

LEADERSHIP IN THE CONTEXT OF SOCIAL IDENTITY DIFFERENCES



Social Identity Tension as a Leadership Challenge in two Organizations in South Africa: A Case Study

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Objectives: to explore ...



- The SA leadership context and challenges
- Leadership Processes & Actions
- Leadership Outcomes
- Understanding the changing social identities in South Africa



The South African Context: Social Identities in SA



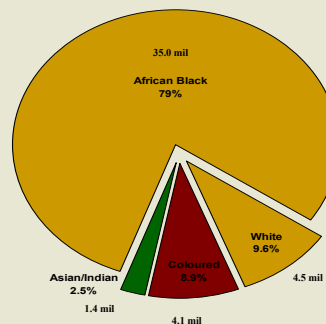
45 million people

53% females
47% male

31 cultures

8 religions
25 denominations

11 official languages



Present South Africa...



- income distribution still among the most **unequal in the world**
 - **total income** of Black majority out stripped the **total income of White minority** for the **first time** in history August, 2001
 - 8% of SA's population 20 years and older have higher education, 20% have grade 12, 18% have **no schooling**
 - **41% unemployment rate** - Huge **brain drain**, shortage of skilled workers, oversupply of unskilled workers. High levels of violent crime
 - 28%, **5.2 million** of population and **1 out of 4** pregnant women are **HIV infected**. In 1997, most adults died between the ages of 65 and 79 - in 2002 dying age is between 25 and 39
 - Ranked 44th on competitiveness out of 60 countries in the 2006 WCR
- We are a country with islands of first world in a sea of third world**

Power Shifts in South-Africa



After the 1st democratic elections in SA in 1994 - Political power immediately shifted to the Black people and economical, social and management power started to slowly shift towards the Blacks and disempowering the Whites, who previously had all the power.

ANC, predominantly black, 41% women, Madam Deputy President

Middle 90's whites owned and controlled 98% of the JSE, now whites own a little more than 50%

Still 68% white management, predominantly male - 51%

SA LAD Sample and Fault lines



- A total of 108 questionnaire respondents, 21 interviews (n = 129)
 - Insurance Division: 59 questionnaire respondents and 11 interviews (420)
 - NGO: 49 questionnaire respondents and 10 interviews (65)
- 22% response rate
- Fault lines in sample are representative of larger SA - distribution of the various social identity groups falls out cleanly by function and level with White males in top management, White females at the supervisory level, and Blacks almost exclusively in the administrative office.
 - These distributions are now beginning to shift, and will do so dramatically in the years to come.

Nature of Social Identity Conflict in SA



- Almost all the social identity conflict events and discussions are focused along race lines.
- The most salient social identity issues are between Whites and African Blacks.

"Historically we have been a White organization. After 1995, when I joined, I still was not allowed to speak to the clients who were mostly White... for those people our managers who have been here for 15 years you know that is how they were brought up, how they started working what the rules say, they can't like just change overnight just because you've got a Black president.

Nature of Social Identity Conflict in SA



- The Coloured and Indian groups are left in the middle, as third identities.

"Us coloureds, were previously not white enough now we are not black enough."

"When it was white government of course it was seen that Indians were favoured because they weren't too black, and now that it's black government we are still not being favoured. If I apply for a position in affirmative action, I am not going to get it, because I am not black."

Nature of Social Identity Conflict in SA cont ...



- Language conflicts fall out along racial lines.
- Although gender discrimination is seen as a serious issue, it is a background issue and religious and immigrant aspects are non-issues.
- The research illustrates and confirms the evolving nature of cultural identities in times of change.
 - Shifting balance of power seems to be ever present in the inter-group interactions which impacts on social-identity conflict.
 - Ambiguous situations are interpreted differently depending on the level to which the person was previously advantaged or disadvantaged or feel themselves currently advantaged or disadvantaged.

The spill over effect of social identity shifts in the workplace



All groups are in transition and adapting to new evolving social identities and belonging

The power shifts are not played out yet, that causes social identity conflict, uncertainty and high levels of anxiety

Leaders need to simultaneously balance multiple different realities and conflicting pulls

The power of the previously non-dominant Blacks

Even though the blacks have the power in the supra-system, they do not yet, have the power in the organization itself.

The spill over effect of social identity changes in the workplace cont ...



