

**THE ROLE OF HUMAN RESOURCE MANAGEMENT IN A SOUTH  
AFRICA WITHOUT APARTHEID  
AN ADDRESS TO THE 31ST ANNUAL CONVENTION  
OF THE INSTITUTE OF PERSONNEL MANAGEMENT (SA)  
ON 30 SEPTEMBER 1987**

**1. INTRODUCTION**

In the last few years or so, there has been an increasing body of analyses on various aspects of South African life and its social, economic and political structures and processes. Common to these analyses is that they are predicated on a projection that has come to be known variously as “post-apartheid South Africa”, “South Africa beyond apartheid” or “South Africa without Apartheid”. The analyses and scenarios that I am aware of usually make certain assumptions. The first assumption made is that there is a common understanding of what constitutes apartheid, and consequently one often finds there is a common point of departure for their analyses.. The second assumption, much like the first, assumes we all have a common vision of a South Africa beyond apartheid, hence the analyses usually concentrate on the structures and processes that are desired or those likely to ensue without describing the nature of this new utopia.

As much as possible, I think it behoves a session like this to get a clear conceptual grasp of the issues at hand if our strategic planning is to be meaningful. With the manpower crises at hand I am certain that this is not meant to be merely an academic exercise. Therefore, I think it critical and important that I do not make assumptions with this august audience because it is possible we might end talking past each other instead of with each other.

My first duty in addressing you therefore will be to provide a reference point, a departure point. I would like to do this by attempting to sketch for you not the politico-legal structures of apartheid, but as I understand it, the profile of an apartheid economy and more importantly, the collective mindset that drives this economy.

Secondly, I would like to paint my vision of a South Africa without apartheid, again using the economy and the collective business mindset as a backdrop.

Lastly, I would like to offer some thoughts about the role of human resource management in a South Africa without apartheid. I would like however, in the same breath to argue that the more critical role is in the transition to a South Africa without apartheid rather than in the post-apartheid era itself.

**2. PROFILE OF AN APARTHEID ECONOMY**

Bearing in mind that this is meant to provide a departure point, this profile will not be as exhaustive as it could be.

The South African economy is an economy whose limitations are increasingly becoming apparent. The ineptitude the ideology and the racial perversity of those in charge of our resources, both human and material, have combined to engender-gross mismanagement of our economy. In fact so incompetent has our management of the economy been that we eminently qualify to belong to that club we so often despairingly refer to as “the rest of Africa”. Our only saving grace has been the nature and the abundance of our natural resources, which fortunately have thus far kept us afloat despite our seemingly willful natural obduracy and perversity.

What then are some of the features of our economy?

Our economy, much like that of the rest of Africa, is based on the export of primary products, specifically minerals. We have not industrialised to the extent that our natural wealth and claimed technical skills and managerial talent justify. If our primary commodities were subject to the ruinous fluctuations like tin or copper, if we had not had the enduring largesse flowing from gold in particular, our economy quite possibly would be no less pathetic than those of most underdeveloped countries. Indeed we are an underdeveloped country.

However, that fact has been ignored or glossed over for a long while and it is only recently that we recognize the dichotomy in our economy, that of the so called First World, Third World cleavage. This terminology has been used to describe two separate economic realities parallel with each other, one developed and comparable with the best in the world and the other so impoverished to rank unfavourably with all but the real basket cases of the world. Thus on the one hand we have an economic sector that has over time arrogated to itself the resources of the country while on the other hand deliberately impoverishing or at best underdeveloping the rest of the country. It is an economy that has deliberately denied opportunities to blacks except those that were subjugated to white economic interests. Thus the Glen Grey Act, the Land Acts as variously enacted and amended, the Group Areas Acts, the Influx Control Acts, the Master and Servant’s Acts, etc. are not random acts of perversity but all parts of a single-minded design and campaign to serve white sectional interests at the expense of the larger society.

