

# THE DOMINANT MANAGEMENT PARADIGM IN A TRANSPORT PARASTATAL

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## ABSTRACT

The objective of this research was to determine the current dominant management paradigm in a transport parastatal. The transformation from the Industrial Age to the Information Age has necessitated a corresponding transformation from Management to Leadership paradigms. Sixty two managers within the organization completed questionnaires to indicate which paradigm they currently perceive to be dominant within their relationship with their direct manager and the organization as a whole. A paradox emerged. Transition towards a Leadership paradigm is perceived within the relationship with the direct manager, whilst a Management paradigm is perceived to be dominant in the organization as a whole.

## OPSOMMING

Die doelwit met die navorsing was om die huidige dominante bestuur paradigma in 'n semi-staat vervoer onderneming te bepaal. Verandering vanaf die Industriële na die Informatie Era het 'n gepaardgaande verandering vanaf 'n Bestuur na Leierskap paradigma genoodsaak. Twee-en-sestig bestuurders vanuit die organisasie het 'n vraelys voltooi om hul waarneming van die dominante paradigma in terme van hul verhouding met hul direkte bestuurder sowel as die organisasie as geheel uit te wys. Skynbare teenstrydigheid het te voorskyn gekom. Oorgang na 'n Leierskap paradigma is waargeneem in die verhouding met die direkte bestuurder, terwyl 'n Bestuur paradigma waargeneem word as dominant in die organisasie as geheel.

The world is moving from an Industrial Age into an Information Age. This statement is supported by authors such as Drucker (2002), Waitley (1995), Senge (in Gibson, 1998), Hamel (2000), Toffler (1990), Handy (in Gibson, 1998), Bennis (in Gibson, 1998) and Prahalad (in Gibson, 1998). This trend is irrevocable and undeniable – a shift in the very fabric of human society and of business that has forever changed the rules within which we live and work. As Hamel & Prahalad (1994 p.29) state *“We are standing on the verge, and for some it will be the precipice, of a revolution as profound as that which gave birth to modern industry. It will be ... the information revolution”*.

The information revolution is already here, shaping our lives from day to day. With the explosion in the availability of information via the internet and World Wide Web, work has evolved from the physical to the mental, from manual, linear, mechanistic contributions to intellectual, virtual and continuously evolving synergies (Toffler, 1990; Senge, in Gibson, 1998). Drucker (2002 p.129) expands on this transformation when he states *“The emergence of knowledge work and of the knowledge worker – let alone their emergence as the ‘capital’ of a knowledge-based society and knowledge-based economy – is as profound a change as was the Industrial Revolution 250 years ago, perhaps an even greater one”*.

Toffler (in Gibson, 1998) reminds us that the invention of agriculture provided the human race with a new way to convert the earth's resources into wealth, and almost everywhere launched a 'First Wave' of change in civilization. Similarly, the Industrial Revolution triggered a 'Second Wave' of change that gave us a factory-based system for wealth creation. Until very recently, most of what we taught in management texts reflected 'Second Wave' thinking. Today's knowledge has launched a gigantic 'Third Wave' of economic, technical and social change. This is forcing business to operate in radically new, continually shifting ways that stand Second Wave notions on their head.

Probst, Raub & Romhardt (2000 p.2) confirm this by saying *“The revolution in communications technology has brought economic changes which enhance the importance of knowledge. In modern industrial nations, knowledge-intensive industries are responsible for*

*a steadily increasing proportion of the national net product. This trend naturally affects the financial success of individual companies, prompting more of them to recognize the fundamental importance of knowledge as a resource”*. Given that the world of work has changed, the rules required to lead in the workplace and to succeed in the workplace must also change. This view is supported by Drucker (1982 p.9), when he predicted that the Information Age would bring with it *“... a period of change ... in the knowledge needed to govern and to manage ...”*.

The implications are, amongst others, that traditional general management theory which has its roots in the Industrial Age, will need to be revised and updated on the basis of a new philosophical ideology of what “management” and “leadership” means in the Information Age. Traditional linear thinking that shaped the nature of management in an Industrial Age and which weaved its essence around the authoritarian and mechanistic principles of planning, organizing, directing and controlling, will need to be balanced by a focus on the importance of vision, values, continuous people development and stimulation of innovation and the creation of intellectual capital. Drucker (2002 p.124) expands on this by stating that *“Increasingly the success, indeed the survival, of every business will depend on the performance of its knowledge workforce. The only way an organization in a knowledge-based economy and society can excel is through managing its knowledge workers for greater productivity. It is, to repeat an old saying, ‘to make ordinary people do extraordinary things”*.

In the challenge to “make ordinary people do extraordinary things”, the workforce must become a formidable knowledge asset able to convert knowledge into innovative products and services, thereby contributing significantly to the bottom-line. To achieve this objective, it is important for organizations to be fully aware of the current management and leadership paradigms that govern their organizations. The concept of “paradigm” becomes a central aspect that needs to be identified by the research study. As Drucker (2002 p.3) states, *“BASIC ASSUMPTIONS ABOUT REALITY are the PARADIGMS of a social science, such as management. They are usually held subconsciously ... Yet those assumptions largely determine what the discipline ... assumes to be REALITY ... It is subject to continuous change. And this means that assumptions that were valid yesterday can become*

*invalid, and indeed, totally misleading in no time at all*". Therefore, the paradigms or assumptions we hold to be true, influence our behavior.

It is the management and leadership paradigms which inform behavior within organizations that either unlock the knowledge potential of a workforce, or stifle the potential that exists. Charlton (1992 p.9) confirms this by saying "*It is the competence of managers, and in particular, leaders of people that determines, in large part, the returns that organizations realize from their human capital, or human resources*". These managers and leaders are the individuals who shape and lead the organizations through vision, mission, strategy, structures, systems and culture.

This research study therefore makes the fundamental assumption that leadership is integral to the success of any organization within the Information Age. Toffler (in Gibson, 1998 p.viii) suggests that "*Not since the dawn of the Industrial Revolution have managers had more to learn (and unlearn) about the art of business leadership*". The challenge for managers today is to transform the competencies and mindsets of yesterday into those needed for today and tomorrow.

