in terms of driving diversity and inclusion not only from the legislative perspective of BBBEE but also from a lived culture of collaboration and integration within the organisation.

5.5   Significance of the study

Limited research has been conducted to explore and gain an understanding of the views, observations and experiences of the leaders tasked with the implementation of

BBBEE strategies (Prinsloo, 2017; Grobler *et al.*, 2019). This study contributed to the expansion of theoretical research knowledge on BBBEE, through the experiences of executive leaders tasked with implementing affirmative action measures as part of an organisational BBBEE strategy and the implications of these experiences for future BBBEE implementations within the South African banking industry.

This study further contributed to the enhancement of organisational transformation implementation and leadership development practices through a transformational change leadership guideline. It achieves this by highlighting disparities between the organisation's transformation intentions and execution as well as indicating areas of development for leaders tasked with similar transformation initiatives. Further, the results of the study lead to a re-consideration of organisational policies regarding leader performance management and reward, such that these are crafted differently to bridge the gap between intention and implementation.

5.6   Return on Investment

5.6.1   Personal ROI

Beyond the significance of the study to the organisation under study and the industry, the research and the research process has had a profound impact on the researcher. The research process enabled the researcher to access a rich array of personal lessons that transcend the boundaries of academia and professional expertise. Throughout the structured academic programme and the research study, the researcher was able to cultivate critical thinking skills, hone an ability to question assumptions, evaluate evidence, and navigate complex challenges with creativity and resilience. This boosted the researcher's confidence on a personal level, and this showed up in all areas of life including relationships in and outside of the workplace.

5.6.2 Professional ROI

The researcher found growth in the opportunity to reflect and be aware of personal biases that impact how one shows up as a leader within the organisation. The research created an avenue for the researcher to connect with other leaders, build relationships and utilise power skills such as empathy, communication, and collaboration to delve into the participants leadership experiences, learn from them and extract wisdom for future leadership challenges from these. This enhanced self-awareness was coupled with an assurance that personal biases affect all leaders, and the growth is in acknowledging these so that they are known and addressed in decision making. This has resulted in immense professional growth for the researcher providing opportunities for career advancement within and external to the organisation.

5.6.3 Organisational ROI

Beyond the immediate research outcomes, which contributed to how the organisation views diversity and inclusion matters especially the critical role of leadership in creating inclusive work environments that have the potential to increase organisational performance. The research process and outcomes further enhanced the researcher's leadership skills and confidence to contribute to essential conversations on diversity and inclusion with the backing of research evidence to substantiate contributions. Moreover, the researcher's enhanced problem-solving skills, critical thinking abilities, and depth of expertise provided a platform for the researcher to effect change in their team and functional business area, ensuring that the skills for the 5th industrial revolution are developed in the team to stay ahead of the curve and leverage emerging opportunities for the benefit of the team and the organisation as a whole.

5.6.4 Societal ROI

From a societal perspective, the research into diversity and inclusion within the context of the 5th Industrial Revolution provided insights into how emerging technologies require divergent thinking to unleash new opportunities and that thinking can be

harnessed through the establishment of diverse teams. This diversity can exceed racial, gender, age and physical ability to diversity in skills for maximum returns. By identifying and addressing the need for increased diversity, society can work towards creating more equitable access to opportunities and resources in the digital age. Moreover, research in this area can inform the development of inclusive policies, practices, and technologies that consider the needs and perspectives of diverse populations. This can lead to the creation of more accessible and user-friendly technologies, as well as more inclusive workplaces and educational environments. These findings led the researcher to pursue a career in Digital Technology that focuses on creating accessible learning environments that democratise digital learning opportunities for all.

Additionally, this research offered the researcher with opportunities to drive greater social cohesion and understanding by promoting dialogue and collaboration among individuals from diverse backgrounds. The researcher was able to use the study as a conversation starter in the need for diversity and inclusion to extend office walls and enable societies to harness the full potential of their human capital and drive innovation and creativity in the digital economy.

5.7   Limitations of the study

The study intended to explore the experiences of senior executive leaders tasked with the implementation of Affirmative Action as part of a BBBEE strategy within a South African retail banking institution. While the financial institution selected is a significant player in the market as one of the largest banks in Africa, it is only one bank within the financial services sector. Further owing to the exploratory qualitative nature of the study, only 10 leaders were selected and participated in the study. Due to the limited scope of the study, the findings of the study cannot be generalised over a larger population and may not be applicable in other contexts.

The researcher is similar to the research participants in that the researcher is also a senior leader within the bank in which the study was conducted. The researcher is further of similar experience and educational background as the participants of the

study. The potential for researcher bias is further acknowledged, however this limitation was identified during the study and mitigated accordingly to ensure academic rigour.