The still dominant Whites – However, whites especially, white males are experiencing high levels of social identity anxiety, due to their loss of power

- **“No job security for white males - younger white males, who are not established in a career yet, feel much more insecure because of quotas”**

... and coming to terms with their minority status

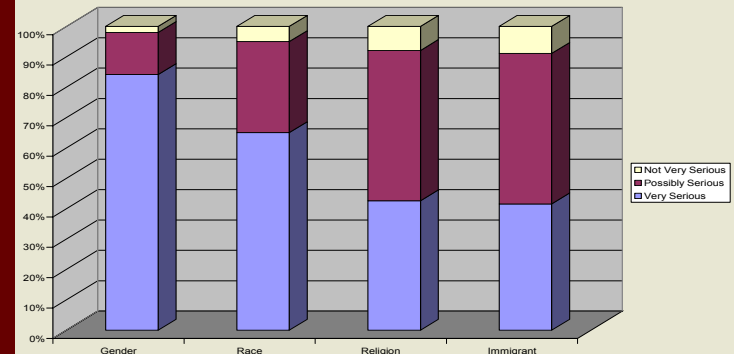
- **“The thing I've found as a white male you first got to prove yourself, they won't just accept you, the other groups, you first have to prove yourself - and once you've done that then you know they'll accept you.”**

In addition, the more experienced whites need to train and mentor the less experienced blacks - Managing in a paradoxical society

This Action Could Become Serious for the Organization

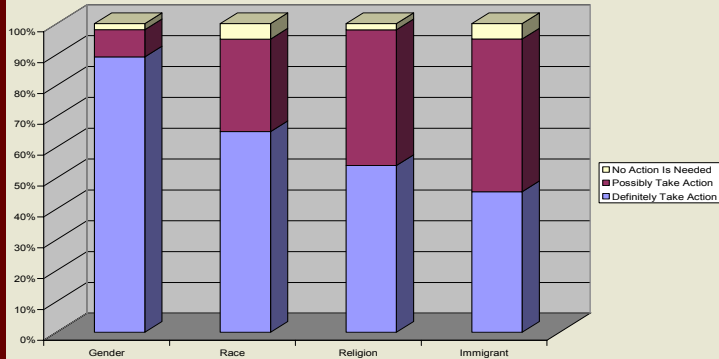


Potential seriousness of incident depicted in scenario



Should Action Be Taken?

Need for action to be taken



The 5 Most helpful actions

- Make sure that all supervisors and managers are treating all groups with respect on a daily basis.
- Develop policies and procedures to insure that all group members are treated equally.
- Call a meeting of the parties involved to get the facts.
- Develop a comprehensive program of policies, practices, and training for preventing these types of situations in the organization.
- Conduct an investigation to identify those who created the tension.

The 5 Most harmful actions

- Discourage people from expressing dissatisfaction with the situation.
- Stop hiring so many non-dominant group members.
- Redesign the work so that groups in conflict will no longer have to interact with one another.
- Encourage anyone who is bothered by the situation to transfer to another part of the organization.
- Let the situation play itself out do nothing.

Who should take action?

- The individuals directly involved in the situation
- Immediate supervisor(s)
- Human resources
- Senior Executives
- The (dominant group members) in the department
- The (non-dominant group members) in the department

Who should not take action?



- A lawyer, legal office, or legal counsel
- Respected community leaders
- A respected religious leader
- An advocacy group
- The government

Individual informal leadership strategies



- **Segregation** is used as a strategy - a self-protective response in relationship to oppression. Segregation was used by especially the Blacks as a defence mechanism in some of the social identity conflict situations described. It was self-protection in a society where it's not necessary anymore, but it is necessary in the organization
- **Increased contact** are also employed in both groups as strategy to deal with conflict through improved understanding and possible synergies
- **Humor** is used as informal individual leadership strategy to diffuse conflict

Organizational and Individual Formal Leadership processes and actions



- Treating everyone with respect on a daily basis was rated first, development of policies second and conducting and investigation to identify sources of tension fourth.
- All the relevant Policies and formal procedures for good employee relations are in place
- Policies and procedures sometimes used and followed on an individual level
- However, there seems to be a disconnect between policies and implementation on an organizational level, since guiding organizational elements are driven and mandated by law rather than internally constructed.

Organizational Formal Leadership Processes and Actions



- **“Doing Nothing”** in SI conflict situations is the preferred actual action on a formal leadership level - which is actually rated as the most harmful action
- Seems that this abdication of leadership is rather due to a lack of understanding how to deal with SI Conflict, than an unwillingness
- South African leaders probably feel overwhelmed and do not have strategies yet how to deal with the high levels of social identity anxiety and conflict
- Even on HR level very low level of involvement

Conclusion: Leadership outcomes



- **Relative lack of direction** and shared understanding which results in a negative climate
- **Relative lack of alignment** of policy implementation which results in inefficiencies, perceived favoritism and fragmentation
- **Relative lack of commitment** – results in mistrust, demotivation and disengagement.

As one white male insightfully claimed: “*We are asking turkeys to vote for Christmas*”