At this juncture, the following question may also be posed: How equipped are South African organizations, and in particular South African managers, in the management/leadership skills required to cope with the demands of the Information Age?

According to the Management Development World Competitiveness Yearbook, there is cause for concern. South Africa is ranked 38<sup>th</sup> out of 46 countries in terms of competitiveness and the list of lowest ranking factors are substantial. They include the following:

- Productivity growth (41<sup>st</sup>);
- International experience of managers (43<sup>rd</sup>);
- Relations between managers and their employees (45<sup>th</sup>); and
- Application of quality management principles (40<sup>th</sup>).

According to the results there is also a strong correlation between management competence and the overall ranking of the world's most competitive nations. The results therefore speak for themselves. South African managers still have a long way to go to transform their paradigms and their leadership abilities in order to "lead from the front" in the new world of business.

As Bennis states (in Gibson, 1998 p.50) "*... the major challenge for leaders in the twenty first century will be how to release the brainpower of their organizations. I think it's the essential challenge, and it's quite different from the challenge that faced twentieth century leaders*". Against this challenging context, managers will have to rise above the traditional technical competencies of the management function – that of planning, organizing, directing and controlling – to also inspire, lead, nurture and empower the people around them. Technical management competencies alone are no longer enough.

This need for managers and leaders to develop additional skills is further supported by Waitley (1995 p.6) when he says "*The new global leaders will be people who can transmit knowledge and power to each member of an organization. They will be those who can accept the challenge and responsibility of using this new empowerment to build empires in their minds... Thus, the competitive edge will belong to those who know how to inspire productivity and excellence from each individual*". "*In the traditional workforce, the worker serves the system; in a knowledge workforce the system must serve the worker*" (Drucker, 2002 p.125).

Leadership is described as follows by Gibson (1998 p.11) when he states that the new leaders will be scanning the landscape; spotting emerging trends and opportunities; using technology to have a real-time connection to the marketplace; obtaining continual feedback from all sectors of the organization and the marketplace; leading through a combination of fact and

intuition; decentralizing power and democratizing strategy; capitalizing on discontinuity; embracing change; fostering creative collaboration amongst people and leading through vision, passion and aspiration.

Given the evidence provided by South Africa's low ranking in the Institute for Management Development's World Competitiveness Yearbook, it is possible that current South African management paradigms could be hampering South Africa's quest to compete on a global economic stage. This study will focus exclusively on the management paradigms that exist within South Africa and in particular, within one parastatal. The assumption is that if management skills and actions within the private sector are contributing to low ratings in the Management Development World Competitiveness Global Survey, the public sector, and specifically parastatals could be even further behind in their rating level. The reason why parastatals may have a longer road to travel to transform themselves lies in the fact that parastatals were largely closed, self-sustaining systems that were traditionally supported by the State. Only recently, in a more open and aggressive market and with less State intervention, have parastatals started to experience the forces of deregulation, increased competition and the weaknesses of their traditional business models. Given the fact that management within open business systems in the private sector have lagged behind, it is feasible that management within the previously closed "cocoon" of the parastatals have an even greater challenge to bring their management paradigms in line with global demands.

This research study will add to the body of knowledge available on this issue by identifying and describing the perceived dominant management and/or leadership paradigm within a transport parastatal in South Africa.

## PROBLEM STATEMENT

From the background to this study, the following questions are relevant in understanding the current state of management/leadership paradigms within the chosen context:

- Which management/leadership paradigms are conducive to negotiating the challenges of the Information Age; and
- Which management/leadership paradigms currently dominate within the area being researched?

These are key questions that need to be answered because the traditional model that management within organizations has used for the last two hundred years is a "command and control" model (Bennis, 1996). The basic idea is that the individual should carry out orders, and orders start from the top. All intelligence, all wisdom, resides at the top of the organization. Everybody else is the "spear-carrier" who does the actual work.

What is needed is a very different mode of operating. Hammer (in Gibson, 1998 p.97) states that "*We need ways of operating in which decisions are made by those much closer to the work. We need a model in which people at the front lines are given a lot of autonomy and responsibility for deciding things on their own. A model where management exists, not to direct and control or to supervise, but rather to facilitate and enable*". Charlton (1992 p.9) supports this with the following statement "*Survival is dependent on the quality of an organization's leaders and their ability to optimize human resources*".

## RESEARCH OBJECTIVES

To contribute to the existing body of knowledge and information regarding the challenging realities facing managers

in South Africa, and in particular, the transport parastatal environment, the aim of the research is:

- To identify the dominant management/leadership paradigm that exists within a transport parastatal in South Africa.

To achieve this objective, the study aims to answer the following specific questions:

- What constitutes the typical management paradigm of an Industrial Age?
- What constitutes the typical management paradigm within the Information Age?
- What is the current dominant management paradigm amongst managers within the target organization?

To answer these research questions, the following are the objectives for this study:

- Describing the typical management paradigm of the Industrial Age.
- Describing the typical management paradigm of the Information Age.
- Identifying and describing the current dominant management paradigm that exists within the area being researched.

## MANAGEMENT AND LEADERSHIP PARADIGMS

In this section, the first two objectives of the study will be addressed. A review of literature will be used to describe the key characteristics of the two paradigms.

### INDUSTRIAL AGE AND MANAGEMENT PARADIGM

Management in the Industrial Age was largely characterized by three principles: control, order and predict (Bennis, 1996). These principles were appropriate in a stable environment where one could control, order and predict. However, in the twenty-first century, we are experiencing increasingly rapid change.

The Industrial Age was a much more linear world in which organizations were hierarchical and bureaucratic. As Bennis (in Gibson, 1998 p.150) illustrates with an analogy *"It was somewhat similar to the early notion of computing, in which you simply feed information into the system and it disgorges a solution"*. Toffler (in Gibson; 1998 p.ix) refers to the Industrial Age as a 'Second Wave' of change that gave us a factory-based system for wealth creation. He goes on to state that *"based on assumptions of linearity and equilibrium, the dominant management paradigm paralleled mechanistic assumptions of western economics ... industrial faith in such things as vertical integration, economies of scale, hierarchical command-and-control organizations ..."*.