Why is it that given the resources, and ostensibly the will and the skills to develop our economy, have we not in fact done so? Why is it, given our pretensions to economic sophistication are we out of hire on critical indices like taxation, inflation, saving? Why is it that given manpower needs of a developing economy, are we subject to the paradoxical pressures of skilled manpower shortage and high unemployment? Why is it that, given or claimed technological and managerial base, is Taiwan, Singapore, South Korea showing is a clean pair of heels in the stakes for economic development.

Do not look to Providence, historical accident or perceived international malice for answers. The answers lie in the nature of apartheid. The features I describe above are the integral and inevitable features of an apartheid economy. South Africans are particularly wont to claim that our problems are unique. Indeed so... and deservedly so!

The inevitable development of our economy from its apartheid base is that it has engendered internal and international hostility to such an extent that seemingly sane people have as their primary tactical objective the destruction of the South African economy as a means of destroying apartheid. South Africa does not need to worry itself about the Marxist dictum that “...capitalism has within it the seeds to destroy itself”. What is more pertinent to us is

that the South African economy because of its racial base, has within it the seeds to destroy itself. Today we are an economy under siege, and that from both internal and external forces.

From within we face several crises, the most important being the crisis of legitimacy, of a large constituency who evidently no longer seek inclusion but seek to fundamentally transform the socio-economic structures which are the battle ground for some of the most robust-political battles in our society. We face a cress of increasing demographic pressures that evidently cannot be catered for under the present structures.

From without we face a hostile world, that for various reasons, both principled and expedient, has forced us to be a relatively closed economy, with limited opportunity for exports except our technical and managerial human resources and the minerals whose importance overwhelm, both principle and expedience. We face a hostile world that for the past few years has been tightening the tourniquet on capital, technology and product.

We have ended up as an economy, where the best game in town is chasing paper because the apartheid economy does not allow us to in bricks, mortar, and people. We have ended up as an economy where the next best game in town is that of cannibalism, where our giants are loath to risk money on new ventures and would rather augment their empires by gobbling up companies of promise. We have ended up as an economy where a fairly attractive game has been the relocation of companies in search of financial benefits deriving from decentralization of questionable economic or political sense.

### 3. WORLD-VIEW AND MIND-SETS

But what of it? What if anything does all this say of human resources management? In any opinion, the foregoing profile has critical importance for understanding the world-view and the mindset of those who have charged themselves with the responsibility for South Africa's resource management, both material and human I refer here to our mining magnates, our captains of industry and commerce. In their minds, they are at one with the political establishment in perceiving themselves threatened by a hostile environment, both within and without. Most, if not all, are constrained by the upbringing and circumstance to view the world in a particular way-to put it a crude way, that of a "heirenvolle" or a civilising influence. Most, if not all, care deeply for South Africa - White South Africa. Most, if not all, will do their damnest to preserve values, structures, institutions and processes that have seen White South Africa rise to the position of regional preeminence that it has. Most, if not all, cannot bring themselves to a common cause with the rest of our society because historically (at least not in our lifetime) we have not seen our interests to coincide. Thus business to a large extent has worked to develop white South Africa, according to the economic dictates of the political establishment and have seen it only natural to do so, because rarely has business truly questioned the philosophy and basis for the structuring of our society.

If, it seems to you that I imply that Corporate South Africa is, not an unwilling victim nor even an innocent bystander in the mismanagement of our human resources, then you understand me perfectly. In fact, I wish to go further than imply I want to posit a theme that ought to be developed further: That of a commonality or a convergence of interests between the industrial and commercial sectors with those of the state as epitomised by National Party politics.

This commonality can be traced back to the early sixties and it betrays a far more insidious and debilitating effect on our economy than the mere existence or enactment of discriminatory policies by the government of South Africa.

