A pre and post election comparison of the affirmative action policies of South African listed companies

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Abstract

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Affirmative action can be described as the enforced empowerment and occupational advancement of historically disadvantaged groups. These disadvantaged groups can only be empowered and occupationally advanced once opportunities for occupational advancement, personal development and an improved quality of life have been created. In this article the influence of the first democratic election of 27 April 1994 on affirmative action policies of the South African companies listed on the Johannesburg Stock Exchange is investigated. Subsequent to the election a marked increase in the percentage of listed companies applying affirmative action policies has been observed in respect of occupational advancement and personal development. An increase in the quality of life benefits and facilities made available to all employees is not, however, always evident.

Key words

Affirmative action, historically disadvantaged employees

1. Background

Racism and various other factors created social and economic inequalities in the South African society (Ferndale, 1993; Rist, 1993:7-12; Führ, 1993). According to Justice Harry Blackman (quoted in Mphelo et al., 1993) “to get beyond racism we must take account of race. There is no other way. And in order to treat some persons equally we must treat them differently”.

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An intervention, which is generally referred to as **affirmative action**, has been suggested as a remedy for the harm caused by racism in the South African society.

Wingrove (1994:5) describes affirmative action as “the enforced empowerment and occupational advancement of historically disadvantaged minority groups”, whilst Rist (1993:20) suggests that it implies the taking of a positive step to remove the backlog caused by discrimination. The Black Management Forum (1993:4) defines affirmative action as “a planned and positive process and strategy aimed at transforming socio-economic environments which have excluded individuals from (dis)advantaged groups, in order for such disadvantaged individuals to gain access to opportunities, including developmental opportunities, based on their suitability”.

Smit (1992:32) sees affirmative action as programmes affirming the positive countering of discrimination in order to ensure equal treatment to all. Olen and Barry (quoted in Rist, 1993:20) describes it as a process “to rectify the consequences of discrimination that have resulted in the unfair treatment of some individuals or groups to enable these persons to compete on par with their colleagues”. For the purpose of this article the definition according to Wingrove (1994:5), namely “enforced empowerment and occupational advancement of historically disadvantaged groups” will be subscribed to.

2. **The scope of this article**

South Africa’s first democratic election resulted in tremendous change in the political, social and economic field. This article investigates the effect of the first democratic election of 27 April 1994 on the affirmative action policies of the listed companies of South Africa.

The first part of the article considers the justification of affirmative action on ethical grounds and gives an overview of the pre and post election scenarios in the South African business community, with specific reference to the implementation of affirmative action. The second part of the article compares affirmative action policies, as observed in surveys prior to and subsequent to the above election.

3. **The ethical considerations of affirmative action**

Unless the question of whether affirmative action is ethically justified, that is “inherently right”, is answered positively, any efforts to successfully implement affirmative action programmes will be met with resistance.

Kruger and De Klerk’s article (1995:401-426) in which the ethical grounds for affirmative action are investigated, come to the conclusion that affirmative action
can be justified on ethical grounds in the South African situation. Their conclusion is based on testing the principles of affirmative action against a number of ethical theories, including compensatory justice, fairness, distribution on the basis of proportional equality of merit, equality of need, and the theory of personal freedom.

Shubane (1995:23) disagrees and states that the practice of affirmative action is fundamentally wrong, because it judges people according to race and not on the content of their character. He argues that one standard should be set by which all people are judged. In response to his argument Van der Merwe (1994:3) focuses on the need for compensation after years of discrimination in South Africa. According to him it will be unfair to expect the disadvantaged to compete on equal grounds with those who benefited from the discriminatory system.

Smit (1992:32) sees affirmative action as a means to ensure equal treatment of all. He agrees that there should be some kind of restitution, but suggests that it should be in the form of compensation, education and training programmes. According to him recruitment, selection, appointment and promotion should only be based on merit. Boatright (1993:234), however, is of the opinion that the termination of discrimination and the implementation of educational type programmes will not be enough. Equal rights will not ensure equal opportunities and equal treatment (Klug quoted in Rist, 1993:20). Mokhobo (quoted in Luhabe, 1993) remarks in this regard: "there is nothing as unequal as the equal treatment of unequals".