5.8 Recommendations for future research

This study followed a qualitative approach as it is best suited to solicit and understand participant experiences and their sense making of those experiences. However, an opportunity exists to conduct a quantitative study on the recommendations of senior leaders on the practices and policies that organisations need to adopt to create a more conducive environment for the implementation of Affirmative Action within a BBBEE strategy. A quantitative study could further be performed on the skills that leaders require to successfully lead transformational change in the context of Affirmative Action and BBBEE. The research conducted was limited to one organisation and a sample of ten senior leaders; an opportunity exists with a quantitative study to further expand this sample to more organisations within the sector, to other sectors in order to identify trends and differences which could provide further insight into leadership of racial and gender transformation across business South Africa.

5.9 Conclusion of this study

This research study sought out to explore the experiences of senior leaders tasked with the implementation of Affirmative Action as part of Employment Equity plans within an organisational BBBEE strategy, with the intent of using the leader's reflections and sensemaking of these experiences as inputs into a guideline for future BBBEE implementations. This chapter discussed the outcomes of the research findings and laid out recommendations based on the findings. In order to place this research in context for the reader, the chapter further details the limitations of the study while also providing recommendations for future research which has the potential to deliver increased insights on the leadership of transformation through BBBEE at an orgnisational level.

Based on the findings and results presented, it is evident that leaders play a critical role in the creation of inclusive work environments. It is even more apparent from this study that the role of leaders in transformative change is made even more significant by the constant and rapid rate of change brought about by the Fifth Industrial Revolution that fuses technology with human experiences. While organisational policies, practices, and pressures have an impact on the efficacy of leaders to effectively manage diversity and inclusion within an organisation, it is clear from this study that in a world of constant flux and increasing demands, the leaders who will build high performing diverse teams are the ones who are equipped with self-awareness, integrity, cultural intelligence, grit, emotional intelligence and are able to lead in a transformational leadership style. These leadership skills are a necessity for all leaders as the required diversity in employees extends beyond the physical (race, gender, ethnicity, ability vs disability, geographical location, etc.) to cognitive diversity (skills, thinking, mindset, etc.) as skills such as critical thinking, growth mindset, problem solving, collaboration and digital savviness are the ticket to the game of competitiveness in any market for any organisation.

The researcher contends that organisations who will succeed at transformational change and build truly diverse teams that achieve incredible results are those who will honestly and intentionally create organisational systems that support inclusion practices. This includes the review of polices around diversity and inclusion, recognition and reward for work performed in line with those policies and consequence management for those who do not.

The researcher further recommends that organisational leadership development practices be reviewed, evaluated, and transformed through a transformational change leadership plan. This plan would serve as a flight plan for leaders across all levels of the organisations to practically develop the required skills to decrease the disparities between the organisation's transformation intentions and the execution initiatives undertaken. This will ensure that employees in the Banking sector work in thriving and sustainable organisations where inclusivity is a daily occurrence.

In essence, organisations that will remain competitive in an era of rapid technological change, where artificial intelligence, robotics and automation are part of daily life, are

those organisations who put purpose into practice by developing wholistically diverse high performing teams.

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ANNEXURES

ANNEXURE A: REQUEST FOR PERMISSION TO CONDUCT RESEARCH IN THE ORGANISATION

To: Whom it may concern,

I am writing to request permission to conduct a research study within [Bank Name] titled "Implementing BBBEE: Leader Experiences in the South African Banking Industry." This research is in pursuit of a Master in the Management of Technology and Innovation. As part of an ongoing interest into how organisations can foster diversity, equity, and inclusion within the financial services sector, this research study aims to explore the implementation of Broad-Based Black Economic Empowerment (BBBEE) initiatives and the experiences of senior leaders within our organisation.

The research will involve conducting semi-structured interviews with senior leaders to gain insights into their experiences, challenges, and successes in implementing BBBEE initiatives. The information gathered will contribute to a comprehensive understanding of the current state of BBBEE implementation within the banking industry and will help identify areas for improvement and innovation.

I assure you that all data collected during the research will be treated with strict confidentiality, and measures will be taken to ensure the anonymity of participants and the confidentiality of their responses. The research findings will be used solely for the purposes of academic research and will not be disclosed outside of the research team without explicit consent.

Furthermore, participation in this research study will be entirely voluntary, and participants will have the right to withdraw at any time without penalty or consequence. The research will be conducted in accordance with ethical guidelines and standards to ensure the well-being and rights of all participants.

I kindly request your approval to proceed with conducting this research study within the organisation. Your support and cooperation in granting permission for this research would be greatly appreciated.

If you have any questions or require further information about the research study, please do not hesitate to contact me directly.

Thank you for considering this request. I look forward to your favourable response.