To use another analogy, Industrial Age organizations revolved around assembly-line thinking and structures in which employees had very narrowly defined and specialized areas of skill. Hammer (in Gibson, 1998 p.97) expands on this concept as follows *"We've traditionally started with the assumption that people are limited and simple. This means that we have had to design very simple tasks and jobs for them to do. This, in turn, has led to complex, organizational processes and systems, because when all the work that is being done is fragmented, atomistic and small scale, then we need a lot of overhead to tie it all together. We would also need a lot of managers/supervisors to 'tie it all together"*. Industrial Age management revolved around making policies, practices and procedures that would keep the cogs turning in the machine of business. These managers focused on achieving greater efficiency, and how to control their systems and structures more effectively. In a stable environment, this may be possible, but in the times of rapid change as witnessed within the Information Age, this can no longer yield the same results.

This is summarized by Sumantra Ghoshal, holder of the chair of strategic leadership at London Business School, as follows: *"You cannot manage Third Generation strategies through Second Generation organizations with First Generation managers"* (Charlton, 2000 p. 19).

### INFORMATION AGE AND LEADERSHIP PARADIGM

Toffler (in Gibson, 1998 p.viii) explains that *"Every shred of industrial-era thinking is now being rescrutinized and brilliantly reformulated. As the Third Wave system for wealth creation spreads, marked by hyper-competition, successive technological revolutions, and social dislocation and conflict, it is creating high unpredictability and non-linear conditions"*. Given this backdrop of world-wide economic and social transformation, management has to develop the additional dimension of leadership. Management on its own is no longer enough to cope with the various demands and challenges in the workplace. *"... the close of the twentieth century might be said to represent the end of a whole order of things. The end of the industrial paradigm. The end of management"* (Gibson, 1998 p.3).

To have a clear understanding of the kind of leadership required in the Information Age, it is necessary to first have a picture of what the future might bring. *"Up ahead we see a world of chaos and uncertainty. A world of accelerating change. A world where economies are not based on land, money or raw materials but on intellectual capital. Where competition will be fierce and markets will be merciless. Where small companies will outsmart giant corporations on a global scale. Where customers will have infinite access to products, services and information. Where networks will be more important than nations"* (Toffler, 1990 p.viii-ix, 3, 255). Management is sufficient for stable times and predictable scenarios, and it is focused on maintaining the status quo. However, leadership is required to navigate the magnitude of this unpredictable global landscape and to recreate itself, as the environment does, over and over again. *"In the twenty-first century, the winners will be those who stay ahead of the change curve, constantly redefining their industries, creating new markets, blazing new trails, reinventing the competitive rules, challenging the status quo"* (Gibson 1998). To use Handy's words, it will be those who 'invent the world' rather than respond to it (1995).

The concept of Leadership needs to be still more closely described and unraveled. *"Not traditional leadership, but twenty-first century leadership"* (Gibson, 1998 p.10). Tomorrow's successful leaders will be what Bennis (1996) calls 'leaders of leaders'. *"They will decentralize power and democratize strategy by involving a rich mixture of different people from inside and outside the organization in the process of reinventing the future. They will be comfortable with discontinuity and will understand how to use it to create opportunities"* (Gibson, 1998 p.11). According to Bennis (in Gibson, 1998 p.11) they will gather people around them who have the 'future in their bones', and they will be adept at fostering creative collaboration amongst people – achieving what Gary Hamel (2000) calls a 'hierarchy of imagination'. It therefore becomes clear that the leaders required for the Information Age have a natural ability to work through and with people, and that they have the power to convert the knowledge of people into intellectual assets for the organization.

Corresponding to these changes, the very nature of work is changing. *"Work used to mean having a job with an employer. But today, it increasingly means working for yourself and by yourself. In the near future, half of the workforce of the developed world will be working 'outside' the organization. Traditional organizations now employ only 55 percent of the workforce on a full-time basis. The rest are temporary, part-time or contractual workers"* (Handy, 1995). This shift is perfectly aligned to the shift from physical work to knowledge work and the introduction of the "knowledge worker" (Drucker, 2002 p.24). Therefore, the ability to tap into and unleash the knowledge of people and to transform this creative force into innovative intellectual assets for the organization is the pivotal role of leaders for the Information Age. Furthermore,

given the changing nature of work and the shifting role of the knowledge worker, leaders must have an ability to work within networks and to elicit the best from people even within virtual organizations. A whole variety of intra- and interpersonal skills become essential in achieving this leadership responsibility. The skills required by leaders today are predominantly focused on those that will lead, motivate, empower and inspire those around them to be willing followers. In this sense, competencies that revolve around intra/interpersonal skills and personal mastery – a thorough understanding of self – have never been so important. Goleman, Boyatzis & McKee’s (2002) research has indicated that whilst IQ and technical skills are important, emotional intelligence is the key element in leadership. He emphasizes the importance of self-management through self-awareness, self-regulation, motivation, empathy and social skills.

**MANAGEMENT AND LEADERSHIP PARADIGM COMPARISON**

The core differences or shifts between management and leadership are summarized in the following table.