Shubane (1995:15) furthermore states that affirmative action should concentrate on the disadvantaged according to their needs and not according to colour. He reasons that if no attempt is made to distinguish between those who deserve to benefit from affirmative action in terms of their needs, the danger exists that affirmative action can bolster the position of a relatively privileged stratum of blacks, since they are the ones who are best equipped to claim benefits and to use the opportunities currently created by these policies. Klug (quoted in Rist, 1993:25) disagrees and argues that only three requirements should be met to identify a person/group for the benefits of affirmative action, namely: the group should be a social group, the group should have been subjected to continuous oppression and the political rights of the group should have been seriously limited. The black population of South Africa qualifies in all three respects.

Van der Merwe (1994:25) reminds us that any ethical issue is first and foremost an attitude issue. People can love and encourage one another in spite of corrupt systems, and can break each other down within perfect systems. People should be seen in their totality, all their needs, abilities, opportunities, ideals and community structures should be taken into account when formulating an affirmative action programme. For the purpose of this article, it is accepted that affirmative action can be justified on ethical grounds.
4. The implementation of affirmative action

4.1 The roles of the government and black trade unions in the implementation of affirmative action

Prior to the election the affirmative action process was driven by black conscious movements in alliance with the African National Congress (ANC), which came to power in 1994 (Rosmarin, 1994). The black unions also played an important but subservient role to the ANC in the implementation of affirmative action in organizations.

The pre election political manifesto of the ANC visualised affirmative action within the broader structure of a socialist and centralised reconstruction and development policy. Black unions supported this broader approach because it emphasised material and educational empowerment of the masses of historically disadvantaged people. These unions were not very supportive of the companies’ own initiatives which usually led to the advancement of only a select elitist minority of high level black employees (Wingrove, 1994:34, 70).

Subsequent to the election, the ANC-dominated government of national unity pursued its national policy of reconstruction and development (RDP) but gradually moved towards decentralising the RDP and legislating the enforcement of affirmative action in the private sector. The unions which were already putting pressure on management to participate in social investment programmes regarding employee training, maternity leave, day-care, etc. became more actively involved. They moved from relatively passive support for the Government’s affirmative action policy towards being more actively involved in the planning and implementation of affirmative action policies in companies. They also took on the role of “watch-dogs” of Government regarding the progress made by companies (Charlton & Van Niekerk, 1994:xv-xxii).

It is apparent that the Government of the day and the unions exerted pressure on companies to implement affirmative action and that this pressure intensified after the 1994 elections.

4.2 The holistic approach to the implementation of affirmative action

During the early 1980s a holistic approach emerged to achieve empowerment and the advancement of historically disadvantaged groups. Project Free Enterprise (1985) identified the important effect of home and school environment on the work performance and development of employees. In addition, there was a growing awareness of company participation in the remedial education of their employees, Smit (1992:52-53) and Luhabe (1993) concur. In order to achieve the objectives of affirmative action, issues like housing, education, health and small business development should inter alia be addressed.
For the purpose of this article, the holistic approach to affirmative action is emphasised, namely that historically disadvantaged groups can only be empowered and occupationally advanced once opportunities for the following have been created: occupational advancement, personal development and an improved quality of life.

Although these disadvantaged groups include women, black people, the aged and the physically disabled, the focus is currently on the empowerment of disadvantaged black employees in a South African context, and this will also be the focus of this article.

4.2.1 Occupational advancement

There are various approaches to be followed in order to rectify the effect of discriminatory policies on occupational advancement.

One approach is that of passive non-discrimination in terms of which all decisions affecting employees are done in a non-discriminatory fashion. This approach addresses the present and the future but fails to rectify the unfair decisions of the past (Frederick, Davis & Post, 1988:306).

Another approach suggested by Frederick et al. (1988:306) is what they describe as occupational advancement by means of affirmative action. They distinguish between the following three categories:

* Recruitment, appointment and promotion without an emphasis on underprivileged candidates.

* Recruitment, appointment and promotion with an emphasis on underprivileged candidates.

* Recruitment, appointment and promotion in terms of a quota system for underprivileged candidates.

In terms of the first category companies make every effort to recruit historically disadvantaged employees but continue to base appointment and promotion decisions on merit. The approach followed in the second category is to recruit, appoint and promote employees with an emphasis on the historically disadvantaged employees. The third category is establishing employment quotas, implying that a specific quota of the total number of employees should be represented by historically disadvantaged employees. According to Brimelow and Spencer (1993:80-100) a quota system will cause harm to not only the company and the community but also to the historically disadvantaged employee.
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Prior to the election, most companies followed the passive non-discrimination approach, as described above by Frederick et al. (1988:306).