Sincerely,
Researcher [Name]

ANNEXURE B: REQUEST FOR PERMISSION TO INTERVIEW YOUR DIRECT REPORT

Title of the Study: Implementing BBBEE in the South African Banking Industry

Dear [Line Manager's Name],

I hope this letter finds you well. I am writing to seek your permission for [Employee's Name], who reports to you, to participate in a research study titled "Implementing BBBEE: Leader Experiences in the South African Banking Industry" in pursuit of a Master of Management in Technology and Innovation at the DaVinci Business School.

This research study aims to explore the implementation of Broad-Based Black Economic Empowerment (BBBEE) initiatives within the South African banking industry. [Employee's Name] has been identified as a valuable participant due to their senior leadership position and extensive experience in the banking sector.

Participation in this study will involve a one-hour virtual interview via Microsoft Teams, during which [Employee's Name] will share insights and experiences related to BBBEE implementation. The interview will be conducted at a mutually convenient time and will be scheduled to minimise any disruption to regular work duties and responsibilities.

I assure you that all information shared during the interview will be treated with strict confidentiality, and participant anonymity will be maintained. Additionally, participation in this research study is entirely voluntary, and all participants retains the right to withdraw at any time without penalty or consequence.

Your support in granting permission for the participation in this study would be greatly appreciated. If you have any questions or concerns about the research study or your direct report's involvement, please do not hesitate to contact me directly.

Thank you for considering this request. Your cooperation is instrumental in the success of our research efforts.

Sincerely, Researcher [Name]

ANNEXURE C: INVITATION TO PARTICIPATE IN THE STUDY

Research Interview Invitation: Implementing BBBEE in the South African Banking Industry

Dear [Senior Leader's Name],

I hope this email finds you well. I am writing to extend a formal invitation to participant in an upcoming research initiative that will be conducted within the organisation. The research is being conducted in pursuit of a Master of Management in Technology and Innovation at the DaVinci Business School. As a senior leader in the South African banking industry, your insights and experiences are invaluable in this regard.

Research Topic: *Implementing BBBEE: Leader Experiences in the South African Banking Industry*
Duration: 1 Hour
Platform: Microsoft Teams

Background:
As part of an ongoing interest in the ways in which organisations can foster diversity, equity, and inclusion within the financial services sector, I am conducting research on the implementation of Broad-Based Black Economic Empowerment (BBBEE) initiatives. I am particularly interested in understanding the experiences, challenges, and successes encountered by senior leaders like yourself in navigating the complexities of BBBEE implementation within the South African banking landscape.

Purpose of the Interview:
The primary goal of this research initiative is to gain deeper insights into the experiences, sense making, and lessons learned by senior leaders in implementing BBBEE initiatives. Your participation will contribute to a comprehensive understanding of the current state of BBBEE implementation within the banking industry and will help identify areas for improvement and innovation.

Interview Format:

The interview will be conducted virtually via Microsoft Teams and will last for approximately one hour. The discussion will be semi-structured, allowing for flexibility and in-depth exploration of relevant topics. Rest assured that all information shared during the interview will be treated with the utmost confidentiality, and your anonymity can be maintained upon request.

Ethical Approval and Consent:

Approval for the study has been provided by the organisation and consent to engage with you has been received from your line manager. Participation in the study is voluntary and you can opt out at any time without question. To protect the integrity of the research and to protect you as a participant, you can have confidence that the data collected during this study will only be utilised for research purposes and your privacy and identity will be protected at all times.

Next Steps:

If you are available and willing to participate in this research interview, please confirm your preferred date and time by responding to this email at your earliest convenience. Once we have confirmed the details, a calendar invitation with the Microsoft Teams link will be sent to you promptly.

Should you have any questions or require further information about the research initiative, please do not hesitate to contact me directly.

Thank you in advance for considering this opportunity to contribute to our research efforts. We look forward to the possibility of engaging in a fruitful discussion with you.

Best regards,

Researcher [Name]

ANNEXURE D: INFORMED CONSENT AGREEMENT FOR RESEARCH STUDY

Title of Study: Implementing BBBEE: Leader Experiences in the South African Banking Industry

Introduction:

You are invited to participate in a research study conducted in the pursuit of a Master of Management in Technology and Innovation at the DaVinci Business School, exploring the implementation of Broad-Based Black Economic Empowerment (BBBEE) initiatives within the South African banking industry. Before deciding to participate, it is important for you to understand the purpose of the study, what your participation will involve, and any potential risks or benefits.

Purpose of the Study:

The primary aim of this research study is to gain insight into the experiences, challenges, and successes encountered by senior leaders in implementing BBBEE initiatives within the South African banking industry with the intent to utilise insights from these experiences to formulate a guideline for future BBBEE implementations. By participating in this study, you will contribute valuable information that will help inform future strategies and policies aimed at fostering diversity, equity, and inclusion within the banking sector.