**TABLE 1  
CORE DIFFERENCES OR SHIFTS BETWEEN  
MANAGEMENT AND LEADERSHIP**

Category	Management	Leadership
<b>Change</b>	<ul style="list-style-type: none"> <li>• Peacemaker (conflict avoided)</li> <li>• Focus on stability/conservation</li> <li>• Administers</li> <li>• Maintains status quo</li> </ul>	<ul style="list-style-type: none"> <li>• Pacemaker (conflict risked as inevitable to growth)</li> <li>• Emphasis on change/acceptable risk</li> <li>• Innovates</li> <li>• Develops people</li> </ul>
<b>Focus</b>	<ul style="list-style-type: none"> <li>• Does things right (implementer)</li> <li>• Thinks of today (present)</li> <li>• Focus on events</li> </ul>	<ul style="list-style-type: none"> <li>• Does the right things right (combines thinking &amp; doing)</li> <li>• Thinks of the day after tomorrow (future)</li> <li>• Focus on patterns underlying events</li> </ul>
<b>Interpersonal</b>	<ul style="list-style-type: none"> <li>• Relies on Systems</li> <li>• Low level of involvement</li> <li>• Task-oriented</li> <li>• Intellect/ rational dominates</li> </ul>	<ul style="list-style-type: none"> <li>• Relies on People</li> <li>• High level of involvement</li> <li>• Process/People oriented</li> <li>• Balance between intellect &amp; emotional intelligence</li> </ul>
<b>Power</b>	<ul style="list-style-type: none"> <li>• Win/lose orientation</li> <li>• Relies on external controls</li> <li>• Positional power emphasized</li> <li>• Premise that others are incompetent (mechanistic view)</li> </ul>	<ul style="list-style-type: none"> <li>• Win-win, “Expandable pie”</li> <li>• Internal self-managed control</li> <li>• Competence emphasized</li> <li>• Trust in innate desire of people to excel/learn.</li> </ul>
<b>Motivation</b>	<ul style="list-style-type: none"> <li>• Extrinsic – threat/ external rewards</li> <li>• Responds to meaning</li> </ul>	<ul style="list-style-type: none"> <li>• Intrinsic – creating a sense of “extra-mile” purpose</li> <li>• Creates meaning for self &amp; others</li> </ul>
<b>Self-Management</b>	<ul style="list-style-type: none"> <li>• Externalizes responsibility.</li> <li>• Tendency to blame</li> <li>• Tendency to be passive and wait &amp; see</li> </ul>	<ul style="list-style-type: none"> <li>• Assumes responsibility to change</li> <li>• Active attitude to influencing at different levels</li> </ul>
<b>Role</b>	<ul style="list-style-type: none"> <li>• You serve me</li> <li>• Implementer</li> <li>• Expectations (“you owe me”)</li> </ul>	<ul style="list-style-type: none"> <li>• Steward – I serve you</li> <li>• Designer &amp; Implementer</li> <li>• Aspirations (“I/We can create”)</li> </ul>

(Adapted from Charlton, 2000 p. 55-56).

It is clear that the shift from management to leadership is a significant one in which the locus of control and responsibility moves from the external to the internal, and in which the choice is between responding reactively to events or actively creating them. This is the kind of leadership needed to adapt to the new rules of the business game in the unpredictable Information Age.

It must be acknowledged at this point that management as a discipline with the traditional emphasis on planning, organizing, directing and controlling cannot be discarded. These technical competencies are critical components in ensuring the successful operations of a business. This study only argues that management within the Information Age must be supplemented by leadership as an additional dimension. “... management is a fundamental part of leadership. The skills of organizing, delegating and controlling resources need to complement leadership activity” (Charlton, 2000 p.111). As mentioned previously, global changes shifts the emphasis from the planning and control of strategy, assets, infrastructure to the empowerment of people and the unleashing of their knowledge potential. The discipline of management must therefore be complemented by the visionary and human aspects of leadership. “It is important to point out that the leadership/management debate is not an either/or. Both activities are necessary. However, if organizations do not have sufficient leaders in addition to managers, they will simply not survive ... Why? Because leadership is the central ingredient to the way progress is created and to the way organizations develop and survive in a changing environment” (Charlton, 1993 p.23).

The two paradigms – management and leadership – are different. However, they must both be developed and utilized if businesses are to be led in a visionary and holistic manner into an unpredictable future. “Too many of today’s organizations are overmanaged and underled ... the people at the top need to create a compelling, overarching vision. We are going to need leaders ... who have a dream, a mission, a strategic intent ... and who are able to impart it to the whole organization” (Bennis, in Gibson, 1998 p.155). Clearly, the rules of the business game have changed.

By describing the management paradigm of the Industrial Age and the leadership paradigm of the Information Age respectively, this section addressed the first two objectives of the study. In the next section, the third objective will be explored, this being which of the two paradigms are dominant within the organization being researched.

**THE DOMINANT PARADIGM IN THE TRANSPORT PARASTATAL**

With the first two objectives achieved, the study turns its focus to identifying the dominant management paradigm in the transport parastatal. The question to be asked is:

Is the dominant paradigm that of management assumptions and behavior typical of the Industrial Age, or are there signs that managers are transforming their paradigms into the leadership required for the Information Age?

The rest of the study will endeavor to answer this question.

**THE RESEARCH MODEL**

The leadership competence model of Bennis & Nanus (1985), emanating from comprehensive research involving ninety effective leaders in the USA, was used as a basis for this research study. Bennis & Nanus (1985) identified four common

observable criteria for effective leaders – vision, communication, trust and self-management. Charlton (1992; 2000) used the Bennis framework as a guideline for a research questionnaire administered to over 40 000 leaders across the political, business, organizational, sporting and religious spectrums in South Africa. The aim of this research was to identify critical competencies that distinguish excellent from average leaders. The results of this research confirm the validity of the Bennis & Nanus model. Charlton, however, identified an additional competence. The five leadership competencies as formulated by Charlton (2000 p.60) are:

- Capturing people’s attention through an inspiring vision of the future.
- Constantly *communicating* this vision in creative, understandable ways, which motivates people to go the extra mile and provides synergy and co-ordination of effort.
- Inspiring *trust* in the leader and what he/she is trying to accomplish – as well as the leader trusting other people to do what needs to be done.
- These are dependent on the leader’s ability to manage *him/herself*. This involves diagnosing inappropriate/ineffective actions and independently assuming responsibility and becoming a visible role model.
- Lastly, the leader needs to create an *empowering* environment where people are willing (intrinsically motivated), able (trained and confident) and allowed (given responsibility and authority) to learn and perform to their potential.

Therefore, the Bennis & Nanus model (1985), supplemented by the additional dimension discovered by Charlton (1992; 2000), serves as a reliable and relevant framework from which to assess leadership effectiveness.

This research study uses the five dimensions of leadership as identified by Charlton to determine what the dominant management/leadership paradigm within the transport parastatal is. The rationale is that positive scores on each of the five dimensions is evidence of a transition to the leadership paradigm, whilst negative scores on each of the five dimensions would indicate the prevalence of a management paradigm. What is important to mention at this point, is that the questionnaires used in this study were given to the ‘followers’ of the manager, and not to the actual manager him/herself. Charlton (2000 p.63) goes on to indicate in his study that some leaders rated themselves highly, whilst their followers rated them poorly – this illustrated that “*some leaders are out of touch with themselves and the people they serve – and that positional power is no guarantee of effectiveness ...*”. Also, it is important to note that self-assessment is often skewed due to a halo effect or biased notions. Having said this, according to Blank (1995 p.10), in the case of leadership, it is truly the perceptions and opinions of followers that matter most – they are the ones being led and in order to be led, they need to be willing followers.