It has become our mainstay as businesspeople to advance and perpetuate the argument that the South African Government is the sole or even primary villain in the mismanagement of South African resources, both human and material. The political motives and ideology of the ruling establishment are today denounced as completely inimical to the needs of the South African economy, which is fondly referred to as “Free Enterprise” or the “Market Economy”. Closer self-examination ought to explode the myth, that we as business have been the unwilling victims of political ideology and interest. There is a thesis to be made that perhaps not only has business been an unwitting partner with the State but in fact consciously co-operated, and shall we say, connived with the ruling ideology because we as business thought it to serve our own interests. The commonality of interests that I posit is not accidental nor unplanned, not even on the subject of human resource management! In the mid sixties a cabinet member of the South African government made a policy statement that deserves the same notoriety and contempt bestowed upon an earlier policy statement on the education of blacks by Verwoerd. In articulating this policy on human resources management, Deputy Minister, De Wet Nel said:

“Our object is to so plan matters in conjunction with our industries so that the Natives can also be used systematically”.  
(Morris 1977, p.35)

Now, whatever we may think may have been meant by the term “systematically” no one can in retrospect accuse the minister or the Nationalist government of implying the efficient and equitable use of Black human resources for the good of the South African economy as a whole. Even as the policy was implemented over time it became very obvious that a policy that had as its central tenets the -

- i) under-development and in fact deliberate mis-education of a large segment of the population.
- ii) the restrictions of movement and lack of choice in selling own labour.
- iii) legally sanctioned job reservation.
- iv) the prohibition of representative or even collective bargaining, etc. could not by any stretch of the imagination be thought to be proper and rational human resource management.

Business which often claims preservation and advancement of rational self-interest as it's guiding philosophy has yet to repudiate the concept expressed by De Wet Nel that business and the state ought to plan and act in conjunction. In fact available evidence suggests that this is a role that has been welcomed and enforced with gusto by business in South Africa. The cruder examples of this co-operation are in the mining industry, but abound everywhere with varying camouflage and sophistication. Today this collaboration is clothed in pious and self-serving concern for “national security” as evidenced by participation of business in the secret yet omnipresent security management councils.

Why is it that we find it easy, if not convenient! to rail at the inequity and inefficiency of these government policies and the wastefulness of the structures designed to implement these insane policies? Is it because we conveniently overlook or would like to forget that we as corporate South Africa, without perceptible coercion, have been instrumental in

enforcing and more importantly legitimizing these policies and actions?

Corporate South Africa has over time developed a mindset, perfectly in tune with the mind set of the political establishment, that accepts as a matter of course that in human resource management as in other facets whites should enjoy the preeminent role and utilise black human resources only to the extent that it suits and serves white interests Corporate South Africa has created a mythology and a self-fulfilling prophecy of black ineptitude, inefficiency and lack of potential. For decades, corporate South Africa, in conjunction with the state has deliberately denied blacks developmental and advancement opportunities in corporate South Africa and today, point to this self-same paucity of black skills, or managerial talent as evidence of backwardness.

Is it a mystery that the steady crumbling of statutes and official policies that have justified and upheld these human resources management practices have failed to significantly improve the situation? In short, our mindset and our human resource management practices as Corporate South Africa vitiate our sanctimonious calls for the repeal of discriminatory laws and practices that undermine economic efficiency. Thus to focus on politico-legal structures as the cause of our mismanagement of human resources is at best to skirt the real issues.

The thesis that I make of a commonality of interest between business and the state should not be confused with the Marxist thesis that holds that such collaboration is inevitable. Rather I wish it to be understood that the collaboration between South African business and the state has been voluntary. We are guilty of mismanagement of our resources not by default but by design.

#### **4. MORE RECENT PHENOMENA THAT CHARACTERISE HUMAN RESOURCE MANAGEMENT**

As the needs of our economy have changed, as the way in which we have articulated our needs have liberalised, as greater pressure has been exerted on South African policy of political and economic exploitation, as perception amongst power blocks of how long the status quo can be maintained have diverged, - so the oft misused phrase of change has come to characterise our management outlook.