Subsequent to the election Mkhwanazi (1994:7) argued that even when all legal barriers were removed and black employees reached the same skills level as whites by means of extensive development programmes, they were usually not promoted due to deeply rooted informal racial discrimination practices. Mkhwanazi (1994:11) therefore suggests that in order to ensure a more just representation of black employees in skilled and management positions, the occupational advancement of black employees should be implemented more purposefully and more forcefully.

After the election, the South African Chamber of Business (1995:2) observed that some managers adopted a short term preferential policy, in terms of which emphasis is placed on the recruitment and promotion of black employees in preference to white employees of equal potential and ability, for a limited period of time. According to Rosmarin (1994) preferential treatment is given to black employees in respect of recruitment, development and promotion. It is envisaged that preferential treatment of certain groups will be implemented for a certain period of time or as long as is required to rectify the imbalances of the past (Rosmarin, 1994). Smit (1992:33-34) agrees that affirmative action programmes should be of a temporary nature. The Black Management Forum (quoted in Rist, 1993:35) acknowledges that a permanent strategy of affirmative action can be classified as (reversed) discrimination.

Another policy adopted after the election can be referred to as the short term output-based policy (South African Chamber of Business, 1995:2). This policy implies rigid timetables and fixed quotas for the appointment of black employees in all job categories. These quotas are set to closely represent the population composition of the region or community in which the company operates. The quotas are set with the primary objective of achieving the empowerment of a given number of employees within a set time limit (South African Chamber of Business, 1995).

Some managers resist the pre-occupation with quantifiable results and prefer setting constructively achievable timetables as an incentive for progress. They reason that pre-occupation with the quantifiable results may have a detrimental effect on the work standards and efficiency of the workforce (Wingrove, 1994:33).

In order to meet the stipulated quotas, management makes every effort to identify and develop historically disadvantaged employees with management potential. The most popular approach is to identify development needs in all job levels and implement accelerated development programmes. Certain companies recruit
developed individuals and are prepared to pay for developed skills. The more
pro-active companies identify school children with high potential and heavily
invest in their educational development or simultaneously embark on all of these

This distinctive characteristic of the occupational advancement approach
followed after the election and implies enforced employment and the rapid
development of black employees even if it means short or medium-term reversed
discrimination against some white employees (Wingrove, 1994:162).

4.2.2 Personal development

During the early 1980s management became aware of the difference in skills
levels between black and white employees. Thlopane (1986:52-58) later referred
to this difference as the skills gap. He suggested that this gap, as well as the
limited exposure of black employees to the modern company work ethic and the
lack of black managerial role models, contributed to the slow progress in black
employee advancement.

To resolve these problems human resources practitioners proposed that
companies should directly intervene in the employee's basic process of
development. Companies introduced special development programmes to redress
education and role-model backlogs (Moerdyk, 1986). The focus of these special
programmes was not only to provide formal but also to provide informal
education and support. Extended support systems were introduced to encourage
the black employee in his/her adjustment in skilled and managerial positions.
Mentor systems were adopted in terms of which senior employees were
appointed to act as mentors and role models for the developing employee
(Moerdyk, 1986).

According to Project Free Enterprise (1985) and Charoux (1986:55-56) the
development programmes included training in literacy, numeracy and advanced
reading skills, Western etiquette, study techniques, leadership and managerial
skills, the principles of economics, life awareness and problem solving
techniques.

Prior to the election, companies were reluctant to set clear time limits and
objectives on the advancement of the black employees but accepted these
programmes as long term investments (Charoux, 1986:4). Due to the fact that it
was difficult to measure progress objectively, many companies refrained from
measuring the success of their black advancement programmes (Human &
Hofmeyer, 1985:15-17).

Subsequent to the election, affirmative action became a strategic business issue
which nowadays has an impact on competitiveness and long-term business
viability (Bomman, 1994). Where affirmative action policies were pursued to a limited extent prior to the election, these policies were generally and vigorously executed.

Where, prior to the election, companies preferred to target only certain high potential employees for accelerated personal development, subsequent to the election, development programmes were extended to a wider base of historically disadvantaged employees (Charlton & Van Niekerk, 1994:98). This shift in focus can partly be ascribed to the pressure exerted by Black Consciousness movements and labour unions which were of the opinion that all the black employees were marginalised and ought to be included in personal development programmes.