Using the five dimensions of leadership as identified above, a questionnaire was developed to assess the perception of the presence of a leadership versus management paradigm amongst formal leaders in the organization. The questionnaire was completed by middle, senior and executive managers. Each respondent completed the questionnaire on the basis of how he/she perceived their direct manager in terms of the five leadership dimensions.

Over and above the respondents’ perception of the dominant paradigm of his/her direct manager, it was also deemed important to gauge their perceptions of the management paradigm within the organization as a whole. The rationale for this inclusion was the fact that although respondents may have a positive and empowering relationship with their direct manager, this may not necessarily be reflective of the general management paradigm within the entire organization.

Therefore, Section A of the questionnaire focused on the perceived dominant paradigm of the direct manager, whilst Section B focused on the perceived dominant paradigm across the entire organization.

## RESEARCH METHODOLOGY

The study is exploratory and descriptive in nature and has only one of three possible outcomes. These are that the current paradigms are either predominantly that of (1) management (Industrial Age) or (2) leadership (Information Age), or (3) that it is in a state of transition between the two.

The study is exploratory because the existing management paradigms within the transport parastatal have not previously been identified and described in either a formal or informal study or enquiry.

## THE QUESTIONNAIRE

This research study made use of a structured questionnaire as the data-gathering instrument for identifying the current dominant paradigm across the three levels of management in the parastatal – middle, senior and executive management.

The questionnaire was structured to address the five dimensions of leadership, as defined by Bennis & Nanus (1985), and supplemented by Charlton (1992; 2000). Therefore, the five dimensions of the questionnaire, as incorporated in Section A, were as follows:

- Dimension One : The Management of Attention (Vision)
- Dimension Two: The Management of Meaning (Communication)
- Dimension Three: The Management of Trust
- Dimension Four: The Management of Self (Personal Mastery)
- Dimension Five: The Management of the Empowerment of Others

Dimensions four and five – the Management of Self and the Empowerment of Others were combined into one section in the questionnaire. The rationale for this was based on the fact that both dimensions address intra-and interpersonal competencies.

Finally, the last dimension of the questionnaire, as incorporated in Section B, was:

- The General Perception of Management within the Transport Parastatal

In Section A – Relationship with Direct Manager – the questionnaire contained the following number of items per dimension:

- Section One: Management of Attention – 15 items
- Section Two: Management of Meaning - 4 items
- Section Three: Management of Trust – 27 items
- Section Four: Management of Self and Empowerment of Others – 21 items.

In Section B – General Perception of Management in the Organization – there were 26 items in total.

Respondents were given a range of statements that “unpacked” each of these dimensions in more detail (these statements are attached in the Annexure A) and they were then allowed a choice of responses on a Likert type scale for each item. This scale ranged from 0-4 and the detailed scale comprised the following:

- 0 – Not at All
- 1 – Once in a While
- 2 – Sometimes
- 3 – Fairly Often
- 4 – Frequently, if not always

**QUESTIONNAIRE RELIABILITY**

A Cronbach Alpha coefficient analysis was conducted to determine the reliability of each of the five dimensions of the questionnaire. Guilford & Fruchter (1978 p. 429) state that "... all internal consistency formulas that depend upon a single administration of a test, tend to underestimate the reliability of a test". However, a desirable reliability coefficient would usually fall in the range of 0.8 to 0.9 (Anastasi, 1976). The alpha coefficients obtained in this study are more than acceptable by this criterion, ranging between 0.86 and 0.97. The reliability coefficients are shown in Table 2.

**TABLE 2  
CRONBACH-ALPHA SCORES PER DIMENSION**

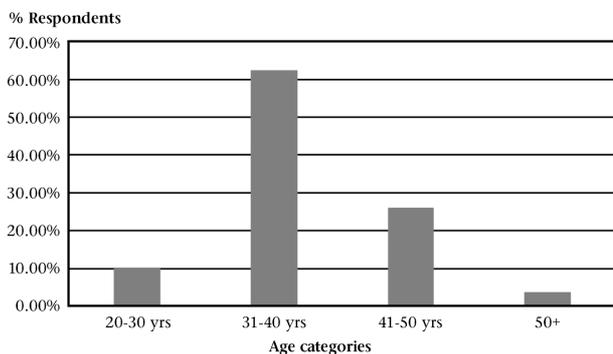
Section	Dimension	Cronbach-Alpha
A	Management of Attention	0.9718
	Management of Meaning	0.8734
	Management of Trust	0.9775
	Management of Self & Empowerment of Others	0.9741
B	General Perception of Management in Organisation	0.9103

This questionnaire can therefore be regarded as sufficiently reliable for use in this study.

**THE SAMPLE**

The respondents comprise a convenience sample as they were taken from a database of middle, senior and executive managers who were selected as high potential individuals within the organization and who are embarking upon management and leadership development initiatives. This group (as provided on the database) comprised a total of 130 managers. However, 62 of these managers submitted completed questionnaires upon conclusion of the research process. Therefore, the total sample size in this study constitutes 62 respondents representing the middle, senior and executive management levels within the organization.

In terms of age, 9.7% of respondents were between the ages of 20-30 years, 61.3% of respondents were 31-40 years, 25.8% were 41-50 years and 3.2% were over the age of 50 years. This is also shown in Figure 1.

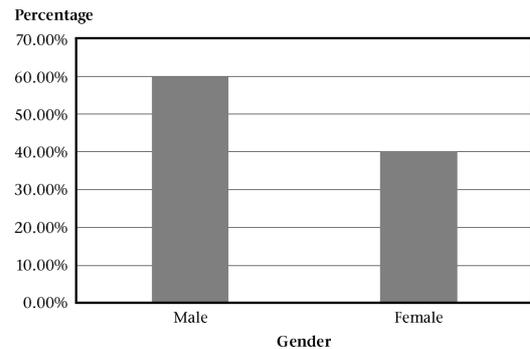


**Figure 1: Age Analysis of Sample**

In terms of the gender breakdown of the sample group, 37 respondents were male (59.7%) and 25 respondents were female (40.3%). This breakdown is reflected in Table 3 and Figure 2.