Recent events from industrial action since the early seventies, the uprisings of 1976 against Bantu Education, the increasing emigration of White skilled manpower, have forced CEO's and senior management to rethink, to re-evaluate their actions and practices in an environment that is becoming less hospitable by the day.

With this rethink, we have seen the advent of a plethora of upgrading/remedial programmes - known variously as Management Development Programmes, Management Advancement Programmes, or even Affirmative Action Programmes seemingly aimed at averting a manpower shortage crises on the one hand and ostensibly "redressing the imbalances" in racial profile of management on the other. Corporate social responsibility has come the fore as a primary indicator of corporate concern and much of it directed at creating new and elitist schools.

While it would be simplistic to argue that these actions are futile or irrelevant, it is however pertinent to consider the following :

- 1) Are these upgrading/remedial programmes in any way designed to address the fundamental training and development issues that arise from a bankrupt education policy which will continue to churn out deficient manpower potential? I think not!
- 2) What are the returns, to the concerned corporations and to the intended beneficiaries of the vast (though inadequate) funds that increasingly parade as the centerpieces of corporate financial reports? I think none!
- 3) Are the new educational institutions now much in vogue designed and intended to breed critical minds that will break from the current corporate mindset and question the basis of our political and economic structures? I think not!

## 5. WHAT ARE THE IMPLICATIONS FOR HUMAN RESOURCE MANAGEMENT

The implications for human resource management I believe by now should be held evident. An economy and a mindset that does not question or tacitly accepts a racial ideology will necessarily underdeveloped and deny opportunities to those deemed to be inherently inferior.

An economy and a mindset that conceives of itself as a First World Economy in a Third World setting will seek 'to develop the finest of stockbrokers, the most astute corporate strategists, the accomplished management buyout specialists and the keenest financial whizz kids.

An economy and a mindset that conceives of itself as under siege will value the sanctions-buster and the corporate predator waiting to feed on the remains of departing companies

An economy and a mindset that does not question the fundamental structures of our society will pump money into educational establishments that seek to reproduce clones of the current corporate management.

An economy and a mindset that conceives of itself as developed will find greater value in adding to the corporate bottom line than in creating new wealth.

An economy and a mindset such as described above is far removed from the realities and real needs of a developing economy,- that should be investing in new wealth creation, in adjusting the processes of the economy, to meet the needs of the larger society, and in meeting the challenges of a pre-teen bulge in our demographics profile, ie. in creating wealth and jobs.

The manpower needs of an economy without apartheid will be very different from those of an economy under apartheid.

Perhaps it is now appropriate to attempt to describe what I mean by a South Africa (or even an economy) without apartheid.

Typically, a vision of South Africa without apartheid is described by giving a shopping list of politico-legal structures and most importantly laws that have to be abolished. I do not wish to disparage or minimise the importance of progress on these-fronts. However, the implicit suggestion that the mere fact of the scrapping of Group Areas Acts, Population



Registration Act, Influx Control Act, the Land Acts and the Separate Amenities Acts by themselves would be sufficient to describe a South Africa without apartheid is not acceptable.

Surely the scrapping of these acts is a necessary, though I emphasize not sufficient condition for the removal of apartheid in our society. More than the structures and institutions, legal or otherwise, the demise of apartheid will be more definitively heralded by the change in the world-view and mindset of those of us who give race-based ideologies respectability I have already talked at length of the world-views and mindset I refer to. I think in short my vision of South Africa without -apartheid is one where each individual will accept the other as an equal and where equal or comparable opportunities will be granted to all irrespective of colour or creed.

My definition of a South Africa has no necessary implications for the structure of our socio-economic system, that is whether it should have unitary or federal based governmental system. In terms of my earlier description of an apartheid economy thought, there are necessary implications for direction, development and priorities of our economy. I trust it is not necessary to belabour the points made earlier about our present economy.