4.2.3 Improved quality of life

During the early 1980s, the South African business community became aware of the importance of their involvement in improving the welfare of their historically disadvantaged employees and many companies embarked on social responsibility projects (Nel, 1992:26-28). These projects were characterised by an absence of employee participation in the decision-making process regarding projects as well as a preference towards projects which would directly lead to increased efficiency and economic gain for the company. Examples of these projects *inter alia* include support for employees' transport and drug dependency rehabilitation programmes. The company involvement in the community needs outside the organisation was limited (Nel, 1992:28).

During the late 1980s and the early 1990s a change in attitude occurred concerning the business community's role in society. This attitude was reflected by the replacement of the term *social responsibility* by the phrase *social investment*. The contribution of the company to improving the quality of life of the broader community was now also seen as an investment in the future (Bomman, 1992; Nel, 1992:26-28).

Subsequent to the election, the social investment approach gained popularity as a management philosophy and it became an integral part of the strategy as a means for future economic survival. Nowadays a substantial amount of company profit is annually budgeted for social investment programmes and managed within the strategic mission of the company (Cohn, 1994).

5. Empirical research

5.1 Methodology

In order to compare the policy on affirmative action of South Africa's listed companies for the periods before and after the election of 27 April 1994, the
companies were surveyed by means of questionnaires. A comparative research design (Chadwick et al., 1984:52) was followed and the surveys were carried out during August 1993 to January 1994 (Shotter, 1994:80) and April to May 1995, respectively.

These surveys were carried out on an anonymous basis and were circulated twice during the respective periods. The questionnaires were addressed to the senior officials concerned with employees.

5.2 Population and sampling

The companies listed on the Johannesburg Stock Exchange were selected as the target group due to the fact that these companies exert a strong influence on the direction in which affirmative action policy develops in South Africa. A non-probability sampling method, namely judgmental sampling, was followed.

The populations, in respect of both surveys, were defined in consultation with the Bureau for Financial Analysis at the University of Pretoria and with reference to the Johannesburg Stock Exchange handbook. The populations of the two surveys are summarised and compared below.

The pre-election population consisted of 419 companies listed on the Johannesburg Stock Exchange. The number of companies which responded amounted to 113, resulting in a response rate of 26.97%.

The post-election population consisted of 542 companies listed on the Johannesburg Stock Exchange. The number of companies which responded amounted to 122, resulting in a response rate of 22.5%.

As can be seen from table 1 the pre-election population excluded pyramid companies (60 companies) as well as financial holding companies, property holding companies and cash shells (139 companies). Prior to the election these companies were excluded due to the fact that they were deemed to be non-operating companies with a less significant number of employees, and therefore had less established affirmative action policies. Subsequent to the election these companies were, however, included in the population. The possible influence of this difference in the population should be limited but should, however, be borne in mind when the results are compared.

The extent of representation of the whole population can be judged according to the distribution among the different sectors of the Stock Exchange.
**Table 1: Comparison of the pre and post election populations**

<table>
<thead>
<tr>
<th>Category</th>
<th>Pre Election</th>
<th>Post Election</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total population according to the JSE Handbook</td>
<td>679</td>
<td>616</td>
</tr>
<tr>
<td>• February 1993</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• August 1994</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Companies which do not publish financial statements—excluded by the Bureau of Financial Analysis from their population</td>
<td>-</td>
<td>(3)</td>
</tr>
<tr>
<td>Pyramid companies</td>
<td>(60)</td>
<td>-</td>
</tr>
<tr>
<td>Companies that indicated that it is against their policy to participate in surveys</td>
<td>(9)</td>
<td>(15)</td>
</tr>
<tr>
<td>Foreign companies</td>
<td>(18)</td>
<td>(23)</td>
</tr>
<tr>
<td>Companies which became delisted between</td>
<td>(26)</td>
<td>(35)</td>
</tr>
<tr>
<td>• February 1993 and August 1993</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• August 1994 and April 1995</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Companies of which no shares were traded during the period January and June 1993</td>
<td>(8)</td>
<td>-</td>
</tr>
<tr>
<td>New listings between August 1994 and April 1995</td>
<td>-</td>
<td>2</td>
</tr>
<tr>
<td>Financial holding companies, property holding companies and cash shells</td>
<td>(139)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>419</td>
<td>542</td>
</tr>
</tbody>
</table>
Table 2: Pre election survey – representation of the sectors of the Johannesburg Stock Exchange