**TABLE 3  
GENDER ANALYSIS OF SAMPLE GROUP**

Gender	Number (n)	Percentage of Sample
Male	37	59.7%
Female	25	40.3%
Total Sample	62	100%

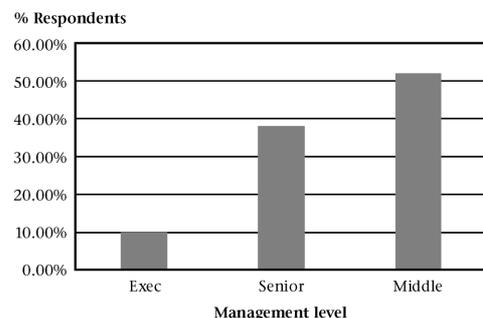


**Figure 2: Gender Analysis of Sample**

In terms of the management level of the sample group, 6 respondents (9.7%) were on executive management level, with 22 respondents (38.7%) on senior management level and 31 respondents (51.6%) on middle management level. This distribution is reflected in Table 4 and Figure 3.

**TABLE 4  
GRADING/MANAGEMENT LEVEL ANALYSIS OF SAMPLE GROUP**

Management Level	Number (n)	% of Sample
Executive Management	6	9.7%
Senior Management	22	38.7%
Middle Management	31	51.6%
Total Sample	59	59

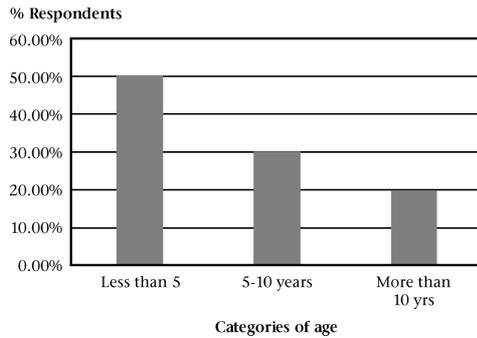


**Figure 3: Management Level Analysis of Sample**

The sample also contained a spread of respondents in terms of years of employment within the organization. This is shown in Table 5 and Figure 4.

**TABLE 5**  
**YEARS OF SERVICE OF SAMPLE**

Years of Service of Sample	Number (n)	Percentage
Less than 5 yrs	30	50%
5-10 yrs	18	30%
More than 10 yrs	12	20%



**Figure 4: Years of service of sample group**

*Note: The sample sizes (n) reported in tables 1-4 is based on the number of valid responses and is therefore not identical across all items. Furthermore, visual inspection of the sizes of sub-samples across the biographical items indicates that with the exception of gender, comparisons of sub-samples are not feasible due to the small number of respondents within such sub-samples.*

## RESEARCH RESULTS

The objective of this part of the study is to identify whether the organization being researched is perceived to have either a predominantly management or a leadership paradigm. As such, scores located in the Likert scale that range from 0 to 2 (lower scores) are regarded as indicating the dominance of a management paradigm. Scores that range from 3 to 4 (higher scores) on the Likert scale indicate the dominance of a leadership paradigm. The logic for this is that higher ratings for leadership dimensions indicate their presence, whilst lower ratings indicate their absence and therefore, a predominance of a management paradigm.

The research results indicate a definite and pronounced schism or conflict between Section A and Section B. The pattern in Section A indicated that the respondents generally perceive a leadership paradigm with their direct manager. The following table is a summary of the research results in each of the five dimensions of Section A.

**TABLE 6**  
**RESPONSES ACCORDING TO LIKERT SCALE**

Dimension	Percentage Response Scale 0-2	Percentage Response Scale 2.1-4	Total Percentage
Management of Attention	41.4%	55.9%	100%
Management of Meaning	40.3%	59.7%	100%
Management of Trust	30.3%	69.7%	100%
Management of Self & Empowerment of Others	41.4%	58.6%	100%
General Perception of Management in the Organization	70.9%	29.1%	100%

However, in Section B, a significant reversal of this paradigm was indicated and the scores reflect the perception that a management paradigm still dominates within the organization as whole.

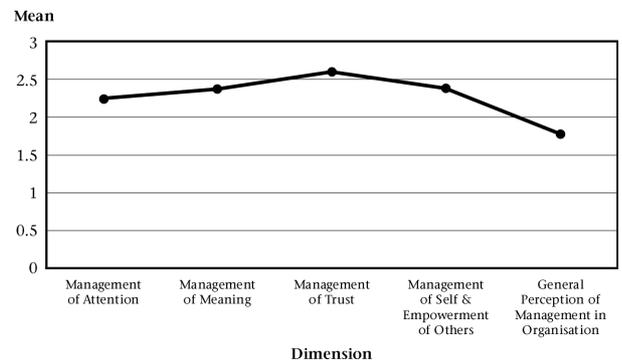
In order to explain this paradox it is necessary to delve more closely into the research results for each dimension.

## DIMENSION SCORES

To determine the dominant paradigm the means of the total scores per dimension for Section A of the questionnaire was calculated after reflection of item responses where the scale was inverted. These means are shown in the following table and chart.

**TABLE 7**  
**TOTAL MEAN CALCULATED PER DIMENSION**

Section	Dimension	Mean Score
A	Management of Attention	2.2595
	Management of Meaning	2.3934
	Management of Trust	2.5921
	Management of Self & Empowerment of Others	2.3943
B	General Perception of Management in Organization	1.7374



**Figure 5: Chart of Total Mean per Dimension**

To determine whether or not there are differences between various sub-groups of the sample, the means of the total scores for the dimensions of the questionnaire were also calculated. Specifically, the management level and years of service were used as categorization variables to construct these subsets. It needs to be kept in mind that these subsets are not sufficiently large to use statistical procedures to indicate the significance of possible differences between each subset. The differences are therefore reported on an interpretive level rather than on a statistical level.