Procedures:

If you agree to participate, you will be invited to a one-hour virtual interview conducted via Microsoft Teams. During the interview, you will be asked a series of semi-structured questions related to your experiences with BBBEE implementation. The interview will be audio-recorded for accuracy, and all information shared will be treated with strict confidentiality.

Voluntary Participation:

Participation in this study is entirely voluntary, and you have the right to withdraw at any time without penalty or consequence. Your decision to participate or decline

participation will not affect your current or future working relationship with the bank in any way.

Confidentiality:
All information collected during the course of this study will be kept strictly confidential. Any data obtained will be anonymised and aggregated to ensure the privacy of participants. Only the research team will have access to the raw data, and all identifying information will be removed from transcripts and reports.

Potential Risks and Benefits:
There are minimal risks associated with participation in this study. The primary risk may involve discomfort or inconvenience associated with discussing sensitive topics related to BBBEE implementation. However, every effort will be made to ensure that you feel comfortable and supported throughout the interview process.

While there are no direct benefits to you as a participant, your insights and contributions will inform future efforts to promote diversity and inclusion within the banking industry, potentially benefitting the broader community.

Contact Information:
If you have any questions or concerns about the study, please feel free to contact the me directly. Additionally, if you have any concerns about your rights as a research participant, you may contact the Institutional Review Board (IRB) at the Da Vinci Institute.

Consent:
By participating in this research study, you acknowledge that you have read and understood the information provided in this consent form. You voluntarily agree to participate in the study under the terms outlined above. You are free to withdraw your consent at any time without penalty.

Please indicate your consent to participate by signing and dating below:

Participant Signature: _____

Date: _____

Regards

Researcher [Name]

ANNEXURE E: SEMI-STRUCTURED INTERVIEW GUIDE

Before the interview
All participants will receive an email inviting them to participate in the research explaining the motivation of the study, the role of the research participant, anonymity, confidentiality, method of data collection and right of withdrawal. This email will be accompanied by a Microsoft Teams invitation for a research interview and acceptance of the invitation was deemed to be acceptance of voluntary participation in the study.
Opening the interview   The researcher will introduce themselves; the research objective and principles as follows: Welcome to the research interview. My name is Thembi Myeni, and I will be conducting the interview with you. Thank you for your time. Before we continue, I need to confirm the following: 1. You are aware of the reason for the interview?   2. You agree to fully participate in the interview?   3. You are aware that you can withdraw from the interview at any time should you wish to do so?   4. You are comfortable with the interview being recorded?   5. You are aware that all recordings, transcripts will be kept in a safe environment to ensure your confidentiality?
During the interview   The researcher will introduce the research topic: **Implementing BBBEE: Leader Experiences in the South African Banking Industry.**   The following questions will form part of the research discussion: 1. How do you as a senior leader tasked with leading and implementing Affirmative Action as part of a BBBEE strategy perceive transformative change?   a. What are your thoughts on BBBEE as a whole?

     b. What are your thoughts on Employment Equity?

     c. What are your thoughts on Affirmative Action?

2. How do you as a senior leader tasked with leading and implementing Affirmative Action as part of a BBBEE strategy make sense of your experiences as they navigate the change implementation?

     a. How have you experienced leading/implementing a BBBEE strategy? Good and Bad.

     b. How have you rationalised these experiences?

3. How could your experiences leading and implementing Affirmative Action provide guidelines for future BBBEE strategy implementations?

4. Are there any other comments you would like to make or anything else that you would like to share regarding the subject?

Closing the interview

The researcher will end the interview by thanking the participant for their engagement during the interview and endeavour to share the final interview notes with the participant as a confirmation of what was discussed.

ANNEXURE F: ETHICAL CLEARANCE LETTER

The Da Vinci Institute for
Technology Management (Pty) Ltd
PO Box 185, Modderfontein,
1645, South Africa
Tel + 27 11 608 1331
Fax +27 11 608 1380
www.davinci.ac.za

THE DAVINCI INSTITUTE
for technology management

Reference: 01422
Date: 12 September 2022

Ethical Declaration

I, the undersigned, hereby declare that the Masters Research of the student named below has received ethical clearance from The Da Vinci Institute Ethics Committee. The student and supervisor will be expected to continue to uphold the Da Vinci Institute's Research Ethics Policy as indicated during the application.

Proposed Title: Implementing BBBEE: Leader Experiences in the South African Banking Industry

Student Name: Myeni Thembekile Promise

Student Number: 15444

Supervisor: Prof Paul Singh

Co-Supervisor: N/A

Period: Ethics approval is granted from 2022/09/12 to 2025/03/23

Chairperson: Research & Ethics Committee

Prof HB Klopper
Executive Dean: Research and Institutional Partnerships