## **6. THE ROLE OF HUMAN RESOURCE MANAGEMENT IN A SOUTH AFRICA WITHOUT APARTHEID**

What then is the role of Human resource management in a South Africa without apartheid?

For most of our society even after apartheid, the primary participation in the economy will still be as employees and as consumers. It behoves us as human resource managers to facilitate this involvement as employees to make it a more meaningful experience than it has hitherto been. In essence this will involve specialists like yourselves sensitising corporate South Africa to the needs of your various publics. Most importantly that of your labour force and that of the potential pool of manpower.

The role of human resource management will be to forge a new corporate culture, one that is inclusive of values and interests hitherto not acknowledged in the corporate world.

One of the continuing roles of human resource management will be to heal the rift caused by exclusion and insensitivity. The concept of participative management will have to be dusted off and applied to forge a broad consensus between employees and management.

We should also recognise that in a South Africa without Apartheid, employees will in fact consist of a real constituency with crosscutting though mutually supportive power bases. That is, the legal and political institutions will no longer be necessarily arraigned against the-largest section of your labour force which will be black. Human Resource Managers will have to deal with this new reality.

One would hope that the economy would be liberated in a South Africa 'without apartheid'. Therefore it should be an economy that begins to exploit more fully the resources both material and human that have been endowed to it. Corporations through their human resource management specialist should perhaps be less sanguine about ensuring the adequate development of a manpower base appropriate to the task ahead. This 'will have implications for- the extent in which corporate South Africa will involve itself in the

educational policies and direction of the country.

However, our role in a South Africa without apartheid I submit, is not nearly as crucial as our role in being midwives, in ensuring this transition to the desired end. This critical role holds challenges for us, some of which will continue to be relevant in a South Africa without apartheid. The following are some of the challenges we must face.

## 7. MAJOR ISSUES CONFRONTING SOUTH AFRICAN MANAGERS TODAY

- 7.1 *Realising that successful strategy is “the match an industry achieves with its environment”. In the opinion of corporate South Africa’s critics, possibly over 75% of South African business strategy is in a state of dislocation*
- 7.2 *To stop thinking Whites know what Blacks want or what is best for them. Reliance on a few Black spokesmen does not begin to address the challenge of inter-group knowledge which can only flow from an open non-racial society.*
- 7.3 *To stop seeing the “private sector “ as comprising only organised business and “capitalists”. Any corporation aiming at working effectively for “the good of others” or “the country” requires to be influenced by the perceptions and views of other interest-groups or publics and to have the benefits of initial jointly-negotiated objectives before “going into action”.*
- 7.4 *To stop thinking of maximizing profit in vacuo, out of the context of the environment in which it is earned and being for the sole benefit of the shareholders. To realise that the paramount purpose of corporate strategy is -  
  
to understand the social and economic realities of the market place  
  
to develop plans and programmes that make sense within it.*
- 7.5 *To stop thinking in terms of today’s “market” and to start thinking who your customers will be - 5 to 10 years from now.*
- 7.6 *Corporate South Africa needs to realise that there are two Black-initiated revolutions raging a revolution to overthrow and a revolution for inclusion. The latter can defuse the former only if corporate South Africa aids and abets it*

## 8. MAJOR ISSUES CONFRONTING SOUTH AFRICAN MANAGERS IN THE 21ST CENTURY

- 8.1 *Managing South African commerce and industry as part of a global industrial village. Bravado talks of “to hell with sanctions and disinvestments” are puerile and myopic.*
- 8.2 *Incompatibility of the workforce with the high-tech and information requirements of commerce and industry.*
- 8.3 *The need to narrow the manager - subordinate ratio from*



*1:35/1:52 to 1:10.*

- 8.4 *The challenge to change the adversarial relationship between managers and the managed: from the us versus them to more of a consensual relationship, e g Japanese familism.*