From the data it is apparent that all three management levels exhibited the same pattern with regards to their scoring on each of the five dimensions. In all instances, there is a distinct decline in the mean scores for Section B of the questionnaire – General Perception of Management within the Organisation. It is also clear that successively higher levels of management show a higher perception of the presence of a leadership paradigm than lower levels of management.

**TABLE 8**  
**MEAN PER DIMENSION PER MANAGEMENT LEVEL**

Questionnaire Dimensions	Grading level	Mean
<b>Section A:</b>	Executive Management	2.8222
<b>Dimension One:</b>		
Management of Attention	Senior Management	2.0321
	Middle Management	2.3108
<b>Dimension Two:</b>	Executive Management	2.9167
Management of Meaning	Senior Management	2.2188
	Middle Management	2.4000
<b>Dimension Three:</b>	Executive Management	2.9977
Management of Trust	Senior Management	2.4082
	Middle Management	2.6235
<b>Dimension Four &amp; Five:</b>	Executive Management	2.8968
Management of Self and the Empowerment of Others	Senior Management	2.1456
	Middle Management	2.4694
<b>Section B:</b>	Executive Management	2.1173
General perception of Management in the Organisation	Senior Management	1.6029
	Middle Management	1.7725

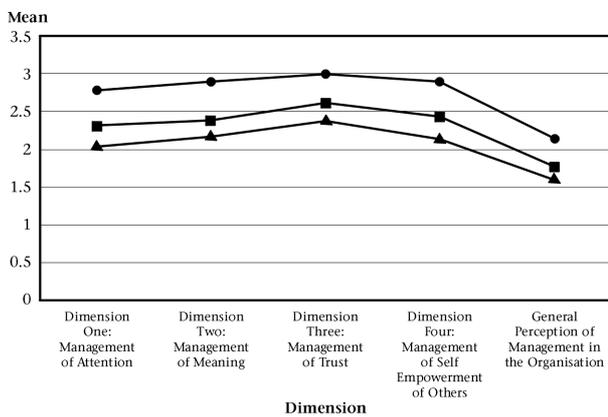


Figure 6: Mean per Dimension per Management Level

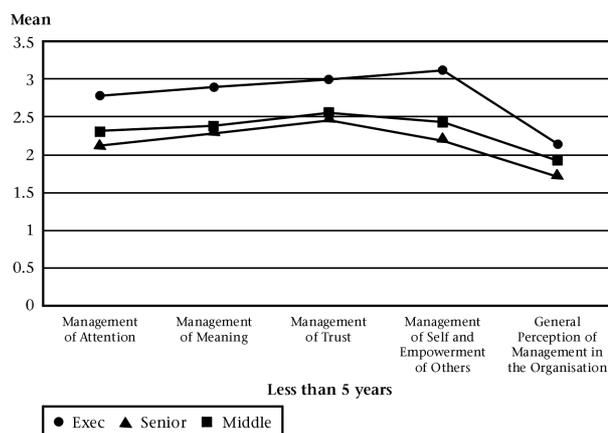


Figure 7: Mean per Dimension per Management Level – Less than Five Years of Service

For the analysis of years of service, the data indicates generally the same pattern. Executive Management displays a higher mean score for the five dimensions of leadership compared to the other two levels of management within the organization. This reinforces the deduction that successively higher levels of management show a higher perception of the presence of a leadership paradigm than the lower levels of management. An interesting pattern to note is that Senior Management perceives a more pronounced perception of a management paradigm than their Middle Management counterparts.

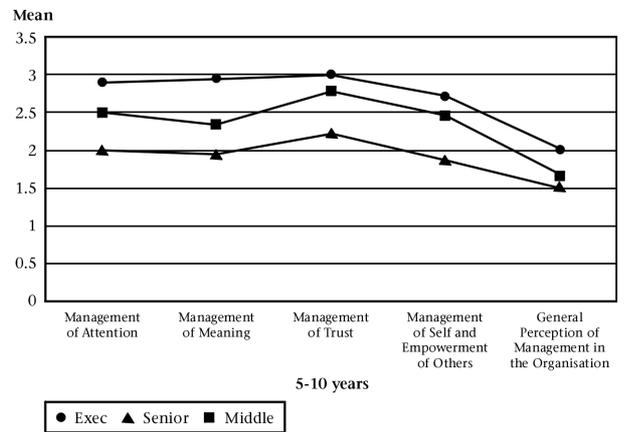


Figure 8: Mean per Dimension per Management Level – 5-10 Years of Service

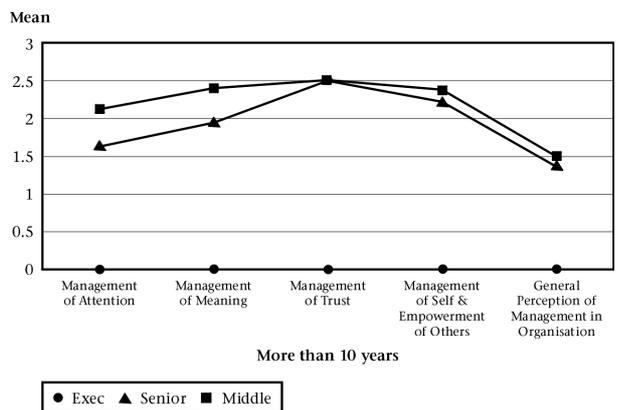


Figure 9: Mean per Dimension per Management Level – More than 10 Years of Service

In Figure 9, no respondents from the Executive Level have been employed in the organization for longer than 10 years.

## RESULTS

The following are the key results from the research conducted.

- Executive managers indicated higher mean scores over the five dimensions, illustrating their perception that a leadership paradigm exists within the organization. In comparison, the mean scores for the middle and senior management levels were lower. Senior management had the lowest mean scores of all three management levels indicating their perception of a management paradigm.
- The respondents' indicated lower mean scores per dimension the longer they remained in the organization. Respondents who have been employed in the organization for 5 years or less, had a more pronounced perception of a leadership paradigm than those respondents employed for 5-10 years and 10 years or more. Refer to Figure 7 in comparison to Figures 8 and 9.