<table>
<thead>
<tr>
<th>Sector</th>
<th>Mining, Gold, Metal &amp; Minerals</th>
<th>Financial</th>
<th>Industrial</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of companies in the population</td>
<td>77</td>
<td>90</td>
<td>252</td>
<td>419</td>
</tr>
<tr>
<td>Number of companies response per sector</td>
<td>12</td>
<td>16</td>
<td>83</td>
<td>111*</td>
</tr>
<tr>
<td>% Response per sector</td>
<td>15,58%</td>
<td>17,78%</td>
<td>32,94%</td>
<td>26,97%</td>
</tr>
</tbody>
</table>

* Two of the respondents did not specify their respective sectors.

Table 3: Post election survey – representation of the sectors of the Johannesburg Stock Exchange

<table>
<thead>
<tr>
<th>Sector</th>
<th>Mining, Gold, Metal &amp; Minerals</th>
<th>Financial</th>
<th>Industrial</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of companies in the population</td>
<td>85</td>
<td>130</td>
<td>342</td>
<td>557</td>
</tr>
<tr>
<td>Number of companies response per sector</td>
<td>22</td>
<td>17</td>
<td>75</td>
<td>114*</td>
</tr>
<tr>
<td>% Response per sector</td>
<td>26%</td>
<td>13%</td>
<td>22%</td>
<td>20%</td>
</tr>
</tbody>
</table>

* Eight of the respondents did not specify their respective sectors.

The gold, mining and metals, and minerals sectors were combined into one sector for the purpose of analysing the results. The percentage representation of the three combined sectors in the population are, in both surveys, adequately reflected in the percentage representation in the response received and can therefore be accepted as representative of the population as a whole.
5.3 Compilation of the questionnaire

The questionnaire was designed in order to assess the extent to which listed companies implement affirmative action policies regarding opportunities for occupational advancement, personal development and an improved quality of life for their historically disadvantaged employees. The questions were presented on a nominal level and were standardised in order to ensure clarity and relevance (Shotter, 1994:77). The specific aspects included in the questionnaire are listed below:

- **Occupational advancement**
  - Policies regarding recruitment, appointment and promotion.

- **Personal development**
  - Literacy education
  - Numeracy education

- **Improved quality of life**
  - Paternity leave
  - Housing benefits
  - Rehabilitation programmes for employees with alcohol or drug dependency problems
  - Transport to and from home
  - Day-care facilities for children of employees

It was not possible to test all factors affecting the success rate of a company in its effort to empower and advance historically disadvantaged employees. The above factors should, however, give an indication of the commitment of a company in this regard.

6. Results and discussion

The results of the survey are described and discussed in three categories of affirmative action namely, opportunities for occupational advancement, personal development and an improved quality of life.

The statistical significance is evaluated on tests of proportion. A Z-score > 1.645 indicates a meaningful increase in affirmative action policies after the election.
6.1 Occupational advancement

The following three tables compare the recruitment, appointment and promotion policy of the listed companies in South Africa, as observed prior to, and subsequent to the election.

Table 4: Recruitment with the emphasis on underprivileged candidates

<table>
<thead>
<tr>
<th></th>
<th>Total response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre election</td>
<td>26%</td>
</tr>
<tr>
<td>Post election</td>
<td>51%</td>
</tr>
</tbody>
</table>

Z-score = 3.90461

Table 5: Appointment with the emphasis on underprivileged candidates

<table>
<thead>
<tr>
<th></th>
<th>Total response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre election</td>
<td>27%</td>
</tr>
<tr>
<td>Post election</td>
<td>51%</td>
</tr>
</tbody>
</table>

Z-score = 3.75457

Table 6: Promotion according to a quota system requiring that a certain percentage of all levels of employees be represented by underprivileged employees

<table>
<thead>
<tr>
<th></th>
<th>Total response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre election</td>
<td>2%</td>
</tr>
<tr>
<td>Post election</td>
<td>9%</td>
</tr>
</tbody>
</table>

Z-score = 2.41072

The null hypotheses assume no increase in the post election emphasis placed on underprivileged candidates, in respect of recruitment, appointment or promotion. Based on the Z-scores the null hypotheses can be rejected. After the election an increase in emphasis with regard to the recruitment, appointment and promotion of underprivileged candidates can be discerned.
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It seems as if a short term preferential policy, in terms of which emphasis is placed on the recruitment and appointment of underprivileged employees, in preference to privileged employees of equal potential and ability, has been adopted by the majority of the South African listed companies.

In addition, the increase in promotion according to a quota system seems to indicate that there has been an increase in the percentage of listed companies which have adopted a short-term output-based policy which implies an adoption of rigid timetables and fixed quotas for the appointment of black employees in all job categories. This policy has as yet, however, only been adopted by a small minority of listed companies.

6.2 Personal development

In a comparison of the pre and post election personal development programmes the following percentages of the respondents indicated that they make literacy education and numeracy education available to all employees.

Table 7: Personal development programmes

<table>
<thead>
<tr>
<th></th>
<th>Pre election (percentage respondents)</th>
<th>Post election (percentage respondents)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Literacy education</td>
<td>32</td>
<td>59</td>
</tr>
<tr>
<td>Numeracy education</td>
<td>21</td>
<td>51</td>
</tr>
</tbody>
</table>

The null hypotheses indicate no post election increase in the percentage of companies making literacy and numeracy education available to all employees. Based on the Z-scores of 4.17385 and 4.85634 the null hypotheses can be rejected. Therefore, post election increase in the percentage of companies making literacy and numeracy education available to all employees seems to be apparent.

Where the implementation of personal development programmes were pursued to a limited extent prior to the election, these programmes now seem to be made available to all employees of the majority of the listed companies of South Africa.
6.3 Improved quality of life

In a pre and post election comparison, the following percentages of respondents indicated that certain benefits or facilities were made available to all employees, in order to improve their quality of life.

Table 8: Quality of life benefits and facilities

<table>
<thead>
<tr>
<th></th>
<th>Pre election (percentage respondents)</th>
<th>Post election (percentage respondents)</th>
<th>Z-score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing benefits</td>
<td>43</td>
<td>53</td>
<td>1.51963</td>
</tr>
<tr>
<td>Rehabilitation programmes for employees with alcohol or drug dependency problems</td>
<td>54</td>
<td>64</td>
<td>1.38948</td>
</tr>
<tr>
<td>Transport to and from home</td>
<td>17</td>
<td>21</td>
<td>0.69732</td>
</tr>
<tr>
<td>Paternity leave</td>
<td>32</td>
<td>36</td>
<td>0.55168</td>
</tr>
<tr>
<td>Day-care facilities for children of employees</td>
<td>13</td>
<td>10</td>
<td>(0.652496)</td>
</tr>
</tbody>
</table>

The null hypotheses indicate no post election increase in the percentage of companies making quality of life benefits and facilities available to all employees. Based on the Z-scores of all the above indicators the null hypotheses can not be rejected.

It seems as if no meaningful increase exists in respect of any of the benefits and facilities made available to all employees in order to improve their quality of life.

The above comparison does not indicate an increased commitment by the listed South African companies to improve the quality of life of their historically disadvantaged employees in the period after the election of 27 April 1994.

7. Conclusions

From the results of this research it can be concluded that after the 1994-election there has been a general and marked increase in the percentage of listed
companies applying affirmative action policies related to occupational advancement and personal development. There has, however, been no meaningful improvement in the percentage of quality of life benefits and facilities made available to all employees.

These results also seem to indicate a greater acceptance of the fact that affirmative action is currently ethically justified in the South African situation.

The fact that less progress was made with policies regarding the improvement of the quality of life benefits of employees might indicate that companies still do not see employees in their totality, with all their needs, abilities, opportunities, ideals and community structures, when formulating affirmative action programmes. Another reason might be that companies were of the opinion that they had already made substantial contributions towards improving their employees' quality of life prior to the election. In the light of pending legislation, companies could also have the view that the most serious discrepancies were in the fields of occupational advancement and training – hence their inclination to emphasise occupational advancement and personal development programmes.

The first democratic general election of 27 April 1994 resulted in tremendous change in the political, economical and social fields. These changes provided the impetus for management to commit themselves to implement affirmative action effectively and to encourage companies which have not yet implemented affirmative action to start doing so as soon as possible.

Bibliography
M. Shotter & J.J. de Beer


Koers 62(1) 1997: 119-135