## INTERPRETATION

Overall, the mean scores for all five dimensions fell into a category between 2.2 and 2.5 (Refer to Table 6). However, the question that arises from these results is whether this is enough given the level of transformation and innovation required within the parastatal environment, and the challenges of the Information Age. Although the results from the five dimensions indicate that there are signs of a transition from the management paradigm to a leadership paradigm, particularly in the direct manager/employee relationship, the overall pattern indicates

mean scores barely exceeding 2 on the scoring scale. Referring to the scoring scale of the questionnaire, this indicates that the critical leadership behaviors identified by Bennis & Nanus (1985) and supplemented by Charlton (1992; 2000), are only exhibited on a 'sometimes' or irregular basis (Annexure B contains a detailed analysis of scores achieved for each question within each of the five dimensions). In the Information Age, in which the leadership paradigm is essential for survival and growth, respondent answers should ideally have yielded a consistent mean score between 3 and 4 on the scoring scale. This would have indicated tangible evidence that a leadership paradigm exists within the organization on a frequent or consistent basis.

The significant contrast in the mean scores between Section A and B of the questionnaire needs to be examined in greater detail. Clearly, there is a disparity or paradox between the perceptions of direct managers versus perceptions of management within the organization as a whole. It can be argued that the perception of management within the organization as a whole may be grounded in the experiences of respondents over a longer period of time and across different business units within the parastatal. In a sense therefore, the negative scores from respondents may be a reflection of the past and not necessarily of the present or the future. Handy (in Gibson, 1998 p.24) says "... in order to recreate themselves for the future, organizations must be prepared to let go of the past. Otherwise they'll just get locked into their present curve and sooner or later they will come to an end. The trick is not to let go of the past all at once. You can't abandon the first curve until you have built the second one. So, for a time, the past and the future have to coexist in the present. And that's the pathway through the paradox". Therefore, with the paradox revealed between Section A and Section B of the questionnaire, the conflicting results between relationships with the direct manager and perceptions of management in the organization as whole may be a product of the 'edge of chaos'. Handy (in Gibson, 1998 p.27) elaborates as follows: "This is a term scientists use to describe times of great turbulence when new life is born out of the decaying of the old. When complexity and confusion gel into some kind of new order. And when you are at that place on the 'edge of chaos' there is great potential for creativity, but it's also by definition a very troubled, very difficult time and place".

The transport parastatal environment has implemented significant Affirmative Action initiatives at all levels of the organization over the last eight years. Affirmative action appointments were made at all three management levels. "A critical component of the organizations "balanced scorecard" is its support for black economic empowerment (BEE) and the transformation of the organization's workforce. These transformation targets have been supported by appropriate policies and by retention, recruitment and training strategies" (Annual Report , 2002 p.26).

**TABLE 9**  
**EMPLOYMENT EQUITY STATISTICS – 2002**

Management Level	% Targets
Black Managers – Executive	65%
Black Managers – Senior Management	50%
Black Managers – Middle Management	40%

Extracted from the organization's Annual Report; 2002 p. 48

This may be a key factor in understanding the positive executive management results and the fact that the years of service does not exceed the ten year period. At the middle management level, respondents are also more positive in their mean scores across all five dimensions, particularly if they have been in the

organization for less than five years. This may reflect the positive aspirations and perceptions of new black middle managers within the organization.

In defining the third objective of this study, namely to identify the dominant paradigm, it was stated that one of three possible outcomes are possible. The results would seem to indicate that although the leadership paradigm may not be as entrenched and established as may be considered ideal, there is a transition from a management towards a leadership paradigm.

**CONCLUDING REMARKS & RECOMMENDATIONS**

The transport parastatal is showing signs of letting go of the old and building the new. It is showing signs of incorporating the leadership paradigm into its management paradigm. It is showing signs of moving beyond the technical aspects of management traditionally used in the Industrial Age, to empowering people as a means to an end within the Information Age. This fundamental paradigm shift has been an objective of the organization and is confirmed in the Managing Director's 2001 Annual Report when he states "... the organization has embarked on the design of new structures, systems, job profiles and roles and managerial leadership style necessary to support the proposed future organization and culture" (2001 p.9). Specifically, during 2003 the organization has launched a series of Leadership Development programs at executive, senior and middle management level. The objective of this strategy is "to develop managers to become transformational leaders. The leadership competencies that are being addressed in these development programs are: providing direction; empowering – motivating people, developing and retaining talent; interpersonal and intrapersonal skills" (Extracted from the organization's Leadership Development Strategy document, 2003). These are all positive development steps in encouraging the transition from a management to a leadership paradigm. These are interventions that may nurture a tangible and pronounced leadership ethos so that future research within the same context will yield mean scores that range between 3 and 4 on the same scoring scale.

"... you can't walk into the future looking over your shoulder. You can't stumble backwards into the future. If you go into business and it has a display of its history, you should be worried. On the other hand, if you go into a business and it has a display of what the future might be, you should be excited" (Handy, in Gibson, 1998 p.32). As indicated by the research results, the leadership paradigm required to negotiate the Information Age is still in its fledgling stages within the transport parastatal. It is undeniable that the first signs of transformation from a management to a leadership paradigm are being revealed. It is imperative that this paradigm shift spreads through the entire organization in a definite and consistent manner, rather than infrequently in the relationships between employees and their direct managers. However, to paraphrase Handy's quote in conclusion, "it is a display of what the future might be ..." (in Gibson, 1998 p.32).

**RECOMMENDATIONS FOR SIMILAR FUTURE RESEARCH**

Similar research could possibly benefit by taking some or all of the following recommendations into account.

- A larger sample of respondents from all three levels of management would enable factor analyses in order to validate questionnaire construct validity.
- A larger sample would also enable a comparison between the various subsets in terms of significance of differences.
- It would be interesting to conduct this research across both the private and public sectors. This will yield results that will ascertain whether the private sector has, in fact, transformed towards a

comprehensive leadership paradigm, and whether it is indeed more innovative than the public sector due to its "open-system" interaction with the national and international environment.

- A longitudinal research study linking paradigm predominance to organisational performance could also provide results that would indicate whether transformation towards a pervasive leadership paradigm does yield superior performance results as compared to that of the management paradigm.

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